



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

3.21.3

OCTOBER 29, 2025

## EFFECTIVE DATE

(01-01-2026)

## PURPOSE

- (1) This transmits revised IRM 3.21.3, International Returns and Documents Analysis - Individual Income Tax Returns.

## MATERIAL CHANGES

- (1) IRM 3.21.3.1.3 - Updated subsection title.
- (2) IRM 3.21.3.1.4 - Updated subsection title.
- (3) IRM 3.21.3.1.5 - Updated subsection title.
- (4) IRM 3.21.3.3.1 -
  - (3) - 1st row, Then column, changed box 24 to 22. IPU 25U0053 issued 01-14-2025.
  - Added (4) containing instructions if Form 1042-S is attached to Form 1040-NR.
- (5) IRM 3.21.3.3.4(7) - Removed language that is not applicable.
- (6) IRM 3.21.3.3.5 - Updated definitions.
- (7) IRM 3.21.3.4(3) - For program 46180, changed designation from prior year to current year. For program 46182, changed designation from current year to prior year. IPU 25U0053 issued 0-14-2025.
- (8) IRM 3.21.3.5.4(4) - Added "of the return" to the Received Date in the 1st bullet. IPU 25U0431 issued 04-08-2025.
- (9) IRM 3.21.3.6.2(6) - Reorganized the sentence and added a Note. IPU 25U0411 issued 03-31-2025.
- (10) IRM 3.21.3.6.5(2) - Table, Row 1, 2nd bullet, added Notation of "Form 2555". IPU 25U0398 issued 03-20-2025.
- (11) IRM 3.21.3.7.2(11) - Updated transcribed forms and schedules.
- (12) IRM 3.21.3.7.4(5) -
  - d) - **Form 1040-PR** line 7 changed to line 6. IPU 25U0053 issued 01-14-2025.
  - e) - **Form 1040-SS** line 6 changed to line 7. IPU 25U0053 issued 01-14-2025.
- (13) IRM 3.21.3.7.7(2) - Updated Computer Condition Code (CCC) editing locations.
- (14) IRM 3.21.3.7.8(2) -
  - Updated Form Processing Code location for Form 1040 and Form 1040-NR per new form revisions.
  - Added Note for prior year editing.
- (15) IRM 3.21.3.7.9 - Updated Return Processing Code definition.
- (16) IRM 3.21.3.8 -

- (2) - Updated Received Date Locations.
  - (3) - Deleted **if required**. IPU 25U0053 issued 01-14-2025.
  - (9) - Added Enterprise Electronic Fax (EEFax) information.
- (17) IRM 3.21.3.8.2 -
- (1) Note - Changed the phone number in the Note. IPU 25U0197 issued 02-10-2025.
  - (1) Note - Corrected International Phone Number per feedback from Disaster Program Office.
- (18) IRM 3.21.3.8.4(3) - 1st row, changed date from “061725” to “061625” in both columns. IPU 25U0053 issued 01-14-2025.
- (19) IRM 3.21.3.9 -
- (1) - Deleted Reminder. Dependency Status Indicator (DSI) is no longer a T-Line.
  - (3) - Corrected number of Form 1040-SS pages.
- (20) IRM 3.21.3.9.1 -
- (11) - Deleted the rest of the sentence after the comma referring to the **other** box. IPU 25U0197 issued 02-10-2025.
  - (13) - Replaced reference to local procedures with specific instructions.
- (21) IRM 3.21.3.9.1.1(9) - Added a Caution to not separate/detach Form 1040 when it’s for the same year as Form 1040-X.
- (22) IRM 3.21.3.10(1) - Added a “Note” about which boxes to mark when using Form 9143. IPU 25U0431 issued 04-08-2025.
- (23) IRM 3.21.3.12.4(1) - Added Note to edit U.S. Territory addresses the same way as domestic addresses.
- (24) IRM 3.21.3.12.4.1 -
- (1)d - Added Reminder to edit U.S. Territory addresses the same was as domestic addresses.
  - (3)
    - a)Caution - Changed **any** to **all**. IPU 25U0053 issued 01-14-2025.
    - a)Caution - Changed **or** to **and**. IPU 25U0273 issued 02-26-2025.
- (25) IRM 3.21.3.12.6(3) - Changed “no” to if all the following are missing. IPU 25U0197 issued 02-10-2025.
- (26) IRM 3.21.3.15(2) - Added information regarding new non-transcribed checkboxes.
- (27) IRM 3.21.3.15.1.20 - Added subsection for new line 13b.
- (28) IRM 3.21.3.15.1.29 -
- (2) - Added Form W-2 GU to Guam and Form W-2 CM to CNMI. IPU 25U0398 issued 03-20-2025.
  - (5) - Deleted the last row of the table. IPU 25U0053 issued 01-14-2025.
  - (8)a) - Reworded Exception. IPU 25U04031 issued 04-08-2025.
  - (14)a) - Deleted Note that is no longer relevant to ongoing processing.
- (29) IRM 3.21.3.15.1.32(5) - Revised the instructions. IPU 25U0398 issued 03-20-2025.
- (30) IRM 3.21.3.15.1.34 - Added subsection for new line 30.

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- (31) IRM 3.21.3.16.4(2) -
- Added a Reminder and a Note after the table. IPU 25U0411 issued 03-31-2025.
  - Added Notes regarding Chile and Hungary.
- (32) IRM 3.21.3.16.7(2) - Added Reminder regarding exempt countries and Notes regarding Chile and Hungary.
- (33) IRM 3.21.3.16.9(1) -
- Added tax year clarification for Form 1099-NEC and Form 1099-MISC tax years in If/Then, row 13 and 14.
  - Added Notes regarding Chile and Hungary to row 14.
- (34) IRM 3.21.3.16.16(1) - Added Note with instruction when not to correspond.
- (35) IRM 3.21.3.17 - Added subsection for new Schedule 1-A.
- (36) IRM 3.21.3.18(3) - Updated Schedule 2 T-Lines.
- (37) IRM 3.21.3.19.7.2 - Added subsection for Schedule 3, line 6g.
- (38) IRM 3.21.3.19.7.3(1) - Updated correspondence instructions.
- (39) IRM 3.21.3.18.14 - Deleted Reserved Schedule 3, line 13b subsection.
- (40) IRM 3.21.3.19.15 -
- (1) - Deleted the 1st row from the table for **Form 8689**. IPU 25U0053 issued 01-14-2025.
  - (2) - Added FPC “**F**” instructions.
- (41) IRM 3.21.3.23 -
- (1) - Added PAL indicator to T-Lines.
  - (2) c) - Added a Note about multiple Schedules C. IPU 25U0431 issued 04-08-2025.
- (42) IRM 3.21.3.27(1) - Updated Schedule F T-Lines.
- (43) IRM 3.21.3.38(1) - Updated Form 5329 T-Lines.
- (44) IRM 3.21.3.42.2 (2) - 2nd bullet, corrected the punctuation in the sentence. IPU 25U0398 issued 03-20-2025.
- (45) IRM 3.21.3.42.5 -
- (1) - Added waiver countries for TY24. IPU 25U0355 issued 03-13-2025.
  - (1) - Added a Note after the table. IPU 25U0398 issued 03-20-2025.
  - (1) - Moved waiver countries for TY24 to prior year.
  - (8) - Row 6, added a Note to the last column. IPU 25U0431 issued 04-08-2025.
- (46) IRM 3.21.3.45 - Updated Form 8839 T-Lines.
- (47) IRM 3.21.3.47(1) - Updated Form 8814 T-Lines.
- (48) IRM 3.21.3.50(1) - Updated Schedule 8812 T-Lines.
- (49) IRM 3.21.3.58 - Moved Form 5405 to prior year subsection 3.21.3.87.12.
- (50) IRM 3.21.3.65 - Moved Form 8910 to prior year subsection 3.21.3.87.13.

- (51) IRM 3.21.3.65.1 - Revised (1) and deleted (2) and the Note. IPU 25U0398 issued 03-20-2025.
- (52) IRM 3.21.3.65.2(1) -
- Added 2 new rows to the table for .20 and .75. IPU 25U0053 issued 01-14-2025.
  - Added 2 new rows to the table. IPU 25U0197 issued 02-10-2025.
- (53) IRM 3.21.3.70(1) - Updated Form 5695 T-Lines.
- (54) IRM 3.21.3.75(1) - Updated Form 4136 T-Lines.
- (55) IRM 3.21.3.79.1.1(1) - b), Added “and Form 4227”. IPU 25U0053 issued 0-14-2025.
- (56) IRM 3.21.3.79.1.2
- (1) - Caution, Added “Schedule 3, line 13z or on”. IPU 25U0053 issued 01-14-2025.
  - (2) - Added “Schedule 3, line 13z or on”. IPU 25U0053 01-14-2025.
  - (3) - Added “Schedule 3, line 13z or”. IPU 25U0053 issued 01-14-2025.
- (57) IRM 3.21.3.80.1.1(1) - b), Added “and Form 4227”. IPU 25U0053 issued 01-14-2025.
- (58) IRM 3.21.3.80.2 -
- (4) - In the Reminder, changed itemized to standard. IPU 25U0197 issued 02-10-2025.
  - (5) - Added paragraph and instructions when **NOT** to correspond for Schedule A.
  - (7) - Deleted c) to “Edit the SSN”. IPU 25U0431 issued 04-08-2025.
- (59) IRM 3.21.3.81 -
- (1) - Added a second sentence. IPU 25U0398 issued 03-20-2025.
  - (4) - Added paragraph regarding non-transcribed checkboxes.
  - (7) - Changed paragraph reference from 11 to 14. IPU 25U0411 issued 03-31-2025.
- (60) IRM 3.21.3.81.1 -
- (1) -  
Added Line 10 to the T-Line column. IPU 25U0053 issued 01-14-2025.  
Added second sentence to state that the line numbers are for current year. IPU 25U0197 issued 02-10-2025.  
Added Line 6. IPU 25U0197 issued 02-10-2025.  
Deleted Line 11a. IPU 25U0197 issued 02-10-2025.  
Line 11b, added TY24 and deleted TY21, TY22 and TY 23. IPU 25U0197 issued 02-10-2025.  
Deleted dotted portion of Line 12. IPU 25U0197 issued 02-10-2025.  
Deleted 2nd sentence. IPU 25U0398 issued 03-20-2025.  
Updated Page 1 T and T Compute Lines per new form revision.
  - (2) - Updated Page 2 T and T Compute Lines.
  - (3) - Added table for Page 3 T and T Compute Lines.
- (61) IRM 3.21.3.81.3.2(3) -
- Changed TY23 to TY 24. IPU 25U0053 issued 01-14-2025.
  - Changed TY24 to TY23. IPU 25U0197 issued 02-10-2025.
  - Updated Dependent editing procedures.
- (62) IRM 3.21.3.81.3.2.1 - Updated Dependent editing procedures.
- (63) IRM 3.21.3.81.3.2.3 - Updated Child Tax Credit Indicator editing.



- (64) IRM 3.21.3.81.3.2.4 - Added subsection for Form 1040-SS Dependent Relationship Code.
- (65) IRM 3.21.3.81.3.3(3) -
- Exception, changed line 6 to line 7. IPU 25U0053 issued 01-14-225.
  - Exception, changed line 7 to line 6. IPU 25U0197 issued 02-10-2025.
- (66) IRM 3.21.3.81.3.6 -
- Added a new subsection for Line 6. IPU 25U0197 issued 02-10-2025.
  - Updated instructions per new form revision. IPU 25U0398 issued 03-20-2025.
- (67) IRM 3.21.3.81.3.7 - Added subsection for line 6 TY24.
- (68) IRM 3.21.3.81.3.8 - Added subsection for Line 6e, Total Tax.
- (69) IRM 3.21.3.81.3.11 - Swapped Line 9 and Line 11b instructions based on form change.
- (70) IRM 3.21.3.81.3.13 - Added a new subsection for **Credit for Qualified Sick and Family Leave Wages from Schedule(s) H for Leave Taken Before April 1, 2021 (TY23 Line 11a)**. IPU 25U0197 issued 02-10-2025.
- (71) IRM 3.21.3.81.3.14 - Added a new subsection for **Credit for Qualified Sick and Family Leave Wages from Schedule(s) H for Leave Taken Before April 1, 2021 (TY23 Line 11b)**. IPU 25U0197 issued 02-10-2025.
- (72) IRM 3.21.3.81.3.15(1) - Added “a” to line 11. IPU 25U0053 issued 01-14-2025.
- (73) IRM 3.21.3.81.3.16 -
- Added **Line 11b** to the title. IPU 25U0053 issued 01-14-2025.
  - Swapped Line 9 and Line 11b instructions based on form change.
- (74) IRM 3.21.3.81.3.21(1) - Changed line 6 to line 7. IPU 25U0431 issued 04-08-2025.
- (75) IRM 3.21.3.83(6) - Added FPC “F” instructions.
- (76) IRM 3.21.3.83.3 - Added title.
- (77) IRM 3.21.3.83.12(2) - Notes, changed “SPBs” to “SBPs”. IPU 25U0053 issued 01-14-2025.
- (78) IRM 3.21.3.84.2(3) -
- Deleted Line 10c and Line 12b. IPU 25U0197 issued 02-10-2025.
  - Updated Form 1040-NR T-Lines.
- (79) IRM 3.21.3.84.7.2 - Added subsection for Form 1040-NR Dependent Relationship Code.
- (80) IRM 3.21.3.84.8.14 - Updated per new Form 1040-NR revision.
- (81) IRM 3.21.3.84.13.3 -
- (1) - Added partially masked (e.g. XXX-XX-1234). IPU 25U0053 issued 01-14-2025.
  - (2) - Revised the instructions. IPU 25U0053 issued 01-14-2025.
  - Added a new (2) and deleted (3). IPU 25U0197 issued 02-10-2025.
  - (2) - Added Exception.
- (82) IRM 3.21.3.84.13.8(1) -

- Revised wording. IPU 25U0398 issued 03-20-2025.
- Added CTC checkbox. IPU 25U0411 issued 03-31-2025.

Changed the wording from “at least 3” to “there are”. IPU 25U0411 issued 03-31-2025.

- (83) IRM 3.21.3.84.19.4(1) - Updated Exception.
- (84) IRM 3.21.3.84.20.2(1) - Note, corrected 6521 to 6251. IPU 25U0053 issued 01-14-2025.
- (85) IRM 3.21.3.84.21.16(2) - Table, deleted the 1st row. IPU 25U0053 issued 01-14-2025.
- (86) IRM 3.21.3.84.22.7(1) - 5th bullet, 2nd Note - Added “Do not adjust line 8”. IPU 25U0431 issued 04-08-2025.
- (87) IRM 3.21.3.85.3 -
- (1) - Reworded the first sentence. IPU 25U0431 issued 04-08-2025.
  - (3) - 2nd bullet/3rd bullet, added even if the taxpayer indicates present in the U.S. for 0 days. IPU 25U0053 issued 01-14-2025.
  - (3) - Changed “reviewed” to “received”. IPU 25U0197 issued 02-10-2025.
  - (4) - Added “Form 8854” is not attached. IPU 25U0053 issued 01-14-2025.
- (88) IRM 3.21.3.85.4(12) -
- Revised the instruction. IPU 25U0053 issued 01-14-2025.
  - Added “Form 1040-NR” after line 23a. IPU 25U0197 issued 02-10-2025.
- (89) IRM 3.21.3.85.5(7)b) - Changed “All” to “Multiple” in the last 2 rows of the table. IPU 25U0411 issued 03-31-2025.
- (90) IRM 3.21.3.86.12.2.3(3) -
- Added, (TY22 and prior and Schedule SE for TY23). IPU 25U0053 issued 01-14-2025.
  - Deleted TY22 and prior and Schedule SE for TY23, and changed Schedule SE to Part V. IPU 25U0197 issued 02-10-2025.
  - Exception, changed line 7 to line 6. IPU 25U0197 issued 02-10-2025.
  - Deleted (TY22 and prior and Schedule SE for TY23) and changed Schedule SE to Part V at the end of the sentence. IPU 25U0398 issued 03-20-2025.
- (91) IRM 3.21.3.86.3(3) - Added a Note to (3)b. IPU 25U0197 issued 02-10-2025.
- (92) IRM 3.21.3.86.7.4 - Deleted (1). Added A Note to (1) and (2). IPU 25U0053 issued 01-14-2025.
- (93) IRM 3.21.3.86.7.6(1) - Deleted the 1st bullet. IPU 25U0053 issued 01-14-2025.
- (94) IRM 3.21.3.86.10 - Added subsection for Prior Year Form 3800 instructions.
- (95) IRM 3.21.3.86.11 -
- (1) - Added TY24 amount.
  - (3) - Added waiver countries for TY23 to the prior year section. IPU 25U0355 issued 03-13-2025.
  - Deleted (3) for it being a duplicate of (4). IPU 25U0431 issued 04-08-2025.
- (96) IRM 3.21.3.86.13 - Added subsection for Form 5405.
- (97) IRM 3.21.3.86.14 - Added subsection for Form 8910.
- (98) IRM 3.21.3.86.15 -

- (1) - Added the IRM reference for TY23 or later. IPU 25U0197 issued 02-10-2025.
  - (6) - Changed paragraph 11 to 14. IPU 25U0053 issued 01-14-2025.
  - (8) - Added “sent/enviado”, “accepted/aceptado”.
- (99) IRM 3.21.3.86.15.2.2 -
- (3)b) - Changed line 10 to line 9. IPU 25U0197 issued 02-10-2025.
  - (3)c) - Added “even if blank” after Part II. IPU 25U0197 issued 02-10-2025.
  - (4)b) -  
Changed line 9 to line 10. IPU 25U0053 issued 01-14-2025.  
Changed line 10 to line 9. IPU 25U0197 issued 02-10-2025.
  - (4)c) - Added “even if blank” after Part II. IPU 25U0197 issued 02-10-2025.
- (100) IRM 3.21.3.86.15.2.11(1) - Changed “TY23” to “TY22”. IPU 25U0197 issued 02-10-2025.
- (101) IRM 3.21.3.86.15.2.12(1) - Changed “TY23” to “TY22”. IPU 25U0197 issued 02-10-2025.
- (102) IRM 3.21.3.86.15.6.1 - Added new (4) with instructions to correspond. IPU 25U0053 issued 01-14-2025.
- (103) IRM 3.21.3.86.15.6.9(1) - Added “Form 1040-PR”. IPU 25U0197 issued 02-10-2025.
- (104) IRM 3.21.3.86.16.4 - Added prior year instructions to **X** dependents.
- (105) IRM 3.21.3.86.16.6 -
- (2)b) - Updated verbiage.
  - (4) - Added a Note for an amount on line 10c. IPU 25U0398 issued 03-20-2025.
- (106) IRM 3.21.3.86.16.8 -
- (3) - Table, Revised row 1 and row 2 “And” and “Then” columns. Added new row 3. IPU 25U0398 issued 03-20-2025.
  - (13) - Table, 2nd bullet changed yo to you. IPU 25U0053 issued 01-14-2025.
- (107) IRM 3.21.3.86.16.12 - Deleted (2). IPU 25U0053 issued 01-14-2025.
- (108) IRM 3.21.3.86.17 -
- (2) - a/b), deleted “Schedule 1 through Schedule 3 or”. IPU 25U0053 issued 01-14-2025.
  - (4) -Table, Line 8 Changed the Covert By/To: from Line 10c to Schedule 1, line 8r. IPU 25U0398 issued 03-20-2025.
- (109) IRM 3.21.3.86.10 - Added subsection for prior year Form 3800.
- (110) IRM 3.21.3.86.16.22(2) - Added Chile to the table and added Notes regarding Chile, Hungary and Russia.
- (111) Exhibit 3.21.3-1 -
- Form 13844, updated the “Action” requirements from “KSPC” to “FSC”. IPU 25U0298 issued 03-03-2025.
  - Attachment Guide, made changes to the following Form/Documents: IPU 25U0398 issued 03-20-2025.  
LTR 4087C  
Form W-7A  
Form 2848  
Form 3520-A

Form 4506 and Form 4506-T

Form 5495

Form 5564

Form 7004

Form 8316

Form 8379

Form 8611

Form 8621

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Form 8854

Form 8862/8862(SP)

Form 8898

Deleted Form 2031

Form 3911 - Added No and changed the Action Required for **Yes** and “No”.

- Updated routing instructions for Form 3911 and Form 5564. Added instructions for Form 5564-A. IPU 25U3591 issued 09-08-2025.
- Added Form 1040-NR Schedule P.
- Added Form 1062.

(112) Exhibit 3.21.3-2 - Where Income is Reported, changed Page 1 to Form 1040-NR for Rows 04 - 09, 15 - 16, 18 - 22, 24, 33 - 38, 42-43, 51 - 54, 56. IPU 25U0431 issued 04-08-2025.

- Row 31 - Revised the title.
- Row 41 - Changed “Guaranteed” to “Guarantee”.
- Row 51 - Changed “of” to “on”.
- Row 56 - Added, or “Schedule NEC, line 1c”.
- Row 57 - Changed Schedule 1, line 5 to Form 1040-NR, line 3b.
- Row 58 - Changed Schedule 1, line 5 to Schedule 1, line 8z.

(113) Exhibit 3.21.3-3 -

- Added RPC P.
- Added RPC W.
- Added Notes for Chile and Hungary to RPC “**S**”.

(114) Revised the Internal Revenue Manual (IRM), where necessary for the following types of editorial changes:

- Changed “Possession” to “Territory” per IRS Publication 570.
- Plain language and editorial updates to improve readability.
- Dates, tax period and years.
- Defined income to include foreign and U.S. income.
- Updated line numbers per new form revisions.
- Updated IRM throughout to reflect current processing.
- Updated links.

## EFFECT ON OTHER DOCUMENTS

IRM 3.21.3, dated October 30, 2024 (effective January 1, 2025), is superseded. This IRM incorporates the following IRM Procedural Updates (IPUs), issued January 14, 2025 through April 8, 2025: 25U0053, 25U0197, 25U0273, 25U0298, 25U0355, 25U0398, 25U0411, 25U0431.

**AUDIENCE**

Taxpayer Services, Code and Edit Tax Examiners

Scott Wallace  
Director, Submission Processing  
Taxpayer Services



3.21.3

Individual Income Tax Returns

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3.21.3.1  
(10-30-2024)  
**Program Scope and Objectives**

- (1) **Purpose:** The Document Perfection Operation, Code & Edit unit, prepares paper returns for processing by reviewing and editing the documents with specialized processing codes for use downstream. This Internal Revenue Manual (IRM) provides instructions for coding and editing international individual income tax returns for transcription and validation. IRM 3.11.3, Individual Income Tax Returns, must be used for **ALL** International returns. When specific international processing instructions are not provided in IRM 3.21.3, tax examiners will use the general processing instructions in IRM 3.11.3.
- (2) **Audience:** Tax examiners in the Taxpayer Services Division (TS), Austin Service Center, Code & Edit Units are the primary users of this IRM.
- (3) **Policy Owner:** The Director of Submission Processing is responsible for the policies in this IRM.
- (4) **Program Owner:** The Code & Edit/ERS IMF Section of the Return Processing Branch of Submission Processing is responsible for the procedures and all updates related to this IRM.
- (5) **Primary Stakeholders:** Submission Processing (SP).
- (6) **Program Goals:** To timely review and edit all returns received in Code & Edit (C&E).

3.21.3.1.1  
(10-30-2024)  
**Background**

- (1) This section of the Internal Revenue Manual (IRM) provides instructions for coding and editing individual income tax returns for transcription and validation. Special codes are used to perform specific functions. Editing is necessary because many returns are incomplete, contain invalid or misplaced entries, or are computed incorrectly.
- (2) This IRM contains instructions for processing international returns using the following form types:
  - Form 1040, U.S. Individual Income Tax Return
  - Form 1040 (sp), Declaración de Impuestos de los Estados Unidos Sobre los Ingresos Personales
  - Form 1040-SR, U.S. Tax Return for Seniors
  - Form 1040-SR (sp), Declaración de Impuestos de los Estados Unidos para Personas de 65 Años de Edad o Más
  - Form 1040-A, U.S. Individual Income Tax Return (TY17 and prior)
  - Form 1040-EZ, Income Tax Return for Single and Joint Filers with No Dependents (TY17 and prior)
  - Form 1040-NR, U.S. Nonresident Alien Income Tax Return
  - Form 1040-NR (sp), Declaración de Impuestos sobre los Ingresos de Extranjeros No Residentes de los Estados Unidos
  - Form 1040-NR-EZ, U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents (TY19 and prior)
  - Form 1040-SS, U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)
  - Form 1040-SS (sp), Declaración de Impuestos Federal sobre el Trabajo por Cuenta Propia (Incluyendo el Crédito Tributario Adicional por Hijos para Residentes Bona Fide de Puerto Rico)
  - Form 1040-PR, Declaración de Impuestos Federal sobre el Trabajo por Cuenta Propia (Incluyendo el Crédito Tributario Adicional por Hijos para Residentes Bona Fide de Puerto Rico) (TY22 and prior)
  - Supporting forms and schedules for the forms listed above

## 3.21 International Returns and Documents Analysis

**Reminder:** IRM 3.11.3, Individual Income Tax Returns, must be used to process returns when specific instructions are not provided in this IRM.

3.21.3.1.2  
(01-01-2021)

### Authority

- (1) Authority for these procedures is found in the following sections of the Internal Revenue Code and their corresponding Treasury regulations:
  - IRC 6201(a)
  - IRC 6213(b)
  - IRC 6402(a)
  - IRC 6511
- (2) Policy Statements for Submission Processing are contained in IRM 1.2.1, Servicewide Policy Statements.

3.21.3.1.3  
(10-29-2025)

### Roles and Responsibilities

- (1) The Submission Processing Director is responsible for monitoring operational performance for the Service Center.
- (2) The Document Perfection Operations Manager is responsible for monitoring operational performance for the Code and Edit operation.
- (3) The Code & Edit Team Managers and Leads are responsible for performance monitoring and ensuring tax technicians have the tools to perform their duties.
- (4) The tax technicians are responsible for following the instructions contained in this IRM, including all IRM procedural updates (IPU) posted to the SERP (Servicewide Electronic Research Program) website.

3.21.3.1.4  
(10-29-2025)

### Program Control

- (1) **Program Reports:** The Monitoring Section under Submission Processing Program Management/Process Assurance monitors the Code & Edit reports.
- (2) **Program Effectiveness:** The program goals are measured by the following reviews:
  - Embedded Quality Submission Processing (EQSP)
  - Balanced Measures
  - Managerial Reviews
- (3) **Annual Review:** The processes included in this manual are reviewed annually to ensure accuracy and promote consistent tax administration.

3.21.3.1.5  
(10-29-2025)

### Terms and Acronyms

- (1) See Exhibit 3.21.3-20 for the glossary of frequently used terms.

3.21.3.1.6  
(01-01-2018)

### Related Resources

- (1) International Job Aid 2513-701, Coding and Editing International Income Tax Returns, was developed as a reference guide for this manual. This manual refers the tax examiner to clarifying information or exhibits in the Job Aid, where appropriate. When conflict between any referenced material and the IRM instructions occurs, **the IRM instructions take precedence.**

3.21.3.2  
(01-01-2016)

### IRM Deviations

- (1) IRM deviations must be submitted in writing following instructions from IRM 1.11.2.2, Internal Management Documents System - Internal Revenue Manual (IRM) Process, IRM Standards, and elevated through appropriate channels for executive approval.



## 3.21.3.3

(01-01-2024)

**International Returns**

(1) International tax returns are identified by the presence of one of the following:

- An address outside the 50 United States and Washington D.C.  
**Exception:** This does not include APO(Army/Air Post Office)/DPO (Diplomatic Post Office)/FPO (Fleet Post Office) addresses
- Form 390 (American Samoa), American Samoa Individual Income Tax Return
- Form 482.0/Formulario 482 (Puerto Rico), Planilla de Contribución Sobre Ingresos de Individuos
- Form 1040CM (CNMI), Commonwealth of the Northern Mariana Islands Territorial Individual Income Tax
- Form 1040 GUAM, Guam Individual Income Tax Return
- Form W-2AS, American Samoa Wage & Tax Statement
- Form W-2CM, Wage & Tax Statement
- Form W-2GU, Guam Wage & Tax Statement
- Form W-2VI, U.S. Virgin Islands Wage & Tax Statement
- Form 499R-2/W-2PR, (Puerto Rico Withholding)
- Form 1040-NR, U.S. Nonresident Alien Income Tax Return
- Form 1040-NR-EZ, U.S. Income Tax Returns for Certain Nonresident Aliens With No Dependents
- Form 1040-PR, Declaracion de Impuestos Federal sobre el Trabajo por Cuenta Propia (Incluyendo el Credito Tributario Adicional por Hijos para Residentes **Bona Fide** de Puerto Rico)
- Form 1040-SS, U.S. Self-Employment Tax Return
- Form 1040-SS (sp), Declaración de Impuestos Federal sobre el Trabajo por Cuenta Propia (Incluyendo el Crédito Tributario Adicional por Hijos para Residentes Bona Fide de Puerto Rico)
- Form 1042-S, Form SSA-1042S, or Form RRB-1042S
- Form 2555, Foreign Earned Income
- Form 2555-EZ, Foreign Earned Income Exclusion
- Form 4563, Exclusion of Income for Bona Fide Residents of American Samoa
- Form 5074, Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands (CNMI)
- Form 8288-A, Statement of Withholding on Certain Dispositions by Foreign Persons
- Form 8689, Allocation of Individual Income Tax to the U.S. Virgin Islands
- Form 8804, Annual Return for Partnership Withholding Tax (Section 1446)
- Form 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax
- Form 8813, Partnership Withholding Tax Payment Voucher (Section 1446)
- Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)
- Form 8854, Initial and Annual Expatriation Information Statement
- Form 8898, Statement for Individuals Who Begin or End Bona Fide Residence in a U.S. Territory
- Form 14653, Certification by U.S. Person Residing Outside of the United States for Streamlined Foreign Offshore Procedures
- Form 14654, Certification by U.S. Person Residing in the United States for Streamlined Domestic Offshore Procedures
- Dual-Status (any of the following):
  - Form 1040 and Form 1040-NR filed together for the same tax year

## 3.21 International Returns and Documents Analysis

**Note:** Do not treat as Dual-Status if Form 1040 is filed with 1040-NR Schedule OI attached.

- "Dual- Status" or "D/S" indicated on the return
- Taxpayer claims part year residence and part year non-residence.

**Caution:** Always leave Form 1040 and Form 1040-NR for the same taxpayer together.

- Nonresident Alien (NRA): Either primary or both taxpayers are Nonresident Aliens

**Exception:** Do not treat as a nonresident alien if the primary taxpayer is a Nonresident Alien (NRA) without a Social Security Number (SSN) or an Individual Taxpayer Identification Number (ITIN) and the secondary taxpayer has an SSN/ITIN and is reporting income.

- International Tax Treaty: taxpayer indicating exemption or exclusion of tax and/or income due to an International Tax Treaty

**Exception:** Do not treat as international if the taxpayer claims exemption due to an **American Indian** treaty and no other international condition exists.

- Treaty Trader
- Fulbright Grantee
- IRC 871, IRC 893, IRC 911, IRC 913, IRC 931, IRC 932, IRC 933, IRC 934 or IRC 935 is notated anywhere on the return
- Notation of "Streamlined" on the return or other Streamlined certification
- "Relief for Certain Former Citizens", "Relief", "Expat", "FAQ 24", "FAQ 25", or something similar is written on return and/or attachments
- Copy of Certificate of Loss of Nationality (CLN) is attached
- Taxpayer specifically mentions "Relief", "Former Citizen", "Expatriate process", "FAQ 24", "FAQ 25", or something similar in an attached letter.

**Caution:** If none of the International conditions listed above are present, consider it a domestic return and process it accordingly.

- (2) If a return has any of the following characteristics and does not have an LB&I stamp indicating LB&I has already reviewed it, route the return to Stop 4301 AUSC:

- "Relief for Certain Former Citizens", "Relief", "Expat", "FAQ 24", "FAQ 25", or something similar is written on return and/or attachments.
- Form 8854 is attached.
- Copy of Certificate of Loss of Nationality (CLN) is attached.
- Taxpayer specifically mentions "Relief", "Former Citizen", "Expatriate process", "FAQ 24", "FAQ 25", or something similar in an attached letter.
- Form 8898 is attached.

- (3) Do not treat returns that convert income paid in foreign currency to U.S. currency as international returns unless additional international criteria are present.

**Example:** Canadian dollars converted to U.S. dollars

- (4) If a numbered return assigned international File Location Code (FLC) 20 or 21 does not meet the definition of an international return, edit Action Code “610” to have a new Document Locator Number (DLN) assigned.

3.21.3.3.1  
(10-29-2025)  
**Form 1042 and Form 1042-S**

- (1) Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons and Form 1042-S, Foreign person’s U.S. Source Income Subject to Withholding are used by withholding agents to report tax withheld at the source on certain income paid to foreign persons (nonresident alien individuals, foreign partnerships, foreign corporations or foreign trusts and estates) that is not effectively connected with the conduct of a trade or business in the United States. Form 1042-S is a withholding document that identifies, by type, income that is subject to U.S. tax withholding and that is paid to nonresident aliens by U.S. payers.
- (2) See Exhibit 3.21.3-2, Form 1042-S Income Codes, to determine where the provided Income Code is to be reported on Form 1040-NR.
- (3) If Form 1042-S is attached to Form 1040:

If	And	Then
Refund return and the only income is from the Form 1042-S	Both are true: <ul style="list-style-type: none"> <li>Taxpayer does <b>not</b> state they are a U.S. resident alien, and</li> <li>Taxpayer does <b>not</b> provide a copy of their resident alien card.</li> </ul>	<b>Correspond</b> for the filer’s U.S. status using Form 9143, box 22.
Refund return and the only income is from the Form 1042-S	Either is true: <ul style="list-style-type: none"> <li>Taxpayer states they are a U.S. resident alien, or</li> <li>Taxpayer does provide a copy of their resident alien card.</li> </ul>	<ol style="list-style-type: none"> <li>Delete Form 1042-S withholding from line 25d.</li> <li>Edit Form 1042-S withholding to the dotted portion of line 33.</li> </ol>
Worldwide income (i.e., foreign and U.S. source income) is reported <b>or</b> the return is other than a refund		<ol style="list-style-type: none"> <li>Delete Form 1042-S withholding from line 25d.</li> <li>Edit Form 1042-S withholding to the dotted portion of line 33.</li> </ol>

- (4) If Form 1042-S is attached to Form 1040-NR and both of the following apply, edit the income to the appropriate line
- Income has not been reported on Form 1040-NR, page 1, Schedule 1, page 1, or Schedule NEC, and

## 3.21 International Returns and Documents Analysis

- Income should be reported on Form 1040-NR, page 1, Schedule 1, page 1, or Schedule NEC

**Note:** Use Exhibit 3.21.3-2, Form 1042-S Income Codes, to determine if and where income should be reported.

**Note:** If the income can be reported on either Form 1040-NR, page 1 or Schedule 1, page 1, **AND** Schedule NEC, Schedule NEC will take priority

### 3.21.3.3.2 (01-01-2023) International Filers Overview

- Individuals may be expected to file international returns for a variety of conditions. More than one condition may be met by a single taxpayer. Generally:
  - Taxpayers who are treated as resident aliens file Form 1040.
  - Taxpayers who are treated as nonresident aliens file Form 1040-NR.

**Note:** Special filing requirements often apply to U.S. territories.
- U.S. citizens living/traveling outside of the United States:** They are generally required to file U.S. income tax returns on which they must report their worldwide income (income from all sources and foreign and U.S. income).
- Resident Alien:** A foreign individual who meets either the green card test or the substantial presence test for the calendar year.
- Nonresident Alien:** A foreign individual who does **not** meet either the green card test or the substantial presence test for the calendar year, unless:
  - They choose to be treated as a resident alien for part of the calendar year by making the First-Year Choice (see IRM 3.21.3.3.2 (12), or
  - They are a nonresident married to a U.S. citizen or resident alien. They and their spouse may be able to make a joint election under IRC 6013(g) or (h) to treat the individual as a resident alien for the entire calendar year. See IRM 3.21.3.3.2 (12) and IRM 3.21.3.3.2 (13) below.
- Green Card Test:** The individual is a resident alien once they are issued a Permanent Resident Card, also known as a **green card** as a lawful permanent resident of the U.S. Lawful permanent residency continues unless revoked or determined to be abandoned. A lawful permanent resident may be treated as a nonresident alien for U.S. income tax purposes if they are both a U.S. resident alien and a resident of a foreign country under its laws. In this situation, the taxpayer would claim treatment as a resident of the foreign country under the tie-breaker rules of an income tax treaty.
- Substantial Presence Test:** The individual is treated as a resident alien for the calendar year if they are physically present for at least:
  - 31 days during the current calendar year; **and**
  - 183 days during the 3 - year period that includes the current calendar year and 2 calendar years immediately before that, counting:
    - All the days of physical presence in the calendar year,
    - 1/3 of days of physical presence in the first year prior to the current calendar year, and
    - 1/6 of the number of days of physical presence in the second year prior to the current calendar year.

(7) **Exceptions to the Substantial Presence Test:** The following days of presence in the United States do not count for the substantial presence test:

- Days commuting to work in the United States from a residence in Canada or Mexico if they “commute regularly.” They “commute regularly” if they commute to work in the United States on more than 75% of the workdays during a working period in the current year.
- Days in the United States for less than 24 hours when in transit between two places outside the United States.
- Days in the United States as a crew member of a foreign vessel engaged in transportation between the United States and a foreign country or a U.S. territory.

**Note:** This exception doesn’t apply if otherwise engaged in any trade or business in the United States on those days.

- Days they intended to leave, but couldn’t leave the United States because of a medical condition or medical problem that arose while in the United States. Whether they intended to leave the United States on a particular day is determined based on all the facts and circumstances.

**Note:** See IRM 3.21.3.42.5, Determining Bona Fide Residence and Physical Presence Dates for information on determining physical presence.

- Days the individual is an “exempt individual.”

(8) **Exempt Individuals for the Substantial Presence Test:** An individual is an “exempt individual” if any of the following are true:

- An individual is temporarily present in the United States as a foreign government-related individual under an **A or G visa**.

**Exception:** Excludes household staff of a foreign government-related individual present in the United States under an **A-3 or G-5 visa**.

- A teacher or trainee temporarily present in the United States under a **J or Q visa**. See IRM 3.21.3.3.2 (9) and IRM 3.21.3.3.2 (10) for additional information.
- A professional athlete temporarily present in the United States to compete in a charitable sports event.

(9) An individual is **not** an exempt individual as a teacher or trainee if they were exempt as a teacher, trainee, or student for any part of 2 of the 6 preceding calendar years, unless all are true:

- The individual was exempt as a teacher, trainee, or student for any part of 3 (or fewer) of the 6 preceding calendar years
- A foreign employer paid all compensation during the current year
- They were present in the United States as a teacher or trainee in any of the prior 6 years
- A foreign employer paid all compensation during each of the preceding 6 years the individual was present in the United States as a teacher or trainee.

## 3.21 International Returns and Documents Analysis

- (10) A student temporarily present in the United States under an **F, J, M, or Q visa** is **not** an exempt individual as a student in the current year if they have been exempt as a teacher, trainee, or student for any part of more than 5 calendar years unless both are true:
- The individual establishes that they do not intend to reside permanently in the United States.
  - They substantially complied with the requirements of their visa.
- (11) **Closer Connection Exception:** Individuals who meet the substantial presence test may still be treated as nonresident aliens if **all** of the following are true:
- a. They are present in the United States for fewer than 183 days during the current calendar year
  - b. They maintain a tax home in a foreign country during the year
  - c. They have a closer connection to that country than to the United States
  - d. They timely file Form 8840, Closer Connection Exception Statement for Aliens, claiming to have a closer connection to a foreign country or countries.
- Note:** An individual may not claim a closer connection to a foreign country if they have applied for status as a lawful permanent resident of the United States or have an application pending for adjustment of status. Some tax treaties provide special rules for determining residency.
- (12) **First-Year Choice:** A foreign individual who does not meet the green card test or the substantial presence test may be treated as a resident alien for part of a calendar year by making the First-Year Choice.
- (13) **Married to a U.S. citizen or resident alien:** A foreign individual who does not meet the green card test or substantial presence test may be able to choose to be treated as a resident alien if the individual is a nonresident alien married to a U.S. citizen or resident alien, the individual and their spouse may be able to make a joint election under IRC 6013(g) or (h).
- (14) **Individuals from a U.S. Territory:**
- a. American Samoa, see IRM 3.21.3.76.
  - b. Guam, see IRM 3.21.3.77.
  - c. Commonwealth of Northern Mariana Islands, see IRM 3.21.3.78.
  - d. U.S. Virgin Islands, see IRM 3.21.3.79.
  - e. Puerto Rico, see IRM 3.21.3.80.
- (15) **Effectively Connected Income:** Nonresident aliens are taxed on both:
- a. U.S. source income if the U.S. tax due has not been fully withheld
  - b. Income effectively connected with a U.S. trade or business.
- (16) **Tax Treaties:** The U.S. has income tax treaties with a number of countries. Under these treaties, nonresident aliens who are residents of the foreign country may be taxed at a reduced rate or exempt from U.S. income taxes on certain types of income from sources in the United States. An individual is a resident of a foreign country under an income tax treaty if they are treated as a resident under the domestic laws of that country for income tax purposes. Some treaties include requirements beyond citizenship to establish residency



for treaty purposes, such as physical presence within the purported residence country. See IRM 3.21.3.83.7 for more information about tax treaties.

- (17) **Dual-Status Taxpayers:** An individual who is both a resident alien and non-resident alien in the United States within the same tax year. This usually occurs in the year the taxpayer arrived in or departed from the United States. The taxpayer will submit both Form 1040 and Form 1040-NR with **Dual-Status Return** written across the top of the return for the tax year. The form filed as the return is based on the taxpayer's residence on the last day of the year.
- a. If the individual is a resident of the U.S. on the last day of the tax year, they will file Form 1040 with a statement attached (such as a Form 1040-NR) for the portion of the year that they were a nonresident alien.
  - b. If the individual is **not** a resident of the U.S. on the last day of the tax year, they will file Form 1040-NR with a statement attached (such as a Form 1040) for the portion of the year they were a resident alien.
- (18) **U.S. Citizens and U.S. Resident Aliens Living Abroad Who Qualify for the IRC 911 Foreign Earned Income Exclusion:** A taxpayer who meets the specific requirements of IRC 911(b)(2)(D) may claim an exclusion of foreign earned income up to the maximum allowed for the tax year and **either** the housing exclusion **or** the housing deduction if the taxpayer has a tax home in a foreign country or countries **and** the taxpayer is one or more of the following:
- a. A U.S. citizen who has been a bona fide resident of a foreign country or countries for an uninterrupted period (regardless of physical presence) that includes an entire taxable year
  - b. A U.S. resident alien who is a citizen or national of a country with which the United States has an income tax treaty with an applicable nondiscrimination clause, **and** who is a bona fide resident of a foreign country for an uninterrupted period that includes an entire year
  - c. A U.S. resident alien who has been physically present in a foreign country or countries for 330 days during a period of 12 consecutive months

3.21.3.3.3  
(01-01-2021)  
**Visas Overview**

- (1) A U.S. visa allows a foreigner to live permanently in the United States (immigrant visa) or travel to the United States on a temporary basis for specific purposes and periods of time (non immigrant visa). See Exhibit 3.21.3-8 for a list of non immigrant visa types.
- (2) Most, but not all, non immigrant visa holders are taxed as nonresident aliens.
  - a. A nonresident alien is taxed on all United States source income and on all income that is effectively connected with the conduct of a trade or business in the United States. Unlike U.S. citizens, nonresident aliens are not taxed on non-effectively connected foreign source income.
  - b. Resident aliens are generally taxed on worldwide income (income from all sources and includes foreign and U.S. income), like U.S. citizens.

3.21.3.3.4  
(10-29-2025)  
**U.S. Income Reporting Requirements Overview**

- (1) **United States citizens and resident aliens:** They are generally required to file Form 1040 and must report 100% of their worldwide income (income from all sources and includes foreign and U.S. income). Worldwide income is income from **ALL** sources, including foreign and U.S. income reported on Form 1040, lines 1a through 7a and Schedule 1, lines 1 through 9. For infor-



## 3.21 International Returns and Documents Analysis

mation on identifying resident aliens, see IRM 3.21.3.3.2, International Filers Overview.

- (2) **Nonresident Aliens:** They are generally required to file Form 1040-NR to report only:
- U.S. source income, if the amount of tax withheld didn't satisfy the tax due
  - Income effectively connected with a U.S. trade or business
- (3) A nonresident alien not otherwise engaged in a U.S. trade or business is not required to report U.S. source income that was withheld properly at the source or any foreign source income that is not effectively connected with a U.S. trade or business, but may file to claim a refund for overpaid taxes. Generally, income received from U.S. payers constitutes U.S. source income. Income received from foreign payers may also constitute U.S. source income in certain circumstances, such as income received for services performed in the U.S. or income received for the use of intangibles in the U.S.

**Exception:** U.S. tax laws exempt nonresident aliens from U.S. taxation on interest earned on certain deposits, which are **not effectively connected** with a trade or business.

- (4) U.S. source income is reported on Form 1042-S, Form W-2, Form SSA 1042-S, Form RRB 1042-S, Form 1099 series, Form 8805, Form 8288-A, or a statement of income.
- (5) U.S. source income which is **not effectively connected** with a U.S. trade or business is generally taxed at 30% unless a tax treaty exists between the U.S. and the taxpayer's foreign country of residence that either reduces the rate or exempts the income.
- (6) When Scholarship/Fellowship grant income is paid to a nonresident alien from a country that does not have a tax treaty with the United States:
- It is **not** exempted.
  - It is reported on Form 1042-S and attached to the return, if paid by a U.S. payor.
  - It must be reported on Schedule 1, line 8r.
  - If the individual is a "degree candidate," amounts paid to a qualified educational institution for tuition and education related expenses (such as fees, books, supplies, and equipment) may be omitted from Schedule 1, line 8r, so that only part of the scholarship is reported.
  - If the individual is not a "degree candidate," the full amount of the scholarship or fellowship is generally taxable.
- (7) When Scholarship/Fellowship grant income is paid to a resident alien (because of the substantial presence test) or nonresident alien:
- It may be fully or partly excluded under a tax treaty.
  - It is reported on Form 1042-S and attached to the return, if paid by a U.S. payor.
  - It must be reported on Schedule 1, line 8r, if taxable, or on Form 1040-NR, line 1k, if exempt by treaty.
  - Schedule OI, Question "L," must be answered.
  - The validity of the tax treaty benefit claimed must be verified.

3.21.3.3.5  
(10-29-2025)  
**Form 1040 with  
Schedule 1 and Form  
2555 or Form 2555-EZ  
Attached**

- (1) For processing instructions, see IRM 3.21.3.42.
- (2) Form 2555 is valid for all tax years. Form 2555-EZ is valid for TY18 and prior.
- (3) Form 2555 must be attached if any of the following indicators are on Form 1040 or Schedule 1:
  - IRC 911 exclusion
  - Notation of Form 2555 or Form 2555-EZ
  - Foreign Housing Exclusion on Schedule 1, line 8d
  - Foreign Earned Income Exclusion on Schedule 1, line 8d
  - Foreign Housing Deduction on Schedule 1, line 24j
- (4) A taxpayer with foreign earned income is entitled to claim the following on Form 2555:
  - Foreign Earned Income Exclusion (Part VII and VIII), and/or
  - Housing Deduction, if housing is paid for with earnings from self-employment (Parts VI and IX), or
  - Housing Exclusion, if housing is paid for with employer-provided amounts, such as wages, housing allowance, etc.(Parts VI and VIII).
- (5) A U.S. citizen or U.S. resident alien living and working in a foreign country may use Form 2555 to:
  - a. Exclude a limited amount of their foreign earned income. For TY 2025, this amount is \$130,000. See IRM 3.21.3.86.11 (1) for prior year amounts.
  - b. Claim a housing exclusion or deduction.
- (6) For TY18 and prior, a U.S. citizen or U.S. resident alien living and working in a foreign country may use Form 2555-EZ if:
  - a. They have earned wages/salaries in a foreign country below the maximum allowable for the year. See IRM 3.21.3.86.12.1 (1) for prior year amounts.
  - b. They did not have any income from self-employment.
  - c. They did not have any business or moving expenses for the year.
  - d. They are not claiming the housing exclusion or deduction.
  - e. They are filing a calendar-year return that covers a 12 month period.
- (7) Foreign earned income is any income earned for personal services performed in a foreign country or countries. For this purpose, a foreign country is any territory under the sovereignty of a government other than the United States.

**Note: It does not include U.S. territories.**

- (8) Unearned income (such as taxable interest, dividends, capital gains (including capital gain distributions), rents, royalties, pension and annuity income, unemployment compensation, alimony, the taxable part of social security and pension payments) may **not** be excluded on Form 2555 or Form 2555-EZ. To avoid double taxation, foreign taxes paid on the unearned foreign income can be:
  - a. Claimed as a credit on Form 1116, or
  - b. Reported as a deduction on Schedule A, line 6.

## 3.21 International Returns and Documents Analysis

- (9) U.S. citizens and resident aliens living and working outside the United States are generally required to file a U.S. income tax return to report worldwide income (income from all sources and includes foreign and U.S. income).
- (10) In general, to qualify for the foreign earned income exclusion, the foreign housing exclusion, or the foreign housing deduction under IRC 911, taxpayers must be:
  - a. A U.S. citizen who is a bona fide resident of a foreign country or countries for an uninterrupted period that includes both an entire tax year and part of the year of the return.
  - b. A U.S. resident alien who is a citizen or national of a country with which the United States has an income tax treaty in effect and who is a bona fide resident of a foreign country or countries for an uninterrupted period that includes both an entire tax year and a part of the year of the return, or
  - c. A U.S. citizen or resident alien who is physically present in a foreign country or countries for at least 330 full days during any period of 12 consecutive months that includes part of the year of the return.

**Note:** Due to additional taxpayer requirements, taxpayers may also reference the tax home test, or indicate that the exclusion was prorated based on the qualifying period.

- (11) Wages paid by the U.S. government to its employees are not foreign earned income, and an individual cannot claim the foreign earned income exclusion, the foreign housing exclusion, or the foreign housing deduction on those wages.

3.21.3.3.6  
(10-30-2024)

### U.S. Territories - General Information

- (1) The following are the five key U.S. Territories:
  - a. American Samoa (AS)
  - b. Commonwealth of Northern Mariana Islands (CNMI)
  - c. Guam (GU)
  - d. Puerto Rico (PR)
  - e. United States Virgin Islands (USVI)
- (2) Special tax rules apply to bona fide residents of these five key territories. The taxpayer must be a United States citizen or resident alien **and** a bona fide resident of one of AS, CNMI, GU, PR, or the USVI. A bona fide resident of one of these territories is an individual taxpayer who:
  - Does not have a tax home outside the relevant territory.
  - Does not have a closer connection to the United States or to a foreign country.
  - Meets the presence test. To satisfy the presence test for the entire year, the taxpayer must meet **ONE** of the conditions in the table below.

Bona Fide Residence Presence Test for United States Territories
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Present in the relevant territory for <b>at least 183 days</b> during the tax year.
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**Bona Fide Residence Presence Test for United States Territories**

Present in the relevant territory for **at least 549 days** during the three-year period consisting of the current taxable year and the preceding two tax years, provided the taxpayer was also present in the territory for at least 60 days during each tax year of the three-year period.

Present in the United States for **no more than 90 days** during the tax year.

Earned income (pay for personal services performed, such as wages, salaries or professional fees) from the United States of no more than \$3,000.00 **and** was present for more days in the territory than the U.S. during the tax year.

No significant connection to the U.S. during the tax year. Significant connections include a permanent home, voter registration, or spouse/minor child in the United States.

**Note:** It is often difficult to determine bona fide residency based on the test above. Therefore, **for purpose of processing income tax returns**, if the only address on the return or attachments (including Form W-2 type statements) is that of a territory, treat as an indication that the taxpayer is a bona fide resident of that territory.

- (3) Taxpayers who reside in any U.S. territory are generally **not** entitled to claim Earned Income Credit (EIC). See IRM 3.21.3.15.1.31.
- (4) **U.S. Service Members / Military Personnel:** A service member's "state of legal residence" generally determines their residency for tax purposes. For non-tax purposes, U.S. service members have two types of "residency" "home of record" and "state of legal residence."
- A service member's "home of record" is the state where they joined the military and it is used to determine certain military benefits (for example, travel allowance back to the state when leaving the military).
  - A service member's "state of legal residence" is their permanent home, the state where they intend to live after leaving the military. All service members declare their state of legal residence with the Department of Defense or equivalent.

**Note:** If an active-duty member of the U.S. Armed Forces state of legal residence is American Samoa or Puerto Rico, their military income is sourced to that territory. They will follow the tax rules for U.S. Government employee wages, regardless of where they were stationed.

- (5) Under the Service members Civil Relief Act of 2003 (SCRA), if a service member qualifies as a bona fide resident of a U.S. Territory in an earlier tax year, their absence from that territory during the current tax year in compliance with military orders will not affect their status as a bona fide resident. Similarly, being in a territory solely in compliance with military orders will not qualify a service member for bona fide residency status in that territory.
- (6) **Service Members Civilian Spouses / Military Spouses:** In accordance with Military Spouses Residency Relief Act of 2009 (MSRRA), civilian spouses of

active duty U.S. Service Members can choose to keep their prior residence or domicile for tax purposes. Under the MSRRA, if civilian spouses qualify as bona fide residents of a U.S. territory in an earlier tax year, their absence from that territory during the current year when accompanying the service member spouse who is relocating under military orders will not affect the civilian spouse's status as a bona fide resident. Similarly, being in a territory solely to accompany the service member in compliance with military orders will not qualify the civilian spouse for bona fide resident status in that territory. For additional guidance on when and how MSRRA applies to civilian spouses who are working in or claiming tax residency in a U.S. territory, see Notice 2010-30, Notice 2011-16 and Notice 2012-41.

3.21.3.4  
(01-14-2025)

#### Control of International Returns

- (1) Unnumbered returns are batched according to the type of return. The type of return determines the File Location Code (FLC) where like returns are batched together for processing under a certain program code.
- (2) **International Returns will be assigned the following FLCs:**
  - a. FLC 20 will be assigned to any Form 1040, Form 1040-SR, Form 1040-A (TY17 and prior), or Form 1040-EZ (TY17 and prior) with any International criteria other than U.S. territories, including Form 2555 or Form 2555-EZ (TY18 and prior), and Form 1040-NR or Form 1040-NR-EZ (TY19 and prior).
  - b. FLC 21 will be assigned to any Form 1040-PR (TY22 and prior) or Form 1040-SS or Form 1040-SS (sp).
  - c. FLC 21 will be assigned to any Form 1040, Form 1040-SR, Form 1040-A (TY17 and prior), or Form 1040-EZ (TY17 and prior) with any U.S. territory criteria as follows:
    - Territory address in the caption area
    - IRC 931
    - IRC 932
    - IRC 933
    - IRC 934
    - IRC 935
    - Form W-2AS, Form W-2GU, Form W-2VI, Form W-2CM, 499R-2/W-2PR
    - Form 4563
    - Form 5074
    - Form 8689
    - Form 8898

**Exception:** All returns that have a **valid** Form 2555 or Form 2555-EZ (TY18 and prior) **must be blocked under FLC 20.**

- (3) The following table contains the international programs worked in Code & Edit (C&E):

Program	Description
46110	Form 1040 (Form 1040-SR) OTFP Current Year
46112	Form 1040 (Form 1040-SR) Prior Year
46114	Form 1040 (Form 1040-SR) Non Refund Current Year

Program	Description
46115	Form 1040 (Form 1040-SR) - Dual-Status
46116	Form 1040 Conversions
46117	Form 1040 (Form 1040-SR) - Streamlined Filing Compliance Procedures
46120	Form 1040-NR (Effectively Connected) Current Year
46123	Form 1040-SS/Form 1040-SS (sp)- RIVO
46124	Form 1040-NR (Effectively Connected) Prior Year
46127	Form 1040-SS (sp)/Form 1040-PR OTFP Current and Prior Year
46128	Form 1040-SS OTFP Current and Prior Year
46129	Form 1040-NR (Effectively Connected) - Dual-Status
46140	Form 1040-NR (Non-Effectively Connected) Current Year
46142	Form 1040-NR (Non-Effectively Connected) Prior Year
46145	Form 1040-NR (Non-Effectively Connected) - Dual-Status
46160	Form 1040-NR (sp) (Effectively Connected) Current Year
46162	Form 1040-NR (sp) (Effectively Connected) Prior Year
46170	Form 1040 (Form 1040-SR) ITIN Current Year
46172	Form 1040 (Form 1040-SR) ITIN Prior Year
46175	Form 1040 (Form 1040-SR) ITIN - RIVO Current Year
46180	Form 1040-NR (sp) (Non-Effectively Connected) Current Year
46182	Form 1040-NR (sp) (Non-Effectively Connected) Prior Year
46185	Form 1040-NR (sp) (Non-Effectively Connected) - Dual-Status
46220	Form 1040 (Form 1040-SR) Full Paid Current Year
46227	Form 1040-SS (sp) Full Paid Current Year
46228	Form 1040-SS Full Paid Current Year
46810	Form 1040 (sp) (Form 1040-SR (sp)) OTFP Current Year

Program	Description
46812	Form 1040 (sp) (Form 1040-SR (sp)) OTFP Prior Year
46870	Form 1040 (sp) (Form 1040-SR (sp)) ITIN Current Year
46872	Form 1040 (sp) (Form 1040-SR (sp)) ITIN Prior Year
46910	Form 1040 (sp) (Form 1040-SR (sp)) Full Paid

#### 3.21.3.4.1 (03-20-2023)

##### Misblocked International Returns

- (1) All returns in a batch of work must belong in the international program in which they are batched. A misblocked return is a return found in a batch of work of a program in which it does not belong.
- (2) For unnumbered misblocked returns, remove for rebatching. This includes when an unnumbered return is found in a numbered batch.

**Note:** Rebatch returns that are batched under the wrong FLC.

- (3) For numbered misblocked returns, do not remove from a batch. Edit Action Code “610”, and attach Form 4227 indicating the action needed.

**Note:** A return with a valid Form 2555 or Form 2555-EZ must be blocked under File Location Code (FLC) 20.

#### 3.21.3.4.2 (10-30-2024)

##### Uncomputed Returns

- (1) An **uncomputed return** is one filed by a taxpayer who expects the IRS to compute their tax. **Do not confuse an uncomputed return with a return where the taxpayer has computed no tax due.**
- (2) An uncomputed return can be identified when:
  - a. Form 1040, Form 1040-SR, or Form 1040-NR has no entries on Lines 16, 17, 18, 22, 24, 34, 35a, 36, and 37.
  - b. Form 1040-PR or Form 1040-SS has no entries on lines 7, 13, 14a, 15, and 16.

#### 3.21.3.5 (01-04-2021)

##### General Instructions for All International Forms

- (1) The general instructions for all International returns are provided here. The general instructions in this section include:
  - Stamping Tax Examiner (TE) numbers
  - Action Trails
  - Attachments
  - Detached Documents
- (2) Use Form 1040 instructions when processing Form 1040-SR, 1040(SP), and 1040-SR(SP).
- (3) Form 1040-A and Form 1040-EZ are historical and must be converted to Form 1040.
- (4) Form 1040-NR-EZ is valid for TY19 and prior only. Convert all Form 1040-NR-EZ to Form 1040-NR.



- (5) Form 1040, Schedules 4, 5, and 6 are valid for TY18 only.

3.21.3.5.1  
(01-01-2018)  
**Stamping Tax Examiner  
(TE) Numbers**

- (1) For complete instructions, see IRM 3.11.3.3.1, Stamping Tax Examiner (TE) Numbers.

3.21.3.5.2  
(01-01-2020)  
**Action Trail**

- (1) For all international returns, see IRM 3.11.3.3.5, Action Trail and Job Aid 2513-701 for complete instructions.

3.21.3.5.3  
(01-01-2018)  
**Attachments to Returns**

- (1) Examine all attachments to the return. **Leave the attachments with the return unless specifically instructed otherwise.** Refer to the Attachment Guide in Exhibit 3.21.3-1 for specific attachment-by-attachment instructions. Research either an attachment **or** a notation on the return, as appropriate.

**Note:** If an attachment is not found in Exhibit 3.21.3-1, refer to Exhibit 3.11.3-1, Attachment Guide .

- (2) For additional instructions, see IRM 3.11.3.3.6, Attachments to Return.

3.21.3.5.4  
(10-29-2025)  
**Detached Documents**

- (1) **Always** leave an **Action Trail** on the return when an attachment is removed.

**Example:** When a form or letter is detached from a return, notations such as “Det F1040-X” or “Det TP correspondence” must be made on the tax return.

- (2) An Action Trail must also be written on the detached document (unless it is an original document).

- (3) The following must always be edited on all detached items:

- Tax period of the return in “YYMM” format
- Form from which detached

- (4) All of the following must be present or edited on all detached items:

- Received Date of the return
- Taxpayer Name(s)
- Primary/Secondary taxpayer’s identification number(s)
- Taxpayer’s address

3.21.3.6  
(03-04-2022)  
**International  
Correspondence  
Procedures**

- (1) Correspondence is necessary when a return cannot be processed because it is incomplete or illegible. To determine all correspondence issues, you must use both IRM 3.11.3, Individual Income Tax Returns and IRM 3.21.3 and follow line-by-line instructions.

- (2) When the first correspondence condition is identified, correspond for **all** missing required forms, schedules, and/or withholding documentation, regardless of correspondence tolerances identified in the line-by-line instructions.

**Exception:** Only correspond for Form 1116, Form 8283, Schedule 8812, and Schedule EIC when the tolerance in line-by-line IRM instructions is met.

- (3) **Do Not Correspond With A Taxpayer More Than One Time.**

## 3.21 International Returns and Documents Analysis

**Exception:** Code & Edit will correspond a **second time** if the taxpayer sends back a return with a signature not located in the appropriate **Sign Here** area under the jurat. The taxpayer's signature **must appear** in the space provided under the jurat, unless **the taxpayer** arrowed their own signature to the appropriate place.

- (4) For additional instructions, see IRM 3.11.3.5.1, General Correspondence Information.

### 3.21.3.6.1 (10-30-2024)

#### Correspondence When Sending Returns Back to the Taxpayer

- (1) **Signature Issues:** A valid signature is an original signature that appears below a jurat statement.

**Exception:** A signature is valid if **the taxpayer** arrows their own signature to the appropriate place.

- (2) When the first correspondence condition is identified, correspond for **all** missing required forms, schedules, and/or withholding documentation, regardless of correspondence tolerances identified in the line-by-line instructions.

**Exception:** Only correspond for Form 1116, Form 8283, Schedule 8812, and Schedule EIC when the tolerance in line-by-line IRM instructions is met.

- (3) Route secured returns with a missing or invalid signature to Collections. Do not correspond.
- (4) Returns missing a valid signature(s) will be sent back to the taxpayer via the following:

Tax Form	Correspondence Type
Form 1040	Form 9143
Form 1040-SR	Form 9143
Form 1040 (sp)	Form 9143
Form 1040-SR (sp)	Form 9143
Form 1040-NR	Form 9143
Form 1040-NR-EZ (TY19 and prior)	Form 9143
Form 1040-A (TY17 and prior)	Form 9143
Form 1040-EZ (TY17 and prior)	Form 9143
Form 1040-SS	Form 13557 (English side)
Form 1040-SS (sp)	Form 13557 (Spanish side)
Form 1040-PR (TY22 and prior)	Form 13557 (Spanish side)

**Exception:** Do not mail back numbered returns, disaster returns, Streamlined Filing Compliance Procedures returns, or signed returns missing documentary evidence.

- (5) **Sending other returns back to the taxpayer:** The following table provides situations when the return should be sent back to the taxpayer:

If Correspondence Issue Is:	Then:
Misfiled returns: a business (BMF) return filed on individual (IMF) tax form	See IRM 3.11.3.6.2.15, Misfiled Return
Loose Schedule H for TY26	Correspond with Notice 1208
Current year loose Schedule H received on or before 04/15/2026	Correspond with Notice 1207
Early filed Form 8288-A: Date of Transfer is for TY26	See IRM 3.21.3.15.1.29
Missing or invalid signature	See "Signature Issues" above
Filer's U.S. status: Form 1040 with Form 1042-S	See IRM 3.21.3.3.1 and IRM 3.21.3.15.1.29
Filer's U.S. status: Form 1040-NR indicating resident in the U.S. all year	See IRM 3.21.3.83
Form 1040-PR or Form 1040-SS filed with a U.S. Form W-2	See IRM 3.21.3.81
Bona fide Puerto Rico resident with no U.S. filing requirement	See IRM 3.21.3.80.1.1
Bona fide Puerto Rico resident claiming Additional Child Tax Credit (Form 1040 or Form 1040-A (2017 and prior))	See IRM 3.21.3.80.1.1
Article XXV of the U.S.-Canada Income Tax Treaty claimed on Form 1040 and missing Form 1040-NR	See IRM 3.21.3.15

- (6) When sending the return back to the taxpayer for correspondence:

- Line through your TE number
- Remove Form 3471-E and any other internal documents, if attached.

**Note:** If second correspondence is required, remove the original Form 9143 or Form 13557.

- Do not detach attachments.
- Delete any IRS Received Date.
- If the address is missing, illegible or incomplete, perfect from an attached envelope or from a TY18 Schedule 6. If unable to perfect, research.
- If an international address and domestic address are both present, circle out International address and perfect the domestic address.
- When sending the return back for a missing or invalid signature, or for a missing or invalid signature plus additional items, edit an **Action Trail** indicating, **Returned for Signature**, the correspondence form used, and

## 3.21 International Returns and Documents Analysis

the boxes or items requested (e.g., Returned for Signature, F9143 - 1, 4, 13, MMDDYY). Do not edit an Action Trail if only a misfiled return is being sent back to the taxpayer.

**Note:** The date may be edited or stamped following local procedures.

- h. Stop editing the return.
- i. Complete Form 9143 or Form 13557.
- j. Attach the correspondence sheet face up to the return immediately **below** the caption area.

**Caution:** When stapling the correspondence sheet to the return, ensure you are **attaching only one** return. Staple in the left margin through only the first one or two pages.

- k. Remove the return from the batch and place it in the designated area.

(7) When preparing Form 9143 or Form 13557:

- a. Write legibly to ensure that the taxpayer understands what information is being requested.
- b. Check the appropriate box(es).
- c. Complete all information required for each paragraph (e.g., forms, lines, amounts, etc.).
- d. Edit money amounts in dollars and cents. Bracket negative amounts.

3.21.3.6.2  
(03-31-2025)

### Correspondence When Not Sending Returns Back to the Taxpayer

- (1) **Complete all possible editing and identify all correspondence issues, when you are not sending the return back to the taxpayer.**
- (2) When the first correspondence condition is identified, correspond for **all** missing required forms, schedules, and/or withholding documentation, regardless of correspondence tolerances identified in the line-by-line instructions.

**Exception:** Only correspond for Form 1116, Form 8283, Schedule 8812, and Schedule EIC when the tolerance in line-by-line IRM instructions is met.

(3) If the address is missing, illegible, or incomplete:

- 1. Perfect from an attached envelope.
- 2. If unable to perfect from an attached envelope, research.
- 3. If an address cannot be found through research, see paragraph 4.

(4) When an address cannot be found through research:

- Do not correspond.
- Underline or edit the name control
- Follow **No Reply** instructions. See IRM 3.21.3.6.4.

(5) A correspondence action sheet (CAS) is a form used to generate a letter requesting information from a taxpayer. A CAS is used with a return that is not sent back to the taxpayer. The following CAS forms are used:

- a. Form 13900 is used to generate Letter 4087C (**International and Streamlined Filing Compliance Procedures returns**). See Exhibit 3.21.3-15.

- b. Form 13975 is used to generate Letter 2894C for Form 1040-SS and Letter 2894C-SP for Form 1040-SS (sp) and Form 1040-PR (TY22 and prior) (**International returns**). See Exhibit 3.21.3-16.
  - c. Form 3696-A is used to generate miscellaneous Correspondence (C) letters (e.g., Letter 369C used to deny reasonable cause).
- (6) Prepare Form 13900 (Letter 4087C) or Form 13975 (Letter 2894C/Letter 2894C-SP) using the following steps:
- a. Write legibly.
  - b. Check all appropriate boxes.
  - c. Complete all information required for each paragraph selected (e.g., forms, lines, amounts, etc.)
  - d. Edit money amounts in dollars and cents. Bracket negative amounts.
  - e. On prior year returns only, edit the tax year in YYYY format in field (04).
  - f. Always select the paper return fax number paragraph applicable to your campus.

**Note:** Austin will use paragraph &, Form 13900 or paragraph 8, Form 13975.

- (7) Prepare the CAS, and attach to the tax return face-up below the caption area.

**Caution:** When stapling the correspondence sheet to the return, ensure you are **attaching only one** return and staple in the left margin.

- (8) Edit Action Code “**215**” on all returns requiring correspondence if the return is not being mailed back to the taxpayer, unless Action Code “**300**” can be edited.
- (9) If a received date is not present on the return, edit the received date before corresponding **and** see IRM 3.21.3.8 for received date editing instructions.

3.21.3.6.3  
(01-01-2021)  
**Replies to  
Correspondence**

- (1) Move all correspondence sheets to the back of the return. If second correspondence is required, remove Form 9143 or Form 13557.
- (2) Ensure that the return has been perfected. See the Correspondence Action Table at IRM 3.21.3.6.5 for instructions to process “no reply”, “undeliverable”, and “incomplete reply” correspondence.
- (3) Edit the received date on returns identified as **Returned for Signature**; following the instructions in IRM 3.21.3.8.1 (4).
- (4) For additional “No Reply” instructions, see IRM 3.11.3.5.3.2, No Reply/Incomplete Reply/Undeliverable Correspondence.

3.21.3.6.4  
(10-30-2024)  
**No Reply/Incomplete  
Reply/Undeliverable  
Correspondence**

- (1) Move all correspondence sheets to the back of the return. If second correspondence is required, remove Form 9143 or Form 13557.
- (2) Use the Correspondence Action Table and continue processing the return if any of the following are true:
  - Taxpayer does not provide **ALL** required information.
  - Correspondence is returned by the USPS as “undeliverable.”
  - One or more correspondence conditions were not included when the first correspondence was sent.

## 3.21 International Returns and Documents Analysis

- (3) Edit CCC “U” on **all** no reply returns, **except** when either:
  - a. The correspondence was not required, or
  - b. One or more correspondence conditions were not included when the first correspondence was sent.
- (4) When the correspondence sheet (Form 9143 or Form 13557) is not attached, assume all correspondence conditions were included when the correspondence was sent unless there is evidence to the contrary.
- (5) If a no reply correspondence condition is not identified in IRM 3.21.3.6.5, Correspondence Action Table, edit CCC “U” unless a valid condition in (3) above applies and take no further action.
- (6) If CCC “3” is required, edit it first.

3.21.3.6.5  
(03-31-2025)

### Correspondence Action Table

- (1) Form 1040:

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
Article XXV of the U.S.- Canada Income Tax Treaty and Form 1040-NR not attached	Convert to Form 1040-NR.
Bona fide resident of Puerto Rico filing Form 1040 or Form 1040-A (TY17 and prior)	“X” any exclusion pertaining to IRC 933 and continue processing.
Form W-2, Form 1042-S, Form 8805, Form 8288-A and/or Form 8959 are not attached	“X” line 25d. <b>Caution:</b> If a letter is attached signed by the U.S. Competent Authority, accept the letter as proof of Form 1042-S withholding and do not “X” line 25d.
<b>Line 25d</b> - Early-filed Form 8288-A and Form 843 is not attached	“X” line 25d.
<b>Line 25d</b> - Filer’s U.S. Status and Form 1040-NR not attached	Move amount on line 25d to dotted portion of line 33.
<b>Line 25d</b> - SSA-1042S or RRB-1042S attached and no green card and/or declaration statement attached	“X” line 25d.
attached	“X” line 33.

#

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Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
<b>Loose Schedule H</b> - Cannot determine if Schedule H should be filed loose or attached to a Form 1040	<ul style="list-style-type: none"> <li>Process Schedule H with a dummied Form 1040. See IRM 3.11.3, Individual Income Tax Returns and IRM 3.21.3.49.</li> <li>If signature or documentary evidence missing, also edit CCC <b>"3"</b>.</li> </ul>

## (2) Schedule 1:

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
<b>Schedule 1, Line 9</b> - Form 2555 or Form 2555-EZ (TY18 and prior) is <b>not attached</b> and one or more of these indications are present: <ul style="list-style-type: none"> <li>IRC 911</li> <li>Notation of Form 2555 or Form 2555-EZ (TY18 and prior)</li> <li>Foreign Earned Income Exclusion (Schedule 1, line 8d)</li> <li>Foreign Housing Exclusion (Schedule 1, line 8d)</li> <li>Foreign Housing Deduction (Schedule 1, line 24j)</li> </ul>	<ol style="list-style-type: none"> <li><b>"X"</b> Schedule 1, line 9 and line 25, and</li> <li>Edit CCC <b>"U"</b>.</li> </ol> <p><b>Note:</b> If there is no other foreign aspect of the return, rebatch the coded return as domestic.</p>
<b>Schedule 1, Line 9</b> - Incomplete Treaty information	<b>"X"</b> Schedule 1, line 9 and ensure amount is present on line 1a, Form 1040.
<b>Schedule 1, Line 9</b> - IRC 893 and the number of the Executive Order and written evidence not attached	<b>"X"</b> Schedule 1, line 9.
<b>Schedule 1, Line 9</b> - IRC 965 noted and "IRC 965 Transition Tax Statement" is not attached	<ul style="list-style-type: none"> <li>Edit RPC <b>"F"</b>.</li> <li>TY17 only: also edit Action Code <b>"300"</b>.</li> </ul>

## (3) Form 2555 and Form 2555-EZ (TY18 and prior):



Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
<p>If any of the following are missing or incomplete:</p> <ul style="list-style-type: none"> <li>• page 1</li> <li>• page 2</li> <li>• page 3</li> </ul>	<ol style="list-style-type: none"> <li>1. “X” Schedule 1, line 9 and line 25,</li> <li>2. “X” Form 2555 or Form 2555-EZ (TY18 and prior), and</li> <li>3. Edit CCC “U”</li> </ol> <p><b>Note:</b> If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</p>
<p>Bona Fide Residence or Physical Presence Dates are missing</p>	<ol style="list-style-type: none"> <li>1. “X” Schedule 1, line 9 and line 25,</li> <li>2. “X” Form 2555 or Form 2555-EZ (TY18 and prior), and</li> <li>3. Edit CCC “U”.</li> </ol> <p><b>Note:</b> If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</p>
<p>Taxpayer enters beginning and ending dates that do not include part of the tax year of the return</p>	<ol style="list-style-type: none"> <li>1. “X” Schedule 1, line 9 and line 25,</li> <li>2. “X” Form 2555 or Form 2555-EZ (TY18 and prior), and</li> <li>3. Edit CCC “U”.</li> </ol> <p><b>Note:</b> If the deleted Form 2555 or Form 2555-EZ (TY18 and prior) is the only foreign aspect of the return, rebatch the coded return as domestic.</p>

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
Joint return with an indication each spouse has their own income and only <b>one Form 2555 or Form 2555-EZ (TY18 and prior)</b> is attached	<ol style="list-style-type: none"> <li>1. <b>"X"</b> Schedule 1, line 9 and line 25,</li> <li>2. <b>"X"</b> Form 2555 or Form 2555-EZ (TY18 and prior), and</li> <li>3. Edit CCC <b>"U"</b>.</li> </ol> <p><b>Note:</b> If the deleted Form 2555 or Form 2555-EZ (TY18 and prior) is the only foreign aspect of the return, rebatch the coded return as domestic.</p> <p><b>Exception:</b> If the joint filers are a missionary team, divide the income equally between the two filers on separate Form 2555.</p>

(4) Form 2555-EZ Only (TY18 and prior):

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
Form 2555-EZ (TY18 and prior) is attached and any of the following is claimed: <ul style="list-style-type: none"> <li>• Foreign earned income is more than the maximum allowed for the tax year</li> <li>• Self-employment income</li> <li>• Business/moving expenses</li> <li>• Foreign housing exclusion or deduction</li> <li>• Other than a calendar year return that covers a 12-month period</li> </ul>	<ol style="list-style-type: none"> <li>1. <b>"X"</b> Schedule 1, line 9 and line 25,</li> <li>2. <b>"X"</b> Form 2555-EZ (TY18 and prior), and</li> <li>3. Edit CCC <b>"U"</b>.</li> </ol> <p><b>Note:</b> If the deleted Form 2555 or Form 2555-EZ (TY18 and prior) is the only foreign aspect of the return, rebatch the coded return as domestic.</p>

(5) Form 4563 or IRC 931:

## 3.21 International Returns and Documents Analysis

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
Form 1040 indicates IRC 931 or Income from American Samoa and Form 4563 is not attached	<ol style="list-style-type: none"> <li>1. <b>"X"</b> Schedule 1, line 9 and line 25, and</li> <li>2. Edit CCC <b>"U"</b>.</li> </ol>

(6) Form 1040-SS, Form 1040-SS (sp), and Form 1040-PR:

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
Form W-2 attached and Form 1040 not filed	Convert.
Part I, line 3 has an amount and Schedule SE or Part V is missing	<ol style="list-style-type: none"> <li>1. Divide Self-Employment Tax amount by .153 to determine the subtotal amount.</li> <li>2. Divide the subtotal amount by .9235 to determine the total self-employment income amount.</li> <li>3. Prepare a dummy Schedule SE for the primary taxpayer if the Social Security Wages are \$176,100 or less for TY25. <b>Note:</b> For prior year, see IRM 3.21.3.86.15.</li> <li>4. Edit the total self-employment income amount on Schedule SE, line 3.</li> </ol>
Part I, line 4 has an amount, and Schedule H, Schedule H (sp), or Schedule H-PR is not attached.	<b>"X"</b> Part I, line 4.
All are true: <ul style="list-style-type: none"> <li>• Part I, line 11a has a non-zero amount</li> <li>• Form 8959 is not attached</li> </ul>	<b>"X"</b> Part I, line 11a.

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
One Schedule SE or Part V is submitted for 2 taxpayers	<ol style="list-style-type: none"> <li>1. Divide Self-Employment Tax amount by .153 to determine the subtotal amount.</li> <li>2. Divide the subtotal amount by .9235 to determine the total self-employment income amount.</li> <li>3. Prepare a dummy Schedule SE for the primary taxpayer if the Social Security Wages are \$176,100 or less for TY25. <b>Note:</b> For prior year, see IRM 3.21.3.86.15.</li> <li>4. Edit the total self-employment income amount on Schedule SE, line 3.</li> </ol>

(7) Form 1040-NR, Page 1:

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
<b>Filed for two taxpayers:</b> Two names present, two incomes reported, and two signatures	<ol style="list-style-type: none"> <li>1. <b>Circle</b> out secondary taxpayer,</li> <li>2. Edit CCCs “3”, “U”, and “Y”, and</li> <li>3. Edit action trail: “no reply two taxpayers.”</li> </ol>
<b>Invalid treaty</b> information provided, or taxpayer does not reference a valid treaty benefit	<ol style="list-style-type: none"> <li>1. “X” the exclusion amount,</li> <li>2. Ensure the amount is included in lines 1a - 9, and</li> <li>3. Edit CCC “U”.</li> </ol>

(8) Form 1040-NR, Page 2:

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
supporting Form W-2 series, Form 1099 series, Form 4852, Form 8959, or supporting documentation is not attached	<p>“X” line 25d.</p> <p><b>Note:</b> DO NOT edit CCC “U”.</p>

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Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
<b>Line 25e</b> - Section 1446 credit is similar withholding document is not attached	"X" line 25e. <b>Note:</b> DO NOT edit CCC "U".
<b>Line 25f</b> - Entry is present and Form 8288-A is not attached	"X" line 25f. <b>Note:</b> DO NOT edit CCC "U".
<b>Line 25f</b> - Early-filed Form 8288-A and Form 843 is not attached	"X" line 25f. <b>Note:</b> DO NOT edit CCC "U".
<b>Line 25g</b> shows an entry and Form 1042-S, Form SSA-1042S, or Form RRB-1042S is not attached	"X" line 25g. <b>Note:</b> DO NOT edit CCC "U". <b>Caution:</b> If a letter is attached signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not "X" line 25g.

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(9) Form 1040-NR, Schedule A (Sequence 7A - Itemized Deductions):

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
<b>Line 3</b> - <ul style="list-style-type: none"> <li>Amount present more than \$500 and Form 8283 is not attached</li> <li>\$20,000 or more, Art indicated on Form 8283, and separate appraisal not attached</li> <li>More than \$500,000, and separate appraisal not attached</li> <li>Form 8283, page 2, has significant entries but not signed</li> </ul>	"X" Line 3.
<b>Line 6</b> - Entry is present and Form 4684 is not attached	<ol style="list-style-type: none"> <li>"X" line 6, and</li> <li>Edit CCC "U".</li> </ol>

- (10) Form 1040-NR, Schedule NEC (Sequence 7B - Tax on Income Not Effectively Connected With a U.S. Trade or Business)

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
Cannot determine correct country of permanent address	<ol style="list-style-type: none"> <li><b>Multiply</b> the gross not effectively connected income (sum of 13a, 13b, 13c, and 13d) by 30%, and</li> <li>Edit the result to Form 1040-NR, page 2, line 23a.</li> </ol>

- (11) Dual-Status Returns:

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
If a determination cannot be made about which return to process or the "Dual-Status Statement" is missing	<p>Edit CCC <b>"U"</b>, <b>and</b> do one of the following:</p> <ol style="list-style-type: none"> <li>When both Form 1040, and Form 1040-NR or Form 1040-NR-EZ are present, process Form 1040-NR, or convert Form 1040-NR-EZ to Form 1040-NR and process, as the "Dual-Status Return," and use the Form 1040 as the "Dual-Status Statement."</li> <li>When only one form is present, always process as a Form 1040-NR.</li> </ol> <p><b>Note:</b> Dummy Form 1040-NR if missing.</p>
<b>Filing Status Code (FSC) is 2</b> and both taxpayers have income	<ol style="list-style-type: none"> <li><b>Circle</b> out the name of the secondary taxpayer,</li> <li>Edit CCCs <b>"3," "U,"</b> and <b>"Y,"</b> and</li> <li>Edit action trail: "no reply with two incomes."</li> </ol>

- (12) Form SSA-1042S and/or Form RRB-1042S:

Correspondence Required When the Following Conditions Exist:	Action Required for Incomplete Reply or No Reply to Correspondence
Withholding claimed and no U.S. documentation submitted	<ol style="list-style-type: none"> <li>1. “X” withholding amount and income where found,</li> <li>2. Edit CCCs “3”, “U”, and “Y”, and</li> <li>3. Edit action trail: “SSA/RRB-1042S.”</li> </ol>

- (13) For additional no reply instructions, see IRM 3.11.3.5.3.2, No Reply/Incomplete Reply/Undeliverable Correspondence.

3.21.3.7  
(01-01-2021)  
**Editing for ALL  
International Returns**

- (1) Editing prepares returns and attachments for transcription and computer processing.
- (2) In addition to the following subsections, see IRM 3.11.3.4.1 through IRM 3.11.3.4.2.6.

3.21.3.7.1  
(01-01-2018)  
**Transcription Lines  
(T-Lines) and  
Transcription Compute  
Lines (T-Compute Lines)**

- (1) For complete instructions, see IRM 3.11.3.3.2, Transcription Lines and Transcription Compute Lines.

3.21.3.7.2  
(10-29-2025)  
**Sequence of Transcribed  
Schedules and Forms**

- (1) In the upper-right margin of each form or schedule is a preprinted number called a **sequence code**. The Integrated Submission and Remittance Processing (ISRP) operators transcribe forms and schedules by their sequence code. ISRP sequence codes range from 01 through 79.
- (2) Any form or schedule with a sequence number between 01 and 79 that is not transcribed must be deleted. See the table in IRM 3.21.3.7.2 (11) for a list of the sequence codes for all transcribed schedules and forms.
- (3) Delete any document, form, or schedule that will not be transcribed when there is a transcribed form/schedule after it. For a large number of non-transcribed forms, “X” the top page and combine the remaining pages together with a rubber band, staple, or clip. Leave all non-transcribable forms/schedules intact after the last transcribed page.

**Note:** Form 8938, Statement of Specified Foreign Financial Assets is transcribed in a separate program. Refer to Exhibit 3.21.3-1 .

- (4) Delete any form that shares a sequence number with a transcribed form.

**Note:** Examples include, but are not limited to, the following:

Form or Schedule	Sequence Number
Form 2106	54 (TY07 and prior)
Form 3468	52 (TY09 and prior)

Form or Schedule	Sequence Number
Form 3903	62 (TY10 and prior)
Form 4563	68 (TY18 and prior)
Form 5884-B	65
Form 8621	69
Form 8801	74 (TY19 and prior)
Form 8829	66 (TY09 and prior)
Form 8862	43A (TY23 and later)
Form 8949	12A (TY18 and prior)
Schedule D-1	12A (TY10 and prior)
Form 8995-A Schedule A	55B
Form 8995-A Schedule B	55C
Form 8995-A Schedule D	55E

- (5) “X” a transcribed schedule or form if it is blank or has no significant T-line entries, unless specifically instructed otherwise.

**Exception:** Do not “X” Form 8938 when there are no significant entries on T-Lines.

- (6) If any schedule or form is attached with “Alt Min Tax”, “AMTCR”, “AMT” or “Alternative Minimum Tax” or similar statement notated across the top, “X” the form or schedule.
- (7) Delete duplicate forms or schedules with identical amounts that are filed for the same taxpayer.
- (8) For transcribed forms or schedules with multiple pages, ensure the pages are together and in the proper order (page 1, page 2, etc.).
- (9) Arrange Schedules 1 through 3 in sequential order behind Form 1040 or Form 1040-NR. When processing Form 1040-NR, keep Schedule A, Schedule NEC, and Schedule OI together as page 1, page 2, and page 3 of Sequence 07. Arrange Sequence 07 Schedules behind Form 1040-NR and Schedules 1 through 3.

**Exception:** When a transcribed form or schedule is found on the back side of Form 1040 or Form 1040-NR, it is not necessary to photocopy and move behind Schedules 1-3.

- (10) Leave Form W-2, Form 1099, other U.S. withholding documents, Form 1040-V, taxpayer statements, deposit slips, small forms, or other items where they were found, if they do not obstruct T-lines or any part of the caption area.
- (11) **These are the transcribed forms and schedules, their sequence numbers, and the returns to which they can be attached:**

**Note:** If the return is converted, refer to the form type of the converted return.



<b>Form/Schedule</b>	<b>Sequence Number</b>	<b>1040</b>	<b>1040-NR</b>	<b>1040-SS/1040-SS (sp)/1040-PR (TY22 and prior)</b>
Schedule 1	01	Yes	Yes	No
Schedule 1-A (TY25 and later)	1A	Yes	Yes	No
Schedule 2	02	Yes	Yes	No
Schedule 3	03	Yes	Yes	No
Schedule A, Form 1040	07	Yes	No	No
Schedule A, Form 1040-NR	7A	No	Yes	No
Schedule NEC	7B	No	Yes	No
Schedule OI	7C	No	Yes	No
Schedule B	08	Yes	No	No
Schedule C; Schedule C (sp); Schedule C-EZ (TY18 and prior)	09, 10, 11	Yes	Yes	Yes
Schedule D	12	Yes	Yes	No
Form 8949 (TY19 and later)	12A	Yes	Yes	No
Schedule E	13	Yes	Yes	No
Schedule F; Schedule F (sp)	14, 15	Yes	Yes	Yes (not transcribed)
Schedule R	16	Yes	No	No
Schedule SE; Schedule SE (sp)	17, 18	Yes	Yes (only Sequence Code 17)	Yes
Form 1116	19	Yes	Yes	No
Schedule J	20	Yes	Yes	No
Form 2441	21	Yes	Yes	No
Form 3800	22	Yes	Yes	No
Form 4137	24, 25	Yes	Yes (only sequence code 24)	Yes (not transcribed)
Form 4684	26	Yes	Yes	No
Form 4797	27	Yes	Yes	No
Form 4972	28	Yes	Yes	No

Form/Schedule	Sequence Number	1040	1040-NR	1040-SS/1040-SS (sp)/1040-PR (TY22 and prior)
Form 5329	29, 30	Yes	Yes (only sequence code 29)	No
Form 6198	31	Yes	Yes	No
Form 6251	32	Yes	Yes	No
Form 8615	33	Yes	Yes	No
Form 2555; Form 2555-EZ (TY18 and prior)	34, 35	Yes	No	No
Form 8283	36	Yes	Yes	No
Form 4835	37	Yes	Yes	No
Form 8839	38	Yes	Yes	No
Form 8853	39	Yes	Yes	No
Form 8814	40, 41, 42	Yes	Yes	No
Schedule EIC	43	Yes	No	No
Schedule H; Schedule H (sp); Schedule H-PR (TY22 and prior)	44, 45	Yes	Yes (only Sequence Code 44)	Yes
Schedule 8812; Form 8812 (TY11 and prior)	47	Yes	Yes	No
Form 8806	48, 49	Yes	Yes	No
Form 8863	50	Yes	No	No
Form 4952	51	Yes	Yes	No
Form 8889	52, 53	Yes	Yes (only sequence code 52)	No
Form 8880	54	Yes	Yes	No
Form 8995 (TY19 and later)	55	Yes	Yes	No
Form 8995-A (TY19 and later)	55A	Yes	Yes	No
Form 8995-A, Schedule C (TY20 and later)	55D	Yes	Yes	No
Form 8888	56	Yes	Yes	Yes
Form 8978 (TY19 and later)	57	Yes	No	No

## 3.21 International Returns and Documents Analysis

Form/Schedule	Sequence Number	1040	1040-NR	1040-SS/1040-SS (sp)/1040-PR (TY22 and prior)
Form 5405 (TY24 and prior)	58, 59	Yes	No	Yes
Form 8919	61, 62	Yes	Yes (only sequence code 61)	Yes
Form 8958	63	Yes	Yes	No
Form 461 (TY21 and later)	64	Yes	Yes	No
Form 8941	65, 66	Yes	Yes (only sequence code 65)	No
Form 6252 (TY19 and later)	67	Yes	Yes	No
Form 8936	69	Yes	Yes	No
Form 8936 Schedule A	69A	Yes	Yes	No
Form 8867	70	Yes	Yes	Yes
Form 8959	71	Yes	Yes	Yes
Form 8960	72	Yes	Yes	No
Form 8962	73, 74	Yes	Yes	No
Form 5695 (TY23 and later)	75	Yes	Yes	No
Form 965-A (TY19 and later)	76	Yes	No	No
Form 9000 (TY21 and later)	77	Yes	Yes	Yes
Schedule LEP (TY19 and later)	77A	Yes	Yes	Yes
Form 8997 (TY21 and later)	78	Yes	Yes	No
Form 4136	79	Yes	Yes	No
Form 8938	938	Yes	Yes	No

### 3.21.3.7.3 (01-01-2020) Form 3471-E

- (1) Edit money amounts on Form 3471-E in **dollars only** for all form types.
- (2) Staple Form 3471-E to the last page of the tax return with Form 3471-E facing out.
- (3) For complete instructions see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.7.4  
(01-14-2025)  
**Dollars and Cents  
Editing**

- (1) Allow the taxpayers to round or truncate (drop the cents) amounts.
- (2) Use only dollar amounts when computing amounts on forms or schedules.  
**Exception:** Use **dollars and cents** when computing withholding and excess Social Security tax.
- (3) For **TY18 and prior**, draw a vertical line between the dollars and cents figures when dollars or cents are in the wrong column:
  - a. on each line that is to be transcribed, **or**
  - b. down the entire front of the form or schedule**Exception:** It is not required to draw a vertical line when column(s) are not present and the dollars and cents have been separated by a decimal.
- (4) Dollars and cents editing is required on certain T-lines if **any** of the following conditions exist:
  - a. A substitute form is used with dollars and cents not clearly separated by a decimal point or slash.  
**Exception:** **Do not** draw a vertical line to separate dollars and cents when only dollar amounts are present on a dollars and cents T-line.
  - b. An entry is illegible.
  - c. When computing and editing an entry as directed by line-by-line instructions.  
**Exception:** It is not necessary to edit "00" to indicate no cents.
- (5) The following line numbers **require dollars and cents** editing when adjusting or editing:
  - a. Form 1040 - lines 24 through 38
  - b. Form 1040-NR - lines 24 through 38
  - c. Schedule 3 - lines 9 through 14
  - d. Form 1040-PR - Part I, lines 6 through 16
  - e. Form 1040-SS/1040-SS (sp)- Part I, lines 7 through 16
  - f. Form 13900 and Form 13975
  - g. Form 9143 and Form 13557

3.21.3.7.5  
(04-26-2022)  
**Action Codes**

- (1) An Action Code consists of three numeric characters and is used to reject a document and identify the reason for rejection.
- (2) Edit Action Codes on page 1 of the return in the bottom-center margin.
- (3) **Assign only one Action Code to a document.** Edit Action Codes in the following priority:
  - a. **"300"**
  - b. **"310"**
  - c. **"4XX"**
  - d. **"6XX"**
  - e. **"2XX"**
  - f. **"3XX"**

## 3.21 International Returns and Documents Analysis

(4) These Action Codes are for international processing:

- a. “**215**” - International correspondence
- b. “**420**” - Verification of Form 8288-A withholding for numbered returns
- c. “**651**” - Transship international returns to AUSC

**Note:** When processing returns that were transshipped, delete the Action Code “651” and continue processing.

(5) For a complete list of Action Codes, IRM 3.11.3, Exhibit 2.

### 3.21.3.7.6 (04-24-2020) Audit Codes

- (1) An Audit Code is an alpha or numeric character used to identify a questionable condition for Examination.
- (2) Edit Audit Codes horizontally on page 1 of the return in the bottom-right margin.
- (3) The most commonly used international Audit Codes are:

Code	Explanation
<b>H</b>	<ul style="list-style-type: none"> <li>• Schedule B, line 8, <b>Yes</b> box is marked, or</li> <li>• One or more of the following are attached: Form 926, Form 3520, Form 3520-A, Form 5471, or Form 5472</li> </ul>
<b>K</b>	Expatriation return (Form 1040-NR with Form 8854 attached)
<b>L</b>	<ul style="list-style-type: none"> <li>• IRC 6501(d): request for prompt audit or assessment, or</li> <li>• Form 5074, Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands, is attached to Form 1040</li> </ul>

(4) For a list of additional Audit Codes, see IRM 3.11.3-3.

### 3.21.3.7.7 (10-29-2025) Computer Condition Codes (CCCs)

- (1) A Computer Condition Code (CCC) is an alpha or numeric character.
- (2) Edit CCCs horizontally in the following locations:
  - Form 1040: page 1 in the blank space to the right of **Head of Household (HOH)** in the Filing Status area.
  - Form 1040-NR: page 1 to the right of the **Trust** box in the Filing Status area.
  - Form 1040-SS, Form 1040-SS (sp), and Form 1040-PR: page 1 centered to the right of **Part I Total Tax Credits (see instructions)**.

**Note:** For prior year editing locations, see Job Aid 2513-701.

- (3) Edit Computer Condition Code “**C**” when Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b), is attached to Form 1040-NR. CCC “**C**” is unique to international processing.
- (4) When CCC “**3**” is edited, it **must appear first (to the left of any other CCC)**.

- (5) Always edit an Action Trail when CCC “Y” is edited.

**Exception:** An Action Trail is not required when CCC “Y” is edited to indicate that a return is Dual-Status.

- (6) For a list of additional Computer Condition Codes (CCCs), see IRM 3.11.3-4.

3.21.3.7.8  
(10-29-2025)

**Form Processing Codes (FPCs)**

- (1) A Form Processing Code (FPC) is an alpha or numeric character that indicates when a specific form or schedule is attached to a return.
- (2) Edit FPCs vertically in the following locations:
- Form 1040 and Form 1040-NR: page 1 to the right of Line 5b
  - Form 1040-SR: page 1 to the right of Line 1g
- Note:** For prior year editing, see Job aid 2513-701.
- Form 1040-SS, Form 1040-SS (sp), and Form 1040-PR: page 1 in the margin to the right of Line 7
- (3) For TY16 and later, edit FPC “D” if there is a federally declared disaster loss claimed on Schedule A and Form 4684.
- (4) For Form 1040-NR only, edit FPC “S” if Schedule SE is attached or there is an entry on Schedule 2, line 4.
- (5) For a list of other Form Processing Codes (FPCs), see exhibit in IRM 3.11.3-5.

3.21.3.7.9  
(10-29-2025)

**Return Processing Codes (RPCs)**

- (1) A Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation. These codes are used for center processing and don’t post to the Master File.
- (2) Edit RPCs horizontally on page 1 of the return in the bottom left margin.
- (3) For a complete list of Return Processing Codes (RPCs), see Exhibit 3.21.3-3.

3.21.3.7.10  
(01-01-2023)

**Special Processing Codes (SPCs)**

- (1) A Special Processing Code (SPC) is an alpha or numeric character used to flag a condition or trigger a computation. SPCs are used for computer processing and do not post to the Master File. SPCs supplement the Return Processing Codes.
- (2) Edit SPCs vertically in the following locations:
- Form 1040: page 1 to the right of the **Spouse’s social security number**
  - Form 1040-NR: page 1 to the right of **Your identifying number**
  - Form 1040-SS, Form 1040-SS (sp), and Form 1040-PR: page 1 to the right of **Spouse’s social security number**
- (3) Edit SPC “P” on **all** Streamlined Filing Compliance returns. Special Processing Code “P” is unique to international processing.
- (4) For a list of additional Special Processing Codes (SPCs), see Exhibit 3.11.3-6.

## 3.21 International Returns and Documents Analysis

### 3.21.3.8 (10-29-2025)

#### Received Dates for All International Returns

- (1) The received date is the date a return was received by the IRS and it is required on every return.
- (2) When a received date is missing, edit it in “**MMDDYY**” (Month/Month, Day/Day, Year/Year) format, using the instructions below:
  - a. Form 1040: edit on the front of the return in the filing status area to the right of Single filing status checkbox.
  - b. Form 1040-A (TY17 and prior): edit to the left of line 6d
  - c. Form 1040-EZ (TY17 and prior): edit in the center to the left of line 6
  - d. Form 1040-SS/Form 1040-SS (sp): edit in the dotted portion to the left of line 5.
  - e. Form 1040-PR (TY22 and prior): edit in the dotted portion to the left of line 5
  - f. Form 1040-NR: edit below “Dependents (see instructions)”
  - g. Form 1040-NR (TY24 - TY20): edit in the empty space to the right of “Dependents (see instructions)”
  - h. Form 1040-NR (TY19 and prior): edit in the dotted portion to the left of line 8

**Note:** For prior year Form 1040 editing location, refer to Job Aid 2431-010. For prior year Form 1040-SS and Form 1040-NR editing locations , refer to Job Aid 2513-701.

- (3) If the received date is present in or above the caption area, delete, and edit the same received date, as instructed above.
- (4) If a received date is not present on page 1 of the return, search the return and attachments for a received date, and edit that date as instructed above.
- (5) Circle all but the earliest received date when a return has multiple received dates. See IRM 3.21.3.8.

**Note:** Circle all but the earliest valid received dates (including Statute or other valid IRS organization’s received dates) when there are multiple received dates present. See IRM 3.21.3.8.1.1. **Taxpayer Advocate Service (TAS) received dates are not valid received dates.** If multiple received dates are identical, circle all but one received date.

**Exception:** When the return has been mailed back for missing signature(s), and multiple received dates are present, see IRM 3.21.3.8.1.

- (6) If a received date is “**X**”-ed or deleted in another manner, circle that received date stamp and edit the correct received date if a valid received date is not present.
- (7) Perfect the received date when it is not legible or is incomplete. When perfecting edit in the “**MMDDYY**” format.
- (8) When multiple returns are mailed together, the envelope is attached to one return and a dual date stamp is used on the other returns. A dual date stamp has both the postmark date and the received date.
- (9) If a return has been faxed by another area of the IRS and then sent to Code & Edit for processing, do not edit the Enterprise Electronic Fax (EEFax) date as the IRS Received Date. Edit the received date following normal procedures when one is not present.



**Caution:** The EEFax Date cannot legally be used as the IRS Received Date.

- (10) **Transshipped Returns** - Any of the following are indications of a transshipped return:
- A Service Center received date stamp other than Austin (AUSC)
  - A blue tag titled **ROUTE** with the box marked AUSC (Austin)
  - Any other indications or evidence of a transshipped return which may be identified
- (11) If the return was transshipped from any other Service Center (Andover, Atlanta, Brookhaven, Cincinnati {Covington}, Fresno, Kansas City, Memphis, Ogden, or Philadelphia), follow the instructions below:

**Note:** DO NOT refer to any other instructions in this IRM or in IRM 3.11.3, Individual Income Tax Returns, to determine the received date for any return that can be identified as being transshipped from another Service Center.

If	Then
The return has been stamped with an AUSC received date <b>and</b> another Service Center stamped received date,	Circle out the other Service Center received date (including those that have ramped down), <b>leaving only the AUSC date.</b>
The return has a Field Assistance/TAC received date stamp,	Honor the Field Assistance/TAC received date. Circle any other received date(s).
The return has only received date(s) stamped from another Service Center,	<ol style="list-style-type: none"> <li>Circle the received date(s).</li> <li>Edit a received date (current date minus 10 days).</li> </ol> <p><b>Exception:</b> If today's date minus 10 days makes the received date earlier than any of the other campus dates, edit the other campus date as the received date.</p>
The return has only an AUSC received date,	Take no action.
The return has no received date,	Edit a received date (current date minus 10 days).

**Exception:** If the return was transshipped and a determination was made that the return was not foreign or the foreign aspect was deleted, process the return as a domestic return and **honor the original received date.**

3.21.3.8.1  
(10-30-2024)

### Determining Received Date

- (1) Determine the received date in the following priority when there is no valid date stamp or written received date:
  - a. Latest postmark on the envelope or latest date from a designated private delivery service or private metered postmark.  
  
**Note:** When the envelope or air-bill is not attached, use the postmark date stamped or handwritten on the return to determine the received date.
  - b. Service Center Automated Mail Processing System (SCAMPS) digital dates stamped on the envelope.
  - c. Latest date by the taxpayer's signature.  
  
**Exception:** Use the signature date on prior year returns only when it is within the current year. Also, do not use the signature date to determine the received date for replies to correspondence.
  - d. Julian date in the DLN minus 10 days.
  - e. Today's date minus 10 days.
- (2) **For all returns:** Edit the determined date as the received date when there is no valid date stamp or written received date.
- (3) If the stamped received date is three months or more prior to the current date, search the return for an indication the received date is incorrect (such as a postmark or signature date after the received date). If the received date is determined to be incorrect, delete it and edit a new received date following instructions in IRM 3.21.3.8.1 (1).
- (4) **ALWAYS** review each return for the words, "Returned for Signature" or similar statement and a date present in the lower-left corner of the return. These are returns that were originally received missing a signature and were mailed back to the taxpayer. If a date and the notation "Returned for Signature" or similar statement is present, refer to the following instructions for editing the received date:
  - a. If the return is Balance Due and a received date is present showing a date within 30 days after the date present in the lower-left corner, use the date sent back for signature as the received date. Delete any other received date(s) that may be present.
  - b. If the return is Balance Due and a received date is present showing a date **MORE** than 30 days after the date present in the lower-left corner, honor the latest received date. Delete any earlier received date(s) that may be present.
  - c. If the return is a Refund, Credit Elect or Zero-balance return, honor the latest received date. Delete any earlier received date(s) that may be present.

**Exception:** For statute returns only, if a received date is present showing a date within 30 days of the Returned for Signature date, circle out the latest received date and edit the earlier received date.

**Caution:** Take the following action on any International Form 1040, Form 1040-NR, Form 1040-PR, or Form 1040-SS transshipped from another Campus, Territory Office, or Foreign Post:

If	Then
There is no Austin Service Center (AUSC) received date,	Edit the received date using today's date minus 10 days.

3.21.3.8.1.1  
(11-07-2022)

#### Types of Received Dates

(1) A valid Received Date stamp has **all** of the following:

- a. The word "Received"
- b. Month (alpha or numeric), Day, and Year
- c. The name of the city or the name of the functional area (e.g., Statute, RIVO, CSCO, Exam, ICT, CII, AM, etc.).

**Note:** A received date from one of these cities is not valid: Andover, Atlanta, Brookhaven, Cincinnati {Covington}, Fresno, Kansas City, Ogden, or Philadelphia. Follow the instructions in IRM 3.21.3.8 (11) for transshipped returns.

(2) Accept a valid Received Date stamp from the following:

- a. Austin (AUSC/AUSPC)
- b. Charlotte, NC
- c. Field Assistance or TAC offices
- d. IRS area/territory
- e. IRS Offices in London, Paris, Beijing or Frankfurt only.

(3) Accept as valid a handwritten or typed received date if edited by an IRS employee in Submission Processing or Return Integrity Verification Operations (RIVO).

**Note:** A clear indication that a handwritten or typed received date has been edited by RIVO will be the presence of SPC "B", SPC "M", and/or "RIVO" noted or stamped in the upper-left margin. Generally, the RIVO edited received date will be earlier than the original, stamped received date.

(4) Accept a received date on an IRS Received Date label (Form 14471) above the caption.

**Note:** Delete and edit the same received date as instructed in IRM 3.21.3.8 (2).

3.21.3.8.1.2  
(10-30-2024)

#### Post Office Marks

(1) For complete instructions, see IRM 3.11.3.8.2.2, Post Office Marks.

**Note:** Postmark dates from foreign countries are often in Day-Month-Year (DDMMYY) or Year-Month-Day (YYYYMMDD) format. Some countries use roman numerals for the month.

3.21.3.8.1.3  
(01-01-2015)

#### Private Delivery Service (PDS) Marks

(1) For complete instructions, see IRM 3.11.3.8.2.3, Private Delivery Service (PDS) Marks.

3.21.3.8.2  
(10-29-2025)  
Timely-Filed Returns

- (1) In 2026, a current year return is a return filed for tax year 2025. A current calendar-year return (2512) is considered timely filed when it is received on or before the due date:
- a. April 15, 2026 for Form 1040, Form 1040-SS, Form 1040-SS (sp)

b. April 15, 2026 for Form 1040-NR (programs 46120 and 46160)

c. April 15, 2026 for Dual-Status Form 1040 (program 46115), Dual-Status Form 1040-NR (program 46129)

d. June 15, 2026 for Form 1040-NR (programs 46140 and 46180)

e. June 15, 2026 for Dual-Status Form 1040-NR (programs 46145 and 46185)

**Note:** Extended due dates for taxpayers affected by terroristic action in Israel. Notice 2023-71 (October 13, 2023) provides that certain tax return filing deadlines and other tax obligations for individuals and businesses affected by the terrorist attacks in Israel otherwise due between October 7, 2023, and October 7, 2024, are extended until October 7, 2024. These extensions apply to any individual whose principal residence is located in Israel, the West Bank, or Gaza, and to any business entity or sole proprietor whose principal place of business is in these areas, among others. The extended due dates were implemented automatically for these individuals and businesses based on prior year tax filings. Other individuals eligible for this relief, include, e.g., an individual relief worker affiliated with a recognized governmental or philanthropic organization who is assisting in the covered area. Those and other eligible individuals were advised to inform the IRS of their eligibility for this relief by calling IRS disaster hot lines ((866) 562-5227 for domestic callers and (267)941-1000 for international callers).

- (2) All returns require a received date.

3.21.3.8.3  
(10-30-2024)  
Grace Period

- (1) By law, a timely-mailed return is a timely-filed return. This applies to both United States Postal Service (USPS) and **designated** Private Delivery Service (PDS) mail.

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3.21.3.8.4  
(01-14-2025)  
Late-Filed  
Return/Reasonable  
Cause

- (1) A return is delinquent when it is filed after the due date without an approved extension.
- Note:** Taxpayers residing outside the United States and Puerto Rico are entitled to a two-month extension to file.

[illegible]


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- (4) Edit CCC “N” on a return that qualifies the taxpayer for a special extension

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any of the following:

- a. The taxpayer lived outside the United States and Puerto Rico on the due date of the return.
- b. Caption address outside United States and Puerto Rico.
- c. The taxpayer is in the military or naval service on duty outside the United States and Puerto Rico.
- d. The taxpayer has a APO/DPO/FPO address.
- e. Form 2555 dates indicate still there or continuing.
- f. Form 2555 has an ending date later than the tax year of the return (e.g., 2026, 2027, etc.).
- g. Return indicates Treasury Regulation 1.6081-5(a).

**Note:** Do not edit CCC “N” on Form 1040-NR or Form 1040-NR-EZ. These taxpayers do not qualify for the special extension .

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- (5) When the taxpayer’s reasonable cause statement is not acceptable:

- a. Edit CCC “7”
- b. Route for correspondence. Letter 854C (Penalty Waiver or Abatement Disallowed Appeals Procedure Explained) must be issued.

- (6) On a late-filed return when reasonable cause is established, take the following action:

If	Then
Late filing	Edit CCC “R”, unless CCC “N” has been edited.
Late payment or a “Section 6020(b)” notation is present	Edit CCC “M”.

- (7) Edit CCC “R” on a late filed return when the taxpayer has a Form 4868 or Form 6401 attached to the return and an ITIN or IRSN is present in the primary SSN field. Both ITINs and IRSNs begin with a 9.

**Note:** If CCC “N” is edited, delete CCC “N”.

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**Note:** Returns filed by taxpayers with an extension are due October 15, 2026. Extension forms are not required to be attached to the return when filed.

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**Note:** International taxpayers may have an additional extension until December 15, 2025. Extension forms are not required to be attached to the return when filed.

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3.21.3.9  
(10-29-2025)

**General Instructions for  
All International Returns**

- (1) Edit RPC “L” and CCC “B” if there are no significant T-line entries present or edited from attachments on lines:
- Form 1040: 1a through 38
  - Form 1040-A (TY17 and prior): 7 through 51
  - Form 1040-EZ (TY17 and prior): 1 through 14
  - Form 1040-NR: 1a through 38
  - Form 1040-NR-EZ (TY19 and prior): 3 through 26
- (2) Form 1040-SS and Form 1040-PR (TY22 and prior): Edit RPC “L” if there are no significant T-line entries present or edited from attachments on line 3 through 16.
- (3) Computer-generated returns are identified by a three-alpha character software code in the bottom margin of page 1 or 2 of Form 1040, Form 1040-NR, or Form 1040-SS, or page 1, 2, 3, or 4 of Form 1040-SR. Edit RPC “V” when the tax return is computer generated. Also, edit SPC “Y” if FFF (separate from the software code) is present in the bottom margin.
- Exception:** Do **not** edit RPC “V” or SPC “Y” if the return is a prior year return, or there is an indication the return was prepared by Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) (e.g., the presence of an “S” within the P-TIN field).
- (4) For **TY19 and TY20** returns identified as Economic Impact Payment (EIP) returns, no special processing is required. Disregard any notations of EIP on the return, and process per current instructions.
- (5) If the return contains page 1 from Form 1040 and page 2 from Form 1040-NR or vice-versa:



## 3.21 International Returns and Documents Analysis

- Convert and process as Form 1040-NR **unless** Schedule OI is attached and the taxpayer indicates presence in the U.S. for 365 or 366 days.
  - If the taxpayer indicates presence in the U.S. for 365 or 366 days, then convert and process return as Form 1040.
- (6) All amounts are to be reported in U.S. currency **only**. If amounts are reported in foreign currency, give the return to the **workleader**, who will convert any amounts reported in foreign currency to U.S. dollars using the exchange rate table appropriate for the tax period of the filer's return. See *Treasury Reporting Rates of Exchange*, and use December rates for the tax year of the return. Divide the foreign currency amount by the exchange rate.
- (7) For early-filed returns, such as gambling:
- a. Edit Action Code **"480"**,
  - b. Edit the tax period in **YYMM** format, and
  - c. Edit the received date if not present.
- (8) Some situations will require special editing procedures. Examine the return for indications of these conditions. Edit these returns using instructions in IRM 3.11.3.6, Special Situations and Returns, unless otherwise instructed in line-by-line instructions in IRM 3.21.3:

Special Situations	IRM Reference
Combat Zone and other Military Operations	IRM 3.11.3.6.1.1
Examination Cases	IRM 3.11.3.6.1.5
Fiduciary Relationship (Minor Child, POA)	IRM 3.11.3.11
Frivolous Filer/Non-Filer Returns <b>Note: Any return with a 1099-OID should be treated as frivolous.</b>  <b>Note:</b> There are also FRIV 1040-NR Sole Proprietor - UK returns	IRM 3.11.3.6.1.6

Special Situations	IRM Reference
<p>Hardship</p> <p>When the Taxpayer Advocate Service (TAS) Liaison walks a hardship return through Code &amp; Edit:</p> <ul style="list-style-type: none"> <li>• Perform all normal editing.</li> <li>• Edit CCC “O” to freeze the refund</li> <li>• Edit CCC “Y” to send the return to Error Resolution System (ERS)</li> <li>• “X” the refund line on the return.</li> <li>• Do not correspond. If correspondence conditions are identified during editing, give the return back to TAS.</li> </ul>	IRM 3.11.3.6.1.4
Identity Theft: Taxpayer submits Form 14039, Form 14039 (SP) or police report(s) claiming identity theft	Exhibit 3.21.3-1
Killed in Terrorist Action (KITA)	IRM 3.11.3.6.1.2
Natural Disaster/Emergency Relief Program	<p>IRM 3.11.3.6.1.3</p> <p><b>Exception:</b> The exception applies to domestic withholding only. Follow normal IRM procedures for withholding from Form 8805, Form 8288-A and Form 1042-S.</p>
Suicide Threats	IRM 3.11.3.6.1.8

Special Returns	IRM Reference
Amended Returns	IRM 3.11.3.6.2.1
Blank Returns	IRM 3.11.3.6.2.3
Blind Trust Returns	IRM 3.11.3.6.2.21
Blocked or Deferrable Income Returns	IRM 3.11.3.6.2.6
Correspondence Imaging Inventory (CII) Returns	IRM 3.11.3.6.2.7
Combined Tax Liability Returns	IRM 3.11.3.6.2.8

Special Returns	IRM Reference
Community Property or Registered Domestic Partnership Returns	IRM 3.11.3.6.2.9 and IRM 3.21.3.9.2
52-53 Week Returns	IRM 3.11.3.6.2.20
Form 8938, Statement of Specified Foreign Financial Assets	Exhibit 3.21.3-1 and IRM 3.11.3.6.2.10
Incomplete Returns	IRM 3.11.3.6.2.4
Form 8379, Injured Spouse Allocation	IRM 3.11.3.6.2.11
Form 8857, Innocent Spouse Relief Request	IRM 3.11.3.6.2.12
Misblocked Returns	IRM 3.11.3.6.2.14 and IRM 3.21.3.4.1
Misfiled Returns	IRM 3.11.3.6.2.15
Reinput Returns	IRM 3.11.3.6.2.16
Returns Secured by Collection	IRM 3.11.3.6.2.17
Short Period Returns	IRM 3.11.3.6.2.18 <b>Note:</b> Edit Action Code “215” on International Returns.
Substitute for Return (SFR)	IRM 3.11.3.6.2.19
Unprocessable Returns	IRM 3.11.3.6.2.2

**Note:** Taxpayers affected by terroristic action in Israel (October 7, 2023). See discussion of Notice 2023-71 (October 13, 2023) in Note following 3.21.3.8.2(e).

3.21.3.9.1  
(02-10-2025)

#### Streamlined Filing Compliance Procedures

- (1) Treat as Streamlined Filing Compliance Procedures if any are present:
  - Notation of “Streamlined Foreign Offshore”
  - Notation of “Streamlined Domestic Offshore”
  - Package of returns addressed to **Mail Stop 6063 AUSC**
  - Taxpayer mentions the “Streamlined” procedures in an attached letter
- (2) Returns postmarked **on or after** July 1, 2014 will follow the Streamlined Filing Compliance Procedures processing instructions as outlined at IRM 3.21.3.9.1.1.
- (3) Submissions consisting only of Form 1040-NR are not processed using Streamlined Filing Compliance Procedures. Form 1040-NR must have been reviewed by LB&I per IRM 3.21.3.9.1.1 LB&I will indicate this by leaving an action trail in the left margin.

- (4) Streamlined packages may contain a mixture of Form 1040, Form 1040-NR, and Dual-Status returns.
- Fully code all returns.
  - Tag Form 1040-NR for rebatch with a purple rebatch tag. Mark the Streamlined 1040-NR box.
  - Edit action trail “Streamlined Package Complete” in the left margin on each return in the package.

**Note:** If the Form 1040 is the controlling document in a Dual-Status return, do not tag the return for rebatching.

- (5) Unless otherwise instructed, it is important that all returns submitted by a taxpayer be kept together. Streamlined packages tagged for rebatching will require special handling. Form 1040-NR will be rebatched into appropriate programs. All program transmittals and returns must stay together through the remainder of the pipeline process.
- (6) If Letter 4087C and/or an explanation stating that the taxpayer is responding to a 4087C is attached, or if there is an envelope addressed to MS 6126, treat as a “reply to Streamlined correspondence.” Route the uncoded package to Rejects using the **yellow** Streamlined tag.

**Exception:** Do not route to Rejects if a notation “Process as Original” or “PAO” is present on the return.

- (7) All returns submitted under the Streamlined Filing Compliance Procedures must have a valid Taxpayer Identification Number (TIN). If a return submitted to the Streamlined Procedures is received without a Taxpayer Identification Number (TIN), search the package for a valid TIN. If no TIN is found, route the uncoded package to Entity Control for an IRSN using yellow Streamlined tag.

**Reminder:** An IRSN **must be assigned** before the package can be routed to Statute. The assignment of an IRSN to a submission made by a taxpayer required to use an SSN does not constitute waiver by the IRS of the eligibility requirements for the Streamlined Filing Compliance Procedures.

- (8) Any Streamlined package that contains any return marked amended/duplicate/copy or indication of Copy to ICT submitted under this procedure should be routed uncoded to LB&I at MS 4305 AUSC using yellow Streamlined tag.

**Note:** If the Certification Form 14653 or Form 14654 is marked “**Amended**”, then the Streamlined package must be reviewed by LB&I before processing. If an amended certification form is attached to an amended return, and there isn’t an indication of prior LB&I review, then route the package to MS 4305 AUSC using yellow Streamlined tag.

**Note:** LB&I will review the returns and determine the actions that need to be taken by Submission Processing. Follow the directives provided by LB&I when the return is received back from LB&I review. LB&I will make the notations in the lower-left margin.

**Note:** If a statute year Form 1040-X without an “AM Streamlined Cover sheet” attached has not been cleared by Statute, route the entire package uncoded to LB&I at MS 4305 AUSC using yellow Streamlined tag.

## 3.21 International Returns and Documents Analysis

- (9) If a return in the package requires Statute Clearance, route the entire uncoded package to LB&I, STOP 4305 AUSC.

**Exception:** Statute year Form 1040-X received with an “AM Streamlined cover sheet” already attached or an LB&I reviewed notation or stamp do not need to be routed to LB&I.

- (10) When the Attachment Guide requires routing the actual return to another department (e.g., Collections, Exam), route to LB&I MS 4305 AUSC by attaching the yellow Streamlined tag to the uncoded package, checking the “other” box, and writing the reason for routing to LB&I.
- (11) When the Attachment Guide requires TC 150 research, route to LB&I MS 4305 AUSC by attaching the **yellow** Streamlined tag to the uncoded package and check the “TC 150 research” box.
- (12) When attachments are received separated from returns (FBARs, certifications, correspondence, etc.), attach them to corresponding tax years. If the attachment does not correspond to a tax year, attach to the latest Streamlined tax year.

**Exception:** If original BMF forms are listed on the certification, route entire package to LB&I at MS 4305 AUSC. Otherwise, route BMF forms to R&C and leave action trail on related tax year (if any).

- (13) Take the following actions for completing the AM Streamlined Coversheet attached to Form 1040-X:
- Check the “YES” or “NO” box as appropriate, next to “SP Corresponded for Certification issue” to indicate whether correspondence is required for a Streamline certification issue.
  - Circle the tax year(s) of the returns in the package other than Form(s) 1040-X. If the tax year(s) are not listed on the coversheet, edit and circle the tax years in the same area as the preprinted tax years on the coversheet.

3.21.3.9.1.1  
(10-29-2025)

### 2014 Streamlined Filing Compliance Procedures

- Review all instructions in IRM 3.21.3.9.1 prior to processing with Streamlined Filing Compliance Procedures.
- All streamlined returns should be coded with SPC “P”.
- When a complete streamlined package is received, edit:
  - CCC “M”
  - CCC “P”
  - CCC “R”

**Note:** Do not edit CCC “N” if editing CCC “M”, CCC “P”, and CCC “R”.

**Caution:** Do NOT edit CCC “M”, CCC “P,” and CCC “R” if corresponding for a streamlined issue such as the certification. If CCC “M”, CCC “P”, and CCC “R” are not edited, see IRM 3.21.3.8.4 for CCC “N” instructions.

- The instructions for editing CCC “7” on streamlined returns will not apply if the return has CCC “M”, CCC “P”, and CCC “R” edited.

- (5) Follow normal coding instructions as outlined in IRM 3.21.3 and IRM 3.11.3, Individual Income Tax Returns.
- (6) If the package is incomplete, see IRM 3.21.3.9.1.2.
- (7) Once it has been determined that a streamlined package is complete:
  - a. If a copy of the certification is not attached to each tax year in the package, photocopy and attach.
  - b. If the taxpayer provides an explanation on a separate statement, the statement must also be copied and attached to the return.

**Note:** Use pink tag to indicate the number of copies and which returns need copies.

- (8) Once all returns have a photocopy of the certification, detach the certification with the original signature. Route this original certification to LB&I, STOP 4305 AUSC, using blue routing tag.
- (9) If a package contains Form 1040-X AND the certification is complete with all tax years:
  - a. Separate the Form 1040-X.

**Caution:** Do not separate/detach Form 1040 from Form 1040-X when both returns are for the same year.

- b. A copy of the certification MUST be attached to each Form 1040-X.
- c. Edit an action trail, "Streamlined Package Complete," in the left margin on each return in the package.
- d. When an AM Streamlined Coversheet is attached to each Form 1040-X in the package, route to ICT using a blue routing tag. Keep multiple Form 1040-X together.
- e. When a streamlined Form 1040-X is missing an AM Streamlined Coversheet, attach a yellow streamlined tag, check the box, "other," and notate, **missing coversheet**. Route to LB&I, STOP 4305 AUSC.

**Exception:** If streamlined correspondence is required, follow IRM 3.21.3.9.1.2 (2).

3.21.3.9.1.2  
(10-30-2024)

**Correspondence for  
2014 Streamlined Filing  
Compliance Procedures**

- (1) If the items below are not submitted with a **new** Streamlined package, **correspond**:
  - a. Items required for a complete Streamlined Foreign Offshore filing:
    - Original signature(s) of the taxpayer(s) under a jurat on at least one Certification.

**Note:** If the tax return is married filing jointly then correspond if one or both signatures are missing.

**Exception:** Any return received from LB&I with the notations of "Process as Streamlined" and "Reviewed by LB&I" and there is a copy of the original certification, **do not** correspond for original certification.

- Form 14653 (Certification by U.S. Person Residing Outside of the United States for Streamlined Foreign Offshore Procedures).

## 3.21 International Returns and Documents Analysis

- b. Items required for a complete Streamlined Domestic Offshore filing:
- Amount of taxpayer's miscellaneous offshore penalty (only packages with Form 1040-X require a penalty computation).
  - An original signature is required under a jurat on at least one certification.

**Note:** If the tax return is married filing jointly then correspond if one or both signatures are missing using Form 13900.

**Exception:** Any return received from LB&I with the notations of "Process as Streamlined" and "Reviewed by LB&I" and there is a copy of the original certification, **do not** correspond for original certification.

- Form 14654 (Certification by U.S. Person Residing in the United States for Streamlined Domestic Offshore Procedures).

**Note:** If the taxpayer submits Streamlined package with Form 14438 questionnaire instead of a certification, correspond using paragraph "E" instructing the taxpayer to follow current Streamlined procedures.

**Note:** A substitute certification form is acceptable as long as it contains all of the relevant information listed above including a signature under a jurat. **Correspond** if missing.

(2) If any Streamlined correspondence is required, follow the instructions below:

- Use Form 13900 and only correspond on one tax year.
- Use Action Code "**215**" on each return, except Form 1040-X.
- Keep the package together - including any Form 1040-X.

(3) If correspondence is required AND there are NO Streamlined issues, follow the instructions below:

- Use Form 13900 to correspond.
- Use Action Code "**215**" on each return, except Form 1040-X.
- Keep the package together with the exception of Form 1040-X.
- Ensure each return has a copy of the certification and route the original certification to LB&I at MS 4305.

**Caution:** If you are separating Form 1040-X, remember to complete the AM cover sheet and attach a copy of the certification to the return(s). Edit an action trail "Streamlined Package Complete" on each return in the package.

3.21.3.9.1.3  
(01-01-2015)

**Amended/Duplicate  
Returns Submitted for  
2014 Streamlined Filing  
Compliance Procedures**

(1) See IRM 3.21.3.9.1.1.



3.21.3.9.2  
(01-01-2018)  
**Community Property or  
Registered Domestic  
Partnership Returns -  
General Information**

- (1) If taxpayers are married and are subject to the community property laws of a foreign country, a United States state, or a United States Territory, they generally must follow those laws to determine their income for United States tax purposes unless:
  - a. Both taxpayers are nonresident aliens.
  - b. One taxpayer is a nonresident alien and the other is a United States citizen or resident and they do not both choose to be treated as United States residents.
- (2) If one taxpayer is a nonresident alien, the following rules apply to community income.
  - a. Earned income of a spouse, other than trade or business income and a partner's distributive share of partnership income, is treated as the income of the taxpayer whose services produced the income. That taxpayer must report all of it on a separate tax return.
  - b. Trade or business income, other than a partner distributive share of partnership income, is treated as the income of the person who exercises substantially all of the management and control over the trade or business. That taxpayer must report all of it on a separate return.
  - c. Partnership income (or loss). A partner distributive share of partnership income is treated as the income (or loss) of the partner. The partner must report all of it on a separate return.
- (3) Income derived from the separate property of one taxpayer (and which is not earned income, trade or business income, or partnership distributive share income) is treated as the income of that taxpayer. That taxpayer must report all of it on a separate return. Use the appropriate community property law to determine what is separate property.

**Note:** Income can no longer be split under Community Property provisions.

- (4) All other community income is treated as provided by the applicable community property laws.

3.21.3.10  
(04-08-2025)  
**Decedent Return**

- (1) For ALL international returns, see IRM 3.11.3.10 - IRM 3.11.3.10.6.

**Note:** If using Form 9143 to correspond for a missing signature on a decedent return, mark boxes 1 and 24.

- (2) In addition to the instructions above, special editing is required when an Additional Information Line (AIL) is required for a foreign address. If a foreign address AIL is present, and a decedent AIL is present or has been edited as a second AIL, take the following actions for a refund return:

- a. DO NOT edit CCC "L" or CCC "W".
- b. Edit CCC "Y" and an action trail of "**Manual Refund**".

**Exception:** Do not edit CCC "Y," if CCC "3" has been edited. If the taxpayer has elected to use Direct Deposit or has been issued an IRSN, do not edit CCC "Y". (An IRSN begins with a 9 and the middle two digits are **other than 50-65, 70-88, 90-92 and 94-99**. The middle two digits identify the campus location where it was issued.)

3.21.3.11  
(01-01-2021)

**Tax Period for  
International Returns**

- (1) See IRM 3.21.3.84.1 for Form 1040-NR and Form 1040-NR-EZ specific instructions.
- (2) Australian residents often use a **June (06) fiscal tax period** ending date that coincides with the Australian accounting period. Follow taxpayer intent and edit YY06 for the tax period when June 30th is indicated as the tax period ending date on the tax return for an Australian resident.
- (3) New Zealand residents often use a **March (03) fiscal tax period** ending date that coincides with the individual New Zealand accounting period. Follow taxpayer intent and edit YY03 for the tax period when March 31st is indicated as the tax period ending date on the tax return for a New Zealand resident.
- (4) U.K. residents use a fiscal tax period that ends on April 5th.
- (5) For additional instructions refer to IRM 3.11.3.7, Tax Period.

**Caution:** See IRM 3.21.3.84.1 for additional information Form 1040-NR or Form 1040-NR-EZ instructions.

3.21.3.12  
(01-01-2019)

**General Instructions for  
Editing All International  
Returns**

- (1) The following subsections contain instructions for:
  - Caption Information
  - Taxpayer Identification Number
  - Name and Additional Information Line
  - Mailing Address
  - City and State
  - ZIP Code
  - Country Name
- (2) Additional instructions may be found within form-specific instructions.

3.21.3.12.1  
(01-01-2024)

**Caption Information and  
Editing**

- (1) **Required Caption Information Includes:**
  - a. Primary Taxpayer Identification Number (P-TIN)
  - b. Secondary Taxpayer Identification Number (S-TIN), if applicable
  - c. Name(s)
  - d. Additional Information Line (which may be present to further identify the taxpayer's location or representative)
  - e. Mailing Address
  - f. City/State
  - g. Foreign Province/State or Territory/Foreign Mail Routing Code/Postal Code
  - h. Country (if applicable)
  - i. ZIP Code when available
- (2) Do **not** change the name control when it has been edited in red by: Entity Unit, ITIN Operation, or RPS employee. Use the Entity/ITIN/RPS editing to perfect the:
  - a. Name Control for the caption.
  - b. TIN on attachments - Schedule C, Schedule EIC, Schedule H, Schedule SE, Form 2441, Form 4137, Form 5405 Form 8839, Form 8853, Form 8863, Form 8919, Form 8941, and Form 8958.

**Note:** The name control for a newly assigned TIN or IRSN may have been edited and underlined by the ITIN Operation or Entity Unit.

- (3) Search the return and attachments for any missing caption information and perfect the caption if all missing information is found. For TY18, edit international address information from Schedule 6 to the caption if not already present when a complete address cannot be found elsewhere on the return.
- (4) For additional instructions, see IRM 3.21.3.9.1 and IRM 3.11.3.9.2. In addition to these instructions, form specific instructions must be followed for Form 1040-NR and Form 1040-NR-EZ. See IRM 3.21.3.84.3 through IRM 3.21.3.84.5.

3.21.3.12.2  
(01-01-2015)  
**Taxpayer Identification  
Number**

- (1) For complete instructions see IRM 3.11.3.9.2.1., Taxpayer Identification Number (TIN).

3.21.3.12.2.1  
(01-01-2021)  
**Primary TIN**

- (1) If the P-TIN is missing or incomplete, examine the return and its attachments and edit the P-TIN, if found. Circle an incomplete P-TIN.
- (2) If there is an indication the taxpayer has used a TIN that is not their own, take no action.

**Example:** The taxpayer shows an ITIN on the return and an SSN on attached Form(s) W-2.

- (3) If the primary taxpayer's TIN includes a notation of "NRA" or "nonresident" and the secondary taxpayer has an SSN/ITIN and income, edit the secondary SSN/ITIN as the primary TIN and reverse the order of the names.
- (4) See IRM 3.21.3.84.3.1.1 for Form 1040-NR and Form 1040-NR-EZ specific instructions.
- (5) For additional instructions, see IRM 3.11.3.9.2.1.1., Primary TIN (P-TIN).

3.21.3.12.2.2  
(01-01-2020)  
**Secondary TIN**

- (1) Edit the S-TIN from the return or attachments if it is missing or incomplete, and the Filing Status (FS) is "2," "3," or "6."

**Exception:** A Secondary TIN is not allowed on a Form 1040-NR or Form 1040-NR-EZ.

- (2) For additional instructions, see IRM 3.11.3.9.2.1.2 and IRM 3.21.3.84.4.1.

3.21.3.12.2.3  
(01-01-2015)  
**Canadian TIN**

- (1) **Canadian TIN:** Canada assigns a Canadian TIN in a 3-3-3 (000-000-000) format. If it can be determined that the TIN is a Canadian TIN, examine the return and attachments for a TIN in a 3-2-4 (000-00-0000) format:
  - a. If found, circle the Canadian TIN, and edit the correct U.S. TIN (000-00-0000 format).
  - b. If not found, circle the Canadian TIN.

3.21.3.12.2.4  
(01-01-2021)  
**ITIN**

- (1) **ITINs** are issued to individuals who do not qualify for Social Security Numbers (SSNs). The ITIN is issued for tax purposes only and is obtained by completing a Form W-7, Application for IRS Individual Taxpayer Identification Number.

## 3.21 International Returns and Documents Analysis

- (2) Stop editing the return and take the following actions when Form W-7 or Form W-7 (SP) is attached to the return:

a. **Unnumbered:**

- Pull the return from the batch. Attach Form W-7 to the front of the return.
- Edit the Received Date to the left of the line 6 area on Form W-7/Form W-7 (SP) in “MMDDYY” format and route the entire return to the ITIN unit.

b. **Numbered:** Edit Action Code “610”.

3.21.3.12.2.5

(10-30-2024)

**Internal Revenue Service Number (IRSN)**

- (1) These numbers are used for internal processing only when the taxpayer does not qualify for an SSN or ITIN. An IRSN will start with a 9 (nine) and the middle two digits are other than 50-65, 70-88, 90-92 and 94-99. The middle two digits identify the Campus location where it was issued from. The fourth and fifth digits for the Austin Campus are 06, 18, and 66.

3.21.3.12.3

(01-01-2015)

**Name and Additional Information Lines**

- (1) Each return processed must have a legible last name. Research following local procedures when the name is illegible and cannot be perfected.
- (2) There are two lines available for taxpayer identification:
- a. The name line is for the first name, middle initial and last name(s) of the primary and secondary (if present) taxpayer(s). This includes any suffix.
  - b. The additional information line (AIL) is used to further identify the taxpayer or contain a foreign street address.

**Example:** Additional name, address or representative information may be shown.

3.21.3.12.3.1

(01-01-2015)

**Name Line**

- (1) For complete instructions, see IRM 3.11.3.9.2.2.1, Name Line.

3.21.3.12.3.2

(01-01-2024)

**Additional Information Line**

- (1) An AIL can contain the following information:
- a. A fiduciary, taxpayer representative, or in-care-of (c/o or %) information
  - b. A parent signing for a minor child (see Figure 3.21.3-1)
  - c. A location other than a street address (e.g., building, college, company) (see IRM 3.11.3.9.2.2.2, Additional Information Line (AIL))
  - d. Mailing address of a foreign country
- Note:** A P.O. Box can be an AIL.
- e. Private Mailbox (PMB)
  - f. For a Puerto Rico address, see IRM 3.21.3.12.3.3

- (2) If any of the above items listed in IRM 3.21.3.12.3.2 (1) are present, edit and/or underline the AIL.

**Exception:** Do not underline the foreign mailing address if no province, city, or postal code is present.

- (3) If a foreign address is present on Form 1040, Form 1040-A, or Form 1040-EZ and a name is present or has been edited as a second AIL, underline both. Then take the following actions for **REFUND** returns:

- For Decedent Returns, **do not** edit CCC "L" or CCC "W".
- Edit CCC "Y" and an action trail of **"Manual Refund"**.

**Exception:** Do not edit CCC "Y", if CCC "3" has been edited. If the taxpayer has elected to use Direct Deposit or has been issued an IRSN, do not edit CCC "Y". (An IRSN begins with a 9 and the middle two digits are **other than 50-65, 70-88, 90-92 and 94-99**. The middle two digits identify the Campus location where it was issued from. The fourth and fifth digits for the Austin Campus are 06, 18 and 66).

- For additional instructions, refer to IRM 3.11.3.9.2.2.2, Name Line and Additional Information Line.

**924** **DRAFT**  
**1040** Department of the Treasury—Internal Revenue Service  
**U.S. Individual Income Tax Return** **2025** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial **Negasso** Last name **Cheleleka** **MINOR** Your social security number **000 00 3663**

If joint return, spouse's first name and middle initial **Tedros Cheleleka** Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. **5506 Shinfa St.** Apt. no. Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. ☐

City, town, or post office. If you have a foreign address, also complete spaces below. **Addis Ababa** State ZIP code

Foreign country name **Ethiopia / \$** Foreign province/state/country Foreign postal code

**Filing Status** ☒ Single ☐ Head of household (HOH) ☐ Qualifying surviving spouse (QSS)

Check only one box. ☐ Married filing jointly (even if only one had income) ☐ Married filing separately (MFS). Enter spouse's SSN above and full name here: If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required):

**Digital Assets** At any time during 2025, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

Dependents	Dependent 1	Dependent 2	Dependent 3	Dependent 4
(1) First name				
(2) Last name				

If more than four dependents, see instructions and check here

31	Amount from Schedule 3, line 49	31	
32	Add lines 27a, 28, 29, and 31. These are your <b>total other payments and refundable credits</b>	32	<b>120.67</b>
33	Add lines 25d, 26, and 32. These are your <b>total payments</b>	33	<b>120.67</b>
34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b>	34	
35a	Amount of line 34 you want <b>refunded to you</b> . If form 8888 is attached, check here <input type="checkbox"/>	35a	<b>120.67</b>
35b	Routing number <b>X</b>	35b	
35c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	35c	
35d	Account number	35d	
36	Amount of line 34 you want <b>applied to your 2025 estimated tax</b>	36	
37	Subtract line 33 from line 24. This is the <b>amount you owe</b> . For details on how to pay, go to <a href="http://www.irs.gov/Payments">www.irs.gov/Payments</a> or see instructions	37	
38	Estimated tax penalty (see instructions)	38	

**Income** Attach Form W-2 here. Also attach Form W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.

**Third Party Designee** Do you want to allow another person to discuss this return with the IRS? See instructions. ☐ Yes. Complete below. ☐ No

Designee's name Phone no. Personal identification number (PIN)

**Sign Here** Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature **Tedros Cheleleka, parent of minor child** Date Your occupation If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Spouse's signature. If a joint return, **both** must sign. Date Spouse's occupation If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)

Joint return? ☐ Yes ☐ No

Keep a copy for your records

Attach Sch. E if required.

**MANUAL REFUND**

**DRAFT**

c Check if your child's dividends are included in 1 ☐ Line 3a 2 ☐ Line 3b

4a IRA distributions 4b Taxable amount

c Check if (see instructions) 1 ☐ Rollover 2 ☐ 3 ☐

Figure 3.21.3-1 Parent Signing for a Minor Child

## 3.21 International Returns and Documents Analysis

3.21.3.12.3.3  
(10-30-2024)

### Additional Information Line (Puerto Rico)

- (1) The Additional Information Line (AIL) may be found anywhere in the caption area.

**Note:** See IRM 3.21.3.12.3.3 (3)(g) below for examples of correct editing of address.

- (2) When the name of a barrio, sector, subdivision or building name is present and a street address, P.O. Box or highway contract (HC) is also present, underline as the AIL the barrio, sector, urbanizations, subdivisions, or building name.

**Caution: Do Not** underline it if its the only element of the mailing address.

In the table below are common abbreviations used to refer to urbanizations, subdivisions, buildings, and Private Mailboxes.

**Exception:** If a building (edificio) is a necessary part of the main address instead of just additional information, don't underline it as an AIL.

Abbreviations	Urbanizations, Subdivisions, and Buildings
ALT	Altura
ALTS	Alturas
BDA	Barriada
BO	Barrio
COLINAS	Colinas
COND	Condominio
COOP	Cooperativa
DEPT	Departamento
EDIF or EDF	Edificio
EST	Estancias
EXT	Extension
IND	Industrial
JARD	Jardines
MANS	Mansiones
PARC	Parcelas
PARQ	Parque
PMB	Private Mailbox
PUERTO	Puerto
QBDA	Quebrada
QTAS	Quintas
RPTO	Reparto
RES	Residencial



Abbreviations	Urbanizations, Subdivisions, and Buildings
SECC	Seccion
SECT	Sector
TERR	Terraza
URB	Urbanizacion
VILLA	Villa

(3) For Puerto Rico only, the following are different types of address formats:

- a. Four-line address containing Name, Urbanization, House Number and Street Name, City, State, and ZIP Code.

**Note:** Underline the subdivision, sector, urbanization information as the AIL.

- b. Three-line address containing Name, House Number and Street Name, City, State, and ZIP Code.

**Exception:** Some areas in Puerto Rico do not have street names or repetitive house numbers. The urbanization name substitutes as the street name and becomes the primary identifier.

**Example:** Name, House Number and Urbanization Name, City, State, and ZIP Code. **No AIL is needed**

- c. Public Housing Projects (residenciales) without street names or repetitive apartment numbers. In these cases, the apartment number is the primary number and the public housing project becomes the street name.

**Example:** Name, Apartment Number and Residential Name, City, State, and ZIP Code.

- d. Apartment Buildings and Condominiums with a physical (street) address containing Name, Building Name, Street Number, Apartment Number, City, State, and ZIP Code.
- e. Buildings without a physical address. Certain Condominiums are located on an unnamed street and may not have an assigned number. The name of the Condominium substitutes as the street name and the number 1 is used when no building number exists.
- f. Urbanization - denotes an area, sector or residential development within a geographic area. Commonly used in Puerto Rico urban areas, it is an important part of the addressing format, as it describes the location of a specific street. In Puerto Rico, identical street names and address number ranges can be found within the same ZIP Code. In these cases, the urbanization name is the only element that correctly identifies the location of a particular address. Generally, the abbreviation **URB** is placed before the urbanization name.
- g. Below is a table of examples of correct address coding:

Tax Return Address	Correct Coding
URB. Jardines de San Blas A-4	URB. Jardines de San Blas A-4



Tax Return Address	Correct Coding
Estancias De Tortuguero, 521 Calle Tulipa	<u>Estancias De Tortuguero</u> 521 Calle Tulipa
Bo Rocha Comunidad LaSalle HC 02 Box 12811	<u>Bo Rocha Comunidad LaSalle</u> HC 02 Box 12811
Puerto Nuevo 512 Calle Aragon	<u>Puerto Nuevo</u> 512 Calle Aragon
Urb San Rafael EST Calle Violeta E-19 Buzon 246	<u>Urb San Rafael EST</u> Calle Violeta E-19 Buzon 246
Cond. Hato Rey Plaza Jesus T Pinero #200 Apt 6-M	<u>Cond. Hato Rey Plaza</u> Jesus T Pinero #200 Apt 6-M
URB Ciudad Jardin de Bairoa 88 Calle Franca	<u>URB Ciudad Jardin de Bairoa</u> 88 Calle Franca
Villa Fortuna / Via Leticia 4LS-10	<u>Villa Fortuna</u> Via Leticia 4LS-10
Plaza Antillana 151 Calle Caesar Gonzalez Apt 6203	<u>Plaza Antillana</u> 151 Calle Caesar Gonzalez Apt 6203
Reina de Los Angeles U-11 Calle 1	<u>Reina de Los Angeles</u> U-11 Calle 1

3.21.3.12.4  
(10-29-2025)  
**Mailing Address**

- (1) There are two types of international mailing addresses:
  - a. U.S. Territory address
 

**Note:** Edit U.S. Territory addresses the same way as domestic addresses.
  - b. Foreign Country address (address not within the 50 United States, District of Columbia, or any U.S. Territory)
- (2) For domestic addresses, refer to IRM 3.11.3.9.2.3, Mailing Address.

3.21.3.12.4.1  
(10-29-2025)  
**International Mailing Address**

- (1) A **U.S. Territory Address** includes:
  - a. Street Address - if the street address is missing or incomplete, underline the name control.
 

**Caution:** Do not delete any reference of Urbanization or URB for Puerto Rico.

**Note:** For Puerto Rico address AIL editing, see IRM 3.21.3.12.3.3.

**Note:** Multiple Addresses or no Mailing Address, see IRM 3.11.3, Individual Income Tax Returns
  - b. City

- c. U.S. Territory - must be abbreviated with a valid two (2) character state abbreviation. Circle out the U.S. Territory, and edit the abbreviation listed below. See Figure 3.21.3-2:
- AS - American Samoa
  - GU - Guam
  - MP - Commonwealth of the Northern Mariana Islands
  - PR - Puerto Rico
  - VI - Virgin Islands
- d. ZIP Code - Edit the ZIP code, if missing. See Exhibit 3.21.3-6 and Figure 3.21.3-3 if unable to edit the ZIP code.

**Reminder:** Edit U.S. Territory Addresses the same was as domestic addresses.

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**1040** Department of the Treasury—Internal Revenue Service  
**U.S. Individual Income Tax Return** **2025** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial **Barbara** Last name **Imong** Your social security number **000 00 3345**

If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. **7421 Paulana Ct.** Apt. no. Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. ☐

City, town, or post office. If you have a foreign address, also complete spaces below. **Dededo** State **GU** ZIP code **96912** Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Foreign country name Foreign province/state/county Foreign postal code

Figure 3.21.3-2 Editing a State Abbreviation for a U.S. Territory

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☐ Other

Your first name and middle initial **Daniel** Last name **Prieto** Your social security number **000 00 1584**

If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. **URB Cayures 1693 Calle Yauco** Apt. no. Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. ☐

City, town, or post office. If you have a foreign address, also complete spaces below. **Arecibo** State **PR** ZIP code **00612** Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Foreign country name Foreign province/state/county Foreign postal code

Figure 3.21.3-3 Editing the State Abbreviation and a ZIP Code for a U.S. Territory

- (2) Federated States of Micronesia, Marshall Islands, and Palau are not territories, but they use the same addressing method as U.S. territories:

- a. Street Address
- b. City

## 3.21 International Returns and Documents Analysis

- c. Country name abbreviated with a valid two (2) character state abbreviation. Circle out the country name, and edit the abbreviation listed below:  
FM - Federated States of Micronesia  
MH - Marshall Islands  
PW - Palau
- d. ZIP Code - edit the ZIP code if missing. See Exhibit 3.21.3-6 if unable to edit the ZIP code.

(3) A **Foreign Country Address** includes:

- a. Street Address - underline the street address or location as the additional information line

**Caution:** When an address is short (if all of the following are missing: city, state, province, and postal code), such as those from Hong Kong, the use of an AIL is not needed - **Do Not Underline the AIL, but do /country/\$**. See Figure 3.21.3-4.

**Note:** If a P.O. Box and street address are present, underline both as the AIL.

**Note:** If the street address is missing or incomplete, refer to IRM 3.11.3.9.2.3, Mailing Address.

- b. City
- c. Foreign Province/State/County and Foreign mail routing code/postal code
- d. Foreign Country Name in a /country name/\$ format (see Figure 3.21.3-5)

(4) If a domestic and foreign address are both present, circle out the foreign address.

**Note:** If the deleted address is the only foreign aspect of the return, rebatch the coded return to a domestic program.

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	<b>1040</b>		<b>U.S. Individual Income Tax Return</b>							
For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.										
<input type="checkbox"/> Filed pursuant to section 301.9100-2 <input type="checkbox"/> Combat zone <input type="checkbox"/> Deceased / / Spouse / / <input type="checkbox"/> Other										
Your first name and middle initial <b>Benedict</b>				Last name <b>Kiu Tsui</b>				Your social security number <b>000 00 1972</b>		
If joint return, spouse's first name and middle initial				Last name				Spouse's social security number		
Home address (number and street). If you have a P.O. box, see instructions. <b>601 Pat Sin Leng St.</b>								Apt. no.		Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. <input type="checkbox"/>
City, town, or post office. If you have a foreign address, also complete spaces below.						State		ZIP code		<b>Presidential Election Campaign</b> Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse
Foreign country name <b>/ Hong Kong / \$</b>				Foreign province/state/county				Foreign postal code		
<b>Filing Status</b> <input checked="" type="checkbox"/> Single <input type="checkbox"/> Head of household (HOH) <input type="checkbox"/> Married filing jointly (even if only one had income) <input type="checkbox"/> Qualifying surviving spouse (QSS)										

**Do NOT underline the street address when there is NO city, province, or postal code entered by the taxpayer.**

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	<b>1040</b>		<b>U.S. Individual Income Tax Return</b>							
For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.										
<input type="checkbox"/> Filed pursuant to section 301.9100-2 <input type="checkbox"/> Combat zone <input type="checkbox"/> Deceased / / Spouse / / <input type="checkbox"/> Other										
Your first name and middle initial <b>Inez</b>				Last name <b>Sheung Yue</b>				Your social security number <b>000 00 5536</b>		
If joint return, spouse's first name and middle initial				Last name				Spouse's social security number		
Home address (number and street). If you have a P.O. box, see instructions. <u><b>512 Ma Wat St.</b></u>								Apt. no.		Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. <input type="checkbox"/>
City, town, or post office. If you have a foreign address, also complete spaces below. <b>Hong Kong</b>						State		ZIP code		<b>Presidential Election Campaign</b> Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse
Foreign country name <b>/ Hong Kong / \$</b>				Foreign province/state/county				Foreign postal code		
<b>Filing Status</b> <input checked="" type="checkbox"/> Single <input type="checkbox"/> Head of household (HOH) <input type="checkbox"/> Married filing jointly (even if only one had income) <input type="checkbox"/> Qualifying surviving spouse (QSS)										

**Underline the street address as an AIL when there is an entry for city, province, or postal code.**

**Figure 3.21.3-4 Editing a Short Address with No Additional Information Line (AIL)**

**924** **DRAFT**  
**1040** Department of the Treasury—Internal Revenue Service  
**U.S. Individual Income Tax Return** **2025** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial **Dawn** Last name **Magenta** Your social security number **000-00-1016**

If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. **8805 Bronze Drive** Apt. no. Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. ☐

City, town, or post office. If you have a foreign address, also complete spaces below. **Road Town** State ZIP code **British Virgin Islands VI 1/\$**

Foreign country name Foreign province/state/county Foreign postal code **Presidential Election Campaign** Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status ☒ Single ☐ Head of household (HOH) ☐ Married filing jointly (even if only one had income) ☐ Qualifying surviving spouse (QSS)

Check only one box. If filing as HOH or QSS, box

**British VI is not a U.S. Territory and should be blocked in FLC – 20.**

**British Virgin Islands is edited as “British VI” (See IRM 3.21.3.12.6(5)).**

**Figure 3.21.3-5 Perfecting a Foreign Address**

3.21.3.12.4.2  
(01-01-2021)

**City**

- (1) Many cities share names with states/provinces or countries. Do not delete the city name.
- (2) For domestic addresses, refer to IRM 3.11.3.9.2.4, City.

3.21.3.12.4.3  
(01-01-2021)

**State**

- (1) For domestic addresses, refer to IRM 3.11.3.9.2.5, State.

3.21.3.12.4.4  
(01-01-2015)

**Province/State/County of Foreign Addresses**

- (1) States/provinces/counties for the countries listed below **must be abbreviated**. Circle out the state/province/county, and edit the abbreviation in its place. See Exhibit 3.21.3-5 for a list of abbreviations.
  - Australia
  - Brazil
  - Canada
  - Cuba
  - Italy
  - Mexico
  - Netherlands

**Caution:** Many cities share names with states/provinces. Do not delete or abbreviate a city name.

**Note:** See Figure 3.21.3-6 for coding examples.

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☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial **Genoveva** Last name **Mololoa Sacromonte** Your social security number **000 00 2580**

If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. **669 Camino El Cimatario** Apt. no. **5** Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. ☐

City, town, or post office. If you have a foreign address, also complete spaces below. **Guadalajara** State ZIP code

Foreign country name **/ Mexico / \$** Foreign province/state/county **Jalisco JAL** Foreign postal code Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status ☒ Single ☐ Head of household (HOH) ☐ Qualifying surviving spouse (QSS)

Check only ☐ Married filing jointly (even if only one had income) ☐ Married filing separately (MFS). Enter spouse's SSN above

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**1040** Department of the Treasury—Internal Revenue Service  
**U.S. Individual Income Tax Return** **2025** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial **Monica** Last name **Fortescue** Your social security number **000 00 5068**

If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. **510 Tooloom St.** Apt. no. Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. ☐

City, town, or post office. If you have a foreign address, also complete spaces below. **Sydney** State ZIP code

Foreign country name **/ Australia / \$** Foreign province/state/county **NSW New South Wales** Foreign postal code **2000** Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status ☒ Single ☐ Head of household (HOH) ☐ Qualifying surviving spouse (QSS)

Check only ☐ Married filing jointly (even if only one had income) ☐ Married filing separately (MFS). Enter spouse's SSN above

Figure 3.21.3-6 Address Editing for Mexico and Australia

3.21.3.12.4.5  
(10-30-2024)ZIP Code and Foreign  
Postal Code  
(International Mail  
Routing)(1) U.S. territories must have a ZIP Code; edit if missing. See **Exhibit 3.21.3-6**.

(2) A mail routing code/postal code for foreign addresses can contain alpha and/or numeric characters. If missing, edit the mail routing code following the state or province if it can be readily determined. See Figure 3.21.3-7.

**Note:** If the foreign postal code is 00000, take no action.

(3) For domestic addresses, see IRM 3.11.3.9.2.6, ZIP Code.

Cindy Kazan  
2846 Pelly St.  
Montreal Quebec H3B 5G5  
Canada

QUEBEC

APR  
15  
2026

CANADA

CANADA

924

DRAFT

1040

Department of the Treasury—Internal Revenue Service

U.S. Individual Income Tax Return

2025

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2

☐ Combat zone

☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial  
Cindy

Last name  
Kazan

Your social security number  
000 00 9275

If joint return, spouse's first name and middle initial

Last name

Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.  
2846 Pelly St.

Apt. no.

Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. ☐

City, town, or post office. If you have a foreign address, also complete spaces below.  
Montreal

State

ZIP code

Presidential Election Campaign  
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.  
☐ You ☐ Spouse

Foreign country name  
/Canada /\$

Foreign province/state/county  
Quebec QC

Foreign postal code  
H3B5G5

Filing Status ☒ Single 041526

☐ Head of household (HOH)

☐ Married filing jointly (even if only one had income)

☐ Qualifying surviving spouse (QSS)

☐ Check only one box

☐ Married filing separately (MFS). Enter spouse's SSN above

If you checked the HOH or QSS box, enter the child's name

Figure 3.21.3-7 Editing a Mail Routing Code from an Attachment

3.21.3.12.5  
(01-01-2020)  
APO/FPO/DPO  
Addresses

(1) APO/FPO/DPO addresses are military mail addresses. APO/FPO/DPO addresses are considered domestic addresses.

(2) APO, FPO or DPO serves as the city name in the mailing address and AA, AE or AP serves as the state code.

(3) Military mail is first mailed to a central processing center in a U.S. city and then transferred to the military mail system. If the taxpayer provides the U.S. city name, circle the city, and edit the appropriate state code using the table below:

City	Edit State Code
Miami, FL	AA
New York, NY	AE
San Francisco, CA	AP

(4) If the taxpayer provides the name of a foreign city or country, circle the foreign city or country name, and edit the appropriate state code using the table below:

If the foreign city/country is located in	Edit State Code
Central America, South America, or the Caribbean	AA
Europe, the Middle East, Africa, or Canada	AE

3.21.3.12.5

Internal Revenue Manual

Cat. No. 34010Y (10-29-2025)  
Any line marked with a #  
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If the foreign city/country is located in	Edit State Code
Asia or the Pacific	AP

(5) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.12.6  
(02-10-2025)  
**Country Name**

(1) The name of the country in a foreign address **must** be edited using “/Country/\$.”

**Caution:** If a foreign city/country is present, along with an APO/DPO/FPO address, **circle** the foreign address, leaving the APO/DPO/FPO address.

(2) If a domestic and foreign address are both present, circle out the foreign address.

**Note:** If the deleted address is the only foreign aspect of the return, rebatch the coded return as domestic.

(3) When an address is short (if all the following are missing: city, state, province, and postal code), such as those from Hong Kong, the use of an AIL is not needed - **Do Not Underline the AIL, but edit /Country/\$**. See Figure 3.21.3-4.

(4) If the country is missing and it can be readily determined, edit the country. See Exhibit 3.21.3-7.

(5) The country name in a foreign address must be spelled out. See examples below and Figure 3.21.3-8:

- UAE - circle and edit /United Arab Emirates/\$
- UK - circle and edit /United Kingdom/\$
- ROC - circle and edit /Taiwan/\$
- SAR - circle and edit /Hong Kong/\$ or /Macau/\$, as appropriate
- PRC or PROC - circle and edit /China/\$

**Exception:** The countries listed below **must** be abbreviated as follows:

Country	Abbreviation
Ashmore and Cartier Islands	Ashmore and Cartier Is
Bosnia and Herzegovina	Bosnia Herzegovina
British Indian Ocean Territory	British Indian Oc Terr
British Virgin Islands	British VI
Central African Republic	Central African Rep
French Southern and Antarctic Lands	FR Southern Antarctic
Heard Island and McDonald Islands	Heard Is McDonald Is



Country	Abbreviation
Macedonia, The Former Yugoslav Republic of; or Macedonia	North Macedonia
Saint Pierre and Miquelon	St Pierre Miquelon
Saint Vincent and The Grenadines	St Vincent Grenadines
Serbia and Montenegro	Serbia Montenegro
South Georgia and The South Sandwich Islands	S Georgia S Sandwich
Turks and Caicos Islands	Turks and Caicos Is

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**1040** Department of the Treasury—Internal Revenue Service  
**U.S. Individual Income Tax Return** **2025** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial **Abra** Last name **Al Awir** Your social security number **000 00 7506**

If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. **96 Khawr Ajman** Apt. no. Check here if your main home, and your spouse's if filing a joint return, was in the U.S. for more than half of 2025. ☐

City, town, or post office. If you have a foreign address, also complete spaces below. **Dubai** State ZIP code **Presidential Election Campaign**

Foreign country name **UAE / United Arab Emirates / \$** Foreign province/state/county Foreign postal code Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

**Filing Status** ☒ Single ☐ Head of household (HOH) ☐ Married filing jointly (even if only one had income) ☐ Qualifying surviving spouse (QSS)

Check one ☐ If you are filing a joint return, you must have a HOH or QSS box checked.

Figure 3.21.3-8 Perfecting Countries from an Abbreviation

- (6) **Hong Kong and China** are considered separate countries for tax purposes. If the taxpayer puts “Hong Kong China” as the country in the caption area, circle out China.
- (7) **Macau (or Macao) and China** are considered separate countries for tax purposes. If the taxpayer puts “Macau (or Macao) China” as the country in the caption area, circle out China.
- (8) If the country name contains, “Republic of,” or “Kingdom of,” edit to leave the country name.

**Exception:** If R.O.C. or Republic of China is present in the caption, circle and edit “/Taiwan/\$.”

- (9) If any of the countries that are part of the United Kingdom (Great Britain, England, Northern Ireland, Scotland, and Wales) are present in the caption, circle and edit the country as “/United Kingdom/\$.”
- (10) Accept Palestine, Palestinian Territories, or similar as the country name when no other country is present in the caption area.

3.21.3.13  
(10-30-2024)

**Filing Status Editing -  
General Information for  
Form 1040/Form  
1040-A/Form 1040-EZ**

- (1) The filing status (FS) is used to determine the taxpayer's standard deduction amount, eligibility for the earned income tax credit, and to compute their tax.
- (2) The instructions in this subsection are for determining and editing the correct FS when processing Form 1040, Form 1040-A, or Form 1040-EZ.  
**Reminder:** Form 1040-A and Form 1040-EZ are valid for TY17 and prior only.
- (3) Edit the filing status by either checking the appropriate box or by editing the Filing Status Code (FSC) to the appropriate area.
- (4) The meanings of the filing status codes are:
  - a. FSC "1" - Single
  - b. FSC "2" - Married filing jointly
  - c. FSC "3" - Married filing separately (MFS) (spouse dependent/exemption is not claimed)
  - d. FSC "4" - Head of household (HOH)
  - e. FSC "5" - Qualifying surviving spouse (QSS)
  - f. FSC "6" - Married filing separately (MFS) (spouse dependent/exemption is claimed)
- (5) Edit CCC "**Q**" when the filing status is 4 or 5, there are no dependents listed on the return, and a qualifying non-dependent is listed:
  - In the filing status section of the return,
  - On Form 2441 with SSN of Qualifying Non-Dependent,
  - On Form 8814 with SSN of Qualifying Non-Dependent, or
  - On Schedule EIC with SSN of Qualifying Non-Dependent.

3.21.3.13.1  
(01-01-2019)

**Determining the Filing  
Status**

- (1) For complete instructions see IRM 3.11.3.12.2 - IRM 3.11.3.12.2.5.

3.21.3.14  
(01-01-2020)

**Dependents for Form  
1040/Form 1040A**

- (1) For complete instructions, see IRM 3.11.3.13, Dependents.  
**Exception:** The instruction to edit a dependent that did not live in the United States to position 5 does **not** apply when the dependent lived **with the taxpayer** in a foreign country or U.S. territory.

3.21.3.14.1  
(03-04-2022)

**Dependent Coding**

- (1) For complete instructions, see IRM 3.11.3.13.1, Dependent Coding.

3.21.3.14.2  
(03-04-2022)

**Dependent Name  
Control and TIN**

- (1) For complete instructions, see IRM 3.11.3.13.2.2, Dependent's Name Control.

3.21.3.15  
(10-29-2025)

**Form 1040 - General  
Information**

- (1) Some returns require special editing procedures. The tax examiner must review the return for taxpayer notations or other indications of the conditions found in the Special Returns section in IRM 3.21.3.9 or IRM 3.11.3, Individual Income Tax Returns.

## 3.21 International Returns and Documents Analysis

- (2) Page 1 of Form 1040 includes checkboxes that are not transcribed. These include:
- Filed pursuant to section 301.9100-2 checkbox at top of form
  - Combat zone and other checkbox on top of form
  - Deceased checkbox and date
  - Nonresident alien or dual-status alien checkbox in filing status area
- (3) If there is any indication that the taxpayer is claiming the benefit of **Article XXV (Non-Discrimination)** of the U.S.-Canada Income Tax Treaty (e.g., notated by the taxpayer in the top-center margin of the tax return) and Form 1040-NR is not attached, **correspond** for Form 1040-NR using Form 9143.

**Note:** Use the following literal when corresponding for Article XXV (Non-Discrimination): "If you are claiming Article XXV of the U.S. - Canada Income Tax Treaty, you must file Form 1040-NR. Please complete, sign, and return Form 1040-NR along with all necessary forms, schedules, and federal tax withholding statements."

### 3.21.3.15.1 (01-01-2023) Income, Adjustments, and Credits - Lines 1a Through 33

- (1) Edit amounts on lines 1a through 23 in dollars only.
- (2) Edit amounts on lines 24 through 33 in dollars and cents.

### 3.21.3.15.1.1 (10-30-2024) Line 1a - Total Amount from Form(s) W-2, Box 1

- (1) If the taxpayer claims exempt income under IRC 933 on Form 1040, Form 1040-A (TY17 and prior), or Form 1040-EZ (TY17 and prior), see IRM 3.21.3.80.2.
- (2) If the taxpayer claims an exclusion under IRC 931 on Form 1040, Form 1040-A (TY17 and prior), or Form 1040-EZ (TY17 and prior), see IRM 3.21.3.76.1.2.
- (3) If the taxpayer claims exempt income under IRC 893 or 871, see IRM 3.21.3.16.9.
- (4) If the taxpayer exempts income under IRC 911 or claims the Foreign Earned Income Exclusion on Schedule 1, line 8d or 8z, see IRM 3.21.3.42.1.

**Caution:** If a Foreign Earned Income Exclusion is claimed on Schedule 1, line 8d or 8z, ensure that the taxpayer reported all the related earned income either on Form 1040 on lines 1a through 1h or on Schedule 1 on line 3, 5, or 6. If the taxpayer did not report the earned income, edit the income to a line as follows: edit Form W-2, box 1 income to Form 1040, line 1a; edit income that belongs on Form 1040, lines 1b through 1h to Form 1040, line 1z; edit Schedule C income to Schedule 1, line 3; edit Schedule E income to Schedule 1, line 5; and edit Schedule F income to Schedule 1, line 6. If source of income cannot be determined, edit income to line 1a.

- (5) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.2  
(01-01-2023)

**Line 1b - Household  
Employee Wages (HSH)  
(Not Transcribed)**

- (1) If an amount is present on line 1b, edit SPC “E”.

3.21.3.15.1.3  
(01-01-2023)

**Line 1e - Taxable  
Dependent Care Benefits  
(DCB) - Form 2441 (Not  
Transcribed)**

- (1) If an amount is present on line 1e, Form 2441 must be attached. If missing, correspond for Form 2441.

3.21.3.15.1.4  
(01-01-2023)

**Line 1f - Employer-  
Provided Adoption  
Benefits - Form 8839  
(Not Transcribed)**

- (1) If an amount is present on line 1f, Form 8839 must be attached. If missing, correspond for Form 8839.

3.21.3.15.1.5  
(01-01-2023)

**Line 1g - Wages - Form  
8919 (Not Transcribed)**

- (1) If an amount is present on line 1g, Form 8919 must be attached. If missing, correspond for Form 8919.

3.21.3.15.1.6  
(01-01-2023)

**Line 1i - Nontaxable  
Combat Pay Election**

- (1) Nontaxable Combat Pay is entered on line 1i. If found elsewhere on return, delete where found and edit to line 1i.

3.21.3.15.1.7  
(10-30-2024)

**Line 1z - Total Wages**

- (1) Compute and edit line 1z when it is blank, dash or zero and there are any entries on lines 1a through 1h.

3.21.3.15.1.8  
(01-01-2019)

**Lines 2a and 2b -  
Tax-Exempt Interest  
(TEI) and Taxable  
Interest Income**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.9  
(01-01-2021)

**Lines 3a and 3b -  
Qualified Dividends and  
Ordinary Dividends**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.10  
(01-01-2021)

**Lines 4a and 4b - IRA  
Distributions (Taxable  
IRA Distributions)**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.11  
(01-01-2021)

**Lines 5a and 5b -  
Pensions and Annuities  
(Taxable Pensions and  
Annuities)**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.12  
(01-01-2023)

**Lines 6a, 6b, and 6c -  
Social Security Benefits  
(Taxable Social Security  
Benefits)**

- (1) If the taxpayer resides in one of the countries listed below, “X” any reported Social Security Benefits where found:

- Canada
- Egypt
- Germany
- Ireland
- Israel
- Italy (must also be a citizen of Italy for the exemption to apply)

**Note:** In order for Italy to qualify, they must have an Italian address.

- Romania
- United Kingdom (including Great Britain, England, Northern Ireland, Scotland, and Wales)

- (2) If Social Security income, Form SSA-1042S, Form RRB-1042S, and withholding are the **only** income/withholding reported on the return, see IRM 3.21.3.15.1.29.
- (3) If the taxpayer reports **worldwide income** (income from all sources and includes foreign and U.S. income) (i.e., there are multiple types of income and/or withholding reported on the return) AND the only “questionable” aspect of the return is the presence of Form SSA-1042S, **process the return as submitted** and edit Form SSA-1042S withholding to the dotted portion of line 33 of Form 1040.
- (4) Edit CCC “H” when the taxpayer marks the line 6c box.
- (5) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.13  
(01-01-2021)

**Line 7a - Capital Gain or  
Loss**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.14  
(01-01-2021)

**Line 8 - Other Income**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.15  
(10-30-2024)

**Line 9 - Total Income**

- (1) Compute and edit line 9 when it is blank, dash, or zero and there are any entries on lines 1z, 2b, 3b, 4b, 5b, 6b, 7a, or 8.

**Exception:** Do not adjust or compute line 9 if making an adjustment to Form 1040, line 1a or Schedule 1, line 9.

- 3.21.3.15.1.16 (01-01-2020) **Line 10 - Adjustments to Income** (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.15.1.17 (01-01-2021) **Line 11a - Adjusted Gross Income** (1) Compute and edit line 11a when it is blank, dash, zero, or illegible by subtracting line 10 from line 9.
- 3.21.3.15.1.18 (01-01-2023) **Line 12e - Standard Deduction or Itemized Deductions (Not Transcribed)** (1) If there is an indication near line 12e or a statement for line 12e that the taxpayer is prorating their standard deduction under IRC 933, accept the taxpayer's prorated amount for the standard deduction. Do not correspond for Schedule A.  
(2) For additional instructions, see IRM 3.11.3.14.2.20, Standard Deduction or Itemized Deductions.
- 3.21.3.15.1.19 (01-01-2023) **Line 13a - Qualified Business Income Deduction** (1) If an amount is present, Form 8995 or Form 8995-A must be attached. If missing, **correspond** for Form 8995-A.  
**Note:** See IRM 3.11.3, Form 8995 / 8995-A / 8995-A Schedule C - Qualified Business Income Deduction, for possible editing of FPC "H".
- 3.21.3.15.1.20 (10-29-2025) **Line 13b - Additional Deductions (Not Transcribed)** (1) If an amount is present on line 13b, Schedule 1-A must be attached. If not attached, **correspond** for Schedule 1-A.
- 3.21.3.15.1.21 (01-01-2021) **Line 15 - Taxable Income** (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.15.1.22 (11-12-2021) **Line 16 - Tax** (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.15.1.23 (11-12-2021) **Line 17 - Additional Taxes (Not Transcribed)** (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.15.1.24 (07-19-2023) **Line 19 - Child Tax Credit or Credit for Other Dependents - Schedule 8812** (1) Reserved

## 3.21 International Returns and Documents Analysis

- 3.21.3.15.1.25  
(01-01-2021)  
**Line 20 - Nonrefundable Credits (Not Transcribed)**
- (1) If an amount is present on line 20, Schedule 3 must be attached. **Correspond**, if missing.
  - (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.15.1.26  
(11-12-2021)  
**Line 21 - Total Statutory Credits**
- (1) Compute and edit line 21 when it is blank, dash, zero, or illegible by adding lines 19 and 20.
- 3.21.3.15.1.27  
(10-30-2024)  
**Line 23 - Other Taxes**
- (1) If an amount is present on line 23, and Schedule 2 is not attached or Schedule 2 is attached and lines 4 through 20 are blank, **correspond** for Schedule 2.  
**Exception:** If a Schedule 2 can be dummied from attachments, do not correspond unless already corresponding for other missing information.
  - (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.15.1.28  
(01-01-2021)  
**Line 24 - Total Tax**
- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.15.1.29  
(10-29-2025)  
**Lines 25a through 25d - Withholding**
- (1) U.S. source income is reported on Form W-2, Form 1042-S, Form SSA-1042S, Form RRB-1042S, Form 1099 series, Form 8805, Form 8288-A, or a statement of income.
  - (2) Valid sources of U.S. Withholding include Form W-2, Form SSA-1042S, Form RRB-1042S, Form 1042-S, Form 1099 series, Form 8805, Form 8288-A, and Form 8959. Review all withholding documents to ensure that the withholding amounts claimed by the taxpayer are **U.S. Withholding** (Federal Income Tax Withheld). Withholding from Guam (Form W-2 GU) and CNMI (Form W-2 CM) can be claimed on lines 25a through 25d.  
**Caution:** If the only income on the return is from Guam, see IRM 3.21.3.77, or from the Commonwealth of the Northern Mariana Islands, see IRM 3.21.3.78.
  - (3) If the return contains withholding from American Samoa (Form W-2AS), Puerto Rico (Form 499R-2/Form W-2PR), or Virgin Islands (Form W-2VI), take one of the following actions:
    - a. If all of the withholding is from American Samoa (Form W-2AS), Puerto Rico (Form 499R-2/Form W-2PR), or Virgin Islands (Form W-2VI), “**X**” withholding on line 25d.  
**Caution:** If the only income on the return is from American Samoa, see IRM 3.21.3.76; from Virgin Islands, see IRM 3.21.3.79; or from Puerto Rico, see IRM 3.21.3.80.
    - b. If U.S. withholding is also claimed, adjust the withholding amount to include only the U.S. withholding.



**spond** for withholding support if unable to verify the amount through research. Minimum requirements for substitute statement are: Name of Employer or EIN, Income, and Withholding.

**Exception:** If the research indicates the withholding is claimed from Form 1042-S, **correspond** for withholding support.

**Note:** Research IRP for withholding (when available) before corresponding. Do not

(5) Follow the instructions below for line 25d:

If Line 25d is	And	Then
Blank, Dash, or Zero	At least one source of withholding is present on Form W-2, Form W-2G, Form 1099 (series), or IRS Transcript	Edit the withholding amount(s) to line 25d.
Blank, dash, zero or illegible	Lines 25a through 25c have entries	Compute by adding the amounts together
Any amount and support for the withholding is present	Any withholding is from: <ul style="list-style-type: none"> <li>Form 1099-OID or</li> <li>Form 1099-A</li> </ul>	Refer the return to Frivolous Return Program (FRP).
Any amount	The supporting withholding document is a foreign document	"X" line 25d.

(6) Edit CCC "8" on a **refund** return when withholding is significant and there is **only a single supporting document** attached that is one of the following:

- A substitute statement (e.g., substitute Form W-2, tax software statement or employer-provided earnings statement with year-to-date totals) or attachment or worksheet

**Note:** If the only support for withholding is from a single or multiple Form 4852 and there are no other withholding documentation is present, edit CCC "8".

- Handwritten
- Other than computer-printed Form W-2
- Altered name, SSN, wages, or federal income tax withheld

**Exception:** Do not edit CCC "8" when Form 1099-R, Form W-2G, or IRS transcript is attached, or if the return is identified as a military or combat zone return.

**Note:** To be considered a "single supporting document," the document must show support from only one employer. Consider Form 4852



## 3.21 International Returns and Documents Analysis

and an employer-provided earnings statement with the same employer and identical amounts to be a “single supporting document”.

- (7) If **Form 1042-S** is attached to Form 1040, take the following actions:

If	Then
Refund and the only income reported is from the Form 1042-S	<b>Correspond</b> for filer’s U.S. status, using Form 9143, box 24. <b>Exception:</b> Do not correspond if the taxpayer states they are a U.S. Resident Alien or the taxpayer has provided a copy of their resident alien card. Delete Form 1042-S withholding from line 25d and edit to the dotted portion of line 33.
“ <b>Worldwide Income</b> ” (income from all sources and includes foreign and U.S. income) is reported or the return is other than a refund	Delete Form 1042-S withholding from line 25d and edit to the dotted portion of line 33.

- (8) If **Form 8805** withholding is reported on line 25d, delete Form 8805 withholding from line 25d and edit to the **dotted portion** of line 33, Form 1040.

- a. If the TIN on Form 8805 is missing or other than the TIN in the caption

#

**Exception:** If an ITIN has been newly assigned (edited in red), but is not on Form 8805, **do not “X”** the credit if the name on Form 8805 matches the taxpayer name on the return.

**Note:** Any statement or document from a withholding agent that is submitted in lieu of Form 8805 must include the name and address of the U.S. withholding agent, the agent’s U.S. TIN (EIN or SSN), and the name in which the tax withheld was reported. If the name or TIN of the taxpayer claiming the refund is different or withholding agent information is not included, **“X”** the credit.

- (9) If **Form 8288-A** is attached or noted on any line, follow the instructions in IRM 3.21.3.15.1.29 (10), IRM 3.21.3.15.1.29 (11), and IRM 3.21.3.15.1.29 (12).
- (10) If any Form 8288-A credit is claimed, verify that Form 8288-A is attached and the Date of Transfer (DOT) on Form 8288-A (box 1) is within the Tax Period of the return being filed.

- a. If Form 8288-A or a signed or initialed settlement statement/closing agreement is not attached, **correspond**.
- b. If the Date of Transfer on Form 8288-A (box 1) or the signed or initialed settlement statement/closing agreement is not within the Tax Period of the return, "**X**" the entry where reported and edit only the credit(s) that are within the tax period of the return. If the return is being filed for a fiscal period, verify that the Date of Transfer falls within the fiscal period.

**Caution:** If "**Original DOT**" is notated on the top right side of Form 8288-A, accept that date as the official Date of Transfer.

(11) If the Date of Transfer on Form 8288-A is in 2026 and:

- a. The return is numbered, "**X**" the credit(s).
- b. The return is unnumbered and Form 843 is attached, detach Form 843 along with Form 8288-A and route to Accounts Management. "**X**" line 25d and process the return.
- c. The return is unnumbered and Form 843 is not attached, send the return back to the taxpayer. Correspond using Form 9143, box 25.

**Reminder:** If "**Original DOT**" is notated on the top right side of Form 8288-A, accept that date as the official Date of Transfer.

(12) **All Form 8288-A credits must be verified following procedures in IRM 3.21.25.17.** If Form 8288-A is attached with a Date of Transfer within the Tax Period of the return, and the return is:

- a. **Numbered:** Request verification of the credit from the FIRPTA Unit and edit Action Code "**420**".
- b. **Unnumbered:** Follow the table below

If	And	Then
Credits have not been verified		Completely code and edit the return, then place return in designated area for verification. <b>Note:</b> The verification slip (Form 13698) or printout is attached to the tax form after the credit verification is completed.
Credits are verified	The verified amount is the same or greater than the amount the taxpayer reported,	Delete the Form 8288-A credit from line 25d and edit the taxpayer's entry on the <b>dotted portion</b> of line 33.
Credits are verified	The verified amount is less than the amount the taxpayer reported,	1. " <b>X</b> " the amount reported by the taxpayer. 2. <b>Delete the amount from line 25d and edit the verified amount to the dotted portion</b> of line 33.

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- (13) Delete the Form SSA-1042S/Form RRB-1042S withholding from line 25d and edit Form SSA-1042S/Form RRB-1042S withholding to the dotted portion of line 33, Form 1040 when any of the following conditions apply:
- The taxpayer is reporting worldwide income (income from all sources and includes foreign and U.S. income) along with Form SSA-1042S/Form RRB-1042S. These benefits are not subject to the 30% tax rate and should be processed without citizenship or residency documentation.
  - Nonresident aliens who file jointly with a U.S. citizen and elect to be treated as resident aliens for tax purposes are not subject to the 30% tax rate.
  - The taxpayers address is in a U.S. Territory. Residents of U.S. Territories are not subject to the 30% tax rate.
- (14) A resident alien (without worldwide income, income from all sources and includes foreign and U.S. income) can receive a refund for incorrectly withheld taxes on Social Security Benefits reported on Form SSA-1042S/Form RRB-1042S from SSA or IRS. If SSA cannot refund the taxes withheld, the IRS will process a tax return and refund the withholding when **ALL** the criteria below is met:
- The taxpayer files either Form 1040 or Form 1040-A (TY17 and prior)
  - A copy of the “green card” is attached
  - A signed declaration is attached that includes the following statement (or a signed statement with similar wording):  
“The SSA should not have withheld federal income tax from my social security benefits because I am a U.S. lawful permanent resident and my green card has been neither revoked nor administratively or judicially determined to have been abandoned. I am filing a U.S. income tax return for the taxable year as a resident alien reporting all of my worldwide income. I have not yet claimed benefits for the taxable year under an income tax treaty as a nonresident alien.”
- If the taxpayer is filing to claim a refund and does not attach a green card and/or declaration statement (see criteria above), “**X**” the withholding and **correspond** for the following if missing:
    - Green card
    - A signed declaration statement
  - If the taxpayer is claiming a refund, **both** green card and declaration statement are attached, **and** none of the conditions in IRM 3.21.3.15.1.29 (13) are met, “**X**” the withholding.

3.21.3.15.1.30  
(01-01-2021)

### Line 26 - Estimated Tax Payments

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.31  
(01-01-2024)

### Line 27a - Earned Income Credit (EIC)

- (1) Taxpayers residing outside of the U.S. are generally not entitled to EIC.
- (2) If the taxpayer is not claiming EIC, edit RPC “**B**”.
- (3) If a taxpayer is claiming EIC and attaches a valid Form 2555 or Form 2555-EZ (TY18 and prior), and excludes foreign earned income, “**X**” both the Form 1040, line 27a amount and Schedule EIC, if attached.

- (4) If the taxpayer is claiming EIC and claims income is exempt under IRC 933, disallow EIC. “X” both Form 1040, line 27a and Schedule EIC, if attached.
- (5) If the taxpayer is claiming EIC and resided outside of the U.S. for the entire year, disallow EIC. “X” both Form 1040, line 27a and Schedule EIC, if attached.

**Note:** Do not use the caption address to determine if the taxpayer resided outside the U.S. for the entire year.

- (6) If the return has a U.S. address and all earned income (e.g., wages, self-employment) is from a U.S. territory, then “X” both Form 1040, line 27a and Schedule EIC, if attached.
- (7) If none of the conditions in paragraphs (3) through (6) are present, the taxpayer may qualify for EIC if they resided inside the U.S. for more than half of the tax year and they also met all requirements for EIC given in IRM 3.11.3, Individual Income Tax Returns. Indications that the taxpayer resided inside the U.S. for more than half of the tax year are either:
  - The taxpayer’s address on Form(s) W-2 is one of the 50 states or District of Columbia or
  - The taxpayer paid state or local taxes to one of the 50 states or District of Columbia

**Note:** The taxpayer’s address in the caption and the employer’s address on Form(s) W-2 are not indications.

- a. If the taxpayer qualifies, allow EIC.
- b. If the taxpayer does not qualify, “X” line 27a and Schedule EIC, if attached.

**Exception:** Do not “X” line 27a and Schedule EIC if the only reason for deleting is that a source of earned income is missing, when research for the source has not yet been done.

- (8) U.S. military personnel stationed outside of the U.S. on extended active duty are considered to live in the U.S. during that duty period for purposes of the EIC. They must also meet all requirements for EIC given in IRM 3.11.3, Individual Income Tax Returns. If the taxpayer met all requirements, allow EIC. To determine whether the taxpayer is military personnel, search the signature area, Forms W-2(s) and/or attachments for any of the following indications:
  - a. The occupation in signature area indicates U.S. Air Force, U.S. Army, U.S. Coast Guard, U.S. Marines, U.S. Navy, etc.
  - b. DCPS CIVPAY DIRECTORATE
  - c. DFAS - PE/P
  - d. DFAS - ATTN: DFAS - PMTC/IN
  - e. Defense Finance and Accounting Service Cleveland Center
  - f. USAF - Active Duty
  - g. DFAS - PMJFC/DE
  - h. Commanding Office USCG Human Resources Service Information Center
- (9) **Correspond** when EIC is being claimed and the source of income is not indicated or attached (W-2) and cannot be determined through research:

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- a. If using Form 13900, use paragraph a.
- b. If using Form 9143, use paragraph 10.

(10) For additional instructions, see IRM 3.11.3.14.2.33, Earned Income Credit (EIC).

3.21.3.15.1.32  
(03-20-2025)

### Line 28 - Additional Child Tax Credit (Schedule 8812)

2PR), and appears to be filing only to claim the additional child tax credit, **correspond** following the instructions at IRM 3.21.3.80.1.1 (2).

**Exception:** If you can determine the taxpayer is U.S. military personnel, see instructions in (4) below.

**Note:** Do not convert Form 1040 or Form 1040-A (TY17 and prior) to Form 1040-PR/SS.

income along with claiming the additional child tax credit, continue processing the Form 1040.

- (3) If the taxpayer is a resident of CNMI, Guam, American Samoa, or Virgin Islands, “**X**” line 28 unless IRM 3.21.3.15.1.32 (4) applies.
- (4) If the taxpayer is a resident in any of the U.S. territories and you can determine the taxpayer is **U.S. Military personnel**, the taxpayer is considered a resident of the U.S. for the entire year and the return should be processed using the domestic instructions in IRM 3.11.3, Individual Income Tax Returns. Search the occupation area, Forms W-2, and/or attachments for any indications such as the following:
  - a. The occupation in the signature area indicates military, U.S. Air Force, U.S. Army, U.S. Coast Guard, U.S. Marines, or U.S. Navy.
  - b. DCPS CIVPAY DIRECTORATE
  - c. DFAS-PE/P
  - d. DFAS-ATTN:DFAS-PMTC/IN
  - e. Defense Finance and Accounting Service Cleveland Center
  - f. USAF- Active Duty
  - g. DFAS-PMJFC/DE
  - h. Commanding Office USCG Human Resources Service Information Center
- (5) If an amount is present on line 28 and there are 3 or more qualifying children with the CTC checkbox marked on line 7 of the dependent area of the return, Schedule 8812 must be attached. If missing, **correspond** for Schedule 8812.

**Note:** For TY18 and later, ITINs are not valid on Schedule 8812.

- (6) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.1.33  
(10-30-2024)

**Line 29 - Refundable  
American Opportunity  
Credit or Education  
Credit (Form 8863)**

- (1) If an amount is claimed on line 29, Form 8863 must be attached. If missing, **correspond** for Form 8863.

**Note:** If the taxpayer has an entry on both Schedule 3, line 3 and Form 1040, line 29, correspond for only one missing Form 8863. Use the first entry amount and line number on the return/Schedule.

3.21.3.15.1.34  
(10-29-2025)

**Line 30 - Refundable  
Adoption Credit (Form  
8839)**

- (1) If an amount is claimed on line 30, Form 8839 must be attached. If missing, **correspond** for Form 8839.

3.21.3.15.1.35  
(10-30-2024)

**Line 31 - Amount from  
Schedule 3, Line 15**

- (1) If there is an amount on line 31, Schedule 3 must be attached. If missing and cannot be dummied from attachments, **correspond** for Schedule 3.
- (2) See IRM 3.11.3, Individual Income Tax Returns for instructions on dummied or corresponding.

3.21.3.15.1.36  
(10-30-2024)

**Line 32 - Total Other  
Payments and  
Refundable Credits**

- (1) Compute and edit line 32 when blank, dash or zero and there are entries leading to a total.

**Note:** Do not include "888" when it has been edited on line 27a.

3.21.3.15.1.37  
(10-30-2024)

**Line 33 - Total Payments**

- (1) Take one of the following actions when there is an amount on line 33, and lines 25d, 26 and 32 are blank, and no withholding documents are present:

If there is an amount on line 33 of	And	Then	
	there is a significant entry on Form 1040, line 1a, 4b, or 5b or Schedule 1, line 7	<b>Correspond</b> for an explanation of Form 1040, line 33.	#
	there is no significant entry on Form 1040, line 1a, 4b, or 5b or Schedule 1, line 7	Edit the amount to Form 1040, line 26.	#
	there is a significant entry on Form 1040, line 1a, 4b, or 5b or Schedule 1, line 7	Edit the amount to Form 1040, line 25d, and edit RPC "G".	#
	there is no significant entry on Form 1040, line 1a, 4b, or 5b or Schedule 1, line 7	Edit the amount to Form 1040, line 26.	#

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

- 3.21.3.15.2 (1) Edit amounts on lines 35a, 36 and 37 in dollars and cents.  
(10-30-2024)
- Refund or Amount Owed - Lines 34 through 38** (2) Line 34 is not a T-line. Lines 35a and 37 are T-Compute lines.
- 3.21.3.15.2.1 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2021)
- Line 35a - Refund**
- 3.21.3.15.2.2 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2021)
- Lines 35b, 35c, and 35d - Direct Deposit Information**
- 3.21.3.15.2.3 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2021)
- Line 36 - Estimated Tax Credit Elect**
- 3.21.3.15.2.4 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2021)
- Line 37 - Amount You Owe (Balance Due)**
- 3.21.3.15.2.5 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2021)
- Line 38 - Estimated Tax Penalty (Form 2210 or Form 2210-F)**
- 3.21.3.15.3 (1) Reserved  
(04-24-2020)
- Third Party Designee**
- 3.21.3.15.4 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2015)
- Signature**
- 3.21.3.15.5 (1) Reserved  
(01-01-2020)
- Occupation**
- 3.21.3.15.6 (1) Identity Protection Personal Identification Number (IP PIN) is located in the  
(10-30-2024) "Sign Here" area of the return.
- Identity Protection Personal Identification Number (IP PIN)** (2) If it is more or less than 6 numeric digits, circle the IP PIN.
- 3.21.3.15.7 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2015)
- Paid Preparer Data**

3.21.3.15.7.1  
(01-01-2015)  
**Preparer Code**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.7.2  
(01-01-2015)  
**Preparer TIN (PTIN)**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.15.7.3  
(01-01-2015)  
**Preparer Phone Number**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.16  
(10-30-2024)  
**Schedule 1 (Sequence 01) - Additional Income and Adjustments to Income**

- (1) The following information pertains to Schedule 1 only.
- (2) For TY20 and later, Schedule 1 may be filed with Form 1040 or Form 1040-NR. See IRM 3.21.3.84.19.
- (3) The following are the T-lines and T-Compute lines on Schedule 1:

T-Lines	T-Compute Lines
1099-K Amount (below names found on form)	Line 9
Line 1	Line 25
Line 2a	
Lines 3 through 7	
Line 8r	
Line 9	
Lines 11 through 18	
Lines 19a and 19b	
Lines 20 and 21	
Line 23	
Line 25	
Form 982 Indicator (dotted area left of Line 11)	

- (4) Lines 1 through 10 are for additional income and lines 11 through 26 are for adjustments to income.
- (5) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.16.1  
(10-30-2024)  
**Schedule 1 Below Name(s) - Form 1099-K Amount**

- (1) Reserved



3.21.3.16.2  
(01-01-2020)  
**Schedule 1, Line 1 -  
Taxable Refunds**

- (1) Reserved

3.21.3.16.3  
(01-01-2021)  
**Schedule 1, Lines 2a  
and 2b - Alimony  
Received and Date of  
Original Divorce**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.16.4  
(10-29-2025)  
**Schedule 1, Line 3 -  
Business Income or  
Loss**

- (1) If a taxpayer residing in American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, Puerto Rico, or U.S. Virgin Islands files Form 1040, reporting self-employment tax on Schedule 2, line 4, and the only income on the return is from Schedule C, Schedule E (Part II), and/or Schedule F, prepare a dummy Form 1040-SS as follows:
- Edit the caption and transcription lines.
  - “X” Form 1040, and attach all information behind the dummy Form 1040-SS.

**Caution:** If the taxpayer is claiming wages and/or withholding, **do not convert.**

- (2) If Schedule 1, line 3 contains self-employment income of \$434 or more and Schedule SE is not attached and Schedule 2, line 4 does not have a significant entry:
- Edit RPC “S” if the taxpayer resides in one of the following countries:

RPC “S” Countries:
Australia
Austria
Belgium
Brazil
Canada
Chile (see Note below)
Czech Republic
Denmark
Finland
France
Germany
Greece
Hungary (see Note below)
Iceland

RPC “S” Countries:
Ireland
Italy
Japan
Luxembourg
Netherlands
Norway
Poland
Portugal
Slovak Republic (Slovakia)
Slovenia
South Korea
Spain
Sweden
Switzerland
United Kingdom <b>Reminder:</b> Includes Great Britain, England, Northern Ireland, Scotland, and Wales
Uruguay

**Note:** The U.S. - Chile income tax treaty generally entered into effect for taxable periods beginning on or after January 1, 2024. Edit RPC “S” only for tax years beginning after 2023.

**Note:** The U.S. - Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to self-employment income after January 1, 2024. **Do not** edit RPC “S” with respect for tax years beginning after 2023.

**Reminder:** The taxpayer must be from one of the exempt countries above and does not report SE tax on the return.

**Note:** If Schedule SE has a notation of **Exempt**, “X” Schedule SE and edit RPC “S”.

(3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

**Exception:** Do not correspond for SE tax liability when the taxpayer resides in one of the countries listed in IRM 3.21.3.16.4 (2) above.

3.21.3.16.5  
(01-01-2020)

**Schedule 1, Line 4 -  
Other Gains or Losses**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.16.6  
(01-01-2024)

**Schedule 1, Line 5 -  
Rental Real Estate,  
Royalties, Partnerships,  
S Corporations, and  
Trusts**

- (1) If a taxpayer residing in American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, Puerto Rico, or U.S. Virgin Islands files Form 1040, reporting self-employment tax on Schedule 2, line 4, and the only income on the return is from Schedule C, Schedule E (Part II), and/or Schedule F, prepare a dummy Form 1040-SS as follows:
- Edit the caption and transcription lines.
  - "X"** Form 1040, and attach all information behind the dummy Form 1040-SS.

**Caution:** If the taxpayer is claiming wages and/or withholding, **do not convert**.

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.16.7  
(10-29-2025)

**Schedule 1, Line 6 -  
Farm Income or Loss**

- (1) If a taxpayer residing in American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, Puerto Rico, or U.S. Virgin Islands files Form 1040, reporting self-employment tax on Schedule 2, line 4, and the only income on the return is from Schedule C, Schedule E (Part II), and/or Schedule F, prepare a dummy Form 1040-SS as follows:
- Edit the caption and transcription lines.
  - "X"** Form 1040, and attach all information behind the dummy Form 1040-SS.

**Caution:** If the taxpayer is claiming wages and/or withholding, **do not convert**.

- (2) If Schedule 1, line 6 contains Self-Employment income of \$434 or more and Schedule SE is not attached and Schedule 2, line 4 does not have a significant entry:
- Edit RPC **"S"** if the taxpayer resides in one of the following countries:

<b>RPC "S" Countries:</b>
Australia
Austria
Belgium
Brazil
Canada
Chile (see Note below)
Czech Republic
Denmark
Finland
France

<b>RPC “S” Countries:</b>
Germany
Greece
Hungary (see Note below)
Iceland
Ireland
Italy
Japan
Luxembourg
Netherlands
Norway
Poland
Portugal
Slovak Republic (Slovakia)
Slovenia
South Korea
Spain
Sweden
Switzerland
United Kingdom <b>Reminder:</b> Includes Great Britain, England, Northern Ireland, Scotland, and Wales
Uruguay

**Note:** The U.S. - Chile income tax treaty generally entered into effect for taxable periods beginning on or after January 1, 2024. Edit RPC “S” only for tax years beginning after 2023.

**Note:** The U.S. - Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to self-employment income after January 1, 2024. **Do not** edit RPC “S” with respect for tax years beginning after 2023.

**Reminder:** The taxpayer must be from one of the exempt countries above and does not report SE tax on the return.

**Note:** If Schedule SE has a notation of **Exempt**, **X** Schedule SE and edit RPC **S**.

(3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

**Exception:** Do not correspond for SE tax liability when the taxpayer resides in one of the countries listed in IRM 3.21.3.16.7 (2) above.

3.21.3.16.8  
(01-01-2020)

**Schedule 1, Line 7 -  
Unemployment  
Compensation (UEC)**

(1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.16.9  
(10-29-2025)

**Schedule 1, Lines 8a  
through 8z - Other  
Income**

(1) For international entries on Lines 8a through 8z, follow the table below:

If	And	Then
Line 8z indicates Article XXV (Non-Discrimination) of the U.S.- Canada Income Tax Treaty	Form 1040-NR is not attached	<b>Correspond</b> for Form 1040-NR. See IRM 3.21.3.83.5. <b>Note:</b> Use Form 9143 and the following literal when corresponding for Article XXV, "If you are claiming Article XXV of the U.S.-Canada Income Tax Treaty, you must file Form 1040-NR. Please complete, sign, and return Form 1040-NR along with all necessary forms, schedules, and federal tax withholding statements."
Entry on line 8d, <b>or</b> line 8z indicates Form 2555 or Form 2555-EZ (TY18 and prior) Exclusion	Form 2555 or Form 2555-EZ (TY18 and prior) is missing	<b>Correspond</b> using the applicable form and boxes.
Entry on line 8d, <b>or</b> line 8z indicates Form 2555 or Form 2555-EZ (TY18 and prior) Exclusion	Taxpayer resides in: <ul style="list-style-type: none"> <li>• Baker Island</li> <li>• Howland Island</li> <li>• Jarvis Island</li> <li>• Johnston Atoll</li> <li>• Kingman Reef</li> <li>• Midway Atoll</li> <li>• Palmyra Atoll</li> <li>• Wake Island</li> </ul>	Take the following actions: <ol style="list-style-type: none"> <li>1. <b>"X"</b> Schedule 1, line 9,</li> <li>2. <b>"X"</b> Form 2555 or Form 2555-EZ,</li> <li>3. Ensure income is reported on Form 1040, lines 1a through 7a or Schedule 1, lines 1 through 7 or 9, and</li> <li>4. If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</li> </ol> <b>Exception:</b> If a return shows income earned in the Federated States of Micronesia, Marshall Islands, or Palau Islands and Form 2555 or Form 2555-EZ is attached and valid, <b>ALLOW the exclusion.</b>

If	And	Then
Entry on line 8d, <b>or</b> line 8z indicates Form 2555 or Form 2555-EZ (TY18 and prior) Exclusion	Two Form 2555 and/or Form 2555-EZ (TY18 and prior) are submitted, and only one Form 2555 and/or Form 2555-EZ is valid	<ol style="list-style-type: none"> <li>1. Adjust Schedule 1, line 9 by deleting the amount for the invalid Form 2555 or Form 2555-EZ,</li> <li>2. <b>"X"</b> the invalid Form 2555 or Form 2555-EZ, and</li> <li>3. Ensure income is reported on Form 1040, lines 1a through 7a or Schedule 1, lines 1 through 7 or 9.</li> </ol>
Line 8z indicates Form 2555 or Form 2555-EZ (TY18 and prior) Exclusion	It is a positive amount	<p>Take one of the following actions:</p> <ol style="list-style-type: none"> <li>a. If amount is verified to be a valid exclusion, ensure the exclusion is included as a negative in the total on Schedule 1, line 9, and ensure income is reported on Form 1040, lines 1a through 7a or Schedule 1, lines 1 through 7 or 9.</li> <li>b. If amount is <b>not</b> a valid exclusion, <b>"X"</b> Schedule 1, line 9, <b>"X"</b> Form 2555 or Form 2555-EZ, and ensure income is reported on Form 1040, lines 1a through 7a or Schedule 1, lines 1 through 7 or 9.</li> </ol>
Line 8z indicates IRC 871 (Capital Gains)	Taxpayer excludes this on Schedule 1, line 8z and/or 9	If the income is <b>not</b> included on Form 1040, line 7a or Schedule 1, line 4, edit the income to Form 1040, line 7a.

If	And	Then
Line 8z indicates IRC 893 or employee of international organization or foreign government	<p>Taxpayer provides all of the following:</p> <ul style="list-style-type: none"> <li>Evidence of non-U.S. citizen status (e.g., copy of an A or G visa, or green card),</li> <li>Written evidence from the U.S. Citizenship and Immigration Services (USCIS) confirming USCIS Form I-508 has not been signed and filed,</li> <li>If an employee of a foreign government, a copy of the U.S. State Department Internal Revenue Code (IRC) Section 893(b) certification or other evidence of meeting the requirements of IRC Section 893(a)(2) and (3), and</li> <li>If an employee of an international organization, either the number of the Presidential Executive Order or an international organization that is listed in Exhibit 3.21.3-4.</li> </ul> <p><b>Note:</b> IRC 893 does not apply to the North Atlantic Treaty Organization (NATO) or the Ottawa Agreement.</p>	Allow the exempt amount on Schedule 1, line 9. If the income is <b>not</b> reported on Form 1040, line 1a or Schedule 1, line 3, 5, or 6, edit the income to Form 1040, line 1a.
Line 8z indicates IRC 893 or employee of international organization or foreign government	Taxpayer does not provide all items listed in the box above	<b>Correspond.</b> When using Form 13900, mark box <b>K</b> .
Line 8z indicates IRC 911		See rows 2-5 of this table relating to claim of Form 2555 Exclusion.
Line 8z indicates IRC 931		See IRM 3.21.3.76.1.2.
Line 8z indicates IRC 933		See IRM 3.21.3.80.2.

If	And	Then
Line 8z shows a negative amount	Taxpayer notates foreign income	<b>Correspond</b> for an explanation.
Line 8z shows one or more of the following: <ul style="list-style-type: none"><li>• Self-Employment income</li><li>• Form 1099-NEC (TY20 and later), box 1 amount</li><li>• Form 1099-MISC (TY19 and prior), box 7 amount</li></ul>	Form 2555 or Form 2555-EZ is attached to exclude the income	If the income is <b>not</b> reported on Form 1040, line 1a or Schedule 1, line 3, 5, or 6, edit the Self-Employment income, Form 1099-NEC (TY20 and later), box 1 amount and/or Form 1099-MISC (TY19 and prior), box 7 amount to Form 1040, line 1a.



If	And	Then
<p>Line 8z shows one or more of the following:</p> <ul style="list-style-type: none"> <li>• Self-Employment income</li> <li>• Form 1099-NEC (TY20 and later), box 1 amount</li> <li>• Form 1099-MISC (TY19 and prior), box 7 amount</li> </ul>	<p>Self-Employment income is \$434 or more, Schedule SE is not attached, and Schedule 2, line 4 does not have a significant entry</p>	<p>Take one of the following actions:</p> <p>a. If the taxpayer resides in one of the following countries, edit RPC “S”:</p> <ul style="list-style-type: none"> <li>• Australia</li> <li>• Austria</li> <li>• Belgium</li> <li>• Brazil</li> <li>• Canada</li> <li>• Chile (see Note below)</li> <li>• Czech Republic</li> <li>• Denmark</li> <li>• Finland</li> <li>• France</li> <li>• Germany</li> <li>• Greece</li> <li>• Hungary (see Note below)</li> <li>• Iceland</li> <li>• Ireland</li> <li>• Italy</li> <li>• Japan</li> <li>• Luxembourg</li> <li>• Netherlands</li> <li>• Norway</li> <li>• Poland</li> <li>• Portugal</li> <li>• Slovak Republic (Slovakia)</li> <li>• Slovenia</li> <li>• South Korea</li> <li>• Spain</li> <li>• Sweden</li> <li>• Switzerland</li> <li>• United Kingdom</li> </ul> <p><b>Reminder:</b> Includes Great Britain, England, Northern Ireland, Scotland, and Wales</p> <ul style="list-style-type: none"> <li>• Uruguay</li> </ul> <p><b>Note:</b> The U.S. - Chile income tax treaty generally entered into effect for taxable periods beginning on or after January 1, 2024. Edit RPC “S” only for tax years beginning after 2023.</p> <p><b>Note:</b> The U.S. - Hungary tax treaty was terminated in 2023 and ceased to have affect with respect to self-employment income after January 1, 2024. Do not edit RPC “S” with respect for tax years beginning after 2023.</p> <p>b. If the taxpayer does not reside in one of the countries listed above, edit RPC “N”.</p>

If	And	Then
Line 8z indicates a treaty	Taxpayer provides: <ul style="list-style-type: none"> <li>The name of the foreign country of which the taxpayer is a citizen or resident and whose tax treaty with the U.S. provides the exempt status,</li> <li>The treaty article number that allows the exemption, and</li> <li>The amount of "exempt" income during the tax year</li> </ul>	Verify the treaty article and maximum exemption amounts using Exhibit 3.21.3-10: <p>a. If valid, ensure the allowed amount of exempt income is included as a negative in the Schedule 1, line 9 total. If the taxpayer has not already reported the income, edit the income to Form 1040, line 1a.</p> <p><b>Exception: Taiwan and Hong Kong</b> are not considered to be China and are <b>not allowed</b> to exclude income based on China treaties.</p> <p>b. If invalid, "<b>X</b>" Schedule 1, line 9. If the taxpayer has not already reported the income, edit to Form 1040, line 1a.</p>
Line 8z indicates a treaty	Taxpayer does not provide <b>ALL</b> items listed above.	<b>Correspond.</b>

- (2) Line 8r, "Scholarship and fellowship grants not reported on Form W-2," is a T-line. If there is an entry on this line, see IRM 3.21.3.16.10 for instructions.
- (3) A Fulbright Grant received by a U.S. citizen or U.S. resident alien taxpayer for the purpose of lecturing or teaching in a foreign country is considered a payment for services and is subject to U.S. tax.

**Note:** If the Fulbright Grant was paid by an agency of the U.S. government, the income may be excluded under the IRC 911, provided the taxpayer is not a U.S. government employee.

- (4) If the Housing Deduction amount from Form 2555, line 50 is entered on Schedule 1, line 8z or 9, "**X**" Schedule 1, line 9, and add the Housing Deduction amount to Schedule 1, line 25. If both the Housing Deduction and the Foreign Earned Income Exclusion are claimed together on Schedule 1, line 8d or 8z, adjust line 9 to remove the Housing Deduction, and add the Housing Deduction to line 25. See IRM 3.21.3.42.9 (7).
- (5) Qualified airline employees may exclude some income reported as wages on Form W-2, box 1. This income will be included on Form 1040, line 1a and excluded as a negative on Schedule 1, line 8d or line 8z as "airline payment." Accept as filed.
- (6) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.16.10  
(10-30-2024)  
**Schedule 1, Line 8r -  
Scholarship and  
Fellowship Grants Not  
Reported on Form W-2**

- (1) Generally, a taxpayer's entry on Schedule 1, line 8r should include only the amount of scholarship and fellowship grants not reported on Form W-2, reduced by any amount used to pay for tuition and required, course-related expenses.
- (2) Scholarship and fellowship income shown on Form W-2 should be reported on Form 1040, line 1a. If it is determined this Form W-2 income is included in the line 8r entry:

## 3.21 International Returns and Documents Analysis

- a. Edit the Form W-2 gross income to Form 1040, line 1a, if not already included,
  - b. **Do not** adjust or compute Form 1040, line 9 or 11a, and
  - c. **“X”** or adjust the line 8r amount to exclude the income moved to Form 1040, line 1a.
- (3) If a taxpayer is claiming that a scholarship or fellowship grant reported on a Form 1098-T or a Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior) is **exempt under a tax treaty**, verify the treaty claim:
  - a. If the claim is valid, take the following actions:
    - Edit the gross scholarship and fellowship grant to line 8r, if not already reported there,
    - Verify, or adjust as necessary, that the allowed amount of treaty-exempt grant is included as a negative amount in the Schedule 1, line 9 total, and

**Note:** The taxpayer is instructed to report the treaty-exempt grant as a negative amount on line 8z along with the required treaty information. If this was correctly done, the proper exemption may already be included in line 9.

    - **“X”** the treaty exemption if found elsewhere on the return.
  - b. If the claim is invalid, take the following actions:
    - Edit or adjust the line 8r amount as necessary, following the table instructions in IRM 3.21.3.16.10 (5),
    - Edit or adjust the Schedule 1, line 9 total to account for any adjustments to line 8r and any disallowance of a treaty exemption claim made in lines 8a through 8z, and
    - **“X”** the treaty exemption if found elsewhere on the return.
- (4) One or more of the following documents **must** be attached to support an entry on line 8r. If missing, **correspond**:
  - Form 1098-T
  - A statement from a college or an educational institution (on their letterhead) that states the amount of the grant, the grantor’s name, the dates it covers, and the expenses the grant covers
  - Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior) issued by a college or an educational institution

**Note:** This may be attached when a nonresident alien becomes a resident alien for tax purposes but still receives a Form 1042-S.
- (5) After following the above paragraphs, if at least one of the items in IRM 3.21.3.16.10 (4) above is present and **EITHER** there is still an amount on line 8r that the taxpayer is not validly exempting under a treaty on lines 8a through 8z **OR** there is a Form 1098-T or a Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior) issued by a college or an educational institution attached to the return, where the income is not reported anywhere, follow the instructions in the table below:

If	And	Then
<p>You calculate (1) minus (2) below by:</p> <p>1. Adding:</p> <ul style="list-style-type: none"> <li>All Form 1042-S (Income Code 16) gross income, box 2 amounts</li> <li>All Form 1098-T scholarships or grants, box 5 amounts, and</li> <li>All grant income from educational institution statements</li> </ul> <p>2. Subtracting:</p> <ul style="list-style-type: none"> <li>All Form 1098-T payments received for qualified tuition and related expenses, box 1 amounts and</li> <li>All tuition and required, course-related expenses (fees, books, supplies, equipment) from educational institution statements and from receipts, invoices and the like.</li> </ul> <p><b>Note:</b> While you can use statements from educational institutions that provide only institution-determined total expenses without a breakdown, do <b>not</b> use taxpayer-prepared or taxpayer-provided statements showing only total expenses or other statements showing only taxpayer-determined total expenses, with no breakdown or itemization.</p>	<p>The amount calculated by adding all the items in (1) and then subtracting all the items in (2) is greater than the line 8r entry, including when line 8r is blank or zero</p>	<p>Edit or adjust line 8r to equal the calculated amount.</p>

3.21.3.16.11  
(10-30-2024)

**Schedule 1, Line 9 -  
Total Other Income**

- (1) If line 9 is blank, dash, or zero and there are any entries on lines 8a through 8z, compute and edit line 9 by adding lines 8a through 8z.

3.21.3.16.12  
(10-30-2024)

**Schedule 1, Line 11  
Dotted Portion - Form  
982 Indicator**

- (1) When Form 982 is attached edit the Form 982 Indicator "1" on the dotted portion of line 11.

3.21.3.16.13  
(01-01-2021)

**Schedule 1, Line 11 -  
Educator Expenses**

- (1) Reserved

- 3.21.3.16.14  
(01-01-2020)  
**Schedule 1, Line 12 -  
Certain Business  
Expenses of Reservists,  
Performing Artists, and  
Fee-Basis Government  
Officials (Form 2106)**
- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.16.15  
(10-30-2024)  
**Schedule 1, Line 13 -  
Health Savings Account  
Deduction (Form 8889)**
- (1) If an amount is present on Schedule 1 line 13, Form 8889 must be attached. If missing, correspond for Form 8889.
- 3.21.3.16.16  
(10-29-2025)  
**Schedule 1, Line 14 -  
Moving Expenses for  
Members of the Armed  
Forces (Form 3903)**
- (or similar statement) must be attached. If missing, **correspond** for Form 3903. #
- Note:** If the taxpayer is **only** claiming an expense for storage fees while out of the United States, Form 3903 is not required.
- Note:** Do not correspond if the checkbox on line 14 is checked.
- 3.21.3.16.17  
(01-01-2020)  
**Schedule 1, Line 15 -  
Deductible Part of  
Self-Employment Tax**
- (1) Reserved
- 3.21.3.16.18  
(10-30-2024)  
**Schedule 1, Line 16 -  
Self-Employed SEP,  
SIMPLE, and Qualified  
Plans**
- (1) "X" the amount on Schedule 1 line 16 if none of the following are attached to the return:
- Schedule C
  - Schedule E (Part II present)
  - Schedule F
- 3.21.3.16.19  
(10-30-2024)  
**Schedule 1, Line 17 -  
Self-Employed Health  
Insurance Deduction**
- (1) Edit a misplaced amount from Schedule 1 line 17 to line 15 when **both** of the following conditions are present:
- Schedule SE is attached to the return
  - Line 15 is blank
- 3.21.3.16.20  
(01-01-2021)  
**Schedule 1, Lines 19a,  
19b, and 19c - Alimony  
Paid, Recipient's TIN,  
and Date of Original  
Divorce**
- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

- 3.21.3.16.21 (01-01-2020) **Schedule 1, Line 20 - IRA Deduction** (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.16.22 (01-01-2020) **Schedule 1, Line 21 - Student Loan Interest Deduction** (1) Reserved
- 3.21.3.16.23 (01-01-2021) **Schedule 1, Line 22** (1) Reserved
- 3.21.3.16.24 (10-30-2024) **Schedule 1, Line 23 - Archer MSA Deduction** (1) When found elsewhere on the return, delete any amount identified as “MSA” or “Archer MSA Deduction”. Edit the amount in dollars only to Schedule 1 line 23.
- 3.21.3.16.25 (10-30-2024) **Schedule 1, Lines 24a through 24z - Other Adjustments (Not Transcribed)** (1) Delete the following adjustments from Schedule 1, lines 11 through 23, and ensure the amounts are included in the Schedule 1, line 25 total:
- “403(b)” - Contributions by certain chaplains to section 403(b) plans
  - “501(c)(18)(D)” - Contributions to certain pension plans
  - “ED67(e)” - (TY18 and later) Excess Deductions of section 67(e) expenses from Form 1041 Schedule K-1
  - “Housing Deduction” - Form 2555, line 50
  - “Jury Pay” - Jury Duty Pay
  - “PPR” - Personal Property Rental deductible expenses
  - “RFST” - Reforestation amortization and expenses
  - “Sub-Pay TRA” - Repayment of Supplemental Unemployment Benefit (SUB) payments received in a prior year under the Trade Act of 1974 (TRA)
- Exception:** “X” the SUB pay amount where found and subtract the amount from Form 1040, line 1a when there is no indication that the adjustment is for benefits received in a prior year.
- “UDC” - Legal fees for Unlawful Discrimination Claims
  - “USOC” - United States Olympic Committee-deduction for Olympic and Paralympic medals and prize money
  - “WBF” - Whistle Blower Fees
  - “DPAD” - Domestic Production Activity Deduction
- (2) Delete the adjustments in (1) above when found elsewhere on the return, and edit the amounts to be included in the Schedule 1, line 25 total.
- (3) If there is an amount on Schedule 1, line 24j, or if Schedule 1, line 24z has an amount identified as “Form 2555”, “IRC 911”, “Housing Deduction”, “IRC 931”, or something similar:

If	And	Then
Taxpayer resides in: <ul style="list-style-type: none"> <li>• Baker Island</li> <li>• Howland Island</li> <li>• Jarvis Island</li> <li>• Johnston Atoll</li> <li>• Kingman Reef</li> <li>• Midway Atoll</li> <li>• Palmyra Atoll</li> <li>• Wake Island</li> </ul>		Take the following actions: <ol style="list-style-type: none"> <li>1. “X” Schedule 1, line 25,</li> <li>2. “X” Form 2555 or Form 2555-EZ (TY18 and prior),</li> <li>3. Ensure income is reported on Form 1040, lines 1a through 7a or Schedule 1, lines 1 through 9, and</li> <li>4. If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</li> </ol>
The taxpayer does NOT reside in one of the areas mentioned above	Form 2555 is missing	<b>Correspond</b> for Form 2555.

- (4) Edit the Housing Deduction amount from Form 2555, line 50 to the total of Schedule 1, line 25, if not already done by the taxpayer.
- (5) If a taxpayer claims an adjustment to income on Schedule 1, line 24z for anything other than the items listed in (1) above, “X” Schedule 1, line 25.
- (6) If there is an amount on Schedule 1, line 24z with no explanation present, “X” Schedule 1, line 25.

3.21.3.16.26  
(10-30-2024)  
**Schedule 1, Line 25 -  
Total Other Adjustments**

- (1) If line 25 is blank, dash, or zero and there are any entries on lines 24a through 24z, compute and edit line 25 by adding lines 24a through 24z.

3.21.3.16.27  
(01-01-2021)  
**Schedule 1, Line 26 -  
Total Adjustments to  
Income**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.17  
(10-29-2025)  
**Schedule 1-A (Sequence  
1A) - Additional  
Deductions**

- (1) For TY25 and later, if only Schedule 1-A, page 2 is attached, with T-lines present or edited, edit Sequence Number “1A” in the upper-right margin of Schedule 1-A, page 2.
- (2) Schedule 1-A, Sequence number 1A, when not deleted, must be located directly following Schedule 1, Sequence number 01 when attached to the return.
- (3) The following are the T-Lines and T-Compute Lines on Schedule 1-A:



<b>T-Lines</b>	<b>T-Compute Lines</b>
Line 6	Line 6
Line 13	Line 13
Line 14c	Line 14c
Line 21	Line 21
Line 23	Line 23
Line 30	Line 30
Line 37	Line 37

- (4) Only one Schedule 1-A can be processed. If more than one is attached, combine related T-line amounts onto one schedule and delete those schedules not used.
- (5) For TY24 and prior, “**X**” the schedule.

3.21.3.18  
(10-29-2025)  
**Schedule 2 (Sequence 02) - Additional Taxes**

- (1) The following information pertains to Schedule 2 only.
- (2) For TY20 and later, Schedule 2 may be filed with Form 1040 or Form 1040-NR. See IRM 3.21.3.84.20.
- (3) The following are the T-lines and T-Compute Lines on Schedule 2:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Line 1a - 1y	Line 7
Line 1e Checkboxes	Line 18
Line 1f Checkboxes	
Line 2	
Line 4	
Lines 7-9	
Line 10 (TY24 and prior)	
Lines 11-16	
Line 18	
Line 19	
Line 20	

- (4) Lines 1a through 3 are for tax and lines 4 through 21 are for other taxes.
- (5) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

- 3.21.3.18.1  
(10-30-2024)  
**Schedule 2, Line 1a -  
Excess Advance  
Premium Tax Credit  
Repayment (Form 8962)**
- (1) If an amount is claimed on Schedule 2, line 1a, Form 8962 must be attached. **Correspond**, if missing.
- a. When corresponding for Form 8962 on Form 13900, also correspond for Form 1095-A, if not attached, using paragraph “s”.
  - b. When corresponding for Form 8962 on Form 9143, also correspond for Form 1095-A, if not attached, using the following literal:  
“Send a copy of your Form 1095-A, Health Insurance Marketplace Statement, to support your entries on Form 8962, Premium Tax Credit. If you didn’t receive one or your Form 1095-A is incorrect, visit [www.health-care.gov](http://www.health-care.gov) or your state Marketplace website.”
- 3.21.3.18.2  
(10-30-2024)  
**Schedule 2, Line 1b -  
Repayment of New  
Clean Vehicle Credits  
(Form 8936)**
- (1) If an amount is present on Schedule 2 line 1b, Form 8936 must be attached. If missing, correspond for Form 8936.
- 3.21.3.18.3  
(10-30-2024)  
**Schedule 2, Line 1c -  
Repayment of  
Previously Owned Clean  
Vehicle Credits (Form  
8936)**
- (1) If an amount is present on Schedule 2 line 1c, Form 8936 must be attached. If missing, correspond for Form 8936.
- 3.21.3.18.4  
(10-30-2024)  
**Schedule 2, Line 1d -  
Net EPE Recapture  
(Form 4255)**
- (1) If an amount is present on Schedule 2 line 1d, Form 4255 must be attached. If missing, correspond for Form 4255.
- 3.21.3.18.5  
(10-30-2024)  
**Schedule 2, Line 1e -  
Excessive Payments  
Amount (Form 4255)**
- (1) If an amount is present on Schedule 2 line 1e, Form 4255 must be attached. If missing, correspond for Form 4255.
- 3.21.3.18.6  
(10-30-2024)  
**Schedule 2, Line 1f -  
Chapter 1 Tax Amount  
(Form 4255)**
- (1) If an amount is present on Schedule 2 line 1f, Form 4255 must be attached. If missing, correspond for Form 4255
- 3.21.3.18.7  
(10-30-2024)  
**Schedule 2, Line 1f  
Checkboxes - Chapter 1  
Tax Checkbox Code  
(Form 4255)**
- (1) Reserved

3.21.3.18.8 (1) Reserved  
(10-30-2024)

**Schedule 2, Line 1y -  
Other Additions to Tax**

3.21.3.18.9 (1) If an amount is present on Schedule 2 line 2, Form 6251 must be attached. If  
(10-30-2024) missing, correspond for Form 6251.

**Schedule 2, Line 2 -  
Alternative Minimum Tax  
(Form 6251)**

**Reminder:** Edit FPC "5" when Form 6251 is attached.

**Note:** A blank Form 6251 should never be deleted.

3.21.3.18.10 (1) Reserved  
(01-01-2020)

**Schedule 2, Line 3 -  
Total**

3.21.3.18.11 (1) If a taxpayer residing in American Samoa, the Commonwealth of the Northern  
(01-01-2020) Mariana Islands, Guam, Puerto Rico, or U.S. Virgin Islands files Form 1040,  
**Schedule 2, Line 4 -** reporting self-employment taxes on Schedule 2, line 4, and the only income on  
**Self-Employment Tax** the return is from Schedule C, Schedule E (Part II) and/or Schedule F, prepare  
**(Schedule SE)** a dummy Form 1040-SS as follows:

- a. Edit the caption and transcription lines.
- b. "X" Form 1040, and attach all information behind the dummy Form 1040-SS.

**Caution:** If the taxpayer is claiming wages and/or withholding, **do not convert**.

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.18.12 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2020)

**Schedule 2, Line 7 -  
Total Additional Social  
Security and Medicare  
Tax (Form 4137 or Form  
8919)**

3.21.3.18.13 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(10-30-2024)

**Schedule 2, Line 8 -  
Additional Tax on IRAs  
or Other Qualified  
Retirement Plans and  
Other Tax-Favored  
Accounts (Form 5329)**

3.21.3.18.14 (1) If an amount is present on line 9, Schedule H must be attached. **Correspond**  
(01-01-2020) for Schedule H, if missing.

**Schedule 2, Line 9 -  
Household Employment  
Taxes (Schedule H)**

3.21.3.18.15 (01-01-2023) <b>Schedule 2, Line 11 - Additional Medicare Tax (Form 8959)</b>	(1) If an amount is present on line 11, Form 8959 must be attached. <b>Correspond</b> for Form 8959, if missing.	
3.21.3.18.16 (01-01-2023) <b>Schedule 2, Line 12 - Net Investment Income Tax (Form 8960)</b>	(1) If an amount is present on line 12, Form 8960 must be attached. <b>Correspond</b> for Form 8960, if missing.	
3.21.3.18.17 (11-12-2021) <b>Schedule 2, Line 16 - Recapture of Low-Income Housing Credit (Form 8611)</b>	for Form 8611.	#
3.21.3.18.18 (11-12-2021) <b>Schedule 2, Lines 17a through 17z - Other Additional Taxes (Not Transcribed)</b>	(1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.	
3.21.3.18.19 (10-30-2024) <b>Schedule 2, Line 18 - Total Additional Taxes</b>	(1) If line 18 is blank, dash, or zero and there are any entries on lines 17a through 17z, compute and edit line 18 by adding lines 17a through 17z.	
3.21.3.18.20 (10-30-2024) <b>Schedule 2 Line 19 - Net EPE Recapture (Form 4255)</b>	(1) If an amount is present on Schedule 2 line 19, Form 4255 must be attached. If missing, correspond for Form 4255.	
3.21.3.18.21 (10-30-2024) <b>Schedule 2, Line 20 - Section 965 Net Tax Liability Installment (Form 965-A)</b>	<p>(1) If an amount is present on line 20, edit RPC <b>"F"</b>.</p> <p>(2) If an amount is present on line 20, and Form 965-A must be attached. If missing, <b>correspond</b> for Form 965-A <b>only</b> if corresponding for other missing information.</p> <p><b>Note:</b> If Form 965-A is attached and there is <b>no</b> entry on line 20, do not edit RPC <b>"F"</b>.</p>	
3.21.3.18.22 (01-01-2020) <b>Schedule 2, Line 21 - Total Other Taxes</b>	(1) Reserved	

3.21.3.19

(10-30-2024)

**Schedule 3 (Sequence 03) - Additional Credits and Payments**

- (1) The following information pertains to Schedule 3 only.
- (2) For TY20 and later, Schedule 3 may be filed with Form 1040 or Form 1040-NR. See IRM 3.21.3.84.21.
- (3) The following lines are T-lines and T-Compute lines on Schedule 3:

T-Lines	T-Compute Lines
Lines 1 through 4	Line 7
Lines 5a - 5b	Line 14
Lines 6a - 6d	
Line 6e (TY21 and TY22 only)	
Lines 6f and 6g	
Lines 6h through 6l (first line with an amount present)	
Line 6m	
Line 7	
Lines 9 through 12	
Line 13a	
Line 13b	
Line 13c	
Line 14	

- (4) Lines 1 through 8 are for nonrefundable credits and lines 9 through 15 are for other payments and refundable credits.
- (5) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.19.1

(01-01-2021)

**Schedule 3, Line 1 - Foreign Tax Credit (Form 1116)**

- (1) If an amount is claimed on Schedule 3, line 1 of more than \$300 (more than \$600 for FS 2), Form 1116 or similar statement must be attached. If missing, or if no significant amount is present or edited on line 7, 8, 24, or 35, **correspond** for Form 1116.
- (2) Taxpayers earning income in the following countries are not allowed to take a foreign tax credit for foreign taxes paid to these countries. If the taxpayer takes the foreign tax credit (see Form 1116, Part II, line 8) with respect to taxes paid to any of the following countries (see Form 1116, Part I, line i, columns A, B, and C), **"X"** both Form 1116, line 8 **and** Schedule 3, line 1.

Country	Starting Date	Ending Date
Iran	January 1, 1987	Still in Effect
North Korea	January 1, 1987	Still in Effect
Sudan	February 12, 1994	Still in Effect

Country	Starting Date	Ending Date
Syria	January 1, 1987	Still in Effect

3.21.3.19.2 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2020)

**Schedule 3, Line 2 -  
Credit for Child and  
Dependent Care  
Expenses (Form 2441,  
Line 11)**

3.21.3.19.3 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2020)

**Schedule 3, Line 3 -  
Education Credits (Form  
8863, Line 19)**

3.21.3.19.4 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2020)

**Schedule 3, Line 4 -  
Retirement Savings  
Contributions Credit  
(Form 8880)**

3.21.3.19.5 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2024)

**Schedule 3, Line 5a -  
Residential Clean  
Energy Credit (Form  
5695, Line 15)**

3.21.3.19.6 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2024)

**Schedule 3, Line 5b -  
Energy Efficient Home  
Improvement Credit  
(Form 5695, Line 32)**

3.21.3.19.7 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(11-12-2021)

**Schedule 3, Lines 6a  
through 6z - Other  
Nonrefundable Credits**

3.21.3.19.7.1 (1) If there is an amount on line 6f, Form 8936 and Form 8936 Schedule A must  
(10-29-2025) be attached. If missing, **correspond** for Form 8936 and/or Form 8936  
Schedule A

**Schedule 3, Line 6f -  
Clean Vehicle Credit  
(Form 8936, Line 13)**

- 3.21.3.19.7.2  
(10-29-2025)  
**Schedule 3, Line 6g -  
Mortgage Interest Credit  
(Form 8396)**
- (1) If an amount is present on line 6g, Form 8396 must be attached. If missing, correspond for Form 8396.
- 3.21.3.19.7.3  
(10-29-2025)  
**Schedule 3, Line 6m -  
Credit for Previously  
Owned Clean Vehicles  
(Form 8936, Line 18)**
- (1) If there is an amount on line 6m, Form 8936 and Form 8936 Schedule A must be attached. If missing, **correspond** for Form 8936 and Form 8936 Schedule A.
- 3.21.3.19.8  
(10-30-2024)  
**Schedule 3, Line 7 -  
Total Other  
Nonrefundable Credits**
- (1) If line 7 is blank, dash, or zero, and there are any entries on lines 6a through 6m, compute and edit line 7 by adding lines 6a through 6m.
- 3.21.3.19.9  
(01-01-2021)  
**Schedule 3, Line 9 - Net  
Premium Tax Credit  
(Form 8962)**
- (1) If an amount is claimed on line 9, Form 8962 must be attached. If missing, **correspond**.
- a. When corresponding for Form 8962 on Form 13900, also **correspond** for Form 1095-A if not attached, using paragraph “s”.
- b. When corresponding for Form 8962 on Form 9143, also correspond for Form 1095-A, if not attached, using the following literal:  
“Send a copy of your Form 1095-A, Health Insurance Marketplace Statement, to support your entries on Form 8962, Premium Tax Credit. If you didn’t receive one or your Form 1095-A is incorrect, visit [www.health-care.gov](http://www.health-care.gov) or your state Marketplace website.”
- 3.21.3.19.10  
(01-01-2021)  
**Schedule 3, Line 10 -  
Amount Paid with  
Request for Extension to  
File (Form 4868)**
- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.19.11  
(01-01-2021)  
**Schedule 3, Line 11 -  
Excess Social Security  
and Tier 1 RRTA Tax  
Withheld**
- (1) Taxpayers in U.S. Territories may claim excess Social Security and RRTA taxes withheld. However, the withholding must be verified via attached Form(s) W-2AS, Form(s) W-2CM, Form(s) W-2GU, Form(s) W-2VI, Form(s) 499R-2/W-2PR, and Form(s) W-2.
- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.19.12  
(01-01-2021)  
**Schedule 3, Line 12 -  
Credit for Federal Tax on  
Fuels (Form 4136)**
- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.



3.21.3.19.13  
(01-01-2024)

**Schedule 3, Line 13a -  
Form 2439**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.19.14  
(01-01-2024)

**Schedule 3, Line 13c -  
Net Elective Payment  
Election (EPE) (Not  
Transcribed)**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.19.15  
(10-29-2025)

**Schedule 3, Line 13z -  
Other Payments or  
Refundable Credits (Not  
Transcribed)**

- (1) If line 13z was used for other refundable credits that do not have a specific line, follow the table below:

if the credit claimed is	Then
Form 8805	<p>a. If Form 8805 is attached, “<b>X</b>” line 14, Schedule 3 and edit Form 8805 withholding to the dotted portion of Form 1040, line 33.</p> <p>b. If Form 8805 is not attached, <b>correspond</b>.</p>
Form 1042-S	<p>a. If Form 1042-S is attached, “<b>X</b>” line 14, Schedule 3 and edit Form 1042-S withholding to the dotted portion of Form 1040, line 33.</p> <p>b. If Form 1042-S is not attached, <b>correspond</b>.</p>
Form 8288-A	<p>a. If Form 8288-A is attached with a Date of Transfer within the tax period of the return, “<b>X</b>” line 14, Schedule 3 and edit the verified amount of the Form 8288-A withholding to the dotted portion of Form 1040, line 33.</p> <p>b. If Form 8288-A is attached with a Date of Transfer <b>not</b> within the tax period of the return, “<b>X</b>” line 14. <b>Exception:</b> When a Date of Transfer is in 2026 and Form 843 is not attached <b>correspond</b>.</p> <p>c. If Form 8288-A is not attached, <b>correspond</b>.</p>

- (2) For TY 202607 and later, if the taxpayer has written **1062NL** and an amount is present on line 13z, edit FPC “F”.

**Note:** Do not edit FPC “F” if the return is a calendar year return.

- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.19.16  
(10-30-2024)

**Schedule 3, Line 14 -  
Total Other Payments  
and Refundable Credits**

- (1) If line 14 is blank, dash, or zero, and there are any entries on lines 13a through 13z, compute and edit line 14 by adding lines 13a through 13z.

3.21.3.20  
(01-01-2023)

**Conversion of Form  
1040A (TY17 and Prior)  
and Form 1040EZ (TY17  
and Prior)**

- (1) Convert **every** Form 1040-A and Form 1040-EZ to Form 1040.  
(2) Convert international conditions as follows:

Attached to or entry on Form 1040-A or Form 1040EZ	Action on Form 6114 or appropriate schedules
<ul style="list-style-type: none"> <li>Form 1042-S with “Worldwide Income”, income from all sources and includes foreign and U.S. income</li> <li>Form SSA-1042S attached to Form 1040-EZ</li> <li>Form 8288-A (after credit verification)</li> <li>Form 8689</li> <li>Form 8805</li> </ul>	Edit withholding to the dotted portion of Form 6114, line 33.
Form 4563 or IRC 931	See IRM 3.21.3.76.1.3.
Housing Deduction	Edit housing deduction from Form 2555, line 50 to Schedule 1, line 25.
IRC 871	Edit capital gain income to Form 6114, line 7, and edit exempt amount to Schedule 1, line 9 as a negative.
IRC 893	Edit earned income to Form 6114 line 1a, and edit exempt amount to Schedule 1, line 9 as a negative.
Valid Form 2555 or Form 2555-EZ, or IRC 911	Edit foreign income to Form 6114, line 1a, and edit foreign earned income exclusion to Schedule 1, line 9 as a negative.

Attached to or entry on Form 1040-A or Form 1040EZ	Action on Form 6114 or appropriate schedules
Valid Treaty Exempt Income	Edit gross income amount to Form 6114, line 1a, and edit verified amount exempt by treaty to Schedule 1, line 9 as a negative.

- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.21  
(10-30-2024)  
**Schedule A (Sequence 07) - Itemized Deductions**

- (1) The following lines on Schedule A are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 1	Line 4
Line 3	Line 7
Line 4	Line 10
General Sales Tax Checkbox	Line 14
Lines 5a through 5c	Line 17
Lines 6 and 7	
Lines 8a through 8c	
Lines 9 through 17	
Line 18 Checkbox	

- (2) A taxpayer may take a deduction on lines 5a, 5b, and/or 5c for taxes imposed by a U.S. territory.
- (3) A taxpayer may take a deduction on line 6 for income taxes paid or accrued during the year to:
- a foreign country
  - any political subdivision, agency, or instrumentality of the country
- (4) If the taxpayer is prorating their itemized deductions (Schedule A) under IRC 933, accept the taxpayer's prorated amount for itemized deductions. When two amounts are present on line 17, "X" the larger amount.
- (5) Schedule A (sequence 7A), Schedule NEC (sequence 7B), and Schedule OI (sequence 7C) are attachments for Form 1040-NR.
- (6) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.22  
(01-01-2024)  
**Schedule B (Sequence 08) - Interest and Ordinary Dividends**

- (1) The following lines on Schedule B are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 2: edited to the left of line 2	There are no T-Compute Lines
Line 3	
Line 6: edited above the instructions for line 6	
Foreign Account Indicator	
FinCEN Form 114 Indicator, Report of Foreign Bank and Financial Accounts (FBAR)	

**Note:** “X” Schedule B when attached to a Form 1040-NR.

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.23  
(10-29-2025)  
**Schedule C (Sequence  
09, 10, 11) - Profit or  
Loss from Business**

(1) The following lines on Schedule C are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
SSN	Line 1
Lines A, B, C, D, F, H, I, and J	Line 2
Statutory Employee Indicator Box	Line 3
Lines 1 through 4	Line 28
Line 6	
Line 9	
Line 13	
Line 15	
Line 16a	
Line 17	
Line 18	
Line 21	
Lines 24a and 24b	
Line 25	
Lines 26 through 27b	
Line 28	
Line 30	
PAL Indicator to the left of Line 31.	
Line 32, “At-Risk” Indicator Boxes (no editing required)	

## 3.21 International Returns and Documents Analysis

T-Lines	T-Compute Lines
Line 35	
Line 41	

- (2) If the taxpayer is a bona fide resident of PR and indicates Schedule C income is excluded under IRC 933, take the following actions:

- “X” the Schedule C,
- Prepare a dummy Schedule C, and
- When dummymy Schedule C, edit \$1 for Gross Receipts (line 1), and edit the NAICS code if furnished by the taxpayer. **Do not compute line 3.**

**Note:** If multiple Schedule Cs are excluded under IRC 933, prepare only one dummy Schedule C.

- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.24  
(04-24-2020)

### Schedule D (Sequence 12) - Capital Gains and Losses

- (1) The following lines on Schedule D are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Yes/No Checkbox (TY19 and later)	Line 7
Line 1a, columns (d) and (e)	Line 15
Lines 1b - 3, columns (d), (e), and (g)	
Line 5	
Line 7	
Line 8a, columns (d) and (e)	
Lines 8b - 10, columns (d), (e), and (g)	
Line 12	
Line 13	
Line 15	
Line 18	
Line 19	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.25

(03-04-2022)

**Form 8949 (Sequence 12A) - Sales and Other Dispositions of Capital Assets**

- (1) The following lines on Form 8949 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
<p>Entries with <b>Z</b> Code:</p> <ul style="list-style-type: none"> <li>Part I, col a</li> <li>Part I, col b</li> <li>Part I, col g</li> <li>Part I indicator, edited to the right of Part I, col h</li> <li>Part II, col a</li> <li>Part II, col b</li> <li>Part II, col g</li> <li>Part II indicator, edited to the right of Part II, col h</li> </ul> <p>Entries with <b>Y</b> Code (TY20 and later):</p> <ul style="list-style-type: none"> <li>Part I, col a</li> <li>Part I, col c</li> <li>Part I, col g</li> <li>Part I indicator, edited to the right of Part I, col h</li> <li>Part II, col a</li> <li>Part II, col c</li> <li>Part II, col g</li> <li>Part II indicator, edited to the right of Part II, col h</li> </ul>	There are no T-Compute Lines

- (2) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.26

(01-01-2019)

**Schedule E (Sequence 13) - Supplemental Income and Loss**

- (1) The following lines on Schedule E are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Checkboxes A and B	Lines 23a through 23e
Line 14, columns A - C	Lines 24 and 25
Lines 23a through 23e	Line 29a, columns (h) and (k)
Lines 24 and 25	Line 29b, columns (g) and (i)
Line 27, checkboxes	Lines 30 and 31
Line 29a, columns (h) and (k)	Lines 35 and 36
Line 29b, columns (g) and (i)	Line 39
Lines 30 and 31	
Line 34a, column (d)	
Line 34b, column (c)	
Lines 35 and 36	

## 3.21 International Returns and Documents Analysis

T-Lines	T-Compute Lines
Line 37 - edited to the left of line 37	
Lines 39 and 40	
Lines 42 and 43	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.27  
(10-29-2025)

### Schedule F (Sequence 14, 15) - Profit or Loss from Farming

- (1) The following lines on Schedule F are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines B, D, F, and G	Line 9
Line 1b	Line 33
Line 2	Line 44
Lines 3a and 3b	Line 50
Lines 4a and 4b	
Line 5b	
Lines 6a and 6b	
Lines 7 - 9	
Line 13	
Line 19, 21a, 25, 28 and 33	
PAL Indicator to the left of Line 34	
Line 36, "At-Risk" Indicator	
Lines 38a 38b, and 39a	
Line 40b	
Line 43	
Line 44	
Line 50	

- (2) If the taxpayer is a bona fide resident of PR and indicates Schedule F income is excluded under IRC 933, take the following actions:
- "X" the Schedule F,
  - Prepare a dummy Schedule F, and
  - When dummyping Schedule F, edit \$1 for Gross Income (line 9), and edit the NAICS code, if furnished by the taxpayer.
- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.



3.21.3.28

(10-30-2024)

**Schedule R (Sequence 16) - Credit for the Elderly or the Disabled**

- (1) The following lines on Schedule R are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 1 - 9	Line 13c, Part III
Line 11, Part III	
Line 13c, Part III	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.29

(10-30-2024)

**Schedule SE (Sequence 17, 18) - Self-Employment Tax**

- (1) The Schedule SE Section A ("short form") is valid for TY19 and prior only.

- (2) The following lines on Schedule SE are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
TIN	Line 3
Lines 1a - 3	Line 8d
SE Quarters Covered - edited to the right of line 4c	
Line 5a	
Line 8d	
SE Farm Code (Method Code) - edited in the center-bottom margin of page 1	

- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.30

(01-01-2024)

**Form 1116 (Sequence 19) - Foreign Tax Credit**

- (1) The following lines on Form 1116 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Number of additional Form 1116 filed - edited to right margin of Part I heading	Line 1a
Line 1a	Lines 6 through 8
Lines 6 - 8	Line 14
Line 14	Line 17
Lines 16 and 17	Line 21
Lines 21 - 24	Line 23
Lines 34 and 35	Line 35

- (2) If the amount on Form 1116, line 1a is the
- same**
- as the amount reported on Form 2555, line 26 or Form 2555-EZ, line 17 (TY18 and prior), then:

## 3.21 International Returns and Documents Analysis

- a. Adjust Form 1116, line 1a by subtracting the greater of Form 2555, line 42 or 45, or Form 2555-EZ, line 18 (TY18 and prior) from Form 1116, line 1a. See Figure 3.21.3-9.
- b. If Form 1116, line 1a is reduced to zero, “X” the amount on Schedule 3, line 1.

**Caution:** If more than one Form 2555 or Form 2555-EZ (TY18 and prior) (each taxpayer can use either Form 2555 or Form 2555-EZ (TY18 and prior)) is attached, use the combined amounts for Form 2555, lines 26 and/or Form 2555-EZ, lines 17 (TY18 and prior) to compare to line 1a.

- (3) If the taxpayer’s intent is not to use Form 1116 (e.g., Form 1116, line 35 is blank or zero and Schedule 3, line 1 is blank or zero) or if the taxpayer claims a negative or zero on Form 1116, line 35, “X” Form 1116.
- (4) Taxpayers earning income in the following countries are not allowed to take a foreign tax credit for foreign taxes paid to these countries. If the taxpayer takes the foreign tax credit (see Form 1116, Part II, Line 8) with respect to taxes paid to any of the following countries (see Form 1116, Part I, letter i, column A, B, or C), “X” both Form 1116, line 8 and Schedule 3, line 1.

Country	Starting Date	Ending Date
Iran	January 1, 1987	Still in Effect
North Korea	January 1, 1987	Still in Effect
Sudan	February 12, 1994	Still in Effect
Syria	January 1, 1987	Still in Effect

- (5) For additional instructions, refer to IRM 3.11.3.28.1.

**Exception:** Do not refer to IRM 3.11.3 when Form 1116 has been deleted per IRM 3.21.3.30 (3) above.

**DRAFT**

Form **1116** **Foreign Tax Credit**  
(Individual, Estate, or Trust)

OMB No. 1545-0121  
**2025**  
Attachment Sequence No. **19**

Department of the Treasury  
Internal Revenue Service

Attach to Form 1040, 1040-SR, 1040-NR, 1041, or 990-T.  
Go to [www.irs.gov/Form1116](http://www.irs.gov/Form1116) for instructions and the latest information.

Name **Julia Magenta** Identifying number as shown on page 1 of your tax return **000-00-8493**

Use a separate Form 1116 for each category of income listed below. See *Categories of Income* in the instructions. Check only one box on each Form 1116. Report all amounts in U.S. dollars except where specified in Part II below.

a ☐ Section 951A category income c ☐ Passive category income e ☐ Section 901(j) income g ☐ Lump-sum distributions  
b ☐ Foreign branch category income d ☒ General category income f ☐ Certain income re-sourced by treaty

h Resident of (name of country)

**Note:** If you paid taxes to only one foreign country or U.S. territory, use column A in Part I and line A in Part II. If you paid taxes to more than one foreign country or U.S. territory, use a separate column and line for each country or territory.

**Part I Taxable Income or Loss From Sources Outside the United States** (for category checked above)

	Foreign Country or U.S. Territory			Total (Add cols. A, B, and C.)
	A	B	C	
i Enter the name of the foreign country or U.S. territory <b>Germany</b>				
1a Gross income from sources within country shown above and of the type checked above (see instructions):	235,000			235,000
b Check if line 1a is compensation for personal services performed as an employee, your tax				

22 Allowances, reimbursements, or expenses paid on your behalf for services you performed:

a Cost of living and overseas differential 22a

b

c

d

e

f

g Add lines 22a through 22f

23 Other foreign earned income. List type and amount.

24 Add lines 19 through 21d, line 22g, and line 23

25 Total amount of meals and lodging included on line 24 that is excludable (see instructions)

26 Subtract line 25 from line 24. Enter the result here and on line 27 on page 3. This is your **2025 foreign earned income**

**DRAFT**

**Part VII**

37 Maximum foreign tax credit

38 If you are claiming the foreign tax credit, enter the amount of foreign taxes paid or accrued during the year

39 If line 38 is more than line 37, enter the amount of the excess

40 Multiple foreign tax credits

41 Subtract line 36 from line 27

42 Foreign earned income exclusion. Enter the smaller of line 40 or line 41. Also, complete Part VIII

**Part VIII Taxpayers Claiming the Housing Exclusion, Foreign Earned Income Exclusion, or Both**

43 Add lines 36 and 42

44 Deductions allowed in figuring your adjusted gross income (Form 1040 or 1040-SR, line 13) that are allocable to the excluded income. See instructions and attach computation

45 Subtract line 44 from line 43. Enter the result here and on Schedule 1 (Form 1040), line 8d. Complete the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040 if you enter an amount on this line

**Part IX Taxpayers Claiming the Housing Deduction—Complete this part only if line 38 is more than line 37, and (b) line 27 is more than line 43.**

46 Subtract line 36 from line 33

**Then:**  
"X" and adjust Line 1a, Form 1116 by subtracting the greater of Lines 42 or 45, Form(s) 2555.  
In this example, line 45 is greater. (235000 – 131308 = 103692)

50 Housing deduction. Add lines 48 and 49. Enter the total here and on Schedule 1 (Form 1040), line 24j. Complete the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040 if you enter an amount on this line

**DRAFT**

Form 2555 (2025)

Figure 3.21.3-9 Adjusting Line 1a, Form 1116

## 3.21 International Returns and Documents Analysis

3.21.3.31  
(10-30-2024)

### **Schedule J (Sequence 20) - Income Averaging for Individuals with income from Farming or Fishing**

- (1) The following lines on Schedule J are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Lines 2a and 2b	There are no T-Compute lines
Line 8	
Line 12	
Line 16	
Lines 19 - 21	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.32  
(10-30-2024)

### **Form 2441 (Sequence 21) - Child and Dependent Care Expenses**

- (1) The following lines on Form 2441 are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Checkbox A	Line 3
Checkbox B (TY22 and later)	Line 26
Line 1, columns (a) and (c)	
Line 1, column (d) (TY22 and later)	
Line 2, Qualifying Persons (not edited)	
Line 2, columns (a), (b), (c), and (d) - (for the first 2 qualifying persons)	
Lines 3 through 5	
Line 9b	
Line 12	
Line 16	
Line 25	
Line 26	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.33  
(10-29-2025)

### **Form 3800 (Sequence 22) - General Business Credit**

- (1) The following lines on Form 3800 are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Part I, Lines 1 through 5	Line 25
Part II, Lines 24 through 26	Line 36

T-Lines	T-Compute Lines
Part II, Line 36	
Part III, Checkbox I (TY22 only)	
Part III, Line 1a, column g	
Part III, Line 1b, column b	
Part III, Line 1b, columns f - h	
Part III, Line 1b, column j	
Part III, Line 1c, column g	
Part III, Line 1d, columns b	
Part III, Line 1d, columns f and g	
Part III, Line 1e, column g	
Part III, Line 1f, columns b	
Part III, Line 1f, columns f and g	
Part III, Line 1g, column b	
Part III, Line 1g, columns f - h	
Part III, Line 1g, column j	
Part III, Line 1h, column g	
Part III, Line 1i, column g	
Part III, Line 1j, column g	
Part III, Line 1k, column g	
Part III, Line 1l, column b	
Part III, Line 1l, columns f-g	
Part III, Line 1m, column g	
Part III, Line 1n, column g	
Part III, Line 1o, column b	
Part III, Line 1o, columns g - h	
Part III, Line 1o, column j	
Part III, Line 1p, column g	
Part III, Line 1q, column b	
Part III, Line 1q, columns f - g	
Part III, Line 1s, column b	
Part III, Line 1s, columns f - g	
Part III, Line 1t, column g	
Part III, Line 1u, column b	

## 3.21 International Returns and Documents Analysis

<b>T-Lines</b>	<b>T-Compute Lines</b>
Part III, Line 1u, columns f - g	
Part III, Line 1v, column b	
Part III, Line 1v, columns f - g	
Part III, Line 1w, column g	
Part III, Line 1x, column b	
Part III, Line 1x, columns f - h	
Part III, Line 1x, column j	
Part III, Line 1y, column g	
Part III, Line 1aa, column g	
Part III, Line 1bb, column g	
Part III, Line 1cc, column g	
Part III, Line 1dd, column g	
Part III, Line 1ee, column g	
Part III, Line 1ff, column g	
Part III, Line 1gg, column b	
Part III, Line 1gg, column f - g	
Part III, Line 1zz, column g	
Part III, Line 3, column g	
Part III, Line 4a, columns b	
Part III, Line 4a, column f - g	
Part III, Line 4e, column b	
Part III, Line 4e, column f - g	
Part III, Line 4h, column g	
Part III, Line 4j, column g	
Part III, Line 4k column g	
Part III, Line 5 column g	
Center Bottom Margin, page 3	
Amount from Form 3468, Part VII, Line 1i - edited on Page 3 in the bottom-right margin	

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.34

(01-01-2015)

**Form 4137 (Sequence 24, 25) - Social Security and Medicare Tax on Unreported Tip Income**

- (1) The following lines on Form 4137 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Taxpayer TIN	Line 2
Lines 1A through 1E, columns (a) through (d)	
Lines 2 and 3	
Lines 5 and 6	
Line 8	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.35

(01-01-2020)

**Form 4684 (Sequence 26) - Casualties and Thefts**

- (1) The following lines on Form 4684 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
FEMA Disaster Declaration Number	Line 13
Line 1, Property A ZIP Code	Line 14
Line 13	Line 16
Line 14	
Line 16	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.36

(10-30-2024)

**Form 4797 (Sequence 27) - Sales of Business Property**

- (1) The following lines on Form 4797 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 1a through 1c	Line 9 col g
Lines 7 through 9 col g	
Gain on sale of animals - edited to Page 1, bottom-center margin	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.37

(01-01-2015)

**Form 4972 (Sequence 28) - Tax on Lump-Sum Distributions**

- (1) The following lines on Form 4972 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 1 through 5b	Line 12
Line 6	

## 3.21 International Returns and Documents Analysis

T-Lines	T-Compute Lines
Lines 11 and 12	
Line 18	
Line 30	

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.38  
(10-29-2025)

### Form 5329 (Sequence 29, 30) - Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts

(1) The following lines on Form 5329 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Spousal Indicator - edited to the left of the form title	Line 4
Line 2 Exception number and amount	Line 8
Line 4	Line 55
Line 8	
Line 17	
Line 25	
Line 33	
Line 41	
Line 42 - 44	
Line 49	
Line 51	
Line 55	
IRA Condition Code - edited to Page 2, bottom-right margin	

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.39  
(01-01-2015)

### Form 6198 (Sequence 31) - At-Risk Limitations

(1) The following lines on Form 6198 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 5	Line 5
Lines 20 and 21	

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.



3.21.3.40  
(01-01-2019)  
**Form 6251 (Sequence 32) - Alternative Minimum Tax - Individuals**

- (1) The following lines on Form 6251 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 2c through 3	There are no T-Compute lines
Line 8	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.41  
(01-01-2019)  
**Form 8615 (Sequence 33) - Tax for Certain Children Who Have Unearned Income**

- (1) The following lines on Form 8615 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines A and B	There are no T-Compute lines.
Lines 1 and 2	
Line 18	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.42  
(01-01-2020)  
**Form 2555 and Form 2555-EZ (TY18 and prior) (Sequence 34, 35) - Foreign Earned Income Exclusion**

- (1) The following lines on Form 2555 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Post of Duty (POD) Code - top-center margin	Line 22g (total allowances)
Line 10 (Bona Fide Residence beginning date)	Line 33 (housing expenses)
Line 10 (Bona Fide Residence ending date)	Line 42 (Foreign Earned Income Exclusion)
Line 13a (declaration question - right margin)	Line 50 (Housing Deduction)
Line 14 (number of days in U.S. on business - right margin, just above 15a)	
Line 16 (Physical Presence qualifying period beginning date)	
Line 16 (Physical Presence qualifying period ending date)	
Line 18 (number of days in U.S. on business - right margin)	
Line 19 (foreign wages)	
Line 22g (total allowances)	

T-Lines	T-Compute Lines
Line 25 (excludable Meals and Lodging)	
Line 33 (housing expenses)	
Line 36 (Housing Exclusion)	
Line 42 (Foreign Earned Income Exclusion)	
Line 45 (Housing Exclusion, Foreign Earned Income Exclusion, or both)	
Line 50 (Housing Deduction)	

- (2) The following lines on Form 2555-EZ (TY18 and prior) are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Post of Duty (POD) Code - top-center margin	Line 18
Line 1b (Bona Fide Residence beginning and ending dates)	
Line 2b (Physical Presence qualifying period beginning and ending dates)	
Line 12 (number of days in U.S. on business - right margin, just above Part IV)	
Line 17 (foreign wages)	
Line 18 (Foreign Earned Income Exclusion)	

3.21.3.42.1  
(10-30-2024)

**General Information for  
Form 2555 and Form  
2555-EZ**

- (1) U.S. citizens or resident aliens living abroad are taxed on their worldwide income (income from all sources and includes foreign and U.S. income) but may qualify to exclude from gross income up to \$130,000 of their foreign earnings for tax year 2025 (per IRC 911(b)(2)(D)). In addition, they may be able to exclude or deduct certain foreign housing amounts.
- (2) To claim the foreign earned income exclusion and, the foreign housing exclusion or the foreign housing deduction, the taxpayer must satisfy **all three** of the following requirements:
- The taxpayer's tax home must be in a foreign country or countries,
  - The taxpayer must have foreign earned income, and
  - The taxpayer must be one of the following:

**Qualifications for Claiming a Foreign Earned Income Exclusion**

A **U.S. citizen who is a bona fide resident** of a foreign country or countries for an uninterrupted period that includes **any tax year in its entirety** and includes part of the tax year of the return.

**Note:** An entire tax year is from January 1 through December 31 for taxpayers who file their income tax returns on a calendar year basis.

A U.S. resident alien who is a citizen or national of a country with which the **United States has an income tax treaty in effect that has a nondiscrimination clause and who is a bona fide resident** for an uninterrupted period that includes an **entire tax year** and includes part of the tax year of the return.

A U.S. citizen or resident alien who is **physically present** in a foreign country or countries for **at least 330 full days during any period of 12 consecutive months**, which also includes part of the tax year of the return.

- (3) If the tax home on Form 2555 or Form 2555-EZ (TY18 and prior) is in a foreign country, the taxpayer is entitled to elect the IRC 911 foreign earned income exclusion even if the address on the Form 1040 is an address in the U.S. or in a U.S. territory.
- (4) **Taxpayers claiming a foreign earned income exclusion are not entitled to claim a credit for foreign taxes paid on the income that is being excluded. Editing is required if the amount on Form 1116, line 1a is the same as the total foreign earned income claimed by the taxpayer on Form 2555 or Form 2555-EZ. See IRM 3.21.3.30 for processing instructions.**

3.21.3.42.2  
(03-20-2025)

**General Editing  
Instructions for Form  
2555 and Form 2555-EZ**

- (1) Use the following table for general editing instructions for Form 2555 and Form 2555-EZ:

**Reminder: Form 2555-EZ is valid for TY18 and prior only.**

If	And	Then
Taxpayer claims unearned income, including any of the following: <ul style="list-style-type: none"> <li>• Alimony</li> <li>• Annuities</li> <li>• Capital gains</li> <li>• Dividends</li> <li>• Gambling winnings</li> <li>• Interest</li> <li>• Pensions</li> <li>• Retirement</li> <li>• Social Security benefits</li> <li>• Unemployment benefits</li> </ul>	Earned income is also claimed	<ol style="list-style-type: none"> <li>1. If the foreign earned income exclusion is claimed in the total reported on Schedule 1, line 9, adjust Schedule 1, line 9 to only exclude the earned income,</li> <li>2. “X” the amount(s) on Form 2555, lines 42 and/or 45 or Form 2555-EZ, line 18, and</li> <li>3. Ensure income is reported on Form 1040, lines 1a through 7a or Schedule 1, lines 1 through 7 or 9.</li> </ol>
Taxpayer claims unearned income, including any of the following: <ul style="list-style-type: none"> <li>• Alimony</li> <li>• Annuities</li> <li>• Capital gains</li> <li>• Dividends</li> <li>• Gambling winnings</li> <li>• Interest</li> <li>• Pensions</li> <li>• Retirement</li> <li>• Social Security benefits</li> <li>• Unemployment benefits</li> </ul>	<b>No</b> earned income is included	<ol style="list-style-type: none"> <li>1. If the foreign earned income exclusion is claimed in the total reported on Schedule 1, line 9, “X” Schedule 1, line 9,</li> <li>2. If the housing deduction is claimed in the total reported on Schedule 1, line 25, “X” Schedule 1, line 25,</li> <li>3. “X” Form 2555 or Form 2555-EZ,</li> <li>4. Ensure income is reported on Form 1040, lines 1a through 7a or Schedule 1, lines 1 through 7 or 9, and</li> <li>5. If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</li> </ol>
Taxpayer claims self-employment income from Schedule C or Schedule F	<ul style="list-style-type: none"> <li>• Reports a net amount on Schedule 1, line 3 or Schedule 1, line 6, <b>and</b></li> <li>• Claims a foreign earned income exclusion for the gross amount by including it in the total reported on Schedule 1, line 9</li> </ul>	Adjust Schedule 1, line 9 to only exclude the net amount.

If	And	Then
<p>Taxpayer:</p> <p>a. U.S. Military <b>or</b></p> <p>b. Lives and works in a U.S. territory <b>or</b></p> <p>c. Resides in:</p> <ul style="list-style-type: none"> <li>• Baker Island</li> <li>• Howland Island</li> <li>• Jarvis Island</li> <li>• Johnston Atoll</li> <li>• Kingman Reef</li> <li>• Midway Atoll</li> <li>• Palmyra Atoll</li> <li>• Wake Island</li> </ul>		<ol style="list-style-type: none"> <li>1. If the foreign earned income exclusion is claimed in the total reported on Schedule 1, line 9, <b>"X"</b> Schedule 1, line 9,</li> <li>2. If the housing deduction is claimed in the total reported on Schedule 1, line 25, <b>"X"</b> Schedule 1, line 25,</li> <li>3. <b>"X"</b> Form 2555 or Form 2555-EZ,</li> <li>4. Ensure income is reported on Form 1040, lines 1a through 7a or Schedule 1, lines 1 through 7 or 9, and</li> <li>5. If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</li> </ol> <p><b>Exception:</b> If a return shows income earned in the Federated States of Micronesia, Marshall Islands, or Palau Islands and Form 2555 or Form 2555-EZ is attached and valid, <b>ALLOW the exclusion.</b></p>
Taxpayer makes no attempt to exclude income on Form 1040 or Schedule 1	Form 2555 or Form 2555-EZ does not include a claim for excluded income	<b>"X"</b> Form 2555 or Form 2555-EZ.

If	And	Then
Multiple Form 2555 and/or Form 2555-EZ are attached for one taxpayer		<ol style="list-style-type: none"> <li>1. Combine related T-lines onto one Form 2555,</li> <li>2. "X" the other Form 2555 and Form 2555-EZ,</li> <li>3. Use the appropriate POD code for the Form 2555 or Form 2555-EZ with the most income on Form 2555, line 26, or Form 2555-EZ, line 17,</li> <li>4. Edit dates to include the longest qualifying period reported on all forms, and</li> <li>5. When combining Form 2555 with Form 2555-EZ, always combine onto Form 2555. Combine Form 2555-EZ, line 17 with Form 2555, line 19 and Form 2555-EZ, line 18 with Form 2555, lines 42 and 45.</li> </ol> <p><b>Note:</b> Convert to Form 2555 when only Form 2555-EZ are present and their combined foreign earned income is over the maximum for the year. For TY25, the maximum is \$130,000.</p>
Taxpayer enters beginning and ending dates that do not include part of the tax year of the return		<p><b>Correspond:</b></p> <ul style="list-style-type: none"> <li>• If using Form 9143, checkbox 14.</li> <li>• If using Form 13900, use the following literal: <b>To exclude foreign earned income, the qualifying dates on Form 2555 or Form 2555-EZ must cover a part of the tax year of your tax return. Please verify your beginning and/or ending dates, and re-submit your Form 2555.</b></li> </ul>

(2) If Form 2555 or Form 2555-EZ is **valid**:

- Ensure that the taxpayer reported all foreign earned income (from Form 2555, line 26, or Form 2555-EZ, line 17) either on the Form 1040 within lines 1a through 1h or on the Schedule 1 in line 3, 5, or 6. If the taxpayer did not report the earned income, edit the income to a line as follows: edit Form W-2, box 1 income to Form 1040, line 1a; edit income that belongs on Form 1040, lines 1b through 1h to Form 1040, line 1z; edit Schedule C income to Schedule 1, line 3; edit Schedule E income to Schedule 1, line 5; edit Schedule F income to Schedule 1, line 6; edit income to Form 1040, line 1a if source of income cannot be determined; and

- Ensure the exclusion (taken from, line 45, or line 42 (when line 45 is blank or zero) or Form 2555-EZ, line 18) is included in the total reported on Schedule 1, line 9. If not, adjust Schedule 1, line 9 to reflect its inclusion as a negative amount.

(3) If Form 2555 or Form 2555-EZ is **invalid**:

- Ensure that the taxpayer reported all foreign earned income (from Form 2555, line 26, or Form 2555-EZ, line 17) either on the Form 1040 within lines 1a through 1h or on the Schedule 1 in line 3, 5, or 6. If the taxpayer did not report the earned income, edit the income to a line as follows: edit Form W-2, box 1 income to Form 1040, line 1a; edit income that belongs on Form 1040, lines 1b through 1h to Form 1040, line 1z; edit Schedule C income to Schedule 1, line 3; edit Schedule E income to Schedule 1, line 5; edit Schedule F income to Schedule 1, line 6; edit income to Form 1040, line 1a if source of income cannot be determined;
- “X” Schedule 1, line 9,
- “X” Form 2555 or Form 2555-EZ, and
- If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.

3.21.3.42.3  
(01-01-2021)  
**Form 2555 for Joint Filers**

(1) Only two forms can be processed:

- One for the primary taxpayer (sequence code 34)
- One for the secondary taxpayer (sequence code 35)

**Note:** Taxpayers might file Form 2555-EZ for prior years or the current year. Conversion of Form 2555-EZ to Form 2555 is not required at this point, unless one of the criteria at IRM 3.21.3.86.12.1 (2) is met.

(2) If a Form 2555 or Form 2555-EZ is for the secondary taxpayer, edit Sequence Code “35”.

(3) If two forms are submitted and only **one is valid**:

- Adjust Schedule 1, line 9 by deleting the amount for the invalid Form 2555 or Form 2555-EZ, if applicable,
- Adjust Schedule 1, line 25 by deleting the amount for the invalid Form 2555 or Form 2555-EZ, if applicable,
- “X” the invalid Form 2555 or Form 2555-EZ, and
- Make sure income is reported on the appropriate line.

(4) If two forms are submitted and **neither one is valid**:

- “X” Schedule 1, line 9, if foreign earned income exclusion is claimed,
- “X” Schedule 1, line 25, if foreign earned housing deduction is claimed,
- “X” both Form 2555 or Form 2555-EZ,
- Make sure income is reported on the appropriate line, and
- If the deleted Form 2555 or Form 2555-EZ are the only foreign aspects of the return, rebatch the coded return as domestic.

(5) If only one Form 2555 or Form 2555-EZ is submitted for both taxpayers, **correspond** for separate Form 2555 or Form 2555-EZ. See Figure 3.21.3-10.

**Caution:** If the **spouses are a missionary team**, see IRM 3.21.3.42.3 (6) below.

- (6) If the spouses are a missionary team and only one Form 2555 or Form 2555-EZ is submitted, **DO NOT correspond**. Divide the income equally between the two filers on separate Form 2555.

**Exception:** If it can be determined that the income was earned by only one spouse, DO NOT divide the income. Process the Form 2555 or Form 2555-EZ as filed.



**DRAFT**  
Form **2555**  
Department of the Treasury  
Internal Revenue Service

**Foreign Earned Income**  
Attach to Form 1040 or 1040-SR.  
Go to [www.irs.gov/Form2555](http://www.irs.gov/Form2555) for instructions and the latest information.

OMB No. 1545-0074  
**2025**  
Attachment  
Sequence No. **34**

**For Use by U.S. Citizens and Resident Aliens Only**

Name shown on Form 1040 or 1040-SR  
**Marge & Chuck Finch**

Your social security number  
**000-00-2389**

**Part I General Information**

**1** Your foreign address (including country)

**2** Your occupation

**30** Enter the **smaller** of line 28 or line 29b

**31** Number of days in your qualifying period that fall within your 2025 tax year

**31** days

**32**

**33**

**34**

**35**

**36**

**37** 130,000.00

**38** 366 days

**39** 1.000

**40** 130,000.00

**41** 67,600.00

**42** 67,600.00

**43** 67,600.00

**44**

**45** 67,600.00

**46**

**47**

**48**

**49**

**50**

**Form 2555 (2025)**

**Correspond for separate Forms 2555.**

**W-2 Wage and Tax Statement 2025**  
Copy B—To Be Filed With Employee's FEDERAL Tax Return.  
This information is being furnished to the Internal Revenue Service.

**Safe, accurate, e-file FASTI Use** Visit the IRS website at [www.irs.gov/efile](http://www.irs.gov/efile)

**a** Employee's social security number  
**000-00-2389**

**b** Employer identification number (EIN)  
**00-8462479**

**c** Employer's name, address, and ZIP code  
**The Quail Group  
International Office  
Singapore**

**d** Control number

**e** Employee's first name and initial Last name Suf.  
**Marge Finch**  
**2555 Heron Way**  
**Singapore**

**1** Wages, tips, other compensation  
**20,000.00**

**2** Federal income tax withheld  
**1,992.00**

**3** Social security wages  
**20,000.00**

**4** Social security tax withheld  
**1,240.00**

**5** Medicare wages and tips  
**20,000.00**

**6** Medicare tax withheld  
**290.00**

**7** Social security tips

**8** Allocated tips

**9**

**10** Dependent care benefits

**11** Nonqualified plans

**12a** See instructions for box 12

**12b**

**12c**

**12d**

**13** Statutory employee ☐ Nonresident alien ☐ Exempt payee ☐ Other ☐

**14** Other

**15** State income tax

**16** State wages, tips, etc.

**17** State income tax

**18** Local wages, tips, etc.

**19** Local income tax

**20** Locality name

**1** Employee's address and ZIP code

**15** State Employee's state ID number

**16** State wages, tips, etc.

**17** State income tax

**18** Local wages, tips, etc.

**19** Local income tax

**20** Locality name

**Note:** If line 47 is more than line 48 and you couldn't deduct all of your 2024 housing deduction because of the 2024 limit, use the Housing Deduction Carryover Worksheet in the instructions to figure the amount to enter on line 49. Otherwise, go to line 50.

**49** Housing deduction carryover from 2024 (from the Housing Deduction Carryover Worksheet in the instructions)

**50** **Housing deduction.** Add lines 48 and 49. Enter the total here and on Schedule 1 (Form 1040), line 24j. Complete the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040 if you enter an amount on this line.

Figure 3.21.3-10 Corresponding for Separate Forms 2555

3.21.3.42.4  
(01-01-2020)

Post of Duty (POD) Code

(1) A POD Code must be edited to all Form 2555 or Form 2555-EZ (TY18 and prior).

## 3.21 International Returns and Documents Analysis

- (2) Edit the appropriate 2 alpha character POD Code in the top-center margin of Page 1, Form 2555 or Form 2555-EZ according to Exhibit 3.21.3-7. See Figure 3.21.3-11.

**DRAFT**  
**Form 2555**  
Department of the Treasury  
Internal Revenue Service

**VE**  
**Foreign Earned Income**  
Attach to Form 1040 or 1040-SR.  
Go to [www.irs.gov/Form2555](http://www.irs.gov/Form2555) for instructions and the latest information.

OMB No. 1545-0074  
**2025**  
Attachment  
Sequence No. **34**

**For Use by U.S. Citizens and Resident Aliens Only**

Name shown on Form 1040 or 1040-SR  
**Fiona Dalmatian**

Your social security number  
**000-00-0205**

**Part I General Information**

**1** Your foreign address (including country)

**2** Your occupation

**3** Employer's name

**4a** Employer's U.S. address

**b** Employer's foreign address **1414 Calle Cojedes, Caracas, Venezuela**

**5** Employer is (check any that apply):  
☐ **a** A foreign entity  
☐ **b** A U.S. company  
☐ **d** A foreign affiliate of a U.S. company  
☐ **e** Other (specify)  
☐ **c** Self

**6a** If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form.

**b** If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here ☐ and go to line 7.

**Figure 3.21.3-11 Editing a POD Code**

- (3) Examine Form 2555 or Form 2555-EZ to determine where the foreign income was earned. Use the following priority order when determining the POD assignment:
- Address: Form 2555, line 1; Form 2555-EZ, line 4
  - Tax Home: Form 2555, line 9; Form 2555-EZ, line 11a
  - Principal Country: Form 2555, line 17
  - Foreign address on Form 1040
  - Employer's foreign address: Form 2555, line 4b; Form 2555-EZ, line 8
  - Income statement

**Note:** If multiple countries are present, edit the first with a listed POD.

**Reminder:** If combining Form 2555 or Form 2555-EZ (TY18 and prior), edit the POD for the Form 2555 or Form 2555-EZ with the most income on Form 2555, line 26 or Form 2555-EZ, line 17.

- (4) If the country in which the foreign income is earned is not listed in the POD Table, edit POD Code "XX".
- (5) If you cannot determine the POD after using instructions in IRM 3.21.3.42.4 (3) above, edit POD Code "XX".

### 3.21.3.42.5 (10-29-2025)

#### Determining Bona Fide Residence and Physical Presence Dates

- (1) A U.S. citizen is considered a bona fide resident of a foreign country if his tax home has been in that foreign country for an uninterrupted period of time which includes a full calendar year and part of the tax year of the return. Before editing bona fide dates for restricted countries (Cuba, Iraq, and Libya), see IRM 3.21.3.42.5 (4).

**Note: Waiver of minimum time requirements** - the minimum time requirements for bona fide residence and physical presence can be waived if the taxpayer

must leave a foreign country because of war, civil unrest, or similar adverse conditions in that country. The following are the only countries for which a waiver may be claimed for 2025:

Country	Date of Departure On or After

**Note:** Taxpayers may enter Claiming Waiver in the top margin on page 1 of Form 2555 to indicate they are claiming a waiver of time requirements.

**Note:** Edit dates to cover a full calendar year using the dates provided by the taxpayer, if available. Otherwise, use the tax year of the return to determine the applicable dates.

- (2) To qualify for **bona fide residence**, the taxpayer must reside in a foreign country or countries **for an uninterrupted period that includes an entire tax year and includes part of the tax year of the return.**

**Note:** An entire tax year is from January 1 through December 31 for taxpayers who file their income tax returns on a calendar-year basis.

**Example:** For TY25, the taxpayer enters bona fide dates of 11/01/2024 to 01/15/2026. The taxpayer completed an uninterrupted period of residence for a full tax year (2025) and therefore meets the bona fide residence test for tax years 2024, 2025, and 2026.

**Example:** For TY25, the taxpayer enters bona fide dates of 10/01/2024 to 11/30/2025. The taxpayer did **not** complete an uninterrupted period of residence for a full tax year (2024 or 2025) and therefore does not meet the bona fide residence test in either year, but qualifies for physical presence for both years.

- (3) To qualify for **physical presence**, the taxpayer must be physically present in a foreign country or countries **for at least 330 full days during any period of 12 consecutive months, which also includes part of the tax year of the return.**

**Example:** For TY25, the taxpayer enters physical presence dates of 01/05/2024 to 01/04/2025. The taxpayer meets the physical presence test for both tax years since the dates cover at least 330 days.

**Example:** For TY25, the taxpayer enters physical presence dates of 01/01/2025 to 11/15/2025. The taxpayer does **not** meet the physical presence test for 2025 since the dates cover less than 330 days.

## 3.21 International Returns and Documents Analysis

- (4) A taxpayer living and working in a **restricted country** cannot claim the benefits under "IRC 911":

**Caution:** If the taxpayer meets either bona fide residence or physical presence, but the beginning date was within the restricted period, edit qualifying dates based on the end of the restriction.

Restricted Country	Beginning Date	Ending Date
Cuba <b>Exception:</b> If a non-military taxpayer files a Form 1040 with a Form 2555 exclusion from United States Naval base at Guantanamo Bay, allow the exclusion.	January 1, 1987	Still in effect
Iraq	August 2, 1990	July 29, 2004
Libya	January 1, 1987	September 20, 2004

- (5) Edit Beginning and Ending Dates in YYMM format for bona fide residence dates:

- Form 2555 - Part II, line 10 area
- Form 2555-EZ (TY18 and prior) - Part I, below line 1b

**Exception:** If the beginning date is 1950 or earlier, then perfect the date in a YYYYMM format (e.g., September 1947 will be edited as "194709").

- (6) Edit Beginning and Ending Dates in YYMM format for physical presence dates:

- Form 2555 - Part III, line 16 area
- Form 2555-EZ (TY18 and prior) - Part I, below line 2b

**Exception:** If the beginning date is 1950 or earlier, then perfect the date in a YYYYMM format (e.g., September 1947 will be edited as "194709").

- (7) On a TY25 return, **if** the dates are missing or don't meet either the bona fide residence or physical presence test, **and** one of the following notations or similar is present:

- Adverse conditions or
- Could not meet 330-day requirement for physical presence due to an emergency (e.g., medical condition or travel restrictions),

**Then** allow the foreign earned income exclusion, and edit the physical presence dates provided. If dates are missing, edit dates for the calendar year (beginning date of "2501" and ending date of "2512").

- (8) If both beginning and ending dates are present or can be determined, follow the table below. (If dates cannot be determined, see IRM 3.21.3.42.5 (9).)

If	And	Then
<b>Only</b> Bona Fide Residence dates are present	<ul style="list-style-type: none"> <li>The dates cover any full calendar year, <b>and</b></li> <li>The dates include part of the current tax year</li> </ul>	Edit the dates in YYYY format in the Bona Fide Residence section. <b>Example:</b> If the taxpayer indicates the beginning date as January, 2025 and the ending date as December, 2025, edit “2501” as the beginning date and “2512” as the ending date. See Figure 3.21.3-12.
<b>Only</b> Bona Fide Residence dates are present	<ul style="list-style-type: none"> <li>The dates do not cover any full calendar year, <b>but</b></li> <li>The dates cover at least 330 days</li> </ul>	Edit the dates in YYYY format in the Physical Presence section. See Figure 3.21.3-13.
<b>Only</b> Bona Fide Residence dates are present	The dates are less than 330 days (unless IRM 3.21.3.42.5 (7) applies)	<ol style="list-style-type: none"> <li>If the foreign earned income exclusion is claimed in the total reported on Schedule 1, line 9, “X” Schedule 1, line 9,</li> <li>If the housing deduction is claimed in the total reported on Schedule 1, line 25, “X” Schedule 1, line 25,</li> <li>“X” Form 2555 or Form 2555-EZ, and</li> <li>If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</li> </ol>
<b>Only</b> Physical Presence dates are present	The dates cover at least 330 days	Edit the dates in YYYY format in the Physical Presence section.
<b>Only</b> Physical Presence dates are present	The dates do not cover at least 330 days (unless IRM 3.21.3.42.5 (7) applies)	<ol style="list-style-type: none"> <li>If the foreign earned income exclusion is claimed in the total reported on Schedule 1, line 9, “X” Schedule 1, line 9,</li> <li>If the housing deduction is claimed in the total reported on Schedule 1, line 25, “X” Schedule 1, line 25,</li> <li>“X” Form 2555 or Form 2555-EZ, and</li> <li>If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</li> </ol>

If	And	Then
<b>Both</b> Bona Fide Residence and Physical Presence dates are present	<ul style="list-style-type: none"> <li>The dates are different, and</li> <li>Both dates meet the criteria for their tests</li> </ul>	Edit the dates for the longest period in the appropriate section. See Figure 3.21.3-14. <b>Note:</b> If only the Bona Fide Residence ending date is blank and the ending date can be perfected using IRM 3.21.3.42.5(9), edit Bona Fide Residence dates.
<b>Both</b> Bona Fide Residence and Physical Presence dates are present	<ul style="list-style-type: none"> <li>The dates are the same, and</li> <li>Both dates meet the criteria for their tests</li> </ul>	Edit Bona Fide Residence dates. See Figure 3.21.3-15.
<b>Both</b> Bona Fide Residence and Physical Presence dates are present	Only <b>one</b> set of dates meets the criteria for its test	Edit the dates which meet the criteria for its test.
<b>Both</b> Bona Fide Residence and Physical Presence dates are present	<b>Neither</b> sets of dates meets the Bona Fide Residence or Physical Presence tests (unless IRM 3.21.3.42.5 (7) applies)	<ol style="list-style-type: none"> <li>If the foreign earned income exclusion is claimed in the total reported on Schedule 1, line 9, “X” Schedule 1, line 9,</li> <li>If the housing deduction is claimed in the total reported on Schedule 1, line 25, “X” Schedule 1, line 25,</li> <li>“X” Form 2555 or Form 2555-EZ, and</li> <li>If the deleted Form 2555 or Form 2555-EZ is the only foreign aspect of the return, rebatch the coded return as domestic.</li> </ol>
Taxpayer enters beginning and ending dates that do not include part of the tax year of the return		<b>Correspond:</b> <ul style="list-style-type: none"> <li>If using Form 9143, checkbox 14.</li> <li>If using Form 13900, use the following literal: “To exclude foreign earned income, the qualifying dates on Form 2555 or Form 2555-EZ must cover a part of the tax year of your tax return. Please verify your beginning and/or ending dates, and re-submit your Form 2555.”</li> </ul>

**Caution:** If the taxpayer enters an ending date beyond the received date of the return, edit the received date as the ending date (e.g., if the taxpayer’s ending date is June 1, 2026 and the return received date is April 25, 2026, then edit the ending date as “2604”).

<b>DRAFT</b> <b>Form 2555</b> Department of the Treasury Internal Revenue Service	<b>TH</b> <b>Foreign Earned Income</b> Attach to Form 1040 or 1040-SR. Go to <a href="http://www.irs.gov/Form2555">www.irs.gov/Form2555</a> for instructions and the latest information.	OMB No. 1545-0074 <b>2025</b> Attachment Sequence No. <b>34</b>
<b>For Use by U.S. Citizens and Resident Aliens Only</b>		
Name shown on Form 1040 or 1040-SR <b>Alexander Pelican</b>		Your social security number <b>000-00-3887</b>
<b>Part I General Information</b>		
<b>1</b> Your foreign address (including country) <b>Bangkok, Thailand</b>		<b>2</b> Your occupation
<b>3</b> Employer's name _____ <b>4a</b> Employer's U.S. address _____ <b>b</b> Employer's foreign address _____ <b>5</b> Employer is (check) <b>a</b> <input type="checkbox"/> A foreign entity <b>b</b> <input type="checkbox"/> A U.S. company <b>c</b> <input type="checkbox"/> Self any that apply: <b>d</b> <input type="checkbox"/> A foreign affiliate of a U.S. company <b>e</b> <input type="checkbox"/> Other (specify) _____ <b>6a</b> If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form. _____ <b>b</b> If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here <input type="checkbox"/> and go to line 7. <b>c</b> Have you ever revoked either of the exclusions? <input type="checkbox"/> Yes <input type="checkbox"/> No <b>d</b> If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective. _____ <b>7</b> Of what country are you a citizen/national? _____ <b>8a</b> Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See <b>Second foreign household</b> in the instructions <input type="checkbox"/> Yes <input type="checkbox"/> No <b>b</b> If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address. _____ <b>9</b> List your tax home(s) during your tax year and date(s) established. _____		
<b>Next, complete either Part II or Part III. If an item doesn't apply, enter "N/A." If you don't give the information asked for, any exclusion or deduction you claim may be disallowed.</b>		
<b>Part II Taxpayers Qualifying Under Bona Fide Residence Test</b> <b>Note:</b> Only U.S. citizens and resident aliens who are citizens or nationals of U.S. treaty countries can use this test. See instructions.		
<b>10</b> Date bona fide residence began <b>04/05/18 1804</b> , and ended <b>08/15/25 2508</b>		
<b>11</b> Kind of living quarters in foreign country: <b>a</b> <input type="checkbox"/> Purchased house <b>b</b> <input type="checkbox"/> Rented house or apartment <b>c</b> <input type="checkbox"/> Rented room <b>d</b> <input type="checkbox"/> Quarters furnished by employer		
<b>12a</b> Did any of your family live with you abroad during any part of the tax year? <input type="checkbox"/> Yes <input type="checkbox"/> No <b>b</b> If "Yes," who and for what period? _____		

Figure 3.21.3-12 Editing Bona Fide Residence Dates



<b>DRAFT</b> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: left;"> <b>Form 2555</b>  <small>Department of the Treasury Internal Revenue Service</small> </div> <div style="text-align: center;"> <span style="color: red; font-size: 1.5em; font-weight: bold;">SP</span>  <b>Foreign Earned Income</b>  <small>Attach to Form 1040 or 1040-SR. Go to <a href="http://www.irs.gov/Form2555">www.irs.gov/Form2555</a> for instructions and the latest information.</small> </div> <div style="text-align: right;"> <small>OMB No. 1545-0074</small>  <div style="border: 1px solid black; padding: 2px; display: inline-block;"> <b>2025</b>  <small>Attachment Sequence No. 34</small> </div> </div> </div>	
<b>For Use by U.S. Citizens and Resident Aliens Only</b>	
Name shown on Form 1040 or 1040-SR: <b>Tanya Balsam</b>	
Your social security number: <b>000-00-2257</b>	
<b>Part I General Information</b>	
<b>1</b> Your foreign address (including country) <b>Barcelona, Spain</b>	
<b>2</b> Your occupation	
<b>3</b> Employer's name	
<b>4a</b> Employer's U.S. address	
<b>b</b> Employer's foreign address	
<b>5</b> Employer is (check <input type="checkbox"/> <b>a</b> A foreign entity <input type="checkbox"/> <b>b</b> A U.S. company <input type="checkbox"/> <b>c</b> Self any that apply: <input type="checkbox"/> <b>d</b> A foreign affiliate of a U.S. company <input type="checkbox"/> <b>e</b> Other (specify)	
<b>6a</b> If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form.	
<b>b</b> If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here <input type="checkbox"/> and go to line 7.	
<b>c</b> Have you ever revoked either of the exclusions? <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	
<b>d</b> If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective.	
<b>7</b> Of what country are you a citizen/national?	
<b>8a</b> Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See <b>Second foreign household</b> in the instructions <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	
<b>b</b> If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address.	
<b>9</b> List your tax home(s) during your tax year and date(s) established.	
<b>Next, complete either Part II or Part III. If an item doesn't apply, enter "N/A." If you don't give the information asked for, any exclusion or deduction you claim may be disallowed.</b>	
<b>Part II Taxpayers Qualifying Under Bona Fide Residence Test</b>	
<b>Note:</b> Only U.S. citizens and resident aliens who are citizens or nationals of U.S. treaty countries can use this test. See instructions.	
<b>10</b> Date bona fide residence began <b>05/09/24</b> , and ended <b>05/17/25</b>	
<b>11</b> Kind of living quarters in foreign country: <input type="checkbox"/> <b>a</b> Purchased house <input type="checkbox"/> <b>b</b> Rented house or apartment <input type="checkbox"/> <b>c</b> Rented room <input type="checkbox"/> <b>d</b> Quarters furnished by employer	
<b>12a</b> Did any of your family live with you abroad during any part of the tax year? <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	
<b>b</b> If "Yes," who and for what period?	

<b>DRAFT</b> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: left;"> <b>Form 2555 (2025)</b> </div> <div style="text-align: right;"> <small>Page <b>2</b></small> </div> </div>	
<b>Part III Taxpayers Qualifying Under Physical Presence Test</b>	
<b>Note:</b> U.S. citizens and all resident aliens can use this test. See instructions.	
<b>16</b> The physical presence test is based on the 12-month period from <b>2405</b> through <b>2505</b>	
<b>17</b> Enter your principal country of employment during your tax year.	
<b>18</b> If you traveled abroad during the 12-month period entered on line 16, complete columns <b>(a)-(f)</b> below. Exclude travel between foreign countries that didn't involve travel on or over international waters, or in or over the United States, for 24 hours or more.	

**Figure 3.21.3-13 Moving Bona Fide Residence Dates to Physical Presence**



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Form 2555 (2025) Page **2**

**Part III Taxpayers Qualifying Under Physical Presence Test**  
**Note:** U.S. citizens and all resident aliens can use this test. See instructions.

**16** The physical presence test is based on the 12-month period from **Jan. 1, 2025** through **Dec. 31, 2025**

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**DRAFT** AS

Form **2555** OMB No. 1545-0074

**Foreign Earned Income**

Department of the Treasury 20**25**  
Internal Revenue Service Attachment Sequence No. **34**

Attach to Form 1040 or 1040-SR.  
Go to [www.irs.gov/Form2555](http://www.irs.gov/Form2555) for instructions and the latest information.

**For Use by U.S. Citizens and Resident Aliens Only**

Name shown on Form 1040 or 1040-SR Your social security number  
**Steve Dolomite** **000-00-9182**

**Part I General Information**

**1** Your foreign address (including country)  
**Melbourne, Victoria, Australia**

**2** Your occupation  
**Cook**

**3** Employer's name \_\_\_\_\_

**4a** Employer's U.S. address \_\_\_\_\_

**b** Employer's foreign address \_\_\_\_\_

**5** Employer is (check **a** ☐ A foreign entity **b** ☐ A U.S. company **c** ☐ Self  
any that apply: **d** ☐ A foreign affiliate of a U.S. company **e** ☐ Other (specify) \_\_\_\_\_

**6a** If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form. \_\_\_\_\_

**b** If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here ☐ and go to line 7.

**c** Have you ever revoked either of the exclusions? ☐ Yes ☐ No

**d** If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective. \_\_\_\_\_

**7** Of what country are you a citizen/national? \_\_\_\_\_

**8a** Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See **Second foreign household** in the instructions ☐ Yes ☐ No

**b** If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address. \_\_\_\_\_

**9** List your tax home(s) during your tax year and date(s) established. \_\_\_\_\_

**Next, complete either Part II or Part III. If an item doesn't apply, enter "N/A." If you don't give the information asked for, any exclusion or deduction you claim may be disallowed.**

**Part II Taxpayers Qualifying Under Bona Fide Residence Test**  
**Note:** Only U.S. citizens and resident aliens who are citizens or nationals of U.S. treaty countries can use this test. See instructions.

**10** Date bona fide residence began **Feb. 14, 1997** 9702 and ended **2025** 2512

**11** Kind of living quarters in foreign country: **a** ☐ Purchased house **b** ☐ Rented house or apartment **c** ☐ Rented room  
**d** ☐ Quarters furnished by employer

**12a** Did any of your family live with you abroad during any part of the tax year? ☐ Yes ☐ No

**b** If "Yes," who and for what period? \_\_\_\_\_

**13a** Have you submitted a statement to the authorities of the foreign country where you claim bona fide \_\_\_\_\_

**Figure 3.21.3-14 Editing the Dates for the Longest Period when Both Bona Fide Residence and Physical Presence Dates are Present**

Form **2555**

Department of the Treasury  
Internal Revenue Service

**NZ**

**Foreign Earned Income**

Attach to Form 1040 or 1040-SR.  
Go to [www.irs.gov/Form2555](http://www.irs.gov/Form2555) for instructions and the latest information.

OMB No. 1545-0074  
**2025**  
Attachment  
Sequence No. **34**

For Use by U.S. Citizens and Resident Aliens Only

Name shown on Form 1040 or 1040-SR  
**Karen Marigold**

Your social security number  
**000-00-2114**

**Part I** General Information

1 Your foreign address (including country)  
**Wellington, New Zealand**

2 Your occupation  
**Doctor**

3 Employer's name

4a Employer's U.S. address

4b Employer's foreign address

5 Employer is (check) ☐ a A foreign entity ☐ b A U.S. company ☐ c Self  
any that apply: ☐ d A foreign affiliate of a U.S. company ☐ e Other (specify)

6a If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form.

6b If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here ☐ and go to line 7.

6c Have you ever revoked either of the exclusions? ☐ Yes ☐ No

6d If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective.

7 Of what country are you a citizen/national?

8a Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See **Second foreign household** in the instructions ☐ Yes ☐ No

8b If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address.

9 List your tax home(s) during your tax year and date(s) established.

Next, complete either Part II or Part III. If an item doesn't apply, enter "N/A." If you don't give the information asked for, any exclusion or deduction you claim may be disallowed.

**Part II** Taxpayers Qualifying Under Bona Fide Residence Test

**Note:** Only U.S. citizens and resident aliens who are citizens or nationals of U.S. treaty countries can use this test. See instructions.

10 Date bona fide residence began **Jan. 1, 2025 2501**, and ended **Dec. 31, 2025 2512**

11 Kind of living quarters in foreign country: ☐ a Purchased house ☐ b Rented house or apartment ☐ c Rented room  
☐ d Quarters furnished by employer

12a Did any of your family live with you abroad during any part of the tax year? ☐ Yes ☐ No

12b If "Yes," who and for what period?

13a Have you submitted a statement to the authorities of the foreign country where you claim bona fide

**DRAFT**

Form 2555 (2025) Page 2

**Part III** Taxpayers Qualifying Under Physical Presence Test

**Note:** U.S. citizens and all resident aliens can use this test. See instructions.

16 The physical presence test is based on the 12-month period from **Jan. 1, 2025** through **Dec. 31, 2025**

17 Enter your principal country of employment during your tax year.

18 If you traveled abroad during the 12-month period entered on line 16, complete columns (a)-(f) below. Exclude travel between countries that didn't involve travel over international waters or the United States for 24 hours or more.

Figure 3.21.3-15 Editing Bona Fide Residence Dates when Both Physical Presence and Bona Fide Residence Dates are the Same and Meet Their Tests

(9) If beginning and/or ending dates are not present:

If	And	Then
<p>The taxpayer indicates the tax home in the country is for a full calendar year by including notations such as:</p> <ul style="list-style-type: none"> <li>• “since birth”</li> <li>• “all my life”</li> <li>• “still here”</li> <li>• “continues”</li> <li>• “N/A”</li> <li>• “_”</li> </ul> <p><b>Reminder:</b> These notations are not all-inclusive.</p>		<ol style="list-style-type: none"> <li>1. If the beginning date is unknown, edit January of the tax year as the beginning date (e.g., for a TY25 return, edit “2501”). See Figure 3.21.3-16.</li> <li>2. If the ending date is unknown: <ul style="list-style-type: none"> <li>• Edit the received date as the ending date (e.g., if the received date is June 2026, edit “2606”).</li> <li>• Edit CCC “N” on a late-filed return when the ending date is after the tax period of the return. See Figure 3.21.3-17.</li> </ul> </li> </ol>
<p>Any of the following conditions are present:</p> <ul style="list-style-type: none"> <li>• <b>No beginning date</b> (ending date is present)</li> <li>• <b>No ending date</b> (beginning date is present)</li> <li>• <b>No dates</b></li> <li>• Only months are present (e.g., Jan. - Dec.)</li> </ul>	<p>The number of days on Form 2555, line 31 or 38 (Form 2555-EZ, line 14) is 365 or 366</p>	<p>Edit qualifying Bona Fide Residence dates to cover a full calendar year. See Figure 3.21.3-18.</p> <p><b>Note:</b> If the beginning date is unknown, edit January, and if the ending date is unknown, edit December.</p>
<p>Any of the following conditions are present:</p> <ul style="list-style-type: none"> <li>• <b>No beginning date</b> (ending date is present)</li> <li>• <b>No ending date</b> (beginning date is present)</li> <li>• <b>No dates</b></li> <li>• Only months are present (e.g., Jan. - Dec.)</li> </ul>	<p>The number of days on Form 2555, line 31 or 38 (Form 2555-EZ, line 14) is 330-364</p>	<p>Edit qualifying Physical Presence dates to cover a full calendar year. See Figure 3.21.3-19.</p> <p><b>Note:</b> If the beginning date is unknown, edit January (YY01), and if the ending date is unknown, edit December (YY12).</p>
<p>Any of the following conditions are present:</p> <ul style="list-style-type: none"> <li>• <b>No beginning date</b> (ending date is present)</li> <li>• <b>No ending date</b> (beginning date is present)</li> <li>• <b>No dates</b></li> <li>• Only months are present (e.g., Jan. - Dec.)</li> </ul>	<p>The number of days on Form 2555, line 31 or 38 (Form 2555-EZ, line 14) is less than 330 or blank (unless IRM 3.21.3.42.5 (7) applies)</p>	<p><b>Correspond.</b></p> <p><b>Note:</b> Do not “X” the exclusion (Form 2555 or Form 2555-EZ (TY18 and prior)) based on the number of days being less than 330 days before corresponding with the taxpayer.</p>

If	And	Then
Only a year is provided for either the Bona Fide Residence or the Physical Presence dates		<p>In whichever area the taxpayer entered the year:</p> <ol style="list-style-type: none"> <li>1. Edit the beginning date as YY01, and</li> <li>2. Edit the ending date as YY12.</li> </ol>

<b>DRAFT</b> <b>Form 2555</b> Department of the Treasury Internal Revenue Service	<div style="color: red; font-size: 2em; font-weight: bold;">FR</div> <h2 style="margin: 0;">Foreign Earned Income</h2> <p style="margin: 5px 0;">Attach to Form 1040 or 1040-SR.          Go to <a href="http://www.irs.gov/Form2555">www.irs.gov/Form2555</a> for instructions and the latest information.</p>	OMB No. 1545-0074 <div style="text-align: center; font-size: 2em; font-weight: bold; color: red;">2025</div> Attachment Sequence No. <b>34</b>
<b>For Use by U.S. Citizens and Resident Aliens Only</b>		
Name shown on Form 1040 or 1040-SR <div style="font-size: 1.2em; font-weight: bold;">Barbara B. Heron</div>		Your social security number <div style="font-size: 1.2em; font-weight: bold;">000 - 00 - 2848</div>
<b>Part I General Information</b>		
<b>1</b> Your foreign address (including country) <div style="font-size: 1.2em; font-weight: bold;">7428 Rue De La Aurora, Paris, France</div>		<b>2</b> Your occupation <div style="font-size: 1.2em; font-weight: bold;">Hotelier</div>
<b>3</b> Employer's name _____ <b>4a</b> Employer's U.S. address _____ <b>b</b> Employer's foreign address _____ <b>5</b> Employer is (check) <span style="margin-left: 20px;"><input type="checkbox"/> A foreign entity</span> <span style="margin-left: 20px;"><input type="checkbox"/> A U.S. company</span> <span style="margin-left: 20px;"><input type="checkbox"/> Self</span> any that apply: <span style="margin-left: 20px;"><input type="checkbox"/> A foreign affiliate of a U.S. company</span> <span style="margin-left: 20px;"><input type="checkbox"/> Other (specify) _____</span> <b>6a</b> If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form. _____ <b>b</b> If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here <input type="checkbox"/> and go to line 7. <b>c</b> Have you ever revoked either of the exclusions? <span style="margin-left: 20px;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span> <b>d</b> If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective. _____ <b>7</b> Of what country are you a citizen/national? _____ <b>8a</b> Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See <b>Second foreign household</b> in the instructions <span style="margin-left: 20px;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span> <b>b</b> If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address. _____ <b>9</b> List your tax home(s) during your tax year and date(s) established. _____		
<b>Next, complete either Part II or Part III. If an item doesn't apply, enter "N/A." If you don't give the information asked for, any exclusion or deduction you claim may be disallowed.</b>		
<b>Part II Taxpayers Qualifying Under Bona Fide Residence Test</b>		
<b>Note:</b> Only U.S. citizens and resident aliens who are citizens or nationals of U.S. treaty countries can use this test. See instructions.		
<b>10</b> Date bona fide residence began <b>Birth 2501</b> , and ended <b>December 2025 2512</b> <b>11</b> Kind of living quarters in foreign country: <span style="margin-left: 20px;"><input type="checkbox"/> Purchased house</span> <span style="margin-left: 20px;"><input type="checkbox"/> Rented house or apartment</span> <span style="margin-left: 20px;"><input type="checkbox"/> Rented room</span> <span style="margin-left: 20px;"><input type="checkbox"/> Quarters furnished by employer</span> <b>12a</b> Did any of your family live with you abroad during any part of the tax year? <span style="margin-left: 20px;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span> <b>b</b> If "Yes," who and for what period? _____ <b>13a</b> Have you submitted a statement to the authorities of the foreign country where you claim bona fide		

**Figure 3.21.3-16 Editing the Beginning Date When Taxpayer Enters “Birth”**

**DRAFT**  
**Form 2555**

**Foreign Earned Income**

OMB No. 1545-0074  
**2025**  
Attachment Sequence No. **34**

Department of the Treasury  
Internal Revenue Service

Go to [www.irs.gov/Form2555](http://www.irs.gov/Form2555) for instructions and the latest information.

**For Use by U.S. Citizens and Resident Aliens Only**

Name shown on Form 1040 or 1040-SR  
**Helen Blueberry**

Your social security number  
**000-00-5792**

**Part I General Information**

**1** Your foreign address (including country)  
**Copenhagen, Denmark**

**2** Your occupation

**3** Employer's name

**4a** Employer's U.S. address

**b** Employer's foreign address

**5** Employer is (check any that apply):  
☐ a A foreign entity  
☐ b A U.S. company  
☐ c Self  
☐ d A foreign affiliate of a U.S. company  
☐ e Other (specify)

**6a** If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form.

**b** If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here ☐ and go to line 7.

**c** Have you ever revoked either of the exclusions? ☐ Yes ☐ No

**d** If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective.

**7** Of what country are you a citizen/national?

**8a** Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See **Second foreign household** in the instructions ☐ Yes ☐ No

**b** If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address.

**9** List your tax home(s) during your tax year and date(s) established.

**Next, complete either Part II or Part III. If an item doesn't apply, enter "N/A." If you don't give the information asked for, any exclusion or deduction you claim may be disallowed.**

**Part II Taxpayers Qualifying Under Bona Fide Residence Test**

**Note:** Only U.S. citizens and resident aliens who are citizens or nationals of U.S. treaty countries can use this test. See instructions.

**10** Date bona fide residence began **July 2000 0007**, and ended **Still there 2606**

**11** Kind of living quarters in foreign country:  
☐ a Purchased house  
☐ b Rented house or apartment  
☐ c Rented room  
☐ d Quarters furnished by employer

**12a** Did any of your family live with you abroad during any part of the tax year? ☐ Yes ☐ No

**924 DRAFT**  
**Form 1040**

Department of the Treasury—Internal Revenue Service

**U.S. Individual Income Tax Return**

**2025**

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased ☐ If you are a nonresident alien, see instructions.

**Filing Status** Check only one box.

☐ Single

☒ Married filing jointly (even if only one had income)

☐ Married filing separately (MFS). Enter spouse's SSN above and full name here: \_\_\_\_\_

☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required): \_\_\_\_\_

☐ Head of household (HOH)

☐ Qualifying surviving spouse (QSS)

If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent: \_\_\_\_\_

**Digital Assets** At any time during 2025, did you: (a) receive (as a reward, award, or payment for property services) or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

**Dependents** (see instructions)

	Dependent 1	Dependent 2	Dependent 3	Dependent 4
(1) First name				
(2) Last name				
(3) SSN				
(4) Relationship				

If more than four dependents, see instructions.

**RECEIVED**  
**810622026**  
**AUSTIN, TX**  
**IRS AUSDC**

Figure 3.21.3-17 Editing the Ending Date When Taxpayer Enters "Still there"

DRAFT

Form **2555**

Department of the Treasury

Internal Revenue Service

**MN**

Foreign Earned Income

OMB No. 1545-0074

**2025**

Attachment Sequence No. **34**

Attach to Form 1040 or 1040-SR.

Go to [www.irs.gov/Form2555](http://www.irs.gov/Form2555) for instructions and the latest information.

For Use by U.S. Citizens and Resident Aliens Only

Name shown on Form 1040 or 1040-SR

**Donna Greyhound**

Your social security number

**000-00-7301**

**Part I**

General Information

1 Your foreign address (including country)

**Monte Carlo, Monaco**

2 Your occupation

**Lawyer**

3 Employer's name

4a Employer's U.S. address

b Employer's foreign address

5 Employer is (check any that apply):

a ☐ A foreign entity

b ☐ A U.S. company

c ☐ Self

d ☐ A foreign affiliate of a U.S. company

e ☐ Other (specify)

6a If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form.

b If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here ☐ and go to line 7.

c Have you ever revoked either of the exclusions? ☐ Yes ☐ No

d If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective.

7 Of what country are you a citizen/national?

8a Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See **Second foreign household** in the instructions ☐ Yes ☐ No

b If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address.

9 List your tax home(s) during your tax year and date(s) established.

Next, complete either Part II or Part III. If an item doesn't apply, enter "N/A." If you don't give the information asked for, any exclusion or deduction you claim may be disallowed.

**Part II**

Taxpayers Qualifying Under Bona Fide Residence Test

Note: Only U.S. citizens and resident aliens who are citizens or nationals of U.S. treaty countries can use this test. See instructions.

10 Date bona fide residence began **2501**, and ended **2512**

11 Kind of living quarters in foreign country: a ☐ Purchased house b ☐ Rented house or apartment c ☐ Rented room d ☐ Quarters furnished by employer

12a Did any of your family live with you abroad during any part of the tax year? ☐ Yes ☐ No

DRAFT

Form 2555 (2025)

Page **3**

**Part V**

All Taxpayers

**Part VII**

Taxpayers Claiming the Foreign Earned Income Exclusion

37 Maximum foreign earned income exclusion. Enter \$130,000

38 • If you completed Part VI, enter the number from line 31.

• All others, enter the number of days in your qualifying period that fall within your 2025 tax year. See the instructions for line 31.

39 • If line 38 and the number of days in your 2025 tax year (usually 365) are the same, enter "1.000."

• Otherwise, divide line 38 by the number of days in your 2025 tax year and enter the result as a decimal (rounded to at least three places).

40 Multiply line 39 by line 37.

41 Subtract line 40 from line 37.

42 Foreign earned income exclusion.

When line 38 of Form 2555 is 365 days, edit Bona Fide Residence dates covering a full calendar year.

For Paperwork Reduction Act Notice, see the Instructions for Form 1040.

Cat. No. 11900P

Form **2555** (2025)

Figure 3.21.3-18 Editing Bona Fide Residence Dates from the Number of Days on Line 38

3.21.3.42.5

Internal Revenue Manual

Cat. No. 34010Y (10-29-2025)  
Any line marked with a #  
is for **Official Use Only**

**DRAFT**  
Form 2555 (2025) Page **3**

**Part V All Taxpayers**

27 Enter the amount from line 26 . . . . . **27**

Are you claiming the housing exclusion or housing deduction?

☐ **Yes.** Complete Part VI.

☐ **No.** Go to Part VII.

**Part VI Taxpayers Claiming the Housing Exclusion and/or Deduction**

28 Qualified housing expenses for the tax year (see instructions) . . . . . **28**

29a Enter location where housing expenses incurred. See instructions. . . . .

b Enter limit on housing expenses. See instructions. . . . . **29b**

30 Enter the **smaller** of line 28 or line 29b . . . . . **30**

31 Number of days in your qualifying period that fall within your 2025 tax year (see instructions) . . . . . **31** **347 days**

32 Multiply \$56.99 by the number of days on line 31. If 365 is entered on line 31, enter \$20,600 here . . . . . **32**

33 Subtract line 32 from line 30. If the result is zero or less, don't complete the rest of this part or any of Part IX . . . . . **33**

34 Enter employee's share of the cost of employer-provided health insurance . . . . . **34**

35 Divide line 34 by the number of days on line 31. If the result is zero or less, don't enter more than "1.000" . . . . . **35**

**DO NOT CORRESPOND FOR DATES**

---

**DRAFT**  
Form 2555 (2025) Page **2**

**Part III Taxpayers Qualifying Under Physical Presence Test**

**Note:** U.S. citizens and all resident aliens can use this test. See instructions.

16 The physical presence test is based on the 12-month period from **2501** through **2512**

17 Enter your principal country of employment during your tax year. . . . .

18 If you traveled abroad during the 12-month period entered on line 16, complete columns (a)-(f) below. Exclude travel between foreign countries that didn't involve travel on or over international waters, or in or over the United States, for 24 hours or more. If you have no travel to report during the period, enter "Physically present in a foreign country or countries for the entire 12-month period." **Don't include the information from (a)-(f) below in Part VIII of Form 1040 or 1040-SR.**

40 Multiply line 37 by line 39 . . . . . **40**

41 Subtract line 36 from line 27 . . . . . **41**

42 **Foreign earned income exclusion.** Enter the **smaller** of line 40 or line 41. Also, complete Part VIII . . . . . **42** **25000**

**Part VIII Taxpayers Claiming the Housing Exclusion, Foreign Earned Income Exclusion, or Both**

43 Add lines 36 and 42 . . . . . **43**

44 Deductions allowed in figuring your adjusted gross income (Form 1040 or 1040-SR, line 11) that are allocable to the excluded income. See instructions and attach computation . . . . . **44**

45 Subtract line 44 from line 43. Enter the result here and on Schedule 1 (Form 1040), line 8d. Complete the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040 if you enter an amount on this line . . . . . **45** **25000**

**Part IX Taxpayers Claiming the Housing Deduction—Complete this part only if (a) line 33 is more than line 36, and (b) line 27 is more than line 43.**

46 Subtract line 36 from line 33 . . . . . **46**

47 Subtract line 43 from line 27 . . . . . **47**

48 Enter the **smaller** of line 46 or line 47 . . . . . **48**

**Note:** If line 47 is **more than** line 48 and you couldn't deduct all of your 2024 housing deduction because of the 2024 limit, use the Housing Deduction Carryover Worksheet in the instructions to figure the amount to enter on line 49. Otherwise, go to line 50.

49 Housing deduction carryover from 2024 (from the Housing Deduction Carryover Worksheet in the instructions) . . . . . **49**

50 **Housing deduction.** Add lines 48 and 49. Enter the total here and on Schedule 1 (Form 1040), line 24j. Complete the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040 if you enter an amount on this line . . . . . **50**

Form **2555** (2025)

Figure 3.21.3-19 Editing Physical Presence Dates from the Number of Days on Line 31

3.21.3.42.6 (1) If page 1 is missing, **correspond.**  
(01-01-2015)  
**Form 2555 - Page 1,**  
**Parts I and II**



## 3.21 International Returns and Documents Analysis

**Exception:** If page 2 is complete, including physical presence dates, and page 1 is missing, dummy page 1 of Form 2555. If Part III is complete, **do not correspond** for Part II.

- (2) **POD Code** (top-center of Form 2555): See IRM 3.21.3.42.4 and Exhibit 3.21.3-7. If the country cannot be determined, edit POD **“XX”**.
- (3) **Bona Fide residence dates, Line 10:** See IRM 3.21.3.42.5.
- (4) **Declaration Questions:** Edit a **“4”** in the margin to the right of line 13a if any of the following conditions are found. See Figure 3.21.3-20.
  - a. Line 13(a): YES box checked
  - b. Line 13(b): NO box checked
  - c. Line 15(c): YES box checked
  - d. Line 15(d): YES box checked

**Caution:** Do not edit **“4”** for declaration questions if dates are being moved from bona fide residence to physical presence or if the only dates present are physical presence dates.

- (5) **Line 14 columns (c):** Days in the United States on business:
  - a. **“Number of days in U.S. on business”** (third and seventh columns under line 14): Add the number of days listed. See Figure 3.21.3-20.

**Exception:** Do not include days in the U.S. with notations of **“illness,” “personal,”** or **“vacation.”**
  - b. Edit the sum in the margin to the right of line 14 and just above line 15a. See Figure 3.21.3-20.

**Note:** If dates are being moved from bona fide residence to physical presence, also move number of days in the U.S. on business, if present. If only physical presence dates are present, move the number of days entered by the taxpayer from page 1 to page 2.



**DRAFT**  
**Form 2555**  
Department of the Treasury  
Internal Revenue Service

**TK**  
**Foreign Earned Income**  
Attach to Form 1040 or 1040-SR.  
Go to [www.irs.gov/Form2555](http://www.irs.gov/Form2555) for instructions and the latest information.

OMB No. 1545-0074  
**2025**  
Attachment  
Sequence No. 34

**For Use by U.S. Citizens and Resident Aliens Only**

Name shown on Form 1040 or 1040-SR  
**Donald Alewife**

Your social security number  
**000-00-4804**

**Part I General Information**

1 Your foreign address (including country)  
**Turks and Caicos Islands**

2 Your occupation  
**Artist**

3 Employer's name

4a Employer's U.S. address

b Employer's foreign address

5 Employer is (check) ☐ a A foreign entity ☐ b A U.S. company ☐ c Self  
any that apply: ☐ d A foreign affiliate of a U.S. company ☐ e Other (specify)

6a If you previously filed Form 2555 or Form 2555-EZ, enter the last year you filed the form.

b If you didn't previously file Form 2555 or Form 2555-EZ to claim either of the exclusions, check here ☐ and go to line 7.

c Have you ever revoked either of the exclusions? ☐ Yes ☐ No

d If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective.

7 Of what country are you a citizen/national?

8a Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See **Second foreign household** in the instructions ☐ Yes ☐ No

b If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address.

9 List your tax home(s) during your tax year and date(s) established.

**If vacation, personal or illness is noted in this column, do not include in the total.** doesn't apply, enter "N/A." If you don't give exclusion you claim may be disallowed.

**Note:** Only U.S. citizens and resident aliens who are citizens or nationals of U.S. treaty countries can use this test. See instructions.

10 Date bona fide residence began **September 2007** and ended **December 2025**

11 Kind of living quarters in foreign country: ☐ a Purchased house ☐ b Rented house or apartment ☐ c Rented room ☐ d Quarters furnished by employer

12a Did any of your family live with you abroad during any part of the tax year? ☐ Yes ☐ No

b If "Yes," who and for what period?

13a Have you submitted a statement to the authorities of the foreign country where you claim bona fide residence that you aren't a resident of that country? See instructions ☒ Yes ☐ No

b Are you required to pay income tax to the country where you claim bona fide residence? See instructions ☐ Yes ☒ No

**If you answered "Yes" to 13a and "No" to 13b, you don't qualify as a bona fide resident. Don't complete the rest of this part.**

14 If you were present in the United States or its territories during the tax year, complete columns (a)-(d) below. **Don't** include the income from column (d) in Part IV, but report it on Form 1040 or 1040-SR.

(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business (attach computation)	(d) Income earned in U.S. on business (attach computation)	(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business	(d) Income earned in U.S. on business (attach computation)
2-2-25	2-15-25	13	8000				
6-3-25	6-24-25	21	Holiday				
8-1-25	8-10-25	9	500				

15a List any contractual terms or other conditions relating to the length of your employment abroad.

b Enter the type of visa under which you entered the foreign country.

c Did your visa limit the length of your stay or employment in a foreign country? If "Yes," attach explanation ☒ Yes ☐ No

d Did you maintain a home in the United States while living abroad? ☐ Yes ☒ No

e If "Yes," enter address of your home, whether it was rented, the names of the occupants, and their relationship to you.

For Paperwork Reduction Act Notice, see the Instructions for Form 1040. Cat. No. 11900P Form 2555 (2025)

Figure 3.21.3-20 Editing the Declaration Questions and Days in U.S. on Business on Form 2555

3.21.3.42.7  
(01-01-2016)Form 2555 - Page 2, Part  
III(1) **Physical Presence Dates, Line 16:** See IRM 3.21.3.42.5.(2) **Line 18 column (e) - Days in the United States on Business:**

- a. **"Number of days in U.S. on business"** (fifth column under line 18):  
Add the number of days listed.

## 3.21 International Returns and Documents Analysis

**Exception:** Do not include days in the U.S. with notations of “illness,” “personal,” or “vacation”.

- b. Edit the sum in the margin to the right of line 18 and just above the Part IV.
- c. If line 18 column (e) is blank and only Physical Presence dates are present, edit number of days in U.S. on business from line 14c.

3.21.3.42.8  
(10-30-2024)

### Form 2555 - Page 2, Part IV

- (1) Page 2 of Form 2555 **must** be completed by the taxpayer. If page 2 is missing or there are no significant T-line entries present or edited, **correspond**.

**Note:** All amounts are to be reported in U.S. currency ONLY. Convert any amounts reported in foreign currency to U.S. dollars using the exchange rate table appropriate for the tax period of the filer's tax return.

- (2) **Line 19**, Total Wages:

- a. If blank, dash, or zero and an amount is present on line 26, edit the line 26 entry to line 19.
- b. If lines 19 and 26 are blank, dash, or zero and an entry appears on line 20a, edit the amount to line 19.

- (3) **Line 22g**, Total Allowances:

- a. Compute and edit when blank, dash, or zero and there are entries present on lines 22a through 22f.
- b. “**X**” the amount on line 22g as misplaced when lines 22a - 22f are blank and line 22g is the same as line 26.

- (4) **Line 26:** Taxpayers claiming a foreign earned income exclusion are not entitled to claim the same amount on Form 1116, line 1a. See IRM 3.21.3.30.

3.21.3.42.9  
(10-30-2024)

### Form 2555 - Page 3, Parts V, VI, VII, VIII, and IX

- (1) If the taxpayer is claiming an exclusion from Form 2555, then page 3 must be completed. Either line 42 or line 45 must be present or edited. If both are missing, **correspond** for Form 2555, Page 3.

**Note:** If the taxpayer enters zero on line 42 and/or 45, do not correspond; continue processing.

- (2) **Line 33**, Housing Expense: Compute and edit when blank, dash, or zero by subtracting line 32 from line 30.

- (3) **Line 36**, Housing Exclusion:

- a. Qualified individuals may separately elect to claim the housing exclusion or the housing deduction, in addition to the foreign earned income exclusion. The housing exclusion applies only to amounts considered paid for with employer-provided amounts. The housing deduction applies only to amounts paid for with self-employment earnings.

- (4) **Line 42**, Foreign Earned Income Exclusion:

- a. If blank, and line 40 and/or line 41 have entries, then edit the **smaller** amount to line 42.

- b. If there is no amount present on line 45, ensure the line 42 amount (or combined line 42 amounts, if the primary and secondary taxpayers each submitted a Form 2555) is included as a negative in the total on Schedule 1, line 9.
- (5) If the taxpayer is claiming an exclusion, line 42 cannot be edited, and line 45 is blank, then **correspond** for Form 2555, Page 3.
- (6) **Line 45**, Housing Exclusion and/or Foreign Earned Income Exclusion:
  - a. The taxpayer may include an amount for a **prior year exclusion** by making a notation on the dotted portion of line 45. If this notated amount is included in the total on line 45, accept the taxpayer's figure. If this amount is the only Form 2555 exclusion claimed, accept the taxpayer's figures. **DO NOT correspond for dates. DO NOT edit POD or dates.**
  - b. If there is an amount present on line 45 (or on two lines 45, if the primary and secondary taxpayers each submitted a Form 2555), ensure this amount is included as a negative in the total on Schedule 1, line 9. See Figure 3.21.3-21.
- (7) **Line 50**, Housing Deduction:
  - a. If blank, dash, zero, or illegible, compute the housing deduction amount by adding lines 48 and 49.
  - b. If not already included by the taxpayer, edit the housing deduction amount to be included in the total on Schedule 1, line 25.

**Figure 3.21.3-21 Editing Form 2555, Line 45 Amount to Schedule 1, Line 9 as a Negative**

3.21.3.43

(10-29-2025)

**Form 8283 (Sequence 36) - Noncash Charitable Contributions**

- (1) The following lines on the Form 8283 are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Part I, Line 2 checkboxes	There are no T-Compute lines for this form.
Part I, Line 3A, columns c-d	
Part I, Line 3A, column f	
Part IV, Appraiser Signature Indicator	
Part IV, Identifying Number	
Part V, Date	
Part V, EIN	
Part V, Authorized Signature Indicator	
Additional Form 8283 Indicator - edited in the lower right margin	

- (2) For additional instructions see IRM 3.11.3.40.

3.21.3.44

(01-01-2015)

**Form 4835 (Sequence 37) - Farm Rental Income and Expenses**

- (1) The following lines on Form 4835 are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Line 1	There are no T-Compute Lines
Line 2a	
Line 3a	
Lines 4a and 4b	
Line 5a	
Line 6	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.45

(10-30-2024)

**Form 8839 (Sequence 38) - Qualified Adoption Expenses**

- (1) The following lines on Form 8839 are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Line 1, columns (a) through (g)	Line 23
Line 3 - edited for Child 1, Child 2, and Child 3	Line 31
Line 5 - edited for Child 1, Child 2, and Child 3	

## 3.21 International Returns and Documents Analysis

<b>T-Lines</b>	<b>T-Compute Lines</b>
Line 11a - edited for Child 1, Child 2, and Child 3	
Line 15	
Line 23	
Line 29 - Edited for Child 1, Child 2, and Child 3	
Line 30	
Line 31	
Documentation Indicator - edited below Line 1, column (g)	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.46  
(01-01-2015)

### **Form 8853 (Sequence 39) - Archer MSAs and Long-Term Care Insurance Contracts**

- (1) The following lines on Form 8853 are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
TIN	There are no T-Compute Lines
Lines 1 - 4	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.47  
(01-01-2015)

### **Form 8814 (Sequence 40, 41, 42) - Parents' Election to Report Child's Interest and Dividends**

- (1) The following lines on Form 8814 are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Child's Name Control	Line 15
Child's TIN	
Lines 1a and 1b	
Line 2a	
Line 3	
Line 15	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.48  
(10-29-2025)

### **Schedule EIC (Sequence 43) - Earned Income Credit**

- (1) The following lines on Schedule EIC are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Line 1 - Child's Name Control (Child 1, 2, and 3)	There are no T-Compute Lines

T-Lines	T-Compute Lines
Line 2 - Child's SSN(Child 1, 2, and 3)	
Line 3 - Year of Birth (Child 1, 2, and 3)	
Line 4a - Under Age 24 checkbox (Child 1, 2, and 3)	
Line 4b - Disabled checkbox (Child 1, 2, and 3)	
Line 5 - Relationship Code (Child 1, 2, and 3)	
Line 6 - Number of Months (Child 1, 2, and 3)	

- (2) If the taxpayer's address is outside the U.S., see IRM 3.21.3.15.1.31.
- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.49  
(10-30-2024)

**Schedule H/Schedule H  
(sp)/Schedule H-PR  
(Sequence 44, 45) -  
Household Employment  
Taxes**

- (1) The following lines on Schedule H are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Employer's Name Control	Line 8
Employer's TIN	Line 18
Employer's EIN	Line 19
Line 1	Line 24
Line 3	
Lines 5 - 7	
Line 8	
FUTA Indicator Code - edited under <b>Yes/No</b> boxes, Page 2, Part II	
Lines 13 - 16	
Line 17, column (a)	
Line 18, column (h)	
Lines 19 - 20	
Lines 23 - 24	
Additional States Indicator - edited in bottom - left margin	

- (2) If a TY23 or later **loose** Schedule H (sp) or a TY22 or prior **loose** Schedule H-PR contains no money amount entries, give the Schedule H (sp) or Schedule H-PR to your work leader. The work leader will dispose of the loose Schedule H (sp) or Schedule H-PR in accordance with classified waste procedures.
- (3) When money amounts are reported on a loose Schedule H (sp) or Schedule H-PR, prepare a “dummy” Form 1040-SS (sp). Follow these procedures when preparing a “dummy” Form 1040-SS(sp):

a. Complete the caption information using the information from the Schedule H (sp) or Schedule H-PR name line and Part IV address area.

b. Edit FSC “1” or “2” based on the Schedule H (sp) or Schedule H-PR name line.

c. Edit Form 1040-SS (sp), lines 4, 7, and 16 from Schedule H (sp) or Schedule H-PR, Part II, line 16 or 24 (FUTA tax). (If Part II was not completed, use the amount from Schedule H (sp) or Schedule H-PR, Part I, line 8a.)

d. Edit CCC “3”.

e. Edit RPC “Y”.

f. If Schedule H (sp) or Schedule H-PR is missing a valid signature or documentary evidence, **correspond** with Form 13975, using the following fill-in:  
“If you are not required to file a tax return, send us a completed Schedule H (sp) or Schedule H-PR, Part IV with your original signature. If someone other than the taxpayer is signing Schedule H (sp) or Schedule H-PR, include a power of attorney, court certificate, or Form 2848.”
- (4) When a **loose** Schedule H is received, process the Schedule H using instructions in IRM 3.11.3, Individual Income Tax Returns.
- (5) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.50

(10-29-2025)

Schedule 8812

(Sequence 47) - Credits

for Qualifying Children

and Other Dependents

- (1) The following lines on Schedule 8812 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 18a	There are no T-Compute Lines
Line 18b	
Line 21	

2PR), and appears to be filing only to claim the additional child tax credit, **correspond** following the instructions at IRM 3.21.3.80.1.1 (2).

income along with claiming the additional child tax credit, continue processing the return.



- (4) Edit the total Social Security and Medicare tax withheld amounts from all Forms W-2 (boxes 4 and 6), Forms 499R-2/W-2PR (boxes 21 and 23), and attachments on Schedule 8812, line 21 when **both** of the following conditions are present:
- Line 16b, Schedule 8812 is \$5,100 or more
  - Line 21, Schedule 8812, is blank, dash, or zero and there is an amount on line 28 Form 1040

**Note:** The notation “FICA” on an attachment indicates Social Security tax withheld.

- (5) **If unable to edit an amount to line 21 using the instructions above, “X” Form 1040, line 28.**

**Exception:** Do not “X” Form 1040, line 28 if you can determine that all income is from self-employment or HSH, **or** if there is an indication that the taxpayer has filed Form 4029.

- (6) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.51  
(01-01-2019)  
**Form 8606 (Sequence 48, 49) - Nondeductible IRAs**

- (1) The following lines on Form 8606 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Spousal Indicator - edited to the left of the form title	Line 15c
Line 7	
Line 15c	
Line 16	
Line 17	
Line 18	
Line 22	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.52  
(01-01-2015)  
**Form 8863 (Sequence 50) - Education Credits (American Opportunity and Lifetime Learning Credits)**

- (1) The following lines in **Part I - Refundable American Opportunity Credit** on Form 8863 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 1	Line 1

- (2) The following lines in **Part II - Nonrefundable Education Credits** on Form 8863 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 10	Line 10

## 3.21 International Returns and Documents Analysis

- (3) The following lines in **Part III - Student and Educational Institution Information** on Form 8863 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 20	There are no T-Compute Lines
Line 21	
Line 22, Column A, Line 4	
Line 22, Column B, Line 4	
Line 23	
Line 24	
Line 25	
Line 26	

- (4) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.53  
(01-01-2015)

### Form 4952 (Sequence 51) - Investment Interest Expense Deduction

- (1) The following lines on Form 4952 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 4e	There are no T-Compute Lines
Line 4g	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.54  
(01-01-2021)

### Form 8889 (Sequence 52, 53) - Health Savings Accounts (HSAs)

- (1) Use Sequence Code "52" for the primary taxpayer and "53" for the secondary taxpayer, even if only one form is filed.

- (2) The following lines on Form 8889 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 1 through 21	Line 16

- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.55  
(01-01-2015)

### Form 8880 (Sequence 54) - Credit for Qualified Retirement Savings Contributions

- (1) The following lines on Form 8880 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 6a and 6b	There are no T-Compute Lines

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.56

(01-01-2023)

**Form 8995, Form 8995-A, and Form 8995-A Schedule C (Sequence 55/55A/55D) - Qualified Business Income Deduction**

- (1) The following lines on Form 8995 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 2 and 3	Line 5
Lines 5 through 7	Line 9
Line 9	Line 16
Line 12	Line 17
Lines 16 and 17	

- (2) The following lines on Form 8995-A are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 27 through 29	Line 31
Line 31	Line 40
Line 34	
Line 38	
Line 40	

- (3) The following lines on Form 8995-A, Schedule C are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 2	Line 6
Line 6	

- (4) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.57

(10-30-2024)

**Form 8888 (Sequence 56) - Allocation of Refund (Including Savings Bond Purchases)**

- (1) The following lines on Form 8888 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 1a - 1d	There are no T-Compute Lines
Lines 2a - 2d	
Lines 3a - 3d	
Line 4	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

## 3.21 International Returns and Documents Analysis

3.21.3.58  
(01-01-2023)

### Form 8978 (Sequence 57) - Partner's Additional Reporting Year Tax

- (1) The following lines on Form 8978 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Review Year Adj Code Checkbox (below entity)	Line 14
Line 14	Line 16
Line 16	Line 18
Line 18	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.59  
(01-01-2015)

### Form 8919 (Sequence 61, 62) - Uncollected Social Security and Medicare Tax on Wages

- (1) The following lines on Form 8919 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Taxpayer TIN	Line 6
Lines 1 through 3, columns (a) through (f)	Line 13
Line 6	
Line 8	
Line 13	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.60  
(01-01-2015)

### Form 8958 (Sequence 63) - Allocation of Tax Amounts Between Certain Individuals in Community Property States

- (1) The following lines on Form 8958 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Spouse's or Partner's First Name	There are no T-Compute Lines
Spouse's or Partner's Last Name	
Spouse's or Partner's Social Security Number	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.61  
(11-12-2021)

### Form 461 (Sequence 64) - Limitation on Business Losses

- (1) The following lines on Form 461 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 8 through 12	Line 9
Line 16	Line 12
	Line 16

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.62

(01-01-2018)

**Form 8941 (Sequence 65, 66) - Credit for Small Employer Health Insurance Premiums**

(1) Only 2 forms can be processed:

- One for the primary taxpayer (Sequence Code 65)
- One for the secondary taxpayer (Sequence Code 66)

(2) The following lines on Form 8941 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Identifying Number (Top Right)	There are no T-Compute Lines
A - SHOP (Small Business Health Options Program) Checkbox	
B - Employment Taxes Employer Identification Number	
C - Two-Year Declaration Checkbox	
Lines 1 through 5	
Line 10	
Lines 13 through 16	

(3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.63

(01-01-2021)

**Form 6252 (Sequence 67) - Installment Sale Income**

(1) The following lines on Form 6252 are the T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 1	Line 7
Lines 2a and 2b	Line 19
Line 7	
Line 19	
Line 21	
Line 23	

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.64

(01-01-2024)

**Form 8936 (Sequence 69) - Clean Vehicle Credits**

(1) The following lines on Form 8936 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 4	Line 4
Line 5	

T-Lines	T-Compute Lines
Line 7	
Line 20	

- (2) For **TY23 and later**, **correspond** for a missing Form 8936 Schedule A if both of these conditions are present:

- Form 8936 is present with an amount on line 6 or line 19, and
- Form 3800, Part III, line 1y or line 1aa has an amount.

- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.65  
(10-29-2025)

**Form 8936 Schedule A  
(Sequence 69A) - Clean  
Vehicle Credit Amount**

- (1) The following lines on Form 8936 Schedule A are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 2	Line 17
Additional Form 8936 Schedule A Indicator (margin to the right of line 2)	Line 26
Line 3	
Lines 4a-4b	
Lines 9 and 10	
Line 17	
Line 26	

- (2) For **TY23 and later**:

- Up to two Form 8936 Schedule A can be transcribed.
- Edit the first two Form 8936 Schedule A, and delete any others.
- When more than two Form 8936 Schedule A are attached, edit the Additional Form 8936 Schedule A Indicator “1” to the first schedule attached in the margin to the right of line 2.

- (3) For **TY22 and prior**, “X” Form 8936 Schedule A.

3.21.3.65.1  
(03-20-2025)

**Line 2 - Vehicle  
Identification Number**

- (1) “X” the amount on Part II, line 9, Part IV line 17, and/or Part V, line 26 if the VIN is incomplete (other than 17 characters) or has other than alphanumeric characters

3.21.3.65.2  
(10-29-2025)

**Line 10 -  
Business/Investment  
Use Percentage**

- (1) When an entry is reported on line 10, edit as a three-digit whole number. See chart below:

Reported As	Edit As
0.00001	000
0.001	000
0.01	001
0.99999	099
1.00000	100
.7	070
.12345	012
20%	020
75%	075

3.21.3.66  
(10-30-2024)

**Form 8867 (Sequence 70) - Paid Preparer's Due Diligence Checklist**

- (1) The following lines on Form 8867 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
EIC Column checkbox	There are no T-Compute Lines
CTC Column checkbox	
AOTC Column checkbox	
HOH Column checkbox	
Line 15	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.67  
(01-01-2017)

**Form 8959 (Sequence 71) - Additional Medicare Tax**

- (1) The following lines on Form 8959 are T-Lines and T-Compute Lines.

T-Lines	T-Compute Lines
Lines 1 through 3	There are no T-Compute Lines
Lines 7 and 8	
Lines 13 and 14	
Lines 17 through 19	
Lines 23 and 24	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

## 3.21 International Returns and Documents Analysis

3.21.3.68  
(01-01-2015)

### Form 8960 (Sequence 72) - Net Investment Income Tax - Individuals, Estates, and Trusts

- (1) The following lines on Form 8960 are T-Lines and T-Compute Lines.

T-Lines	T-Compute Lines
Investment Income checkboxes	Line 8
Lines 1 through 3	Line 11
Lines 4a and 4b	
Lines 5a through 5c	
Lines 6 through 8	
Lines 9a through 9c	
Lines 10 and 11	
Line 13	
Lines 16 and 17	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.69  
(01-01-2021)

### Form 8962 (Sequence 73, 74) - Premium Tax Credit (PTC)

- (1) Sequence code "73" is used for page 1. Sequence code "74" is used for page 2 only if T-line entries are present.

- (2) The following lines on Form 8962, **Page 1** are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Married Filing Separately PTC exception checkbox	There are no T-Compute Lines
Line 2b	
Line 4 checkbox	
Line 8b	
Lines 11 through 23, columns (a), (b), and (f)	
Lines 24 and 25	

- (3) The following lines on Form 8962, **Page 2** are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 30 through 33, columns (a) through (g)	There are no T-Compute Lines
Lines 35 and 36, columns (a) through (d)	

- (4) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.



3.21.3.70

(10-29-2025)

**Form 5695 (Sequence 75) - Residential Energy Credits**

- (1) For **TY23 and later**, the following lines on the Form 5695 are T-Lines and T-Compute Lines:

<b>T-Lines</b>	<b>T-Compute Lines</b>
Lines 1 - 4	Line 16
Checkbox Line 5a	Line 19f
Line 5b	Line 20c
Checkbox Line 7a	Line 22c
Checkbox Line 7c	Line 23c
Line 8	Line 24c
Left of Line 10	
Line 12	
Line 16	
Checkbox Lines 17a - 17c	
Line 18a	
Lines 19a and- 19b	
Line 19d(i) and 19d(ii)	
Line 19f	
Line 20a(i) - 20a(iv)	
Line 20c	
Checkbox Lines 21a - 21b	
Line 22a	
Line 22c	
Line 23a(i) and 23a(ii)	
Line 23c	
Line 24a	
Line 25a	
Checkbox Line 26a	
Lines 26b and 25c	
Lines 25d(i) and 25d(ii)	
Checkbox Line 26a	
Line 26b	
Lines 29a - 29f including QMID boxes	
Checkbox Lines 32a and 32b	

(2) For **TY22 and prior**, “X” Form 5695.

3.21.3.70.1  
(10-30-2024)  
**Form 5695, Line 10 -  
Kilowatt Capacity**

- (1) Using the taxpayer entry in the decimal field to the left of line 10, edit to the left of line 10 an 8 - digit whole number comprised of the last 6 digits to the left of the decimal point followed by the first 2 digits to the right of the decimal point. See chart below.

**Note:** If there are less than 6 digits to the left of the decimal point or less than 2 digits to the right of the decimal point, add enough leading and/or trailing zeros to meet the 8 - digit requirement.

Kilowatt Capacity Entered as Decimal	Kilowatt Capacity Edited as a Whole Number
123	00012300
222.33	00022233
333.987654321987	00033398
.7	00000070
.987654321987	00000098
1234567890	56789000 First 6 digits closest to the left of the decimal and first 2 digits to the right of the decimal
1234567890.987654321987	56789098 First 6 digits closest to the left of the decimal and first 2 digits to the right of the decimal

3.21.3.71  
(04-24-2020)  
**Form 965-A (Sequence  
76) - Individual Report of  
Net 965 Tax Liability**

- (1) The following lines on Form 965-A are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Part I, column a (first 5 lines)	There are no T-Compute Lines
Part I Additional Data Indicator, edited in margin to the right of Part I, line 1, column e	
Part I, column j (first 5 lines)	
Part I, column k (first 5 lines)	
Part IV, column f (first 5 lines)	
Part IV Additional Data Indicator, edited in margin to the right of Part IV, line 1, column i	
Total Line, Page 3	

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.72  
(11-12-2021)  
**Form 9000 (Sequence 77) - Alternative Media Preference**

(1) The following lines on Form 9000 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 1	There are no T-Compute Lines
Taxpayer Indicator, edited in right margin by SSN	

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.73  
(11-12-2021)  
**Schedule LEP (Sequence 77A) - Request for Change in Language Preference**

(1) The following lines on Schedule LEP are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Line 1	There are no T-Compute Lines
Taxpayer Indicator, edited in right margin by SSN	

(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.74  
(11-12-2021)  
**Form 8997 (Sequence 78) - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments**

(1) The following lines on Form 8997 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Part I, 1st line, columns (a), (b), (d), (e), and (f)	Part I, line 2, columns (e) and (f)
Part I Additional Info Indicator - Part I, margin to right of column (f)	Part II, line 2, columns (e) and (f)
Part I, line 2, columns (e) and (f)	Part III, line 2, columns (e) and (f)
Part II, 1st line, columns (a), (b), (d), (e), and (f)	Part IV, line 2, columns (e) and (f)
Part II Additional Info Indicator - Part II, margin to right of column (f)	
Part II, line 2, columns (e) and (f)	
Part III, 1st line, columns (a), (b), (d), (e), and (f)	
Part III Additional Info Indicator - Part III, margin to right of column (f)	
Part III, line 2, columns (e) and (f)	

T-Lines	T-Compute Lines
Part IV, 1st line, columns (a), (b), (d), (e), and (f)	
Part IV Additional Info Indicator - Part IV, margin to right of column (f)	
Part IV, line 2, columns (e) and (f)	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.75  
(10-29-2025)

**Form 4136 (Sequence 79) - Credit for Federal Tax Paid on Fuels**

- (1) The following lines on Form 4136 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
Lines 1 through 8, 11, 13 - 16 column (e)	There are no T-Compute lines.

- (2) For **TY22 and prior**, renumber the Sequence Code to “**79**” in the upper-right margin.
- (3) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.76  
(01-01-2017)

**American Samoa - Overview**

- (1) American Samoa (AS) has its own separate and independent income tax system.
- (2) Bona fide residents of American Samoa are generally exempt from United States tax on their American Samoa source income.
- (3) United States Armed Forces: Bona fide residents of American Samoa include military personnel whose official home of record is American Samoa.

3.21.3.76.1  
(10-30-2024)

**American Samoa (AS) - Filing Requirements Overview**

- (1) Returns may be filed with both American Samoa and the United States depending on the source of income and the taxpayer’s residency status. The income reported on each return depends on the taxpayer’s residency status in American Samoa.
- (2) If the taxpayer is a **bona fide resident of AS** and a United States citizen, resident, or nonresident alien during the entire year, they may need to file two returns:
- An AS tax return.
  - A U.S. tax return reporting gross worldwide income (income from all sources and includes foreign and U.S. income) except income from sources within American Samoa (IRC 931). Form 4563 may be attached.
- (3) A taxpayer does **not** have a United States income tax filing obligation if both are true:
- The taxpayer is a bona fide resident of American Samoa.
  - The taxpayer only has income derived from sources in American Samoa.

**Exception:** Income received for services performed as an employee of the United States government, including active-duty members of the U.S. Armed Forces whose State of Legal Residence is American Samoa or any of its agencies cannot be excluded from the United States tax return. If the United States government wages are reported on both the United States and AS tax returns, Form 1116 can be attached to the United States tax return to claim a credit for the taxes paid to AS.

- (4) If the taxpayer is **not a bona fide resident of AS** during the entire tax year and they are a United States citizen or resident alien, they may need to file two returns:
- An AS tax return.
  - A U.S. tax return to report income from worldwide sources. Form 1116 can be used to claim a credit for income paid to American Samoa on American Samoa source income subject to double taxation for income taxes paid.

**Exception:** Nonresident aliens report only U.S. source and U.S. effectively connected income.

- (5) If the taxpayer is **not a bona fide resident of AS** during the entire tax year and they are a nonresident alien, they may need to file two returns:
- An AS tax return.
  - A U.S. tax return reporting income from U.S. sources.

3.21.3.76.1.1  
(01-01-2021)

**Processing Form 1040  
With Income or Address  
From American Samoa**

- (1) If the only source of income is from a Form W-2AS **AND** there is an indication that the taxpayer is a bona fide resident:

- Correspond** by preparing Form 3696-A to initiate Letter 86C, which informs the taxpayer that their return has been transshipped to the Tax Division Government of American Samoa for processing.

**Exception:** Do not prepare Form 3696-A for photocopied returns with a U.S. Territory received date.

- Attach Form 3696-A and Form 4227 to the tax return and route it to Rejects. Rejects will issue Letter 86C and transship the tax return to:  
American Samoa Tax Office  
Executive Office Building  
First Floor  
Pago Pago, AS 96799

**Note:** For numbered returns, edit Action Code “**640**”, attach Form 4227, and notate “transship to American Samoa for processing” .

- (2) If there is no indication that the taxpayer is a bona fide resident of American Samoa, continue processing the return.
- (3) Taxpayers who reside outside the 50 U.S. states and the District of Columbia generally are not entitled to claim **EIC**.
- If the taxpayer is **not claiming EIC**, edit RPC “**B**”.
  - If the taxpayer is **claiming EIC**, see IRM 3.21.3.15.1.31.

## 3.21 International Returns and Documents Analysis

**Caution:** If the taxpayer is not a bona fide resident of any U.S. territory and is U.S. military personnel, the taxpayer is considered a resident of the U.S. for the entire year and may be able to claim EIC.

- (4) “X” any amount claimed for Additional Child Tax Credit (ACTC) on line 28, unless you can determine the taxpayer is U.S. military personnel. See IRM 3.21.3.15.1.32.
- (5) If the taxpayer is claiming withholding from American Samoa, see IRM 3.21.3.15.1.29.
- (6) The taxpayer may claim excess Social Security and RRTA taxes withheld. Verify the withholding.

**Note:** Consider all Forms W-2 submitted when verifying the withholding.

- (7) For additional information on bona fide residence rules, military personnel, and military spouses, see IRM 3.21.3.3.6.

3.21.3.76.1.2

(10-30-2024)

### Form 1040 With Form 4563 - Exclusion of Income For Bona Fide Residents of American Samoa Under IRC 931

- (1) **Form 4563 is not transcribed. Do not perfect Form 4563. For TY18 and prior, “X” Form 4563 when it is attached.**
- (2) Form 4563 is used to figure the amount of income from sources within American Samoa that may be excluded in accordance with IRC 931 from gross income on Form 1040.
- (3) This exclusion may be claimed if a taxpayer is a bona fide resident of American Samoa. Eligible taxpayers will file Form 1040 and:
  - Attach Form 4563, and
  - Report worldwide income (income from all sources and includes foreign and U.S. income).
- (4) Income that can be excluded in accordance with IRC 931:
  - Income received from sources in American Samoa, and
  - Income effectively connected with the conduct of a trade or business in American Samoa.
- (5) If wages and salaries paid by the U.S. government or any of its agencies was excluded under IRC 931:
  - a. “X” the exclusion, and
  - b. Include the income on the appropriate income line.

**Exception:** Active-duty members of the U.S. Armed Forces whose Legal State of Residence is American Samoa are subject to the tax rules for U.S. government employee wages.

- (6) If the taxpayer claims the exclusion in accordance with IRC 931, the following are examples of deductions and credits that will be limited on Form 1040:
  - The standard deduction
  - Certain itemized deductions such as medical and dental expenses, gifts to charity, and real estate taxes and mortgage interest on personal residence

- (7) If taxpayer reports only U.S. income and attaches a copy of the territory's return indicating that territory income was reported to the territory government, **correspond** for Form 4563 to exclude the income under IRC 931 or Form 1116 to claim a foreign tax credit on the U.S. return.
- (8) If a taxpayer claiming an exclusion on Form 4563 has also claimed EIC, take the following actions:
- "X"** Schedule EIC,
  - "X"** Form 1040, line 27a, and
  - Edit RPC **"B"**.

3.21.3.76.1.3  
(01-01-2021)

**Processing Procedures  
When Form 4563 is  
Attached or IRC 931  
Exclusion is Claimed**

- (1) If the taxpayer is claiming the exclusion under IRC 931, Form 4563 must be attached:

If	And	Then
Form 4563 <b>is</b> attached	The income and/or exclusion <b>is not reported</b> anywhere on Form 1040	Edit a <b>"1"</b> on Form 3471-E, line 8.
Form 4563 <b>is</b> attached,	Income and/or exclusion <b>is reported</b> and/or excluded	<ol style="list-style-type: none"> <li>Edit a <b>"1"</b> on Form 3471-E, line 8 (see Figure 3.21.3-22),</li> <li><b>"X"</b> the IRC 931 entries on Form 1040 and/or Schedule 1, and</li> <li>If the deleted entries were the only entries, edit RPC <b>"L"</b> and CCC <b>"B"</b>.</li> </ol>
Form 4563 <b>is not</b> attached,	The taxpayer claims the exclusion under IRC 931	<b>Correspond</b> for Form 4563.

## 3.21 International Returns and Documents Analysis

**Form 4563**  
(Rev. September 2024)  
Department of the Treasury  
Internal Revenue Service

**Exclusion of Income for Bona Fide Residents of American Samoa**  
Attach to Form 1040 or 1040-SR.  
Go to [www.irs.gov/Form4563](http://www.irs.gov/Form4563) for the latest information.

OMB No. 1545-0074  
Attachment Sequence No. **563**

Name(s) shown on Form 1040 or 1040-SR: **Lee Laloafu**

Your social security number: **000-00-4836**

**924 DRAFT**  
**1040 U.S. Individual Income Tax Return** 2025  
OMB No. 1545-0074 (IRS Use Only—Do not write or staple in this space)  
For the year Jan. 1–Dec. 31, 2025, or other tax year beginning \_\_\_\_\_, 2025, ending \_\_\_\_\_, 20  
Filed pursuant to section 301.9102-2 ☐ Combat zone ☐ Decedent MM / DD / YYYY Spouse MM / DD / YYYY

☐ Other  
Your first name and middle initial: **Lee Laloafu** Last name: **Laloafu** Your social security number: **000.00 4836**  
If joint return, spouse's first name and middle initial: **Pattie Laloafu** Last name: **Laloafu** Spouse's social security number: **000.00 3846**

Home address (number and street). If you have a P.O. box, see instructions.  
**P.O. Box 8665** Apt. no. \_\_\_\_\_  
City, town, or post office. If you have a foreign address, also complete this section. State: **AS** ZIP code: **96799** Presidential Election Campaign  
Foreign country name: **Pago Pago, American Samoa** Foreign postal code: \_\_\_\_\_ You ☐ Spouse ☐

**Filing Status**  
☒ Single  
☐ Married filing jointly (even if only one has income)  
☐ Married filing separately (MFS). Enter spouse's SSN above and full name here: \_\_\_\_\_  
☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required): \_\_\_\_\_  
☐ Head of household (HOH)  
☐ Qualifying surviving spouse (QSS)  
If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent: \_\_\_\_\_

**Digital Assets**  
At any time during 2025, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

**Dependents**  
(see instructions) (1) First name (2) Last name (3) SSN (4) Relationship (5) Check if lived with you more than half of 2025 (6) Check if: (a) ☐ Yes ☐ No (b) ☐ And in the U.S. ☐ And in the U.S. (c) ☐ Full-time student ☐ Permanently and totally disabled (d) ☐ Child tax credit ☐ Credit for other dependents (e) ☐ Child tax credit ☐ Credit for other dependents (f) ☐ Child tax credit ☐ Credit for other dependents (g) ☐ Child tax credit ☐ Credit for other dependents (h) ☐ Child tax credit ☐ Credit for other dependents (i) ☐ Child tax credit ☐ Credit for other dependents (j) ☐ Child tax credit ☐ Credit for other dependents (k) ☐ Child tax credit ☐ Credit for other dependents (l) ☐ Child tax credit ☐ Credit for other dependents (m) ☐ Child tax credit ☐ Credit for other dependents (n) ☐ Child tax credit ☐ Credit for other dependents (o) ☐ Child tax credit ☐ Credit for other dependents (p) ☐ Child tax credit ☐ Credit for other dependents (q) ☐ Child tax credit ☐ Credit for other dependents (r) ☐ Child tax credit ☐ Credit for other dependents (s) ☐ Child tax credit ☐ Credit for other dependents (t) ☐ Child tax credit ☐ Credit for other dependents (u) ☐ Child tax credit ☐ Credit for other dependents (v) ☐ Child tax credit ☐ Credit for other dependents (w) ☐ Child tax credit ☐ Credit for other dependents (x) ☐ Child tax credit ☐ Credit for other dependents (y) ☐ Child tax credit ☐ Credit for other dependents (z) ☐ Child tax credit ☐ Credit for other dependents

**Income**  
1a Total amount from Form(s) W-2, box 1 (see instructions) **1a X 41715**  
1b Household employee wages not reported on Form(s) W-2 **1b**  
1c Tip income not reported on line 1a (see instructions) **1c**  
1d Medicaid waiver payments not reported on Form(s) W-2 (see instructions) **1d**  
1e Taxable dependent care benefits from Form 2441, line 26 **1e**  
1f Employer-provided adoption benefits from Form 8839, line 31 **1f**  
1g Wages from Form 9819, line 6 **1g**  
1h Other earned income (see instructions). Enter type and amount: **1h**  
1i Nontaxable combat pay election (see instructions) **1i**  
1j Add lines 1a through 1i **1j X 41715**  
2a Tax-exempt interest **2a**  
2b Taxable interest **2b**  
2c Qualified dividends **2c**  
2d Ordinary dividends **2d**  
2e IRA distributions **2e**  
2f Rollover **2f**  
2g Check if (see instructions) **2g**  
2h Pensions and annuities **2h**  
2i Check if (see instructions) **2i**  
2j Social security benefits **2j**  
2k Check if you elect to use the lump-sum election method, check here (see instructions) **2k**  
2l If you are married filing separately and lived apart from your spouse the entire year (see inst.), check here **2l**  
2m Capital gain or (loss). Attach Schedule D if required **2m**  
2n Check if: ☐ Schedule D not required ☐ Includes child's capital gain or (loss) **2n**  
2o Additional income from Schedule 1, line 10 **2o X 41715**  
2p Grand fellowship grants **2p**  
2q Nontaxable amount of Medicaid waiver payments included on Form 1040, line 1a or 1d **2q**  
2r Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan **2r**  
2s Wages earned while incarcerated **2s**  
2t Digital assets received as ordinary income not reported elsewhere (see instructions) **2t**  
2u Other income. List type and amount: **2u**  
2v **Exempt 931**  
2w **88**  
2x **88**  
2y **88**  
2z **88**

**Form 3471-E**  
(2-2011)  
**Edit Sheet**  
Code Amount  
1. Unallowables  
2. Return processed date (RPD)  
3. Error delay code (EDC)  
4. Late filing code  
5. Pre-delinquent penalty  
6. Form 4563 Indicator  
7. NRA spouse indicator

**DRAFT**  
Page 2  
11b  
12a  
13a  
13b  
14  
15  
16  
17  
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19  
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22  
23  
24  
25a  
25b  
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27a  
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31

Figure 3.21.3-22 Editing Form 3471-E When Form 4563 is Attached

3.21.3.77  
(01-01-2021)  
Guam - Overview

- (1) The Guam system of income taxation is based on the income tax laws of the United States. Guam has its own tax system based on the same tax laws and tax rates that apply to the United States.



- (2) Individuals with income from Guam will only file one return, either with Guam or the IRS, unless the taxpayer is a nonresident alien and not a bona fide resident of Guam. See IRM 3.21.3.77.1 for filing requirements.
- (3) Members of the U.S. Armed Forces who:
  - a. Qualify as a bona fide resident of Guam in a prior tax year, and are absent from Guam solely in compliance with military orders, must file with Guam.
  - b. Did not qualify as a bona fide resident of Guam in a prior tax year, and are present in Guam solely in compliance with military orders, must file with the IRS.

3.21.3.77.1  
(01-01-2021)  
**Guam - Filing  
Requirements Overview**

- (1) If the taxpayer is a United States citizen, resident alien, or nonresident alien **and is** a bona fide resident of Guam during the entire tax year, they must file their income tax return with Guam.
- (2) If the taxpayer is a United States citizen, or resident alien **and is not** a bona fide resident of Guam during the entire tax year, they must file their income tax return with the IRS. The tax return will include:
  - a. Form 1040, reporting income from worldwide sources
  - b. All income tax withheld by either the United States or Guam
  - c. Any credit for overpayment of income tax to either the United States or Guam
  - d. Any payments of estimated tax to either the United States or Guam
  - e. Payment of any balance of tax due
  - f. Form 5074, if the adjusted gross income is \$50,000 or more for the tax year and gross income of \$5,000 or more is from sources within Guam

**Exception:** Military employees do not require a Form 5074.
- (3) If the taxpayer is a nonresident alien of the United States **and is not** a bona fide resident of Guam during the entire tax year, they must:
  - a. File a Guam income tax return reporting only their Guam source income
 

**Note:** In this situation, Guam source income is any income received for services performed in Guam, even if they were paid by the U.S. government.
  - b. File a Form 1040-NR, reporting U.S. source income

3.21.3.77.1.1  
(10-29-2025)  
**Processing Form 1040  
with Address or Income  
from Guam**

- (1) If there is an indication that the taxpayer is a bona fide resident of Guam:
  - a. **Correspond** using Form 3696-A to initiate Letter 86C, which informs the taxpayer that their return has been transshipped to the Department of Revenue and Taxation, Government of Guam for processing.
 

**Exception:** Do not prepare Form 3696-A for photocopied returns with a U.S. Territory received date.
  - b. Attach Form 3696-A and Form 4227 to the tax return, and route it to Rejects. Rejects will issue Letter 86C and transship the tax return to:

## 3.21 International Returns and Documents Analysis

Department of Revenue and Taxation  
Taxpayer Services Division  
P.O. Box 23607  
Barrigada, GU 96921

**Note:** For a numbered return, edit Action Code “**640**,” attach Form 4227, and notate “transship return to the Department of Revenue and Taxation, Government of Guam.”

#  
#

return.

(3) Taxpayers who reside outside the 50 U.S. states and the District of Columbia generally are not entitled to claim **EIC**.

- a. If the taxpayer is **not claiming EIC**, edit RPC “**B**”.
- b. If the taxpayer is claiming EIC, see IRM 3.21.3.15.1.31.

**Caution:** If the taxpayer is not a bona fide resident of any U.S. territory and is U.S. military personnel, the taxpayer is considered a resident of the U.S. for the entire year and may be able to claim the EIC.

(4) “**X**” any amount claimed for Additional Child Tax Credit (ACTC) on line 28, unless you can determine the taxpayer is a U.S. military personnel. See IRM 3.21.3.15.1.32.

(5) If the taxpayer files Form 1040 Guam Individual Income Tax Return, send the return to the Department of Revenue and Taxation. See instructions in IRM 3.21.3.77.1.1 (1).

(6) If the taxpayer is claiming withholding from Guam, allow the withholding.

(7) The taxpayer may claim excess Social Security and RRTA taxes withheld. Verify the withholding.

**Note:** Consider all Forms W-2 submitted when verifying the withholding.

(8) For additional information on bona fide residence rules, military personnel, and military spouses, see IRM 3.21.3.3.6.

3.21.3.77.1.2  
(01-01-2021)

**Processing Form 1040  
with Form 5074,  
Allocation of Individual  
Income Tax to Guam or  
the Commonwealth of  
the Northern Mariana  
Islands (CNMI)**

(1) Form 5074 provides information to the U.S. so that the IRS can figure the individual income tax that is due to Guam or the CNMI.

(2) Form 5074 is required when both are true:

- A U.S. citizen or resident alien reports adjusted gross income of \$50,000 or more, and
- \$5,000 or more of the gross income is derived from Guam or CNMI sources

(3) If Form 5074 is required but not attached, route to the workleader.

(4) The workleader will:

- a. Make one (1) copy of the entire return, including Forms W-2,
- b. Route the copy to Exam, and

c. Return the original to the tax examiner to be processed.

(5) When Form 5074 is attached to Form 1040, edit Audit Code “L”.

3.21.3.78  
(01-01-2024)  
**Commonwealth of the  
Northern Mariana  
Islands - Overview**

- (1) The Commonwealth of the Northern Mariana Islands (CNMI) system of income taxation is based on the income tax laws of the United States. The CNMI has its own tax system based on the same tax laws and tax rates that apply to the United States.
- (2) Individuals with income from the CNMI will file only one return, either with the CNMI or IRS, unless the taxpayer is a nonresident alien and not a bona fide resident of CNMI. The taxpayer's residency status under IRC 937(a) with respect to the CNMI determines which return they must file.
  - a. Bona fide residents with worldwide income (income from all sources and includes foreign and U.S. income) - If properly filed with CNMI, a taxpayer will not file a return with the U.S.
  - b. Not bona fide residents with worldwide income - Taxpayer should claim withholding from the U.S. or CNMI on the corresponding U.S. or CNMI tax return.
  - c. Taxpayers that reside in the CNMI cannot claim the Earned Income Credit, except in limited circumstances.
- (3) Members of the U.S. Armed Forces who:
  - a. Qualify as a bona fide resident of the CNMI in a prior tax year, and are absent from the CNMI solely in compliance with military orders must file with CNMI.
  - b. Did not qualify as a bona fide resident of the CNMI in a prior tax year, and are present in the CNMI solely in compliance with military orders will not qualify as a bona fide resident in the current tax year and must file with the IRS.
- (4) For additional information on bona fide residence rules, military personnel, and military spouses, see IRM 3.21.3.3.6.

3.21.3.78.1  
(01-01-2021)  
**CNMI - Filing  
Requirements Overview**

- (1) If the taxpayer is a United States citizen, resident alien, or nonresident alien **and is** a bona fide resident of the CNMI during the entire tax year, they must file their income tax return with the CNMI.
- (2) If the taxpayer is a United States citizen or resident alien, **and is not** a bona fide resident of CNMI during the entire tax year, they must file their income tax return with the IRS. The tax return will include:
  - a. Form 1040, reporting income from worldwide sources
  - b. All income tax withheld by either the United States or CNMI
  - c. Any credit for overpayment of income tax to either the United States or CNMI
  - d. Any payments of estimated tax to either the United States or CNMI
  - e. Payment of any balance of tax due
  - f. Form 5074, if the adjusted gross income is \$50,000 or more for the tax year and gross income of \$5,000 or more is from sources within CNMI

**Exception:** Military employees do not require a Form 5074.

- (3) If the taxpayer is a nonresident alien of the United States **and is not** a bona fide resident of CNMI during the entire tax year, they must:

- a. File a CNMI income tax return reporting only their CNMI source income, and

**Note:** In this situation, CNMI source income is any income received for services performed in CNMI, even if they were paid by the U.S. government.

- b. File a Form 1040-NR reporting U.S. source income.

3.21.3.78.1.1  
(10-29-2025)

**Processing Form 1040  
with Address or Income  
from Commonwealth of  
the Northern Mariana  
Islands (CNMI)**

- (1) If the only source of income is from a Form W-2CM **AND** there is an indication that the taxpayer is a bona fide resident of CNMI:

- a. **Correspond** using Form 3696-A to initiate Letter 86C, which informs the taxpayer that their return has been transshipped to the Division of Revenue and Taxation of CNMI for processing.

**Exception:** Do not prepare Form 3696-A for photocopied returns with a U.S. Territory received date.

- b. Attach Form 3696-A and Form 4227 to the tax return and route it to Rejects. Rejects will issue Letter 86C and transship the tax return to:  
Commonwealth of the Northern Mariana Islands  
Division of Revenue and Taxation  
P.O. Box 5234, CHRB  
Saipan, MP 96950

**Note:** For a numbered return, edit Action Code “**640**,” attach Form 4227, and notate “transship return to the Division of Revenue and Taxation of CNMI.”

- (2) If there is no indication that the taxpayer is a bona fide resident of CNMI, continue processing the return.

- (3) Taxpayers who reside outside the 50 U.S. states and the District of Columbia generally are not entitled to claim **EIC**.

- a. If the taxpayer is **not claiming EIC**, edit RPC “**B**”.
- b. If the taxpayer is **claiming EIC**, see IRM 3.21.3.15.1.31.

**Caution:** If the taxpayer is not a bona fide resident of any U.S. territory and is a U.S. military personnel, the taxpayer is considered a resident of the U.S. for the entire year and may be able to claim the EIC.

- (4) “**X**” any amount claimed for Additional Child Tax Credit (ACTC) on line 28, unless you can determine the taxpayer is a U.S. military personnel. See IRM 3.21.3.15.1.32.

- (5) If the taxpayer is claiming withholding from CNMI, allow the withholding.

- (6) The taxpayer may claim excess Social Security and RRTA taxes withheld. Verify the withholding.

**Note:** Consider all Forms W-2 submitted when verifying the withholding.

3.21.3.78.1.2  
(01-01-2021)

**Processing Form 1040  
with Form 5074,  
Allocation of Individual  
Income Tax to Guam or  
the Commonwealth of  
the Northern Mariana  
Islands (CNMI)**

- (1) Form 5074 provides information to the U.S. so that the IRS can figure the individual income tax that is due to Guam or the CNMI.
- (2) Form 5074 is required when both are true:
  - A U.S. citizen or resident alien reports adjusted gross income of \$50,000 or more.
  - \$5,000 or more of the gross income is derived from Guam or CNMI sources.
- (3) If Form 5074 is required but not attached, route to the workleader.
- (4) The workleader will:
  - a. Make one (1) copy of the entire return, including Forms W-2,
  - b. Route the copy to Exam, and
  - c. Return the original to the tax examiner to be processed.
- (5) When Form 5074 is attached to Form 1040, edit Audit Code “L.”

3.21.3.79  
(01-01-2021)  
**United States Virgin  
Islands (USVI) -  
Overview**

- (1) The USVI system of income taxation is based on the income tax laws of the United States.
- (2) In general, a **bona fide resident** of the USVI files an income tax return with the USVI and not with the IRS.
- (3) A United States citizen or resident alien who is **not a bona fide resident** of the USVI, but has USVI source income, will file an income tax return with the IRS and an identical copy of the U.S. return with the USVI.

3.21.3.79.1  
(01-01-2024)  
**United States Virgin  
Islands - Filing  
Requirements Overview**

- (1) In general, bona fide residents of the USVI pay taxes only to the USVI. U.S. citizens or resident aliens (but not bona fide residents of the USVI) with USVI source income pay a portion of tax to each jurisdiction.
  - a. Bona fide residents include worldwide income (income from all sources and includes foreign and U.S. income) on the USVI return and generally do not file a return with the United States unless using Form 1040-SS to report effectively connected net business income of \$400 or more from a trade or business in USVI.
  - b. Not bona fide residents with worldwide income file identical returns with the United States and the USVI, and the U.S. Form 8689 must be attached to both returns.
- (2) For taxable years ending on or after December 31, 2006, all United States citizens, resident aliens, and nonresident aliens who are bona fide residents of the USVI must file with the USVI and report worldwide income.
- (3) For taxable years ending before December 31, 2006, if the taxpayer is a United States citizen, resident alien, or nonresident alien and a **bona fide resident** of the USVI during the entire tax year, and their gross income is **\$75,000 or more**, the taxpayer must file with:
  - a. The USVI and report worldwide income **and**
  - b. The IRS, in order to start the U.S. statute of limitations on assessment, as described in Notice 2007-19.

## 3.21 International Returns and Documents Analysis

**Note:** The tax return filed with the IRS will include taxpayer's name, address, Taxpayer Identification Number (TIN), and signature.

- (4) If the taxpayer is a United States citizen or resident alien and **not a bona fide resident** of the USVI during the entire tax year, the taxpayer must file identical tax returns with the IRS and the USVI if the taxpayer has:
- Income from sources in the USVI or
  - Income effectively connected with the conduct of a trade or business in the USVI.

**Note:** The taxpayer will complete and attach Form 8689 to both returns to determine how much tax to pay to the U.S. and to the U.S. Virgin Islands.

- (5) If the taxpayer is a nonresident alien of the United States and **not a bona fide resident** of the USVI during the entire tax year, they must file:
- A return with the USVI, reporting income from sources in the USVI and
  - A Form 1040-NR reporting U.S. source income.
- (6) For a VI Cover Over return found in a batch of regular returns:
- If a return has a "U.S. Claim" stamp in the top margin of the return, take it to the work leader.
  - Work leader will contact P&A for instructions.

3.21.3.79.1.1  
(01-14-2025)

### Processing Form 1040 with Address or Income from United States Virgin Islands

income is from a Form W-2VI:

- Correspond** using Form 3696-A to initiate Letter 86C, which informs the taxpayer that their return has been transshipped to the Virgin Islands Bureau of Internal Revenue for processing.

**Exception:** Do not prepare Form 3696-A for photocopied returns with a U.S. Territory received date.

- Attach Form 3696-A and Form 4227 to the tax return and route it to Rejects. Rejects will issue Letter 86C and transship the tax return to:  
Virgin Islands Bureau of Internal Revenue  
6115 Estate Smith Bay  
Suite 225  
St. Thomas, VI 00802

**Note:** For a numbered return, edit Action Code "**640**", attach Form 4227, and notate "transship to the Virgin Islands for processing."

- (2) If there is no indication that a taxpayer is a bona fide resident of the USVI, continue processing the return.
- (3) Taxpayers who reside outside the 50 U.S. states and the District of Columbia are not entitled to claim **EIC**.
- If the taxpayer is **not claiming EIC**, edit RPC "**B**".
  - If the taxpayer is **claiming EIC**, see IRM 3.21.3.15.1.31.

#  
#



**Caution:** If the taxpayer is not a bona fide resident of any U.S. territory and is U.S. military personnel, the taxpayer is considered a resident of the U.S. for the entire year and may be able to claim the EIC.

- (4) “X” any amount claimed for Additional Child Tax Credit (ACTC) on line 28, unless you can determine the taxpayer is a U.S. military personnel. See IRM 3.21.3.15.1.32.
- (5) If the taxpayer is claiming withholding from Virgin Islands, see IRM 3.21.3.15.1.29.
- (6) The taxpayer may claim excess Social Security and RRTA taxes withheld. Verify the withholding.

**Note:** Consider all Forms W-2 submitted when verifying the withholding.

3.21.3.79.1.2  
(02-10-2025)

**Form 8689 - Allocation  
of Individual Income Tax  
to the Virgin Islands**

- (1) Form 8689 is used to figure the amount of U.S. tax allocable to the USVI.

**Caution:** If **Form 8689** is attached or there is an indication on Schedule 3, line 13z or on the dotted portion of line 33, Form 1040 that the taxpayer is either reporting taxes paid to the USVI or filing in compliance with **Notice 2007-19** (zero return, taxpayer’s name, address, TIN, and signature), **do not send these returns to the USVI**. See IRM 3.21.3.79.2.

- (2) Taxes paid to the USVI may be claimed as a credit on Schedule 3, line 13z or on the dotted portion of Form 1040, line 33 by completing and attaching Form 8689.
  - a. If the amount edited to the dotted portion of Form 1040, line 33 or included in the total on Schedule 3, line 14 is greater than the tax on Form 1040, line 24, adjust the credit to equal the tax amount on Form 1040, line 24.
  - b. Ensure the credit amount claimed or edited on the dotted portion of Form 1040, line 33 or included in the total of Schedule 3, line 14 has been included in the total of Form 1040, line 33 or Schedule 3, line 14, respectively.
- (3) If Form 8689 is not attached and the taxpayer notated Form 8689 on Schedule 3, line 13z or on the dotted portion of Form 1040, line 33 and/or is claiming a credit on the dotted portion of Form 1040, line 33 or Schedule 3, line 13z or

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3.21.3.79.1.3  
(01-01-2021)

**Processing Form 1040 in  
Compliance with Notice  
2007-19**

- (1) Review the return for indications the taxpayer is filing in compliance with Notice 2007-19, including:
  - a. Notation on the return Notice 2007-19
  - b. Zero tax return (no dollar entries)
  - c. Affirmation statement indicating filed a USVI Form 1040
  - d. Statement of gross income of \$75,000 or more
  - e. Statement affirming the taxpayer’s bona fide residency in the USVI along with a summary of facts on which the residency is based
- (2) If an indication is found, the return must be hand carried from function to function.

(3) “X” all entries except:

- Caption Information,
- Computer Condition Code (CCC), Return Processing Code (RPC), and
- Received Date

**Exception:** If the return includes both Notice 2007-19 and Form 8689, process as Form 1040 with Form 8689. See IRM 3.21.3.79.1.

3.21.3.79.1.4  
(01-01-2021)

**Processing Form 1040 in  
Compliance with Notice  
2007-31**

(1) The USVI Bureau Internal Revenue (BIR) will send to the IRS copies of the taxpayers’ returns for 2006 and later when the taxpayer files a return with the USVI BIR and they meet each of the following conditions:

- a. Bona fide resident of USVI and
- b. Gross income of \$75,000 or more

(2) The return will be only page 1 of Form 1040 and include a watermark “Filed due to VI Notice 2007-31” in the upper-left corner of page 1 Form 1040.

(3) These returns must be hand carried from function to function.

(4) “X” all entries except:

- Caption Information
- RPC “L”
- CCC “B”
- RPC “V”
- Received Date

**Note:** These are the only valid codes for returns filed under Notice 2007-31.

**Reminder:** For Virgin Islands filed for Cover Over for Notice 2007-31 as Form 1040-A (2017 and prior) or Form 1040-EZ (2017 and prior), circle the “A” or “EZ” as applicable in red. The return will then be processed as a prior year Form 1040.

3.21.3.79.2  
(10-30-2024)

**Processing U.S. Virgin  
Islands (VI) Cover-Over  
Program Form 1040**

(1) **The Virgin Islands Bureau of Internal Revenue (BIR)** sends Form 1040 and Form 1040-A (TY17 and prior) tax returns to the IRS that require special handling and editing, also known as the Cover-Over Program. The returns will be hand carried by the Planning and Analysis staff to each function. **After the returns are edited, the Planning and Analysis staff must be notified** so the returns can be hand carried to the next function. Use the procedures below to edit these returns.

(2) Delete all dependent entries. For TY17 and prior, also delete all exemption entries.

(3) Edit the following information and lines following line by line instructions:

- a. Caption Information
- b. CCCs, RPCs, and SPC
- c. Received Date

(4) Edit only the **Caption Information** of the return. If a U.S. address is in the caption area, it must be circled out.

(5) **Always** edit CCCs:



- “3” (MUST BE EDITED FIRST)
- “B”
- “O”

**Note:** These are the only valid codes for returns filed with a **U.S. Claim** stamp in the top margin of the return.

(6) Ensure the received date stamped by the USVI BIR is legible.

**Note:** Always use the USVI Received Date. If the received date stamped by the USVI is illegible, use the signature date.

(7) Edit RPCs:

- “B”
- “K” (Statute Years Only)

**Reminder:** Do not send these returns to Statute.

- “L”

**Note:** These are the only valid codes for returns filed with a **U.S. Claim** stamp in the top margin of the return.

(8) Edit SPC “B”.

**Note:** This is the only valid code for returns filed with a **U.S. Claim** stamp in the top margin of the return.

(9) “X” all entries except:

- Caption information
- CCCs, RPCs, and SPC
- Received Date

3.21.3.80  
(01-01-2020)  
**Puerto Rico - Overview**

- (1) The Commonwealth of Puerto Rico has an independent income tax system.
- (2) Generally the taxpayer will file returns with both Puerto Rico and the IRS. The income reported on each return depends on the taxpayer’s residency status in Puerto Rico.

3.21.3.80.1  
(10-30-2024)  
**Puerto Rico (PR) - Filing Requirements Overview**

- (1) Generally, returns will be filed with both Puerto Rico and the United States. The income reported on each return depends on the taxpayer’s residency status in Puerto Rico.
- (2) If the taxpayer is a **bona fide resident** of Puerto Rico during the entire tax year and is a United States citizen or resident alien, they generally must:
  - a. File a Puerto Rico tax return.
  - b. If the taxpayer has income from sources other than Puerto Rico, they also file a United States tax return to report income from worldwide sources, but exclude Puerto Rico source income under **IRC 933**. The taxpayer will not be allowed any deductions or credits that are directly or indirectly allocable to exempt income.

**Exception:** Income received for services performed as an employee of the United States government, including active-duty members of the U.S. Armed Forces whose State of Legal Residence is Puerto Rico, or any of its

agencies cannot be excluded from the IRS tax return. If United States government wages are reported on both the IRS and Puerto Rico tax returns, Form 1116 can be attached to the IRS tax return to claim a credit for income taxes paid to Puerto Rico.

**Note:** U.S. government cost of living allowances are excludable from U.S. income tax.

- c. If the taxpayer does **NOT** have any income other than PR source income, they are **ONLY** required to file a Puerto Rico return unless using Form 1040-SS to report effectively connected net business income of \$400 or more from a trade or business in Puerto Rico.
- (3) If the taxpayer is a **bona fide resident** of Puerto Rico during the entire tax year and is a nonresident alien of the United States, they generally must:
- a. File a Puerto Rico tax return.
  - b. If the taxpayer has income from sources other than Puerto Rico, they also file a United States tax return to report income from worldwide sources, but exclude Puerto Rico source income under **IRC 933**. The taxpayer will not be allowed the standard deduction, cannot file a joint return, and is not allowed deductions for dependents unless the person is a citizen or national of the United States, a resident of the United States, or a resident of a country contiguous to the United States.

**Exception:** Income received for services performed as an employee of the United States government or any of its agencies cannot be excluded from the IRS tax return. If United States government wages are reported on both the IRS and Puerto Rico tax returns, Form 1116 can be attached to the IRS tax return to claim a credit for income taxes paid to Puerto Rico.

- (4) If the taxpayer is **not a bona fide resident** of Puerto Rico during the entire tax year and is a United States citizen or resident alien, they generally must:
- a. File a Puerto Rico tax return.
  - b. File a United States tax return to report income from worldwide sources. Form 1116 can be attached to claim credit for income taxes paid to Puerto Rico or Puerto Rico source income subject to double taxation.
- (5) If the taxpayer is **not a bona fide resident** of Puerto Rico during the entire tax year and is a nonresident alien of the United States, they generally must:
- a. File a Puerto Rico tax return.
  - b. File a United States tax return, Form 1040-NR, according to the rules for a nonresident alien, reporting only U.S. source and U.S. effectively connected income.

3.21.3.80.1.1  
(01-01-2024)  
**Processing Form 1040  
with Address or Income  
from Puerto Rico**

2PR), is not reporting self-employment tax, and is not claiming the additional child tax credit, do the following:

- a. Prepare Form 9143 to mail the return back to the taxpayer, and
- b. Use the following fill-in: **Since you appear to be a bona fide resident of PR with only PR income, you do not have a U.S. tax filing obliga-**

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tion. If you have not already done so, you should file a return with the Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501. If you wish to file a US return to claim the Additional Child Tax Credit, you must do so on a Form 1040-PR or Form 1040-SS.

**Note:** For a numbered return, edit Action Code “640,” attach Form 4227, and notate “send to taxpayer.”

**Exception:** If the taxpayer is claiming excess Social Security and/or RRTA taxes, process the return.

2PR), and appears to be filing only to claim the additional child tax credit, do the following:

- a. Prepare Form 9143 to mail the return back to the taxpayer, and
- b. Use the following fill-in: **Si usted radica una planilla de contribucion de los Estados Unidos, para reclamar el credito tributario adicional por hijos, a usted se le requiere completar el Formulario 1040-SS. Consulte la Publicacion 570.**

income, continue processing the Form 1040.

- (4) If there is no indication that the taxpayer is a bona fide resident of Puerto Rico, continue processing the return.
- (5) If the taxpayer is claiming withholding from Puerto Rico, see IRM 3.21.3.15.1.29.
- (6) Taxpayers who reside outside the 50 U.S. states and the District of Columbia generally are not entitled to claim **EIC**.
  - a. If the taxpayer is **not claiming EIC**, edit RPC “B”.
  - b. If the taxpayer is **claiming EIC**, see IRM 3.21.3.15.1.31.
- (7) The taxpayer may claim excess Social Security and/or RRTA taxes withheld. Verify the withholding.

**Note:** Consider all Forms W-2 submitted when verifying the withholding.

- (8) For additional information on bona fide residency rules, military personnel, and military spouses, see IRM 3.21.3.3.6.

3.21.3.80.2  
(10-29-2025)

**Processing Procedures  
for Excluding income -  
IRC 933**

- (1) Individuals that are considered bona fide residents of Puerto Rico during the entire tax year should exclude income derived from sources within Puerto Rico under IRC 933. However, if a bona fide resident of Puerto Rico received income from sources outside Puerto Rico during the tax year, then they generally must also file a return with the IRS reporting their worldwide gross income but excluding Puerto Rico source income. They may claim a Foreign Tax Credit on their U.S. income tax return using Form 1116 for taxes paid to Puerto Rico.

## 3.21 International Returns and Documents Analysis

- (2) Wages and salaries paid by the U.S. government are subject to U.S. federal income tax. This income does not qualify for the exclusion under IRC 933; therefore, these taxpayers may also be required to file an income tax return with the IRS. These returns may claim the foreign tax credit to avoid double taxation.

- a. If the exclusion is claimed, “**X**” where found.
- b. Edit the income to Form 1040, line 1a, if not already included.

**Exception:** Active-duty members of the U.S. Armed Forces whose Legal State of Residence is Puerto Rico are subject to the tax rules for U.S. government employee wages.

- (3) If the taxpayer is prorating their itemized deductions (Schedule A) under IRC 933, accept the taxpayer’s prorated amount for itemized deductions. When two amounts are present on Schedule A, line 17, “**X**” out the larger amount.

**Reminder:** The taxpayer must indicate IRC 933 on the tax return to qualify for prorated itemized deductions.

- (4) If the taxpayer qualifies under IRC 933 and does not itemize deductions, only the prorated amount of the standard deduction that is allocated to taxable income on Form 1040 is allowable. If the taxpayer has prorated their standard deduction, accept the taxpayer’s figure.

**Reminder:** The taxpayer must indicate IRC 933 on the tax return to qualify for prorated standard deductions.

- (5) When the taxpayer resides in or is excluding income from Puerto Rico, or appears to be claiming IRC 933 exclusion, and is prorating the itemized or standard deduction, accept the taxpayers entry for taxable income. Do **NOT** correspond for missing Schedule A if the taxpayer is prorating.
- (6) TY17 and prior: If the taxpayer is a bona fide resident of Puerto Rico, is exempting all income under IRC 933, and is claiming Additional Child Tax Credit on Form 1040-A, convert to Form 1040, and then “**X**” the income and exclusion where found. See IRM 3.21.3.15.1.32.
- (7) If the taxpayer is a bona fide resident of PR and indicates income reported on any Schedule C or Schedule F is excluded under IRC 933, take the following actions for each of these schedules:
- a. “**X**” the schedule.
  - b. Prepare a dummy schedule.

3.21.3-23.

- (8) If Schedule SE is present, accept the taxpayer’s figures.
- (9) If income excluded under IRC 933 is reported anywhere on the return, delete the income and exclusion where found, including from Form 1040, line 1z, if applicable. **Do not adjust line 9 or 11.**
- (10) When the taxpayer claims income exempt under IRC 933 and claims EIC, disallow EIC. “**X**” both Form 1040, line 27a and Schedule EIC, if attached.

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- (11) If Form 1116 is attached and Schedule 3, line 1 is blank, edit the amount from Form 1116, line 35 to Schedule 3, line 1.
- (12) If a Cost of Living Allowance (COLA) is reported as an adjustment on Form 1040 or Schedule 1, page 2 by a U.S. government employee, delete the amount.

**DRAFT**

**SCHEDULE C (Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Income Exempt – Sec 933**  
**Profit or Loss From Business**  
(Sole Proprietorship)

OMB No. 1545-0074  
**2025**  
Attachment  
Sequence No. **09**

Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, or 1041; partnerships must generally file Form 1065.  
Go to [www.irs.gov/ScheduleC](http://www.irs.gov/ScheduleC) for instructions and the latest information.

Name of proprietor  
**Adam Rosario**

Social security number (SSN)  
**000-00-9583**

A Principal business or profession, including product or service (see instructions)  
**Construction**

B Enter code from instructions  
**469811**

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN) (see instr.)

E Business address (including suite or room no.)  
**42 Calle Majada**  
City, town or post office, state, and ZIP code  
**San Juan PR 00936**

F Accounting method: (1) ☐ Cash (2) ☐ Accrual (3) ☐ Other (specify)

G Did you "materially participate" in the operation of this business during 2025? If "No," see instructions for limit on losses ☐ Yes ☐ No

H If you started or acquired this business during 2025, check here ☐ Yes ☐ No

I Did you make any payments in 2025 that would require you to file Form(s) 1099? See instructions ☐ Yes ☐ No

J If "Yes," did you or will you file required Form(s) 1099? ☐ Yes ☐ No

**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked.	1	<b>24000</b>
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	<b>24000</b>
4	Cost of goods sold (from line 42)	4	
5	Gross profit. Subtract line 4 from line 3	5	<b>24000</b>
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	Gross income. Add lines 5 and 6	7	<b>24000</b>

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

8	Advertising	8		18	Office expense (see instructions)	18	
9	Car and truck expenses (see instructions)	9	<b>3000</b>	19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	
12	Depreciation	12		b	Other business property	20b	
13	Depreciation and section 179 expense deduction included in Part I instructions)	13		21	Repairs and maintenance	21	

14 Employee benefit plan (other than on line 13)

15 Insurance (other than on line 13)

16 Interest (see instructions)

a Mortgage (paid to bank)

b Other

17 Legal and professional fees

28 Total expenses before depreciation and amortization

29 Tentative profit or (loss)

30 Expenses for business use of your home. See instructions for the simplified method and (b) the part of the Method Worksheet.

31 Net profit or (loss).  
• If a profit, enter on checked the box on  
• If a loss, you must check the box on  
• If you have a loss, check the box on

32 If you have a loss, check the box on

• If you checked 32a SE, line 2. (If you checked 32b, line 3.)  
• If you checked 32c, line 3.

For Paperwork Reduction

**DRAFT**

**SCHEDULE C (Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Profit or Loss From Business**  
(Sole Proprietorship)

OMB No. 1545-0074  
**2025**  
Attachment  
Sequence No. **09**

Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, or 1041; partnerships must generally file Form 1065.  
Go to [www.irs.gov/ScheduleC](http://www.irs.gov/ScheduleC) for instructions and the latest information.

Name of proprietor

Social security number (SSN)  
**000-00-9583**

A Principal business or profession, including product or service (see instructions)

B Enter code from instructions  
**469811**

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN) (see instr.)

E Business address (including suite or room no.)  
City, town or post office, state, and ZIP code

F Accounting method: (1) ☐ Cash (2) ☐ Accrual (3) ☐ Other (specify)

G Did you "materially participate" in the operation of this business during 2025? If "No," see instructions for limit on losses ☐ Yes ☐ No

H If you started or acquired this business during 2025, check here ☐ Yes ☐ No

I Did you make any payments in 2025 that would require you to file Form(s) 1099? See instructions ☐ Yes ☐ No

J If "Yes," did you or will you file required Form(s) 1099? ☐ Yes ☐ No

**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked.	1	<b>1</b>
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	
4	Cost of goods sold (from line 42)	4	
5	Gross profit. Subtract line 4 from line 3	5	

Figure 3.21.3-23 Editing Schedule C When Income is Exempt Under Section 933

## 3.21 International Returns and Documents Analysis

3.21.3.80.3  
(01-01-2024)

### Taxpayers Who File Two Returns (Form 1040 with Form 1040-SS)

- (1) In this specific subsection, references to Form 1040-SS are understood to apply to Form 1040-SS, Form 1040-SS (sp), and Form 1040-PR (TY22 and prior).
- (2) Determine if the taxpayer is a bona fide resident of Puerto Rico by using the taxpayer's address and checking Form W-2 to determine if state wages were paid to Puerto Rico.
- (3) If a taxpayer, who lives or lived in Puerto Rico (PR), files Form 1040-SS to report self-employment tax and also files Form 1040 to report worldwide income (income from all sources and includes foreign and U.S. income), use the table below to determine which form should be processed:

If	Then
The taxpayer is a United States government employee	<ol style="list-style-type: none"> <li>1. Process Form 1040 and all applicable forms and schedules reporting their U.S. source income and self-employment tax on Schedule SE.</li> <li>2. "X" Form 1040-SS.</li> </ol>
The taxpayer is a bona fide resident of Puerto Rico with only PR source income	<ol style="list-style-type: none"> <li>1. Process Form 1040-SS reporting self-employment tax.</li> <li>2. "X" Form 1040.</li> </ol>
The taxpayer is a bona fide resident with U.S. source income or other income with a source outside of Puerto Rico	<ol style="list-style-type: none"> <li>1. Process the Form 1040.</li> <li>2. "X" Form 1040-SS.</li> </ol>
The taxpayer is <b>not</b> a bona fide resident of Puerto Rico with U.S. source income	<ol style="list-style-type: none"> <li>1. Process the Form 1040.</li> <li>2. "X" Form 1040-SS.</li> </ol>
The taxpayer is <b>not</b> a bona fide resident of Puerto Rico <b>without</b> U.S. source income	<ol style="list-style-type: none"> <li>1. Process the Form 1040.</li> <li>2. "X" Form 1040-SS.</li> </ol>
The taxpayer cites IRC 933 anywhere on the return or filed Form 8898, <b>and</b> taxpayer does not have any income source outside of Puerto Rico	<ol style="list-style-type: none"> <li>1. Treat as a bona fide resident of PR, and process the Form 1040-SS.</li> <li>2. "X" Form 1040.</li> </ol>

**Reminder:** Transfer all T-line amounts as appropriate per the form that is to be processed. Also, dummy any schedules as needed.

3.21.3.81  
(10-29-2025)

### Form 1040-SS and Form 1040-SS (sp) - General Instructions for TY23 and Later

- (1) The instructions in this subsection apply to **TY23 and later** Form 1040-SS and Form 1040-SS (sp). Line references in these instructions are to the current year line numbers, unless otherwise specified.
- (2) Starting in TY23, Form 1040-PR is being renamed Form 1040-SS (sp). The Form 1040-SS will no longer have the Schedule C, Schedule F, and Schedule



SE built into the form. Taxpayers will have to file the separate schedules if applicable to their filing. The Form 1040-SS is written in English, and the Form 1040-SS (sp) is written in Spanish. Besides the language, both are identical forms, and taxpayers who reside in the U.S. territories of American Samoa (AS), the Commonwealth of the Northern Mariana Islands (CNMI), Guam (GU), Puerto Rico (PR), and the U.S. Virgin Islands (USVI) can file either Form 1040-SS or Form 1040-SS (sp). Throughout this subsection, references to Form 1040-SS are understood to apply to both Form 1040-SS and Form 1040-SS (sp).

- (3) Form 1040-SS is filed by residents of U.S. territories and is used to:
  - report net earnings from self-employment and pay self-employment taxes,
  - pay any household employment taxes,
  - claim excess Social Security tax withheld,
  - pay any employee Social Security and Medicare tax on unreported tips or uncollected employee Social Security and Medicare tax on tips or group-term insurance, and
  - claim the additional child tax credit (only if qualified bona fide residents of Puerto Rico with at least 1 qualifying child).
- (4) Page 1 of Form 1040-SS includes checkboxes that are not transcribed. These include:
  - Filed pursuant to section 301.9100-2 checkbox at top of form
  - Deceased checkbox and line
  - Other checkbox
- (5) When correspondence is required, use:
  - a. Form 13557 for Form 1040-SS for missing signatures or other correspondence when the return is being sent back to the taxpayer.
  - b. Form 13975 for Form 1040-SS for correspondence when the return is **not** being sent back to the taxpayer.
- (6) If a taxpayer, who lives or lived in Puerto Rico (PR), files Form 1040-SS to report self-employment and also files Form 1040 to report worldwide income (income from all sources and includes foreign and U.S. income), see IRM 3.21.3.80.3.
- (7) If the taxpayer files Form 1040-SS along with a U.S. Form W-2 showing U.S. income, **correspond** and request that they file Form 1040 to report their income. Return the Form 1040-SS to the taxpayer using Form 13557, paragraph 14.
- (8) For the items listed below, refer to the general instructions:
  - Received Dates, see IRM 3.21.3.8
  - Tax Period, see IRM 3.21.3.11
  - Taxpayer Identification Information, see IRM 3.21.3.12.2
  - Caption Information, see IRM 3.21.3.12.1
  - Address, see IRM 3.21.3.12.3.2 through IRM 3.21.3.12.6
  - P-TIN/S-TIN, see IRM 3.21.3.12.2.1 and IRM 3.21.3.12.2.2
  - Name Line and Additional Information Line, see IRM 3.21.3.12.3 through IRM 3.21.3.12.3.3

## 3.21 International Returns and Documents Analysis

- (9) Route all Form 1040-SS to the workleader, when there is an indication it is a copy/copia, amended/enmendada, corrected/corregida, or electronically filed/radicado electronicamente, unless “no TC 150” is annotated.
- (10) Route all Form 1040-SS to the workleader for TC 150 research before corresponding, when only page 1 is present and the return was received with remittance.

3.21.3.81.1  
(10-29-2025)

### Form 1040-SS - Transcription Lines

- (1) The following lines/areas on Form 1040-SS, Page 1 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
<ul style="list-style-type: none"> <li>• Tax Period</li> <li>• Primary TIN</li> <li>• Secondary TIN</li> <li>• Special Processing Code (SPC) - To the right of Spouse's SSN</li> <li>• Primary Taxpayer Name</li> <li>• Secondary Taxpayer Name</li> <li>• Additional Information Line</li> <li>• Street Address</li> <li>• City, Town or Post Office/Commonwealth or Territory/ZIP Code</li> <li>• Digital Assets Code - Page 1 below Foreign Postal Code line</li> <li>• Computer Condition Code (CCC) - Part I line towards the center</li> <li>• Filing Status Code - To the left of Line 1</li> <li>• Qualifying Child's Name Control - Line 2(b)</li> <li>• Child's Social Security Number - Line 2(c)</li> <li>• Checkmark for Child with Name/Identifying Number</li> <li>• Dependent Relationship Code</li> <li>• Received Date</li> <li>• Line 3</li> <li>• Line 4</li> <li>• Line 6e</li> <li>• Line 7</li> <li>• Form Processing Code (FPC) - Page 1 in the margin to the right of Line 7</li> <li>• Line 8</li> <li>• Line 9</li> <li>• Line 10</li> <li>• Line 11b</li> <li>• Line 12</li> <li>• Return Processing Code (RPC) - Bottom-Left Margin</li> <li>• Action Code - Bottom-Center Margin</li> <li>• Audit Code - Bottom-Right Margin</li> </ul>	<ul style="list-style-type: none"> <li>• Line 6e</li> <li>• Line 7</li> <li>• Line 12</li> </ul>

- (2) The following lines on Form 1040-SS, Page 2 are T-Lines and T-Compute Lines:



T-Lines	T-Compute Lines
<ul style="list-style-type: none"> <li>Line 14a</li> <li>Line 14b - Routing Number</li> <li>Line 14c - Checking/ Savings box</li> <li>Line 14d - Account Number</li> <li>Line 15</li> <li>Line 16</li> <li>Third Party Designee Checkbox</li> <li>Third Party Designee Name</li> <li>Third Party Designee PIN</li> <li>Primary IP PIN</li> <li>Secondary IP PIN</li> <li>Preparer SSN or PTIN</li> <li>Preparer Phone Number</li> <li>Preparer EIN</li> <li>Preparer Code</li> <li>E-File Waiver Code</li> </ul>	<ul style="list-style-type: none"> <li>Line 14a</li> <li>Line 16</li> </ul>

- (3) The following lines on Form 1040-SS, Page 3 are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
<ul style="list-style-type: none"> <li>Line 3</li> <li>Line 13f</li> </ul>	<ul style="list-style-type: none"> <li>Line 13f</li> </ul>

3.21.3.81.2  
(01-01-2024)  
**Editing Part I and II of  
Form 1040-SS**

- (1) Follow line by line instructions.

3.21.3.81.3  
(01-01-2024)  
**Editing Part I, Lines 1 -  
16 (Total Tax and  
Credits)**

- (1) The taxpayer uses this section to report Total Tax and Credits.

3.21.3.81.3.1  
(01-01-2024)  
**Line 1 - Filing Status  
Code (FSC)**

- (1) The **Filing Status Code (FSC) must always be edited**. Edit the FSC in the left margin beside the filing status (FS) area. See Figure 3.21.3-24.
- (2) **For TY23 and later**, use the following table to edit the correct FSC when one filing status box is marked:

FS Box Marked	And	Then
Single		Edit FSC "1".

FS Box Marked	And	Then
Married filing jointly	Two signatures are present	Edit FSC “2”.
Married filing jointly	One signature is present	Correspond for the spouse’s missing signature.
Married filing separately (MFS)	Spouse’s name is not included in the caption area	Edit FSC “3”.
Married filing separately (MFS)	Spouse’s name is included in the caption area, but only one signature is present	Edit FSC “3”, and circle the spouse’s name.
Married filing separately (MFS)	Spouse’s name is not included in the caption area, but two signatures are present	Edit FSC “3”.
Married filing separately (MFS)	Spouse’s name is included in the caption area, and two signatures are present	Edit FSC “2”.
Head of household	At least one qualifying child is present	Edit FSC “4”.
Head of household	No qualifying children are present	Edit FSC “1”.
Qualifying surviving spouse	No spousal date of death, or date of death was within the two years before the tax year of the return	Edit FSC “5”.
Qualifying surviving spouse	<b>Both</b> of the following conditions are present: <ul style="list-style-type: none"> <li>• Spousal date of death was more than two years before the tax year of the return, <b>AND</b></li> <li>• No qualifying children are present</li> </ul>	Edit FSC “1”.
Qualifying surviving spouse	<b>Both</b> of the following conditions are present: <ul style="list-style-type: none"> <li>• Spousal date of death was more than two years before the tax year of the return, <b>AND</b></li> <li>• At least one qualifying child is present</li> </ul>	Edit FSC “4”.
Qualifying surviving spouse	Spousal date of death was either within the tax year of the return or after the tax year of the return	Edit FSC “2”.

(3) **For TY23 and later**, use the following table to edit the correct FSC when no filing status box is marked:

If	Then
Two names are in the caption and two signatures are present	Edit FSC “2”.
<b>Both</b> of the following conditions are present: <ul style="list-style-type: none"> <li>One name is in the caption and one signature is present, <b>AND</b></li> <li>An S-TIN or spouse’s name is entered on the line under the filing status boxes, or an S-TIN is present in the caption area</li> </ul>	Edit FSC “3”.
Any other condition exists	Edit FSC “1”.

- (4) **For TY23 and later**, when more than one filing status box is marked (**unless** both filing status **Single** and filing status **Head of household** are marked), edit the FSC for the marked filing status box that has the largest corresponding FSC number.
- (5) **For TY23 and later**, if both filing status **Single** and filing status **Head of household** are marked, use the following table to edit the correct FSC:

If	Then
At least one qualifying child is present	Edit FSC “4”.
No qualifying children are present	Edit FSC “1”.

3.21.3.81.3.2  
(10-29-2025)

**Line 2 - Qualifying  
Children Information**

- (1) For Form 1040-SS, up to four qualifying children name controls and Social Security Numbers can be transcribed.
- (2) A qualifying child may include a son, daughter, stepchild, adopted child, grandchild, niece, nephew, foster child, brother, sister, stepbrother, stepsister, half-brother, or half-sister. For additional information on qualifying children, see IRM 3.11.3.13, Dependents. Circle out the column header for all claimed dependents that are not qualifying children. See Figure 3.21.3-24.

**Note:** Treat a relationship of “g child” as a godchild, and **circle out** the dependent. Also, **circle out** a dependent with a blank relationship.

- (3) **For TY25 and later**, if the taxpayer has not claimed **at least one qualifying child** or the taxpayer’s **address is not in Puerto Rico**, take the following actions:
- Circle out** all dependents,
  - “X”** the amount on line 10 (Additional Child Tax Credit), and
  - “X”** Part II, even if blank.

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DRAFT

1040-SS

Declaración de Impuestos Federal sobre el Trabajo por Cuenta Propia  
(Incluyendo el Crédito Tributario Adicional por Hijos para Residentes Bona Fide de Puerto Rico)  
Islas Virgenes Estadounidenses, Guam, la Samoa Estadounidense,  
la Mancomunidad de las Islas Marianas del Norte o Puerto Rico

OMB No. 1545-0074

2025

Department of the Treasury  
Internal Revenue Service

Para el año correspondiente del 1 de enero al 31 de diciembre de 2025, o cualquier otro año tributario comenzando el de 2025 y terminando el de 20

☐ Presentado conforme a la sección 301.9100-2

☐ Falleció MM / DD / AAAA

Cónyuge MM / DD / AAAA

☐ Otro

Nombre e inicial de su segundo nombre

Apellido

Su número de Seguro Social

Xavier

Arroyata

000 00 5396

Si es una declaración conjunta, nombre e inicial del cónyuge

Apellido

Número de Seguro Social del cónyuge

Dirección postal (número y calle). Si tiene apartado postal, vea las instrucciones.

Núm. de apt.

URB Garzas 5506 Av. Maricao

Ciudad, ~~país o territorio postal~~. Si es una dirección extranjera, también complete los espacios a continuación.

Estado libre asociado o territorio

Código postal (ZIP)

Trujillo Alto, PR 00976

Nombre del país extranjero

Provincia/estado/condado extranjero

Código postal extranjero

En algún momento durante 2025, ¿(a) recibió (como recompensa, premio o pago por bienes o servicios) o (b) vendió, intercambió o de otra manera enajenó un activo digital (o un interés financiero en un activo digital)? (Vea las instrucciones)

☐ Sí ☐ No

Parte I

Impuesto y Créditos Totales (vea las instrucciones)

1 Estado civil.

☒ Soltero

☐ Casado que presenta una declaración conjunta

☐ Casado que presenta una declaración por separado (MFS).  
Añote arriba el SSN del cónyuge y el nombre completo aquí:

☐ Cabeza de familia (HOH)

☐ Cónyuge sobreviviente que reúne los requisitos (QSS)  
Si marcó el recuadro HOH y no completará la línea 2, anote el nombre del hijo:

☐ Si elige tratar a un cónyuge que es extranjero no residente o extranjero con doble residencia como residente de los EE. UU. por todo el año, marque el recuadro y anote el nombre de éste (vea las instrucciones y adjunte una declaración escrita si es requerido):

2 Hijos calificados. Complete sólo si usted es residente bona fide de Puerto Rico y reclama el crédito tributario adicional por hijos (ACTC). Si son más de cuatro hijos calificados, vea las instrucciones y marque aquí.

	Hijo calificado 1	Hijo calificado 2	Hijo calificado 3	Hijo calificado 4
(a) Primer nombre	Esperanza	Candelaria	Nestor	
(b) Apellido	Arroyata	Arroyata	Limones	
(c) SSN	000 00 6633	000 00 6634	000 00 5866	
(d) Parentesco	Daughter	Daughter	Uncle	

3 Impuesto sobre el trabajo por cuenta propia de la línea 12 del Anexo SE (Formulario 1040). Adjunte el Anexo SE (Formulario 1040) y los anexos que correspondan

3

4 Impuestos por empleados domésticos. Adjunte el Anexo H (Formulario 1040)

4

5 Impuesto Adicional del Medicare. Adjunte el Formulario 8959

5

6a Impuestos del Seguro Social y del Medicare sobre las propinas recibidas del empleado y no declaradas al empleador. Adjunte el Formulario 4137

6a

b Impuestos del Seguro Social y del Medicare no retenidos sobre las propinas recibidas

6b

c Impuestos del Seguro Social y del Medicare no retenidos sobre los salarios. Adjunte el Formulario 8919

6c

d Impuestos del empleado del Seguro Social y del Medicare no retenidos sobre propinas y seguro de vida colectivo a término

6d

e Total de otros impuestos. Sume las líneas 6a a 6d

6e

7 Impuestos totales. Sume las líneas 3, 4, 5 y 6e

7

8 Pagos de impuesto estimado para 2025 y cantidad aplicada de su declaración de 2024  
Si usted hizo pagos de impuesto estimado con su excónyuge en 2025, anote el SSN de éste (vea las instrucciones):

8

9 Cantidad pagada con solicitud de prórroga para presentar

9

10 Crédito tributario adicional por hijos de la línea 19 de la Parte II

10 3000

11a Impuesto Adicional del Medicare retenido. Adjunte el Formulario 8959

11a

b Impuesto del Seguro Social retenido en exceso

11b

12 Pagos y créditos totales. Sume las líneas 8 a 11b

12 3000

Para el Aviso sobre la Divulgación, la Ley de Confidencialidad de Información y la Ley de Reducción de Trámites, vea las instrucciones.

www.irs.gov/Form1040SSSP

Cat. No. 93969A

Form 1040-SS (sp) (2025)

Figure 3.21.3-24 Circling out Non-Qualifying Dependent

3.21.3.81.3.2.1  
(10-29-2025)

**Child's Social Security Number**

- (1) Every qualifying child must have a Social Security Number. Search attachments for any qualifying child's Social Security Number not listed on line 2(c).
- (2) If the missing **Social Security Number is found** and:

If four Social Security Numbers are	Then
Already listed	<b>Circle out</b> the <b>Qualifying child</b> number of the dependent(s) without a listed Social Security Number
<b>Not</b> already listed	Edit up to four Social Security Numbers to line 2(c).

- (3) If the missing **Social Security Number is not found** on the return or attachments, take the following actions:

If the taxpayer	And	Then
Notes "Died" (child born and died during the tax period)	Birth or death certificate or copies of hospital medical record(s) are not attached	<b>Correspond</b> for the missing birth certificate.
Provides no Social Security Number	Fewer than four Social Security Numbers are present for other dependents	<b>Circle out</b> the <b>Qualifying child</b> number of the qualifying child(ren) on line 2(a).
Provides no Social Security Number	At least four Social Security Numbers are present for other dependents	Take no action.

- (4) **When corresponding for other missing return items, correspond** for missing Social Security Numbers of all qualifying children.

**Exception:** Do not correspond when a dependent Social Security Number is missing, and there is an indication that the dependent was born and died during the tax year.

3.21.3.81.3.2.2  
(01-01-2015)

**Qualifying Child's Name Control**

- (1) The name control(s) must be present for the first four qualifying children with Social Security Numbers listed on line 2b. If missing, edit the name control(s) to the qualifying child's name area. Determine the missing name control(s) in the following priority:
- From supporting attachments
  - From the primary taxpayer's name control

- 3.21.3.81.3.2.3  
(10-29-2025)  
Line 2c - Child Tax  
Credit Indicator
- (1) Edit a checkmark in the column header and to the left of “Qualifying child” for every qualifying child with a name control and complete Social Security Number. See Figure 3.21.3-25.
- Caution:** Do not edit a checkmark if the qualifying child was circled out (disallowed).

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1040-SS

Declaración de Impuestos Federal sobre el Trabajo por Cuenta Propia  
(Incluyendo el Crédito Tributario Adicional por Hijos para Residentes Bona Fide de Puerto Rico)  
Islas Vírgenes Estadounidenses, Guam, la Samoa Estadounidense, la Mancomunidad de las Islas Marianas del Norte o Puerto Rico  
Para el año correspondiente del 1 de enero al 31 de diciembre de 2025, o cualquier otro año tributario comenzando el de 2025 y terminando el de 20

OMB No. 1545-0074  
2025

Department of the Treasury  
Internal Revenue Service

☐ Presentado conforme a la sección 301.9100-2 ☐ Falleció MM / DD / AAAA Cónyuge MM / DD / AAAA ☐ Otro

Nombre e inicial de su segundo nombre  
Hector

Apellido  
Corcho

Su número de Seguro Social  
000 00 2117

Si es una declaración conjunta, nombre e inicial del cónyuge  
Marta

Apellido  
Corcho

Número de Seguro Social del cónyuge  
000 00 1869

Dirección postal (número y calle). Si tiene apartado postal, vea las instrucciones.  
34102 Calle Pastillo

Núm. de apt.

Ciudad, pueblo u oficina postal. Si es una dirección extranjera, también complete los espacios a continuación.  
Toa Baja

Estado libre asociado o territorio  
PR

Código postal (ZIP)  
00949

Nombre del país extranjero

Provincia/estado/condado extranjero

Código postal extranjero

En algún momento durante 2025, ¿(a) recibió (como recompensa, premio o pago por bienes o servicios) o (b) vendió, intercambió o de otra manera enajenó un activo digital (o un interés financiero en un activo digital)? (Vea las instrucciones)

☐ Sí ☐ No

Parte I Impuesto y Créditos Totales (vea las instrucciones)

1 Estado civil.  
☐ Soltero ☐ Cabeza de familia (HOH)  
☒ Casado que presenta una declaración conjunta ☐ Cónyuge sobreviviente que reúne los requisitos (QSS)  
☐ Casado que presenta una declaración por separado (MFS). Si marcó el recuadro HOH y no completará la línea 2, anote el nombre del hijo:  
Anote arriba el SSN del cónyuge y el nombre completo aquí:  
☐ Si elige tratar a un cónyuge que es extranjero no residente o extranjero con doble residencia como residente de los EE. UU. por todo el año, marque el recuadro y anote el nombre de éste (vea las instrucciones y adjunte una declaración escrita si es requerido):

2 Hijos calificados. Complete sólo si usted es residente bona fide de Puerto Rico y reclama el crédito tributario adicional por hijos (ACTC). Si son más de cuatro hijos calificados, vea las instrucciones y marque aquí ☐

	Hijo calificado 1	Hijo calificado 2	Hijo calificado 3	Hijo calificado 4
(a) Primer nombre	Pati	Jorge	Leon	Gloria
(b) Apellido	Corcho	Corcho	Corcho	Corcho
(c) SSN	000 00 5963	000 00 2561	000 00 3695	000 00 0587
(d) Parentesco	Daughter	Son	Son	Daughter

Figure 3.21.3-25 Editing Child Tax Credit Indicator

- 3.21.3.81.3.2.4  
(10-29-2025)  
Dependent Relationship  
Code
- (1) The Dependent Relationship Code is a one position, numeric code.
- (2) For TY25 and later, edit the Dependent Relationship Code in the column header, to the right of “Qualifying child” for each Qualifying Child, based on the relationship listed on Line 2d.

Relationship	Code
No relationship indicated, or de-termination cannot be made	0
Son or daughter	1
Stepchild	2
Foster Child	3

Relationship	Code
Grandchild	4
Nephew, niece or sibling's child	5
Brother, sister, or sibling	6

## 3.21.3.81.3.3

(10-29-2025)

**Line 3 - Self-Employment Tax**

- (1) If an amount is present on line 3, Schedule SE must be attached and completed.
- (2) If Schedule SE is missing or blank, dummy Schedule SE from Schedule C or Schedule F, if possible.
- (3) If an amount is present and Schedule SE is missing or blank and cannot be dummied, **correspond** for Schedule SE.

**Exception:** If the taxpayer used this line to report unreported tips from Form 4137 or Form 8919, **do not correspond**. Delete the amount from line 3 and edit the amount to be included in line 6e.

- (4) If line 3 is blank and Schedule SE has entries, edit the amount from Schedule SE, line 12 to Part I, line 3. See Figure 3.21.3-26.

**Caution:** The taxpayers may include separate Schedules SE for the primary and secondary taxpayers. If the return includes two Schedules SE, combine the line 12 amounts and edit the total to Part I, line 3.



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1040-SS

Declaración de Impuestos Federal sobre el Trabajo por Cuenta Propia  
(Incluyendo el Crédito Tributario Adicional por Hijos para Residentes Bona Fide de Puerto Rico)  
Islas Vírgenes Estadounidenses, Guam, la Samoa Estadounidense,  
la Mancomunidad de las Islas Marianas del Norte o Puerto Rico  
Para el año correspondiente del 1 de enero al 31 de diciembre de 2025, o cualquier otro año tributario  
comenzando el de 2025 y terminando el de 20

OMB No. 1545-0074

2025

Department of the Treasury  
Internal Revenue Service

☐ Presentado conforme a la sección 301.9100-2 ☐ Falleció MM / DD / AAAA Cónyuge MM / DD / AAAA  
☐ Otro

Nombre e inicial de su segundo nombre Linda Apellido Guamani Su número de Seguro Social 000 00 3365  
Si es una declaración conjunta, nombre e inicial del cónyuge Apellido Número de Seguro Social del cónyuge  
Dirección postal (número y calle). Si tiene apartado postal, vea las instrucciones. 1520 Calle El Yunque Núm. de apt.  
Ciudad, pueblo u oficina postal. Si es una dirección extranjera, también complete los espacios a continuación. Ponce PR Código postal (ZIP) 00731  
Nombre del país extranjero Provincia/estado/condado extranjero Código postal extranjero

En algún momento durante 2025, ¿(a) recibió (como recompensa, premio o pago por bienes o servicios) o (b) vendió, intercambió o de otra manera enajenó un activo digital (o un interés financiero en un activo digital)? (Vea las instrucciones) ☐ Sí ☐ No

Parte I Impuesto y Créditos Totales (vea las instrucciones)

1 Estado civil.  
☒ Soltero ☐ Cabeza de familia (HOH)  
☐ Casado que presenta una declaración conjunta ☐ Cónyuge sobreviviente que reúne los requisitos (QSS)  
☐ Casado que presenta una declaración por separado (MFS). Si mercó el recuadro HOH y no completará la línea 2, anote el nombre del hijo:  
Anote arriba el SSN del cónyuge y el nombre completo aquí:  
☐ Si elige tratar a un cónyuge que es extranjero no residente o extranjero con doble residencia como residente de los EE. UU. por todo el año, marque el recuadro y anote el nombre de éste (vea las instrucciones y adjunte una declaración escrita si es requerido):

2 Hijos calificados. Complete sólo si usted es residente bona fide de Puerto Rico y reclama el crédito tributario adicional por hijos (ACTC). Si son más de cuatro hijos calificados, vea las instrucciones y marque aquí ☐

	Hijo calificado 1	Hijo calificado 2	Hijo calificado 3	Hijo calificado 4
(a) Primer nombre				
(b) Apellido				
(c) SSN				
(d) Parentesco				

3 Impuesto sobre el trabajo por cuenta propia de la línea 12 del Anexo SE (Formulario 1040). Adjunte el Anexo SE (Formulario 1040) y los anexos que correspondan 3 989

4 Impuestos por empleados domésticos. Adjunte el Anexo H (Formulario 1040) 4

5 Impuesto Adicional del Medicare. Adjunte el Formulario 8959 5

DRAFT

ANEXO SE  
(Formulario 1040)

Impuesto sobre el Trabajo por Cuenta Propia

OMB No. 1545-0074

2025

Department of the Treasury  
Internal Revenue Service

Adjunte al Formulario 1040, 1040-SR, 1040-SS o 1040-NR.  
Visite [www.irs.gov/ScheduleSESP](http://www.irs.gov/ScheduleSESP) para obtener las instrucciones y la información más reciente.

Nombre de la persona con ingresos del trabajo por cuenta propia (según aparece en el Formulario 1040, 1040-SR, 1040-SS o 1040-NR) Linda Guamani Número de Seguro Social de la persona con ingresos del trabajo por cuenta propia 000-00-3365

Parte I Impuesto sobre el Trabajo por Cuenta Propia

Nota: Si su único ingreso sujeto al impuesto sobre el trabajo por cuenta propia es el ingreso como empleado de una iglesia, vea las instrucciones sobre cómo declarar su ingreso y la definición de ingreso como empleado de una iglesia.

A Si es ministro, miembro de una orden religiosa o practicante de la Ciencia Cristiana y presentó el Formulario 4361, pero obtuvo otros ingresos netos de \$400 o más del trabajo por cuenta propia, marque aquí y continúe con la Parte I ☐

Omíta las líneas 1a y 1b si usa el método opcional agropecuario en la Parte II. Vea las instrucciones.

1a Ganancia o (pérdida) agropecuaria neta de la línea 34 del Anexo F y de la casilla 14 del Anexo K-1 (Formulario 1065) con el código A que haya recibido de una sociedad colectiva agropecuaria 1a 7000.00

1b Si recibió beneficios de jubilación o por incapacidad del Seguro Social, anote la cantidad de pagos del Programa de Reservas para la Conservación incluida en la línea 4b del Anexo F o listada en la casilla 20 del Anexo K-1 (Formulario 1065) con el código AQ 1b

Omíta la línea 2 si usa el método opcional no agropecuario en la Parte II. Vea las instrucciones.

2 Ganancia o (pérdida) neta de la línea 31 del Anexo C y de la casilla 14 del Anexo K-1 (Formulario 1065) con el código A (que no sea agropecuaria). Vea las instrucciones para otros ingresos que declarar o si es ministro o miembro de una orden religiosa 2

3 Combine las líneas 1a, 1b y 2 3 7000.00

4a Si la línea 3 es más de cero multiplique la línea 3 por el 92.35% (0.9235). De lo contrario, anote la cantidad de la línea 3 4a 6465.00

Nota: Si la línea 4a es menos de \$400 debido a los pagos del Programa de Reservas para la Conservación en la línea 1b, vea las instrucciones.

6 Si es sujeto al impuesto del Seguro Social de la línea 10 del Formulario 1040-SS, 1040-SR, 1040-SS o 1040-NR ☐

d Sume las líneas 8a, 8b y 8c 8d

9 Reste la línea 8d de la línea 7. Si es cero o menos, anote "-0-" aquí y en la línea 10 y pase a la línea 11 9 176100.00

10 Multiplique la cantidad menor entre la línea 6 o la línea 9 por el 12.4% (0.124) 10 802.00

11 Multiplique la línea 6 por el 2.9% (0.029) 11 187.00

12 Impuesto sobre el trabajo por cuenta propia. Sume las líneas 10 y 11. Anote aquí y en la línea 4 del Anexo 2 (Formulario 1040) o en la línea 3 de la Parte I del Formulario 1040-SS 12 989.00

7 989

12

Form 1040-SS (sp) (2025)

Figure 3.21.3-26 Editing Self-Employment Tax

3.21.3.81.3.3

Internal Revenue Manual

Cat. No. 34010Y (10-29-2025)  
Any line marked with a #  
is for Official Use Only

34010026



3.21.3.81.3.4  
(10-30-2024)

**Line 4 - Household  
Employment Taxes  
(Schedule H or Schedule  
H (sp))**

- (1) If an amount is present on line 4 and Schedule H or Schedule H (sp) is not attached, **correspond** for Schedule H.

3.21.3.81.3.5  
(01-01-2024)

**Line 5 - Additional  
Medicare Tax (Form  
8959)**

- (1) If an amount is present on line 5, Form 8959 must be attached. If missing, **correspond** for Form 8959.

3.21.3.81.3.6  
(10-29-2025)

**Lines 6a - 6d- Other  
Taxes (TY25 and Later)**

- (1) If there is an entry on Line 6a, Form 4137 must be attached to support the entry. If missing, correspond for Form 4137.
- (2) If there is an entry on Line 6c, Form 8919 must be attached to support the entry. If missing, correspond for Form 8919.

3.21.3.81.3.7  
(10-29-2025)

**Line 6 - Other Taxes  
(TY24)**

- (1) If the taxpayer notates "Tax on tips" on the line 6 dotted portion, Form 4137 must be attached to support the entry. If missing, **correspond** for Form 4137.
- (2) If the taxpayer notates **Uncollected tax** on the line 6 dotted portion, Form 8919 must be attached to support the entry. If missing **correspond** for Form 8919.

3.21.3.81.3.8  
(10-29-2025)

**Line 6e - Total Tax  
(Lines 6a through 6d)**

- (1) Compute and edit line 6e when it is blank, dash, or zero and there are entries on any of lines 6a through 6d.

3.21.3.81.3.9  
(10-30-2024)

**Line 7 - Total Tax**

- (1) Edit line 7 in dollars and cents when adjusting or computing and editing an amount.
- (2) Compute and edit line 7 when it is blank, dash, zero, or illegible and there are entries leading to a total.

**Reminder:** Edit lines 7 through 16 in dollars and cents when adjusting or computing and editing amounts.

- (3) If the taxpayer notates, "Tax on Tips," on the line 7 dotted portion, Form 4137 must be attached to support the entry. If missing, **correspond** for Form 4137.
- (4) If the taxpayer notates "Uncollected Tax", on the line 7 dotted portion, Form 8919 must be attached to support entry. If missing, correspond for Form 8919.

3.21.3.81.3.10  
(10-30-2024)

**Line 8 - Estimated Tax  
Payments**

- (1) **"X"** any amount that can be determined to be other than ES tax payments.

3.21.3.81.3.11  
(10-29-2025)

**Line 9 - Amount Paid  
with Request for  
Extension of Time to  
File**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.81.3.12  
(10-30-2024)

**Line 10 - Additional  
Child Tax Credit (TY23  
and Later)**

- (1) “X” the line 10 amount if present and the address on the return is not in Puerto Rico. See Figure 3.21.3-27.
- (2) “X” the line 10 amount if present and the taxpayer has not claimed at least 1 qualifying child on Part I, line 2. See IRM 3.21.3.81.3.2.3.
- (3) If line 10 is blank, Part II, line 19 has an amount, and the taxpayer qualifies for the Additional Child Tax Credit, edit the Part II, line 19 amount to Part I, line 10.

**Note:** Do not edit Part I, line 10 if Part II has been “X”-ed.

**924** **DRAFT** **DRAFT**  
Form **1040-SS** **U.S. Self-Employment Tax Return**  
(Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)  
U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or Puerto Rico  
For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, and ending , 20

OMB No. 1545-0074  
**2025**

Department of the Treasury  
Internal Revenue Service

☐ Filed pursuant to section 301.9100-2 ☐ Deceased / / Spouse / /  
☐ Other

Your first name and middle initial  
**Helen**  
Last name  
**Fensol**  
Your social security number  
**000 00 8445**  
If a joint return, spouse's first name and middle initial  
Last name  
Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.  
**222 Nelansa Lane**  
City, town, or post office. If you have a foreign address, also complete spaces below. Commonwealth or territory  
**Hagatna, GU 96932**  
ZIP code  
Foreign country name  
Foreign province/state/county  
Foreign postal code

At any time during the year, did you (a) sell, lease, or otherwise dispose of (or have a right to dispose of) any real or personal property (other than a business asset) for a loss? ☐ Yes ☐ No

**Part I Total**

**1 Filing status**  
☐ Single  
☐ Married filing jointly  
☒ Married filing separately (MFS). Enter spouse's SSN above and full name here: \_\_\_\_\_  
☐ Qualifying surviving spouse (QSS)  
If you checked the HOH box, and will NOT complete line 2, enter the child's name: \_\_\_\_\_

☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required): \_\_\_\_\_

**2 Qualifying children.** Complete **only** if you are a bona fide resident of Puerto Rico and you are claiming the additional child tax credit (ACTC). If more than four qualifying children, see instructions and check here ☐

	Qualifying child 1	Qualifying child 2	Qualifying child 3	Qualifying child 4
(a) First name	<b>Douglas</b>	<b>Benjamin</b>	<b>Edward</b>	
(b) Last name	<b>Fensol</b>	<b>Fensol</b>	<b>Fensol</b>	
(c) SSN	<b>000 00 7590</b>	<b>000 00 1158</b>	<b>000 00 8965</b>	
(d) Relationship	<b>Son</b>	<b>Nephew</b>	<b>Grandson</b>	

**3 Self-employment tax from Schedule SE (Form 1040), line 12. Attach Schedule SE (Form 1040) and applicable schedules** **3**

**4 Household employment taxes. Attach Schedule H (Form 1040)** **4**

**5 Additional Medicare Tax. Attach Form 8959** **5**

**6a Employee social security and Medicare tax on tips not reported to employer. Attach Form 4137** **6a**

**b Uncollected employee social security and Medicare tax on tips** **6b**

**c Uncollected employee social security and Medicare tax on wages. Attach Form 8919** **6c**

**d Uncollected employee social security and Medicare tax on group-term life insurance** **6d**

**e Total other taxes. Add lines 6a through 6d** **6e**

**7 Total tax. Add lines 3, 4, 5, and 6e** **7**

**8 2025 estimated tax payments and amount applied from 2024 return** **8**  
If you made estimated tax payments with your former spouse in 2025, enter their SSN (see instructions): \_\_\_\_\_

**9 Amount paid with request for extension of time to file** **9**

**10 Additional child tax credit from Part II, line 19** **10** **X 3000**

**11a Additional Medicare Tax withheld. Attach Form 8959** **11a**

**b Excess social security tax withheld** **11b**

**12 Total payments and credits. Add lines 8 through 11b** **12** **3000**

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see instructions. [www.irs.gov/Form1040SS](http://www.irs.gov/Form1040SS) Cat. No. 17184B Form **1040-SS** (2025)

Figure 3.21.3-27 "X"-ing Line 9 When the Address is Other Than Puerto Rico

3.21.3.81.3.13  
(10-29-2025)

**Line 11a - Credit for  
Qualified Sick and  
Family Leave Wages  
from Schedule(s) H for  
Leave Taken April 1,  
2021 (TY23 Line 11a)**

- (1) For **TY23**, if line 11a has an amount, then Schedule H must be attached. If missing, **correspond** for Schedule H.

3.21.3.81.3.14  
(10-29-2025)

**Line 11b - Credit for  
Qualified Sick and  
Family Leave Wages  
from Schedule(s) H for  
Leave Taken After March  
31, 2021, and Before  
October 1, 2021 (TY23  
Line 11b)**

- (1) For **TY23**, if line 11b has an amount, then Schedule H must be attached. If missing, **correspond** for Schedule H.

3.21.3.81.3.15  
(10-29-2025)

**Line 11a - Additional  
Medicare Tax Withheld  
(Form 8959)**

- (1) If an amount is present on line 11a, Form 8959 must be attached. **Correspond** for Form 8959, if missing.

3.21.3.81.3.16  
(10-29-2025)

**Line 11b - Excess Social  
Security Tax Withheld**

- (2) **Correspond** when an amount for excess SST is present on line 11b and no Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI, or Form 499R-2/W-2PR is attached.

#

#

Form W-2GU, Form W-2VI, or Form 499R-2/W-2PR is attached, and any single Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI, or Form 499R-2/W-2PR shows Social Security withholding greater than \$10,918.20, "**X**" line 11b. Otherwise, take the following steps to verify the line 11b entry using dollars and cents during the computation:

- a. Compute the taxpayer's Social Security tax withheld. If the result is less than \$10,453.20, "**X**" line 11b.

**Caution:** If married filing jointly, **DO NOT ADD** Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI, or Form 499R-2/W-2PR for **primary and secondary taxpayers together**.

- b. Subtract \$10,453.20 from the Social Security tax withheld. The result is the excess Social Security tax withheld for that taxpayer.  
c. For FS 2, the excess SST amount for each taxpayer is computed separately, and the combined total is compared to the entry on line 11b.  
d. If the computed amount differs from the line 11b amount by more than \$5.00, "**X**" line 11b, and edit the computed amount in dollars and cents.

3.21.3.81.3.17  
(10-30-2024)

**Line 12 - Total Payments  
and Credits**

- (1) Edit line 12 in dollars and cents when adjusting, or computing and editing amounts.
- (2) Compute and edit line 12, by adding lines 8 through 11b, when it's blank, dash, or zero, and there are entries leading to a total.
- (3) **Correspond** for an explanation when there is an amount on line 12 and lines 8 through 11b are blank.

**Exception:** Do not correspond if "Form 4868" or an explanation is noted on the dotted portion of line 12.

**Note:** Do not correspond if Form 8959 is attached to support withholding.

3.21.3.81.3.18  
(10-30-2024)

**Line 14a - Refund**

- (1) Compute and edit line 14a, by subtracting line 7 from line 12, when lines 13, 14a, 15, and 16 are **all** blank, line 12 is greater than line 7, and any of the following conditions are present:
  - a. Line 7 has an entry,
  - b. The taxpayer has computed or indicated no tax due on line 7, or
  - c. It can be determined that line 7 would be zero if computed.

3.21.3.81.3.19  
(01-01-2024)

**Lines 14b, 14c, and 14d  
- Direct Deposit  
Information**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- Note:** When Form 1040 refers to lines 35b, 35c, and 35d, they are lines 14b, 14c, and 14d on Form 1040-SS.

3.21.3.81.3.20  
(10-30-2024)

**Line 15 - ES Credit Elect**

- (1) If lines 13, 14a, and 15 are the same and:
  - a. ES Payments (line 8) **are** claimed, "**X**" the line 14a entry.
  - b. ES Payments (line 8) **are not** claimed, "**X**" the line 15 entry.

**Note:** Take no action when the overpayment (line 13) is divided between lines 14a and 15.

3.21.3.81.3.21  
(10-29-2025)

**Line 16 - Amount You  
Owe**

- (1) Compute and edit line 16, by subtracting line 12 from line 7 when lines 13, 14a, 15, and 16 are **all** blank, dash, or zero and line 7 is greater than line 12.

3.21.3.81.3.22  
(01-01-2015)

**Signature**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.81.3.23  
(10-30-2024)

**Identity Protection  
Personal Identification  
Numbers (IP PIN)**

- (1) Identity Protection Personal Identification Number (IP PIN) is located in the "Sign Here" area of the return.
- (2) If it is not 6 numeric digits, circle the IP PIN.

3.21.3.81.3.24  
(01-01-2024)

**Paid Preparer Data**

- (1) Edit the E-File Waiver Indicator to the right of the IP PIN boxes.
- (2) For additional instructions, see IRM 3.11.3.14.8, Paid Preparer Data.

3.21.3.81.4  
(10-30-2024)

**Editing Part II - Bona Fide Residents of Puerto Rico Claiming Additional Child Tax Credit (TY23 and Later)**

- (1) **For TY23 and later**, “X” Part II if entries are present, and the address on the return is not in Puerto Rico or the taxpayer did not claim at least 1 qualifying child on Part I, line 2.

**Note:** “X” Part II even if there is not an amount on Part I, line 10.

3.21.3.81.4.1  
(01-01-2024)

**Line 3 - Modified Adjusted Gross Income (TY23 and Later)**

- (1) Reserved

3.21.3.81.4.2  
(10-30-2024)

**Line 13a - Withheld Social Security, Medicare, and Additional Medicare Taxes (Not Transcribed) (TY23 and Later)**

- (1) **For TY23 and later**, if an amount is present on Part II, line 13a and the taxpayer is claiming the Additional Child Tax Credit (ACTC) on Part I, line 10, supporting documentation (Forms 499R-2/W-2PR or leave and earnings statements) must be present. If missing, **correspond** for documentation.
- (2) **For TY23 and later**, if Part II, line 13a is blank, ACTC is claimed on Part I, line 10, and Forms 499R-2/W-2PR or leave and earnings statement are present, calculate the Part II, line 13a value using the Forms 499R-2/W-2PR or leave and earnings statements by adding all withheld Social Security, Medicare, and Additional Medicare taxes, and then edit or adjust Part II, line 13f.
- (3) **For TY23 and later**, if an amount was already present on Part II, line 13a, verify the amount claimed by adding all withheld Social Security, Medicare, and Additional Medicare taxes from Forms 499R-2/W-2PR or leave and earnings statements:
- If the line 13a amount is correct, take no action.
  - If the line 13a amount is not correct, edit or adjust Part II, line 13f using the correct amount for line 13a.

**Note:** Allow for rounding by the taxpayer (\$2.00 tolerance per Form 499R-2/W-2PR).

**Caution:** Do not use dollars and cents during the computation.

3.21.3.81.4.3  
(01-01-2024)

**Line 13f - Total Social Security, Medicare, and Additional Medicare Taxes**

- (1) Compute and edit line 13f when it is blank, dash, or zero and there are entries on any of lines 13a through 13e.

3.21.3.81.5  
(01-01-2024)

**Schedule C (Sequence 09, 10, 11) - Profit or Loss From Business (TY23 and Later)**

- (1) The following lines on Schedule C, when attached to a Form 1040-SS, are T-lines and T-Compute lines:

T-Lines	T-Compute Lines
<ul style="list-style-type: none"> <li>Line 1</li> <li>Line 18</li> <li>Line 25</li> <li>Line 26</li> </ul>	There are no T-Compute lines on Schedule C when attached to a Form 1040-SS.

- (2) Edit Sequence Code “**09**”, if not preprinted, in the upper-right margin of the first Schedule C with T-line entries, edit Sequence Code “**10**” in the upper-right margin of the second Schedule C with T-line entries, and edit Sequence Code “**11**” in the upper-right margin of the third Schedule C with T-line entries. If there are more than three Schedules C with T-line entries, combine T-line amounts following instructions in IRM 3.11.3, Individual Income Tax Returns.

3.21.3.81.6  
(01-01-2024)

**Schedule F - Profit or Loss From Farming (TY23 and Later)**

- (1) If attached to a Form 1040-SS, the Schedule F has no T-lines or T-Compute lines.
- (2) “**X**” Schedule F if attached to a Form 1040-SS.

3.21.3.81.7  
(10-30-2024)

**Schedule SE (Sequence 17, 18) - Self-Employment Tax (TY23 and Later)**

- (1) The following lines on Schedule SE, when attached to a Form 1040-SS, are T-lines and T-Compute lines:

T-Lines	T-Compute Lines
<ul style="list-style-type: none"> <li>Top right margin (Sequence Code 17/18)</li> <li>TIN</li> <li>Line 1a - 3</li> <li>Right margin of line 4c (SE Quarters Covered)</li> <li>Line 5a</li> <li>Line 8d</li> <li>SE Farm Code (Method Code) edited in the center - bottom margin of page 1</li> </ul>	<ul style="list-style-type: none"> <li>Line 3</li> <li>Line 8d</li> </ul>

- (2) Only two Schedules SE can be processed; one Schedule SE for each of:
- The **primary** taxpayer
  - The **secondary** taxpayer
- (3) If the TIN is present but no dollar amounts are present, “**X**” Schedule SE.
- (4) If only one processable Schedule SE is present, edit Sequence Code “**17**”, if not preprinted.
- (5) If two processable Schedules SE are present, one for the primary taxpayer and one for the secondary taxpayer, edit the Sequence Code as follows:
- Edit “**17**”, if not preprinted, for the primary taxpayer.
  - Edit “**18**” for the secondary taxpayer.

## 3.21 International Returns and Documents Analysis

- (6) Combine multiple Schedules SE when there is more than one Schedule SE for any one taxpayer. Delete those schedules not used.
- (7) Take one of the following actions when one Schedule SE was submitted for two taxpayers:
  - a. Allocate each taxpayer's Schedule SE amounts to two separate dummy Schedules SE. "**X**" the Schedule SE with the combined taxpayer liability.
  - b. **Correspond** for the correct allocation when it cannot be determined.

3.21.3.81.7.1  
(10-30-2024)

### Social Security Number

- (1) A TIN must be present if there are significant T-line entries on Schedule SE. If the TIN is missing, illegible, or incomplete, take the following actions:
  - a. Edit the TIN from the caption on Form 1040-SS.
  - b. If the TIN is not present in the caption, search Form(s) W-2 and other attachments for the missing TIN.

**Note:** Also, edit the missing TIN to the caption.

- (2) If the TIN and name are both missing, edit the primary TIN.

**Note:** If corresponding for missing signature on a joint return, also request the Social Security Number.

- (3) If there are **multiple TINs and one name** on Schedule SE, circle out the TIN that does not match the name. Use the caption area to determine which TIN should be circled out.
- (4) Correspond for a missing TIN if it cannot be perfected or obtained through research, with the exception of rejected ITIN/Form W-7.

3.21.3.81.7.2  
(10-30-2024)

### Line 1a - Net Farm Profit or (Loss)

- (1) If blank, edit the amount from Schedule F, line 34 to Schedule SE, line 1a.

3.21.3.81.7.3  
(10-30-2024)

### Line 1b - Conservation Reserve Program Payments

- (1) If blank, edit the amount from Schedule F, line 4b to Schedule SE, line 1b.

3.21.3.81.7.4  
(10-30-2024)

### Line 2 - Net Nonfarm Profit or (Loss)

- (1) If blank, edit the amount from Schedule C, line 31 to Schedule SE, line 2.

3.21.3.81.7.5  
(01-01-2024)

### Line 3 - Total Net Profit or (Loss)

- (1) Compute and edit line 3 when it is blank, dash, or zero and there are entries leading to a total.
- (2) "**X**" Schedule SE when the amount on line 3 is a negative amount or it is less than \$434.

**Exception:** Do not "**X**" Schedule SE when line 5a has an entry of \$109 or more.



- (3) If lines 1a, 1b, 2, and 3 are all blank and you are unable to determine line 3 from attachments, but line 4a has an entry, divide the amount on line 4a by .9235 and edit the result on line 3.
- (4) If lines 1a, 1b, 2, 3, and 4a are all blank, but line 4b has an entry, edit line 4b to line 3.

3.21.3.81.7.6  
(01-01-2015)

**Right Margin of Line 4c -  
SE Quarters Covered**

- (1) When the return is for a short year or for a change of accounting period, edit the number of quarters covered in the margin to the right of line 4c, using the following guidelines:
  - The quarters begin in January, April, July, and October.
  - A fraction counts as a full quarter.
  - Code SE quarters as follows - Code 1 for one quarter, - Code 2 for two quarters, - Code 3 for three quarters - **DO NOT code for four quarters.**

3.21.3.81.7.7  
(01-01-2015)

**Line 5a - Church  
Employee  
Self-Employment Wages**

- (1) If line 5a has an entry of \$109 or more, process regardless of the line 3 amount.
- (2) If line 5a is blank and line 5b has an entry, divide the amount on line 5b by .9235, and edit the result on line 5a.

3.21.3.81.7.8  
(10-30-2024)

**Line 8d - Total Social  
Security Wages and Tips**

- (1) If the amount on line 8d is equal to or greater than \$176,100 for TY25 and lines 8b and 8c are blank, add applicable taxpayer's Form 499R-2/W-2PR, Form W-2VI, Form W-2GU, Form W-2CM, or Form W-2AS wages and tips subject to Social Security tax withholding, and take one of the following actions:
  - a. If wages and tips per Form 499R-2/W-2PR, Form W-2VI, Form W-2GU, Form W-2CM, or Form W-2AS are less than \$1176,100 for TY25, edit the total income on line 8d.
  - b. If there is no Form 499R-2/W-2PR, Form W-2VI, Form W-2GU, Form W-2CM, or Form W-2AS income, lines 8a through 8c are blank, and line 8d is equal to or greater than \$176,100 for TY25, "**X**" line 8d.

**Note:** For prior year line 8d maximum thresholds, see IRM 3.11.3, Individual Income Tax Returns.

- (2) If the amount is equal to or greater than \$176,100 for TY25 and line 8b or 8c contains a significant entry, take no action.
- (3) Compute and edit line 8d when it is blank, dash, or zero and one of the following conditions is present:
  - a. There are entries leading to an amount.
  - b. The taxpayer has Form 499R-2/W-2PR, Form W-2VI, Form W-2GU, Form W-2CM, or Form W-2AS wages and/or tips subject to Social Security tax withholding.

**Note:** Only edit the amounts from the "Social security wages" box and/or the "Social security tips" box if there is also an amount in the box for "Social Security tax withheld".

## 3.21 International Returns and Documents Analysis

3.21.3.81.7.9  
(01-01-2024)

### Bottom-Center Margin - SE Method Code

- (1) Edit the SE Method Code to the bottom - center margin of Schedule SE, Page 1.

**Exception:** Do Not edit the SE Method Code when it can be determined that the entries on Schedule SE, line 15 and/or Schedule SE, line 17 are misplaced.

- (2) Edit SE Method Code “1” when **both** of the following conditions are present:

- Schedule SE, line 15 is blank or zero, and
- Schedule SE, line 4b and Schedule SE, line 17 have significant amounts that are equal.

**Exception:** Do Not edit the SE Method Code when it can be determined that the entries on Schedule SE, line 15 and/or Schedule SE, line 17 are misplaced.

- (3) Edit SE Method Code “2” when **both** of the following conditions are present:

- There is a significant entry on either Schedule SE, line 15 or Schedule SE, line 17, and
- SE Method Code “1” has not been assigned.

**Exception:** Do Not edit the SE Method Code when it can be determined that the entries on Schedule SE, line 15 and/or Schedule SE, line 17 are misplaced.

3.21.3.81.8  
(10-30-2024)

### Forms and Schedules that are Allowed to be Attached to Form 1040-SS

- (1) The following forms and schedules are the only transcribed forms and schedules that can be attached to Form 1040-SS:

- Form 8867
- Form 8888
- Form 8919
- Form 8959
- Form 9000 (TY21 and later)
- Schedule C

**Note:** See IRM 3.21.3.81.5 for T-Lines when Schedule C is attached to Form 1040-SS.

- Schedule H
- Schedule LEP (TY19 and later)
- Schedule SE

- (2) If any other forms or schedules are attached, they **must** be “X”-ed or moved behind the last transcribable form.

3.21.3.82  
(10-30-2024)

### Form 1040-NR and Form 1040-NR-EZ - General Instructions

- (1) Form 1040-NR are filed by:

- a. Nonresident aliens who have United States source income or income effectively connected with a U.S. trade or business
- b. Nonresident aliens who are temporarily present in the United States
- c. Dual-status taxpayers in the year of entry into (as a dual-status statement) or departure from the U.S.

**Note:** If there is an indication that the taxpayer is a Dual-Status filer, follow instructions for Dual-Status Returns. See IRM 3.21.3.85.1.

- d. Dual-status taxpayers in the year that status changed due to expatriation

**Reminder:** Convert **all** Form 1040-NR-EZ to Form 1040-NR.

- (2) All Form 1040-NR and Form 1040-NR-EZ are processed under FLC 20.
- (3) See table below to determine Document Code and Return Due Date:

Form Filed	Criteria	Document Code	Return Due Date	Program
Form 1040-NR	Wages on line 1a	73	/04/15/2026	46120, 46160
Form 1040-NR	No Wages	72	06/15/2026	46140, 46180

3.21.3.83  
(10-29-2025)  
**Form 1040-NR - Special Procedures**

- (1) If the taxpayer indicates that they were a resident in the U.S. all year, review the complete return and attachments for additional information explaining the taxpayer's claim of continuing nonresident alien status. If attachments do not verify continuing non-residency, **correspond for filer's U.S. Status**. When corresponding, use Form 9143 with the following literal: **If you are a U.S. Citizen or U.S. Resident, you must file Form 1040 and report worldwide income. Please complete, sign and return a Form 1040 after attaching all necessary forms, schedules and federal income tax withholding statements.**

**Exception:** Do not correspond when the taxpayer is an employee of a foreign government or holds an "F", "J", "M", or "Q" visa. But see IRM 3.21.3.3.2 to verify that the taxpayer continues to be an **exempt individual** under the substantial presence test. For example, a taxpayer temporarily present in the United States on a J visa is an exempt individual for only 2 out of 6 years and a student temporarily present in the United States on a F visa is an exempt individual for only 5 years.

- (2) All amounts are to be reported in U.S. currency **ONLY**. If amounts are reported in foreign currency, give the return to the **workleader**. The workleader will convert any amounts reported in foreign currency to U.S. dollars using the web address, <https://fiscaldata.treasury.gov/datasets/treasury-reporting-rates-exchange/treasury-reporting-rates-of-exchange>, and using the December rates for the tax year of the return.
- (3) Edit FPC "**S**" if Schedule SE is attached or the taxpayer includes an entry on Schedule 2, line 4.
- (4) If Form 1040-NR, line 1b has an entry, edit SPC "**E**".
- (5) Edit CCC "**C**" when Form 8833 is attached to Form 1040-NR.
- (6) A fiscal year is twelve full months ending on the last day of the any month other than December. For TY 202607 and later, edit FPC "**F**" if the return is a fiscal year filer and any of the following applies:
- Form 1062 is attached.

## 3.21 International Returns and Documents Analysis

- An amount is present on Schedule 2, line 17z and the taxpayer notated "Deferral 1062I".
- An amount is present on Schedule 3, line 13z and the taxpayer notated "Deferral 1062NL".

(7) When Form 1042-S with **Exemption Code 02 in box 3a** (exempt under an Internal Revenue Code section) is filed on Form 1040-NR:

If	Then
Taxpayer has not entered income or exclusion	Take no action.
Taxpayer shows the amount as income and exclusion or as a tax treaty on page 1	"X" entries where found.
Taxpayer reported gross income and excluded withholding allowance	"X" those amounts wherever found and accept the net income where reported.
If the taxpayer reports all or part of net income as taxable income	Accept the taxpayer's amount on the appropriate line.
Prepared by <b>USAID</b> <b>Note:</b> The return may be stamped <b>Treasury Regulation 1.6012-1(b)(3), USAID/G/HCD/POSS/TAX.</b>	<ol style="list-style-type: none"> <li>1. Accept the return as filed,</li> <li>2. Verify the Form 1042-S for the taxpayer's name, Taxpayer Identification Number (TIN), and withholding only, and</li> <li>3. <b>DO NOT "X"</b> out entries in accordance with normal Exemption Code 02 procedures.</li> </ol>

(8) When Form 1042-S with **Exemption Code 04** in box 3a (exempt under a tax treaty) is filed on Form 1040-NR:

If	Then
Taxpayer has entered a valid tax treaty article on Schedule OI, and reported the exempt income on line 1k	Take no action.
Taxpayer has identified a valid treaty and has included the exempt amount as taxable income (e.g., line 1a) and has not included or deducted it elsewhere on the return	<ol style="list-style-type: none"> <li>1. "X" the entry,</li> <li>2. Adjust line 1a or wherever found to exclude the exempt income, and</li> <li>3. Edit exempt amount to line 1k.</li> </ol>

If	Then
Taxpayer did not identify a valid article number	<p><b>Correspond.</b></p> <p><b>Exception:</b> Do not correspond for a missing article number when Income Code 16 (Income Code 15 for TY14 and prior) AND Exemption Code 04 are present AND any of the following conditions apply:</p> <ul style="list-style-type: none"> <li>• Form 1042-S was issued by a college/university, or</li> <li>• it is a zero-balance return, or</li> <li>• Form 1042-S has no withholding.</li> </ul>

(9) Certain situations will require special editing procedures. The special situations in this section include:

- Employees of International Organizations and Foreign Governments
- Government Service Employees
- IRC 872
- Commuters from Canada or Mexico
- Article XXV, U.S. – Canada Income Tax Treaty
- Form 1040-NR/Form 1040-NR-EZ - Manual Refund Procedures
- Tax Treaty – General Information
- Exclusion(s) Due to Tax Treaties
- Expatriation Returns
- Exchange Visitor Program
- Form 1040-NR or Form 1040-NR-EZ Decedent Returns
- Social Security/Railroad Retirement Benefits
- Other Retirement Benefits Withholding: Survivor Benefit Annuities (SBAs)/Survivor Benefit Plans (SBPs)
- Tie-Breaker
- Form 1040-NR with Address or Income from Guam
- Protective Claims
- Norway Treaty
- Estate or Trust Returns

3.21.3.83.1  
(01-01-2015)  
**Employees of  
International  
Organizations and  
Foreign Governments**

(1) Nonresident aliens who work in the United States for certain international organizations (e.g., certain United Nations organizations, International Bank for Reconstruction and Development, and International Monetary Fund (IMF)) or for foreign governments may exempt income earned in the U.S. from U.S. taxation under **IRC 893** when they file their U.S. individual tax returns.

## 3.21 International Returns and Documents Analysis

- (2) Employees of an international organization claiming exemption should know the number of the Executive Order covering their organization and should have some written evidence of their acceptance or designation by the Secretary of State.

a. If claimed on Form 1040-NR, see IRM 3.21.3.84.19.8.

3.21.3.83.2  
(01-04-2021)  
**Government Service Employees**

- (1) The individuals claiming this treaty article will be filing Form 1040-NR and will hold A-1 or A-2 visas. Refer to Exhibit 3.21.3-14 for a list of countries that will help determine if the claim is valid. See IRM 3.21.3.84.19.8 for additional information.

**Example:** Article 19 from **Australia** is a valid treaty on Form 1040-NR. If a taxpayer claims this article, allow the claim.

3.21.3.83.3  
(04-24-2020)  
**IRC 872**

- (1) Under IRC 872(b)(3), compensation paid by a foreign employer to a nonresident alien individual present in the United States on an “F”, “J”, or “Q” visa while participating in certain exchange or training programs is exempt from tax. A “foreign employer” includes nonresident alien individual, foreign partnership, or foreign corporation, or an office or place of business maintained in a foreign country or in a territory of the United States by a domestic corporation, a domestic partnership, or an individual who is a citizen or resident of the United States.

3.21.3.83.4  
(01-01-2015)  
**Commuters from Canada or Mexico**

- (1) If a taxpayer from Canada or Mexico indicates that they are a “commuter” (travels daily from their home in Canada or Mexico to a work location in the U.S.), they:
- Are not considered present in the United States for purposes of the substantial presence test. See IRM 3.21.3.3.2 for more information.
  - Are treated as a nonresident alien for U.S. tax purposes, if they do not meet the substantial presence test.
  - Must file Form 1040-NR or Form 1040-NR-EZ to report their U.S. income.

3.21.3.83.5  
(10-30-2024)  
**Article XXV, U.S. - Canada Income Tax Treaty**

- (1) When a Form 1040-NR is received from a Canadian citizen/resident who has income from U.S. sources, they may be computing their U.S. tax liability in accordance with the special provisions of the tax treaty between the United States and Canada which allows married Canadian citizens/residents to figure the U.S. tax liability using joint (Married Filing Joint) tax rates.

**Caution:** Article XXV is usually filed with both Form 1040-NR and Form 1040; **do not process as a Dual-Status return.**

**Note:** Do not code for a single or head of household taxpayer.

- (2) The following are indications that can help identify Canadian taxpayers claiming “Article XXV”:
- a. Two names are entered in the caption area of the return,
  - b. Hypothetical married filing joint tax computation using worldwide income (income from all sources and includes foreign and U.S. income) for both taxpayers (Form 1040 or statement),

- c. A statement is attached indicating that a special computation permitted by the U.S.-Canada Tax Treaty has been used,
- d. A notation of "Article XXV" is found on the return or its attachments.

(3) When this condition is recognized on a Form 1040-NR refund return:

- a. Edit the name of the secondary taxpayer to the additional information line,
- b. Edit CCC "Y",
- c. Edit an Action Trail, and
- d. "X" Form 1040.

**Note:** If Form 1040-NR is not a refund, "X" Form 1040 and process Form 1040-NR using normal procedures.

3.21.3.83.6  
(10-30-2024)

**Form 1040-NR - Manual  
Refund Procedures**

- (1) **On a refund return** when the nonresident has an address on Form 1040-NR, Page 2, line 35e that differs from the caption address and at least one is foreign, edit CCC "Y" and an action trail of "Manual Refund." See Figure 3.21.3-28.
- (2) If a foreign address is present in the Form 1040-NR caption, and a name is present or has been edited as a second AIL, underline both. Then take the following actions for **REFUND** returns:
  - a. For Decedent Returns - **Do not edit** CCC "L" or CCC "W".
  - b. Edit CCC "Y" and an action trail of "Manual Refund".

**Exception:** **Do not edit** CCC "Y" if CCC "3" has been edited. If taxpayer has elected to use Direct Deposit or has been issued an IRS Number (IRSN), **do not edit** CCC "Y". An IRSN can be identified when the middle two digits are not 50 - 65, 70 - 88, 90 - 92 or 94 - 99, and the number starts with a 9.



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1040-NR

Department of the Treasury — Internal Revenue Service

U.S. Nonresident Alien Income Tax Return

2025

OMB No. 1545-0074

IRS Use Only — Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning

, 2025, ending

, 20

See separate instructions.

☐ Filed pursuant to section 301.9100-2

☐ Combat zone

☐ Deceased MM / DD / YYYY

☐ Spouse MM / DD / YYYY

☐ Other

Your first name and middle initial

Last name

Your identifying number (see instructions)

Rafael

Cadagua

000 00 1414

Home address (number and street). If you have a P.O. box, see instructions.

Apt. no.

340 Quartz Drive

City, town, or post office. If you have a foreign address, also complete spaces below.

State

ZIP code

Santa Fe

NM

87501

Foreign country name

Foreign province/state/county

Foreign postal code

Filing Status

☒ Single

☐ Married filing separately (MFS)

☐ Qualifying surviving spouse (QSS)

☐ Estate

☐ Trust

Check only one box.

1

If you checked the QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Digital Assets

At any time during 2025, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.)

☐ Yes

☐ No

Dependents

(see instructions)

If more than four dependents, see instructions and check here

	Dependent 1	Dependent 2	Dependent 3	Dependent 4
(1) First name				
(2) Last name				
(3) Identifying number				
(4) Relationship				
(5) Check if lived with you more than half of 2025	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
(6) Credits	<input type="checkbox"/> Child tax credit	<input type="checkbox"/> Credit for other dependents	<input type="checkbox"/> Child tax credit	<input type="checkbox"/> Credit for other dependents

Income

Effectively Connected With U.S. Trade or Business

Attach Form(s) W-2, 1042-S, SSA-1042-S, RRB-1042-S, and 8288-A here. Also attach Form(s) 1099-R if tax was withheld.

If you did not get a Form W-2, see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a	37,000	
b	Household employee wages not reported on Form(s) W-2	1b		
c	Tip income not reported on line 1a (see instructions)	1c		
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d		
e	Taxable dependent care benefits from Form 2441, line 26	1e		
f	Employer-provided adoption benefits from Form 8839, line 31	1f		
g	Wages from Form 8919, line 6	1g		
h	Other earned income (see instructions). Enter type and amount:	1h		
i	Reserved for future use	1i		
j	Reserved for future use	1j		
k	Total income exempt by a treaty from Schedule OI (Form 1040-NR), item L, line 1(e)	1k		
z	Add lines 1a through 1h	1z	37,000	
2a	Tax-exempt interest	2a		
3a	Qualified dividends	3a		
c	Check if your child's dividends are included in 1 <input type="checkbox"/> Line 3a	b	Taxable interest	
4a	IRA distributions	4a		
c	Check if (see instructions)	1 <input type="checkbox"/> Rollover	b	Ordinary dividends
5a	Pensions and annuities	5a		
c	Check if (see instructions)	1 <input type="checkbox"/> Rollover	2 <input type="checkbox"/> Line 3b	
6	Reserved for future use	6		
7a	Capital gain or (loss). Attach Schedule D if required	7a		

Manual Refund

32	Add lines 28, 29, 30, and 31. These are your total other payments and refundable credits	32	
33	Add lines 25d, 25e, 25f, 25g, 26, and 32. These are your total payments	33	2,400
34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34	
35a	Amount of line 34 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	35a	1,700
b	Routing number	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
d	Account number		
e	If you want your refund check mailed to an address outside the United States not shown on page 1, enter it here. 77 Plaza de Huebra 28056 Madrid, Spain		
36	Amount of line 34 you want applied to your 2026 estimated tax	36	
37	Subtract line 33 from line 24. This is the amount you owe. For details on how to pay, go to www.irs.gov/Payments or see instructions	37	
38	Estimated tax penalty (see instructions)	38	

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Form 1040-NR (2025)

Figure 3.21.3-28 Issuing a Manual Refund

3.21.3.83.7 (10-30-2024)

Tax Treaty - General Information

(1) The United States has income tax treaties with a number of countries. Under these treaties, residents of foreign countries are taxed at a reduced rate, or are exempt from U.S. income taxes on certain items of income they receive from sources within the United States. These reduced rates and exemptions vary among countries and specific items of income.



**Note:** An individual is a “resident” of a foreign country under an income tax treaty if they are treated as a resident under the domestic laws of that country for income tax purposes. Certain treaties provide that citizenship alone is not sufficient to establish “residency” in U.S. for purposes of the treaty and impose additional requirements, such as physical presence, a permanent home or habitual abode within the United States to establish U.S. residency.

- (2) Tax treaties reduce the U.S. taxes of residents of foreign countries. With certain exceptions, they do not reduce the U.S. taxes of U.S. citizens or residents. U.S. citizens and residents are subject to U.S. income tax on their worldwide income (income from all sources and includes foreign and U.S. income).

3.21.3.83.7.1  
(01-01-2018)

**Exclusion(s) Due to Tax  
Treaties**

- (1) If the taxpayer claims an exclusion of income or exemption from tax due to a treaty, a valid treaty article number must be identified. Verify the validity of the tax treaty exemption claimed using **Exhibit 3.21.3-10. Do not accept Exemption Code “04” on Form 1042-S as a valid tax treaty exemption.** Treaty country and specific treaty benefits claimed must be verified.

**Exception:** Do not correspond for a missing article number when Income Code 16 (Income Code 15 for TY14 and prior) AND Exemption Code 04 are present AND any of the following conditions apply:

- Form 1042-S was issued by a college or university, or
- It is a zero-balance return, or
- Form 1042-S shows no withholding.

**Note:** When determining if a taxpayer is a resident of Canada, do not use the address in the caption. The country should be determined by Schedule OI, questions A and/or B, or Form 1040-NR-EZ, page 2.

- (2) If the taxpayer includes a copy of a letter from the U.S. Competent Authority or from a foreign competent authority for the taxpayer’s country of residence that says the income the taxpayer is excluding under the treaty is taxable only in the foreign country, allow the exclusion.
- (3) Tax treaty country and article are found on the treaty table located at Exhibit 3.21.3-10. The following footnotes must be used when determining if a taxpayer is eligible for the benefits of that treaty. If the amount is exceeded per the footnote, “X” the treaty amount claimed.

Footnote	Explanation
25	Exemption does not apply if gross receipts (including reimbursements) exceed this amount.
26	Exemption does not apply if net income exceeds this amount.
28	Exemption does not apply if compensation (or gross income from the Philippines and Romania) exceeds this amount.

Footnote	Explanation
46	Exemption does not apply if gross receipts exceed this amount.

3.21.3.83.8  
(06-07-2022)  
**Expatriation Returns**

- (1) Taxpayers that are subject to expatriation tax must attach Form 8854, Initial and Annual Expatriation Statement, to their 1040-NR for the year of expatriation. Taxpayers may elect to defer all or a portion of the expatriation tax. Taxpayers making this election must file Form 8854 annually up to and including the year in which the full amount of deferred tax and interest are paid.
- (2) If Form 8854 is attached:
  - If unnumbered return and there is no LB&I stamp indicating LB&I received the return, stop coding, and route the entire return to Stop 4301 AUSC.
  - If unnumbered return and there is an LB&I stamp indicating LB&I received the return, edit Audit Code “K”, and continue processing as normal.
  - If numbered return, edit Audit Code “K”, and continue processing as normal.

3.21.3.83.9  
(01-04-2021)  
**Exchange Visitor Program**

- (1) Foreign nationals with J-1 Visas are temporarily in the U.S. as part of the **Exchange Visitor Program** for a period of a few weeks to several years. There are many program categories within the Exchange Visitor Program including programs for individuals in the U.S. for the primary purpose of participating in programs for study, training, teaching or research. These J-1 visa program participants may be eligible for the treaty benefits of these categories of personal services.
- (2) Individuals participating in the Private Sector Programs Division in the Camp Counselor and Summer Work/Travel categories are foreign students who are in the U.S. to work temporary, seasonal-type jobs during school vacations for a period not to exceed 4 months. These J-1 visa program participants are **not eligible** for benefits under a treaty article (Students, Trainees, Teachers and Researchers) for the income they earn while performing services in the United States. In addition, these individuals are not eligible to deduct their travel expenses to the United States as employee business expenses on Schedule A. To determine if the taxpayer is part of the Camp Counselor and Summer Work/Travel categories, use the information below:
  - a. Wages from summer-type seasonal work (e.g., retail, casinos, resorts, or restaurants)
  - b. Number of days present in the U.S. of 4 months or less (see Schedule OI, line H)
- (3) If the taxpayer meets the criteria above and is claiming a tax treaty for studying, training, teaching, or research from their country, take the following actions:
  - a. “X” the treaty exclusion amount wherever it is reported.
  - b. Edit the income on the appropriate line of Form 1040-NR.

**Note:** The taxpayer may identify themselves as a “Cultural Exchange Participant” or **Service Provider**.

3.21.3.83.10  
(01-01-2015)

**Form 1040-NR or Form  
1040-NR-EZ Decedent  
Returns**

(1) For complete instructions, see IRM 3.21.3.10.

**Note:** See Figure 3.21.3-29 showing the correct way to code a decedent AIL along with a foreign address.

**924 DRAFT**

**Form 1040-NR** Department of the Treasury—Internal Revenue Service **2025** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased MM / DD / YYYY Spouse MM / DD / YYYY

☐ Other

Your first name and middle initial Last name **DECD** Your identifying number (see instructions) **000 00 4950**

Home address (number and street, if you have a P.O. box, see instructions). **6093 via Vesuvius Luca Tissino** Apt. no.

City, town, or post office. If you have a foreign address, also complete spaces below. **Milan 1125 via Curone Apt 6J** State ZIP code **IT**

Foreign country name **/ Italy / \$** Foreign province/state/country Foreign postal code **FY**

**Filing Status** ☒ Single ☐ Married filing separately (MFS) ☐ Qualifying surviving spouse (QSS) ☐ Estate ☐ Trust

Check only one box. **1** If you checked the QSS box, enter the child's name if the qualifying person is a child but not your dependent:

**Digital Assets** At any time during 2025, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

**Dependents**

**Form 1040-NR and valid Form 1310 both have original signatures.**

**Form 1310** (Rev. January 2025)

**Statement of Person Claiming Refund Due a Deceased Taxpayer** OMB No. 1545-0074 ☐ Yes

Name of decedent, if filing a joint return and both taxpayers are deceased, complete a Form 1310 for each. See instructions. **Carla Tissino** Date of death **06-05-25** Decedent's social security number **000-00-4950**

Name of person claiming refund **Luca Tissino** Your social security number

Address of person claiming refund (number and street). If you have a P.O. box, see instructions. **1125 via Curone** Apt. no. **6J**

City, town or post office, state, and ZIP code. If you have a foreign address, see instructions. **Milan Italy**

**Part I** Check only one box. Complete Part II only if you check the box on line C. However, you must complete Part III.

**A** ☐ Surviving spouse requesting reissuance of a refund check received in the name of both the decedent and the surviving spouse.

**B** ☐ Court-appointed or certified personal representative (defined below) claiming a refund on Form 1040-X or Form 843. If you check the box on line B, you must attach a court certificate showing your appointment, even if you have previously filed that certificate with the IRS.

**Manual Refund**

2a Tax-exempt interest 2a 3a Qualified dividends 3a c Check if your child's dividends are included in 1 ☐ Line 3a 4a IRA distributions 4a c Check if (see instructions) 1 ☐ Rollover 5a Pensions and annuities 5a c Check if (see instructions) 1 ☐ Rollover 6 Reserved for future use 7a Capital gain or (loss). Attach Schedule D if required b Check if: ☐ Schedule D not required ☐ Includes child's capital gain or (loss) 8 Additional income from Schedule 1 (Form 1040), line 10 9 Add lines 1z, 2b, 3b, 4b, 5b, 7a, and 8. This is your total effectively connected income 10 Adjustments to income from Schedule 1 (Form 1040), line 26. These are your total adjustments to

1a 30000.00 1b 1c 1d 1e 1f 1g 1h 1j 1z 30000.00 2b 2c 2d 2e 2f 2g 2h 2j 2z 30000.00 3b 3c 3d 3e 3f 3g 3h 3j 3z 30000.00 4b 4c 4d 4e 4f 4g 4h 4j 4z 40000.00 5b 5c 5d 5e 5f 5g 5h 5j 5z 50000.00 6 7a 7b 7c 7d 7e 7f 7g 7h 7j 7z 70000.00 8 9 30000.00 10

**DRAFT**

32 Add lines 28, 29, 30, and 31. These are your total other payments and refundable credits 32 **2200.00**

33 Add lines 25d, 25e, 25f, 25g, 26, and 32. These are your total payments 33 **2200.00**

34 If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid 34 **1200.00**

35a Amount of line 34 you want refunded to you. If Form 8888 is attached, check here ☐ 35a **1200.00**

Direct deposit? See instructions. ☒ a Routing number ☐ b Type: ☐ Checking ☐ Savings

c Account number ☐ d e If you want your refund check mailed to an address outside the United States not shown on page 1, enter it here.

**Figure 3.21.3-29 Issue Manual Refund for a Decedent on Form 1040-NR**

3.21.3.83.11  
(01-01-2024)

**Social Security/Railroad  
Retirement Benefits**

- (1) **Follow the instructions below when Form 1040-NR is filed with Form SSA-1042S or Form RRB-1042S.**

**Note:** Do not confuse Form SSA-1099, Form RRB-1099, or Form 1042-S with Form SSA-1042S or Form RRB-1042S.

- (2) A nonresident alien is taxed at 30% on 85% of their Social Security/Railroad Retirement Benefits income, unless exempt by a tax treaty. The following are the only countries whose residents are exempt from U.S. tax on their Social Security/Railroad Retirement Benefits income:
- a. Canada
  - b. Egypt
  - c. Germany
  - d. India (exempts only the portion of benefits that is based on earnings from U.S. Federal, State or local government employment for an individual who is **both** a resident and national of India)
  - e. Ireland
  - f. Israel
  - g. Italy
  - h. Japan
  - i. Romania
  - j. United Kingdom (includes Great Britain, England, Northern Ireland, Scotland, and Wales)

**Exception:** Residents of Switzerland are taxed at 15% on 85% of their Social Security/Railroad Retirement Benefits income.

- (3) If the taxpayer is not a resident of one of the exempt countries, multiply the total Social Security/Railroad Retirement Benefits income (box 5) by .85, multiply that amount by .30, and then edit the calculated tax result to be included on line 23a.

**Exception:** For residents of Switzerland, multiply the total Social Security/Railroad Retirement Benefits income by .85, multiply that amount by .15, and then edit the calculated tax result to be included on line 23a.

3.21.3.83.12  
(10-30-2024)

**Other Retirement  
Withholding: Survivor  
Benefit Annuities  
(SBAs)/Survivor Benefit  
Plans (SBPs)**

- (1) A member of the United States military reaching retirement age may elect to receive, during their lifetime, a reduced United States military pension in order that their surviving spouse may continue to draw a United States military pension after their death. After the death of the United States military retiree, the pension which is paid to the retiree's surviving spouse is called a "Survivor Benefit Annuity" (SBA) or a "Survivor Benefit Plan" (SBP).

**Note:** Amounts reported on Form 1042-S with Income Code 15 (Income Code 14 for TY14 and prior) are U.S. source taxable income unless a tax treaty between the United States and the country in which the NRA recipient is a resident provides otherwise.

- (2) SBAs/SBPs paid to a **nonresident alien** who is a resident in one of the following countries are not subject to U.S. tax under current treaties, provided they meet any requirements listed below or, if the country is marked with an asterisk (\*), they are a national of the country in which they are a resident:

Country	Country
Australia	Latvia*
Austria	Lithuania*
Bangladesh*	Luxembourg*
Barbados	Malta*
Belgium*	Mexico*
Bulgaria*	Morocco*
China*	Netherlands*
Chile*	New Zealand (must also be a citizen of New Zealand)
Cyprus*	Norway
Czech Republic (decendent must have been a resident of Czech Republic)	Pakistan
Denmark*	Portugal*
Egypt	Romania
Estonia*	Russia/Russian Federation (must also be a citizen of Russia)
Finland*	Slovak Republic/Slovakia (decendent must have been a resident of Slovak Republic)
Germany*	Slovenia*
Hungary*	South Africa*
Iceland*	Spain*
India*	Sri Lanka
Ireland*	Sweden (must also be a citizen of Sweden)
Israel	Switzerland*
Italy*	Thailand*
Jamaica* (decendent must have been a national of Jamaica at the time the services were rendered)	Tunisia
Japan*	Turkey*
Kazakhstan (must also be a citizen of Kazakhstan)	United Kingdom* (includes notations of Great Britain, England, Northern Ireland, Scotland, and Wales)
Korea (South)	Venezuela*

## 3.21 International Returns and Documents Analysis

**Note:** The U.S.-Chile income tax treaty entered into effect with respect to taxes withheld at source paid or credited on or after February 1, 2024, and for other taxes for taxable periods beginning on or after January 1, 2024. Accordingly, beginning in 2024, SBAs and SBPs paid to a resident and national of Chile should be treated as not subject to U.S. tax.

**Note:** The U.S.-Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to U.S. withholding tax after January 1, 2024. Beginning in 2024, it may not be relied upon to exclude SBAs and SBPs from U.S. tax.

**Note:** The U.S.-Russia tax treaty is suspended for these taxes as of August 16, 2024. It may not be relied upon after that date to exclude SBAs and SBPs from U.S. tax.

- (3) SBAs/SBPs paid to residents and citizens of the following countries are taxable in the United States at the following tax rates under current tax treaties (or in the absence of a treaty):

Country	Tax Rate
Canada	15%
All other countries (no tax treaty)	30%

### 3.21.3.83.13 (01-01-2023) Tie-Breaker

- (1) If the taxpayer claims residency using the “Tie-Breaker Rule,” use the same criteria to validate the treaty. See IRM 3.21.3.84.8.6.

**Note:** Article IV is not a valid article to exempt income under when citing Tie-breaker.

- (2) A taxpayer cannot claim an Article pertaining to “Tie-breaker,” such as Article IV or Article 4, to exclude U.S. source income since “Tie-breaker” articles only pertain to residency. However, if a taxpayer is excluding **non**-U.S. source income claiming only Article IV or Article 4, the exclusion is allowable since **non**-U.S. source income is not taxable. Follow the taxpayer’s intent if they report and subsequently exclude **non**-U.S. source income from their return.

**Note:** If the taxpayer is claiming “Tie-breaker” Article to exclude U.S. source income, edit the excluded U.S. source income back into line 1a.

- (3) If the taxpayer is claiming non U.S. source income on line 1k, “**X**” the entry.
- (4) If the income made by the taxpayer is not U.S. sourced, no tax is assessed and the taxpayer receives all their withholding.
- (5) The taxpayer may file a Form 1040-NR with a U.S. address when using the tie-breaker rule.
- (6) If the taxpayer is using Article IV or Article 4 to exempt U.S. source income, “**X**” line 1k and ensure the income is reported on Form 1040-NR, lines 1a through 7a, or Schedule 1, lines 1 through 7 or 9. If the source of income is not specified, “**X**” line 1k and edit the amount to line Form 1040-NR, lines 1a through 7a, or Schedule 1, lines 1 through 7 or 9.

**Note:** U.S. sourced income is reported on Form W-2, Form 1042-S, Form SSA-1042S, Form RRB-1042S, Form 1099 Series, Form 8805, Form 8288-A, or a statement of income.

3.21.3.83.14

(01-01-2019)

**Form 1040-NR with  
Address or Income from  
Guam**

- (1) If Guam is shown on Schedule OI, question B and the return is:
  - a. Unnumbered, place it in the designated bin in unit for transshipping back to Guam (see IRM 3.21.3.77.1.1 for transshipping procedures).
  - b. Numbered, edit Action Code **"640"** and attach Form 4227 notating "Delete DLN and transship back to Guam."
- (2) If the address shown on Schedule OI, question B is other than the U.S. or Guam, **correspond** for place of residence.
- (3) If the country on Form W-2 is Guam and copy "C" of the W-2 is attached:
  - a. Edit Action Code **"332."**
  - b. Attach Form 4227 notating **"Guam W-2 "C" Copy"**.

3.21.3.83.15

(01-01-2015)

**Protective Claims**

- (1) Returns marked as "Protective Claim," "Protective Refund," "Protective Claim for Refund," or similar statement will be removed from the batch and routed to Accounts Management. Notate "Protective Claim" in the remarks box of Form 4227.

**Exception:** If the return is amended, do not remove from the batch. Edit CCC **"G"** and continue processing.

3.21.3.83.16

(01-01-2015)

**Norway Treaty**

- (1) Accept **all** returns as valid when the taxpayer is claiming Article 4A (Offshore Activities) for Norway.

3.21.3.83.17

(10-30-2024)

**Estate or Trust Returns**

- (1) Estate or Trust returns may be identified by one of the following indications:
  - a. The Primary Taxpayer Identification Number (P-TIN) is an EIN rather than an SSN.
  - b. The name line has the name of other than an individual (such as an estate or trust).
  - c. The **Estate or Trust** box is checked on Form 1040-NR.
  - d. The entry on Form 1040-NR, line 13b is \$600 (Estate), \$300 (Trust), or \$100 (Trust).
  - e. The taxpayer quotes IRC 642(b)(2)(C) claiming \$5050 on line 13b.
- (2) Take the following action on a Form 1040-NR/Form 1040-NR-EZ estate or trust return:
  - a. If numbered, edit Action Code **"640,"** or
  - b. If unnumbered, notate on Form 4227, "re-sort as NMF," and transship to Kansas City Service Center (KCSC).

3.21.3.84

(10-30-2024)

**Form 1040-NR and Form  
1040-NR-EZ General  
Editing Instructions**

- (1) In addition to the following subsections, see IRM 3.21.3.4 through IRM 3.21.3.12.
- (2) All Form 1040-NR-EZ must be converted to Form 1040-NR. See IRM 3.21.3.86.17 for conversion instructions.



## 3.21 International Returns and Documents Analysis

- (3) Form 1040-NR, pages 3 through 5, have been updated to separate schedules beginning in TY20.

**Note:** The instructions below also apply when processing prior year Form 1040-NR.

- a. Treat Schedule A (Sequence 7A), Schedule NEC (Sequence 7B), and Schedule OI (Sequence 7C) as pages 1, 2, and 3 of Sequence 07 when ordering the return.
- (4) Arrange Schedules 1 through 3 in sequential order behind Form 1040-NR. When processing Form 1040-NR, keep Schedule A, Schedule NEC, and Schedule OI together as page 1, page 2, and page 3 of Sequence 07. Arrange Sequence 07 Schedules behind Form 1040-NR and Schedules 1 through 3.

**Exception:** When a transcribed form or schedule is found on the back side of Form 1040-NR, it is not necessary to photocopy and move behind Schedules 1-3.

### 3.21.3.84.1 (04-26-2022) Tax Period

- (1) If the beginning and ending dates above the caption area are the same dates as Schedule OI, question G or Form 1040-NR-EZ, page 2 (question G), process the return as a full calendar year return.
- (2) Taxpayers are allowed to file a return for fewer than 12 months only under one of the following conditions:
  - a. An application or authority to file a short period return has been approved by the IRS (Form 1128).
  - b. The return is filed under Section 1.442-1(e) of IRS Regulations.
  - c. The return is filed under Section 1398 (Bankruptcy) Election or Second Short Year after the Section 1398 Election.
  - d. The taxpayer dies during the current processing year and is filing to date of death. (See decedent return editing instructions in IRM 3.11.3, Individual Income Tax Returns).
  - e. The return is the final return for the taxpayer.
- (3) **Correspond** for an explanation of the taxpayer's authority to file a short period return when the beginning and ending dates above the caption area are different from Schedule OI, question G or Form 1040-NR-EZ, page 2 (question G) and none of the conditions in IRM 3.21.3.84.1 (2) apply:
  - a. **Correspond** by preparing Form 3696-A to send the taxpayer a 319C letter.
  - b. Edit Action Code **"215"**.
- (4) Short Period returns require the following additional editing:
  - a. Edit CCC **"Y"** and an Action Trail.
  - b. Edit the ending date of the tax period, using "YYMM" format.
  - c. Edit the received date when one is not already present.
- (5) For additional instructions, see IRM 3.21.3.11.



3.21.3.84.2  
(10-29-2025)  
**Form 1040-NR**  
**(T-Lines/T-Compute**  
**Lines)**

- (1) In TY20 and later, Form 1040-NR may be filed with Schedule 1, Schedule 2, and Schedule 3 as supporting documents. Schedules which were previously pages 3 through 5 of Form 1040-NR have been assigned individual sequence numbers:
  - Sequence 7A - Schedule A, 1040-NR
  - Sequence 7B - Schedule NEC, 1040-NR
  - Sequence 7C - Schedule OI, 1040-NR
- (2) Convert all Form 1040-NR-EZ to Form 1040-NR. For conversion instructions, see IRM 3.21.3.86.17.
- (3) The following are the T-lines and T-Compute lines for page 1 and page 2 of Form 1040-NR:

T-Lines	T-Compute Lines
<ul style="list-style-type: none"> <li>• Tax Period</li> <li>• Filing Status Code - Area to the left of the “Single” box.</li> <li>• Taxpayer Name</li> <li>• TIN</li> <li>• Additional Information Line</li> <li>• Street Address</li> <li>• City/State/Province</li> <li>• Mail Routing Code</li> <li>• Country Name</li> <li>• Special Processing Code (SPC) - Right margin to the right of Your identifying number</li> <li>• Country Code - Right margin to the right of “ZIP code”</li> <li>• Computer Condition Code (CCC) - Area to the right of the <b>Trust</b> box in the Filing Status area.</li> <li>• Received Date - Empty space to the right of “Dependents (see instructions):”</li> <li>• Dependent’s Name - Dependent columns, lines 1 and 2</li> <li>• Dependent’s TIN - Dependent columns, line 3</li> <li>• Dependent Relationship Code - Dependent columns, line 5</li> <li>• Child Tax Credit Indicator - Dependent columns, line 6</li> <li>• Credit for Other Dependents Indicator - Dependent columns, line 6</li> <li>• Dependent Positions</li> <li>• Line 1a</li> <li>• Line 1k</li> <li>• Line 1z</li> <li>• Lines 2a through 5b</li> <li>• Lines 7a through 9</li> <li>• Form Processing Code (FPC) - Right margin to the right of line 7a</li> <li>• Line 10</li> <li>• Line 11a</li> <li>• Line 13a</li> <li>• Line 15</li> <li>• Return Processing Code (RPC) - Bottom-left margin</li> <li>• Action Code - Bottom-center margin</li> <li>• Audit Code - Bottom-right margin</li> <li>• Line 16</li> <li>• Line 19</li> <li>• Line 21</li> <li>• Lines 23a through 23c</li> <li>• Line 24</li> <li>• Lines 25d through 26</li> <li>• Dotted Portion of Line 28 (TY19 and TY20 only)</li> <li>• Lines 28 and 29</li> <li>• Lines 32 and 33</li> <li>• Line 35a</li> <li>• Line 35b - Routing Number</li> <li>• Line 35c - Checking and Savings Boxes</li> <li>• Line 35d - Account Number</li> <li>• Line 36 through 38</li> <li>• Third Party Designee Checkbox</li> </ul>	<ul style="list-style-type: none"> <li>• Line 1z</li> <li>• Line 9</li> <li>• Line 11a</li> <li>• Line 15</li> <li>• Line 21</li> <li>• Line 24</li> <li>• Line 25d</li> <li>• Line 32</li> <li>• Line 33</li> <li>• Line 35a</li> <li>• Line 37</li> </ul>

T-Lines	T-Compute Lines
<ul style="list-style-type: none"> <li>• Third Party Designee Name</li> <li>• Third Party Designee PIN</li> <li>• IP PIN</li> <li>• Preparer SSN or PTIN</li> <li>• Preparer EIN</li> <li>• Preparer Phone Number</li> <li>• Preparer Code</li> </ul>	

3.21.3.84.3  
(01-01-2015)

**Taxpayer Identification Information**

(1) Instruction and information in this subsection include:

- Caption Information
- Taxpayer Identification Number
- Name and Additional Information Line
- Mailing Address
- Filing Status

3.21.3.84.3.1  
(01-01-2015)

**Taxpayer Identification Number**

(1) For complete instructions, see IRM 3.21.3.12.2.

3.21.3.84.3.1.1  
(01-01-2019)

**Primary Taxpayer Identification Number (P-TIN)**

(1) If an EIN (format 00-0000000) is used instead of a TIN (format 000-00-0000), the return should be considered a fiduciary return. Take the following actions on a Form 1040-NR or Form 1040-NR-EZ fiduciary return:

- If numbered, edit Action Code “640”.
- If unnumbered, notate on Form 4227 “re-sort as NMF” and transship to Kansas City Service Center (KCSC).

**Exception:** If an EIN is used and there is no indication of Estate or Trust, examine the Employer Identification Number on Form W-2 and Withholding Agent’s identification number on Form 8805, Form 8288-A, or Form 1042-S. If the number matches the EIN in the caption, circle the EIN in the caption, and continue processing.

(2) For additional instructions, see IRM 3.21.3.12.2.1.

3.21.3.84.4  
(01-01-2015)

**Name and Additional Information Line**

(1) For complete instructions, see IRM 3.21.3.12.3.

3.21.3.84.4.1  
(01-01-2015)

**Name Line**

(1) Only one name is allowed.

**Reminder:** If two names appear on the name line, this could be an indication of Article XXV (see IRM 3.21.3.83.5).

(2) If two names are present and only one income, circle out the name and TIN (if present) of the taxpayer with no income.

- (3) If two names are present and both have income, **correspond** for separate Form 1040-NR.
- (4) For additional instructions, see IRM 3.21.3.12.3.1.

3.21.3.84.5  
(01-01-2015)  
**Country Name**

- (1) For complete instructions, see IRM 3.21.3.12.6.

3.21.3.84.5.1  
(01-04-2021)  
**Perfecting Form  
1040-NR Country Codes**

- (1) The Country Code is a two-alpha character that is designed to identify treaty countries whose residents are entitled to refunds of U.S. Withholding on U.S. source income.
- (2) Edit the appropriate two-alpha character Country Code in the right margin to the right of the “City, town, or post office, state, and ZIP code” line. See **Exhibit 3.21.3-7** and **Figure 3.21.3-30**.

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DRAFT

Form 1040-NR

Department of the Treasury—Internal Revenue Service

U.S. Nonresident Alien Income Tax Return

2025

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20

See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial

Last name

Your identifying number (see instructions)

Vittorio

Pioverna

000 00 7161

Home address (number and street). If you have a P.O. box, see instructions.

Apt. no.

1016 Corso Ticino

City, town, or post office. If you have a foreign address, also complete spaces below.

State

ZIP code

00132 Rome

IT

Foreign country name

Foreign province/state/county

Foreign postal code

/ Italy / \$

Filing Status

☒ Single ☐ Married filing separately (MFS) ☐ Qualifying surviving spouse (QSS) ☐ Estate ☐ Trust

Check only one box.

1

If you checked the QSS box, enter the child's name if the qualifying person is a child but not your dependent: \_\_\_\_\_

DRAFT

SCHEDULE OI (Form 1040-NR)

Department of the Treasury Internal Revenue Service

Name shown on Form 1040-NR

Other Information

Attach to Form 1040-NR.

Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.

Answer all questions.

OMB No. 1545-0074

2025

Attachment Sequence No. 7C

Your identifying number

A Of what country or countries were you a citizen or national during the tax year? \_\_\_\_\_

B In what country did you claim residence for tax purposes during the tax year? \_\_\_\_\_

C Have you ever applied to be a green card holder (lawful permanent resident) of the United States? ☐ Yes ☐ No

Figure 3.21.3-30 Editing Country Code From Caption

- (3) Examine Form 1040-NR or Form 1040-NR-EZ to determine the country in which the taxpayer was a permanent resident. Use the **priority listing** below to determine the country code:
- a. Schedule OI, line B (Form 1040-NR-EZ, page 2, line B) (See Figure 3.21.3-31).
- b. Schedule OI, line A (Form 1040-NR-EZ, page 2, line A)

- c. Address in the caption area of Form 1040-NR or Form 1040-NR-EZ (See Figure 3.21.3-30.)

**Exception:** “Bulk/clean” filed Form 1040-NR or Form 1040-NR-EZ and Form 8822 is attached, use the country of the taxpayer’s old address.

- d. Review any attachments

**Note:** If multiple countries are present in a location above as you go through the priority list, edit the first with a listed country code.

- (4) Edit Country Code “XX” (see Figure 3.21.3-32) if:

- The country in which the taxpayer was a permanent resident cannot be determined
- The country in which the taxpayer was a permanent resident is not listed in Exhibit 3.21.3-7
- **Only** a U.S. address is listed on Form 1040-NR (including attachments)

**Caution:** Treat all Form 1040-NR returns as **frivolous** when the taxpayer indicates that they live in the “**Republic of**” and the country is one of the U.S. 50 states.

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**DRAFT**  
**Form 1040-NR**  
 Department of the Treasury—Internal Revenue Service  
**U.S. Nonresident Alien Income Tax Return**

2025

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning \_\_\_\_\_, 2025, ending \_\_\_\_\_, 20

See separate instructions.

☐ Filed pursuant to section 301.9100-2

☐ Combat zone

☐ Deceased

☐ Spouse

☐ Other

Your first name and middle initial  
**Saoirse**

Last name  
**Shannon**

Your identifying number (see instructions)  
**000 00 7430**

Home address (number and street). If you have a P.O. box, see instructions.  
**18 Seagull Way**

Apt. no.

City, town, or post office. If you have a foreign address, also complete spaces below.  
**Charleston**

State  
**WV**

ZIP code  
**25301**

Foreign country name

Foreign province/state/country

Foreign postal code

**Filing Status**  
Check only one box.

☒ **Single**
☐ Married filing separately (MFS)
 ☐ Qualifying surviving spouse (QSS)
 ☐ Estate
 ☐ Trust

If you checked the QSS box, enter the child's name if the qualifying person is a child but not your dependent: \_\_\_\_\_

**DRAFT**  
**SCHEDULE OI**  
**(Form 1040-NR)**  
 Department of the Treasury  
 Internal Revenue Service

**Other Information**  
 Attach to Form 1040-NR.  
 Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.  
**Answer all questions.**

2025

OMB No. 1545-0074

Name shown on Form 1040-NR

Your identifying number

**A** Of what country or countries were you a citizen or national during the tax year?

**United Kingdom**

**B** In what country did you claim residence for tax purposes during the tax year?

**Ireland**

**C** Have you ever applied to be a green card holder (lawful permanent resident) of the United States?

☐ Yes ☐ No

Figure 3.21.3-31 Editing Country Code From Schedule OI

924

DRAFT

Form 1040-NR

Department of the Treasury—Internal Revenue Service

U.S. Nonresident Alien Income Tax Return

2025

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20

See separate instructions.

☐ Filed pursuant to section 301.9100-2

☐ Combat zone

☐ Deceased

/

/

Spouse

/

/

☐ Other

Your first name and middle initial

Last name

Your identifying number (see instructions)

Mickey

Cobra

000 00 9306

Home address (number and street). If you have a P.O. box, see instructions.

Apt. no.

457 Gator Way

City, town, or post office. If you have a foreign address, also complete spaces below.

State

ZIP code

New Orleans

LA

70113

XX

Foreign country name

Foreign province/state/county

Foreign postal code

Filing Status

☒ Single

☐ Married filing separately (MFS)

☐ Qualifying surviving spouse (QSS)

☐ Estate

☐ Trust

Check only one box. 1

If you checked the QSS box, enter the child's name if the qualifying person is a child but not your dependent:

No country found on attachments.

DRAFT

SCHEDULE OI (Form 1040-NR)

Department of the Treasury Internal Revenue Service

Name shown on Form 1040-NR

Other Information

Attach to Form 1040-NR.

Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.

Answer all questions.

OMB No. 1545-0074

2025

Attachment Sequence No. 7C

Your identifying number

A Of what country or countries were you a citizen or national during the tax year?

B In what country did you claim residence for tax purposes during the tax year?

C Have you ever applied to be a green card holder (lawful permanent resident) of the United States?

☐ Yes

☐ No

Figure 3.21.3-32 Editing a Generic Country Code

- 3.21.3.84.6  
(10-30-2024)  
Filing Status Code (FSC)
- (1) A Filing Status Code must be edited on Form 1040-NR and is edited to the left of the “Single” filing status box.

(2) For every Form 1040-NR return, edit a Filing Status Code of “1”, “3”, or “5”.

(3) Edit the Filing Status Code (FSC) using the table below:

FS Box Marked	And	Then
Single		Edit FSC “1”.
Married filing separately (MFS)		Edit FSC “3”.

FS Box Marked	And	Then
Qualifying surviving spouse (QSS)	<b>Both</b> of the following conditions are present: <ul style="list-style-type: none"> <li>No spousal date of death, or date of death was within the two years before the tax year of the return, <b>AND</b></li> <li>Based on edited Country Code, taxpayer is a resident of Canada, Mexico, or South Korea, or is a student or business apprentice from India</li> </ul>	Edit FSC "5".
Qualifying surviving spouse (QSS)	<b>Any</b> of the following conditions is present: <ul style="list-style-type: none"> <li>Spousal date of death was more than two years before the tax year of the return,</li> <li>Spousal date of death was within the tax year of the return,</li> <li>Spousal date of death was after the tax year of the return, <b>OR</b></li> <li>Based on edited Country Code, taxpayer is <b>not</b> a resident of Canada, Mexico, or South Korea, or is <b>not</b> a student or business apprentice from India</li> </ul>	Edit FSC "1".
Multiple boxes marked or no boxes marked	Spouse is not listed	Edit FSC "1".
Multiple boxes marked or no boxes marked	Spouse is listed	Edit FSC "3".

- (4) Edit CCC "Q" when the edited filing status is 5, there are no dependents listed on the return, and a qualifying non-dependent is listed:

- In the filing status section of the return,
- On Form 2441, or
- On Form 8814.

3.21.3.84.7  
(01-01-2021)

#### Dependents

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

## 3.21 International Returns and Documents Analysis

3.21.3.84.7.1  
(01-01-2024)

### Dependent's Name Control and TIN

- (1) For Form 1040-NR, up to four allowable dependents' name controls and TINs can be transcribed.
- (2) Dependents are restricted by country of residence. To determine if dependents are allowed, see the table below:

Country of Residence	Children*	Other Dependents*
<b>Canada</b>	Yes	Yes
<b>Mexico</b>	Yes	Yes
<b>India</b> (Students and business apprentices only) <b>Note:</b> Use the occupation area, Schedule OI, Form 8843, attachments, and/or Form 1040-NR-EZ, page 2 to make a determination.	Yes	Yes
<b>South Korea</b>	Yes, if lived with parents in U.S.	No
<b>U.S. Nationals</b> (regardless of country of residence)	Yes	Yes
<b>All Other Countries</b>	No	No

See IRM 3.11.3, Individual Income Tax Returns.

- (3) Every **allowable** dependent must have a name control and TIN. If missing, edit the name control(s) for each dependent in row 2.
- (4) Circle out the column header for any dependent that does not qualify based on the country of residence. See IRM 3.21.3.84.7.1 (2) above.
- (5) If the spouse's name is present in the Dependents area, circle out the column header.
- (6) All other countries are not allowed to claim dependents. If a dependent is claimed, circle out the column header of the applicable dependent.
- (7) For additional instructions, see IRM 3.11.3.13, Dependents.

3.21.3.84.7.2  
(10-29-2025)

### Dependent Relationship Code

- (1) The Dependent Relationship Code is a one position, numeric code.
- (2) For TY25 and later, edit the Dependent Relationship Code in row 5 for each qualifying **child** dependent.

Relationship	Code
No relationship indicated, or determination cannot be made	0
Son or daughter	1



Relationship	Code
Stepchild	2
Foster Child	3
Grandchild	4
Nephew, niece, or sibling's child	5
Brother, sister, or sibling	6
Half-brother, half-sister, or half-sibling	7
Stepbrother, stepsister, or step sibling	8

3.21.3.84.8  
(01-01-2021)  
**Income Effectively  
Connected with U.S.  
Trade/Business - Lines  
1a through 9**

- (1) The following subsections contain information pertaining to perfection of lines 1a through 9 on Form 1040-NR.
- (2) Edit amounts on lines 1a through 9 in dollars only.

3.21.3.84.8.1  
(10-30-2024)  
**Line 1a - Total Amount  
from Form(s) W-2, Box 1**

- (1) Use the table below for situations that require or may require editing income to Form 1040-NR, line 1a:

If	And	Then
Line 1a is blank	Form(s) W-2 are attached	<p>Edit total wages from all box(es) 1 of Form(s) W-2 to line 1a, and delete if found elsewhere.</p> <p><b>Note:</b> Do not include income excluded by a valid tax treaty.</p> <p><b>Exception:</b> Leave the income if found on Schedule C if the taxpayer is a minister or the statutory employee box is checked on Schedule C.</p>

If	And	Then
Form W-2 income is reported	It is reported anywhere besides line 1a (e.g., Schedule C)	Delete the income where found, and edit to line 1a. <b>Exception:</b> Leave the income if found on Schedule C if the taxpayer is a minister or the statutory employee box is checked on Schedule C.
Form 1042-S is attached	<b>BOTH</b> of the following apply: <ul style="list-style-type: none"> <li>Income has not been reported on Form 1040-NR, page 1, Schedule 1, page 1, or Schedule NEC, and</li> <li>Income should be reported on Form 1040-NR, page 1, Schedule 1, page 1, or Schedule NEC</li> </ul> <b>Note:</b> Use Exhibit 3.21.3-2, Form 1042-S Income Codes, to determine if and where income should be reported.	Edit the income to the appropriate line. <b>Note:</b> If the income can be reported on either Form 1040-NR, page 1 or Schedule 1, page 1, <b>AND</b> Schedule NEC, Schedule NEC will take priority.
Sick Pay is reported	It is reported anywhere besides line 1a	Delete the income where found, and edit to line 1a.
Strike Pay/Benefits are reported	They are reported anywhere besides line 1a	Delete the income where found, and edit to line 1a.

(2) Use the table below for editing misplaced income to lines other than Form 1040-NR, line 1a:

If	And	Then
Disability Pension income is reported as indicated by: <ul style="list-style-type: none"> <li>Form 1099-R with distribution code 3 in box 7,</li> <li>Notation on Form 1099-R, or</li> <li>Any other indication that disability pension is included on the return</li> </ul>	It is reported anywhere other than line 1h, 4a, or 4b	<ol style="list-style-type: none"> <li>If there is a statement indicating treatment as a retirement pension, delete where found and edit to line 5b, if not already reported there. <b>Note:</b> If Disability Pension is identified on line 5a or 5b, take no action.</li> <li>Otherwise, delete where found and edit to line 1z.</li> </ol>

If	And	Then
Form 1042-S, Pension income with Income Code 15 (Income Code 14 for TY14 and prior), is reported	It is reported anywhere other than on Schedule NEC or Form 1040-NR, line 5b	Delete where found, and see Schedule NEC instructions at IRM 3.21.3.84.23.
Form 1042-S is attached	<p><b>BOTH</b> of the following apply:</p> <ul style="list-style-type: none"> <li>Income has not been reported on Form 1040-NR, page 1, Schedule 1, page 1, or Schedule NEC, and</li> <li>Income should be reported on Form 1040-NR, page 1, Schedule 1, page 1, or Schedule NEC</li> </ul> <p><b>Note:</b> Use Exhibit 3.21.3-2, Form 1042-S Income Codes, to determine if and where income should be reported.</p>	<p>Edit the income to the appropriate line.</p> <p><b>Note:</b> If the income can be reported on either Form 1040-NR, page 1 or Schedule 1, page 1, <b>AND</b> Schedule NEC, Schedule NEC will take priority.</p>
Gambling income is reported	It is reported anywhere other than on Schedule NEC	Delete where found, and see IRM 3.21.3.84.23.1.
IRC 871, IRC 872, or IRC 893 is notated anywhere		See IRM 3.21.3.84.19.8.
<p>Nontaxable income is reported, such as:</p> <ul style="list-style-type: none"> <li>Accident and health insurance proceeds</li> <li>"Black lung" benefits</li> <li>Casualty insurance and other reimbursements</li> <li>Child Support</li> <li>Damages awarded for physical injury or sickness</li> <li>Federal Employees' Compensation Act (FECA) payments</li> <li>Interest on state or local government obligations</li> <li>Public Aid</li> <li>Supplemental Security Income (SSI)/SSI Disability</li> <li>Tax Sheltered Annuities</li> <li>Temporary Assistance for Needy Families (TANF)</li> <li>VA Benefits/Payments</li> <li>Workforce Payments</li> </ul>		<p>a. If it is reported on line 1a, delete from line 1a, or</p> <p>b. If it is reported on lines 1b through 1h, delete from line 1z.</p>

If	And	Then
Railroad Retirement Benefits are reported		<p>a. If income is from a Form RRB-1099R:</p> <ul style="list-style-type: none"> <li>Edit the income to line 5b,</li> <li>If the income is reported on line 1a, delete from line 1a, and</li> <li>If the income is reported on lines 1b through 1h, delete from line 1z.</li> </ul> <p>b. If income is from a Form RRB-1042S:</p> <ul style="list-style-type: none"> <li>If the income is reported on line 1a, delete from line 1a,</li> <li>If the income is reported on lines 1b through 1h, delete from line 1z, and</li> <li>See IRM 3.21.3.83.11.</li> </ul>
Scholarship/Fellowship Grant from a Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior), a Form 1098-T, or a statement from an educational institution is reported	It is reported anywhere besides Schedule 1, line 8r	<p>Delete where found, and edit to Schedule 1, line 8r.</p> <p><b>Note:</b> Edit RPC “G” if line 1a has been adjusted to zero and withholding is present on line 25g.</p>
Self-Employment income is reported	It is reported anywhere besides Schedule 1, line 8z or Schedule C	Delete where found, and edit to Schedule 1, line 9.
Social Security income is reported		<p>If income is from a Form SSA-1042S:</p> <ul style="list-style-type: none"> <li>If it is reported on line 1a, delete from line 1a,</li> <li>If it is reported on lines 1b through 1h, delete from line 1z, and</li> <li>See IRM 3.21.3.83.11.</li> </ul>
Supplemental Unemployment Benefits under the Trade Act of 1974 (Sub-Pay TRA) are reported	Repayment is indicated on Schedule 1, line 24e or 24z	Delete income where found, and delete repayment amount from Schedule 1, line 25.

If	And	Then
Treaty-Exempt income is reported as taxable		Delete treaty-exempt income where reported as taxable, and edit to line 1k, if not already there. <b>Note:</b> If all income on the return has been exempted AND withholding is present on line 25d or 25g, edit RPC “G”.
Unemployment Compensation is reported	It is reported anywhere besides Schedule 1, line 7	Delete where found, and edit to Schedule 1, line 7.

3.21.3.84.8.2 (1) If an amount is present on line 1b, edit SPC “E”.  
(01-01-2023)

**Line 1b - Household  
Employee Wages (HSH)  
(Not Transcribed)**

3.21.3.84.8.3 (1) If an amount is present on line 1e, Form 2441 must be attached. If missing,  
(01-01-2023) correspond for Form 2441.

**Line 1e - Taxable  
Dependent Care Benefits  
(DCB) - Form 2441 (Not  
Transcribed)**

3.21.3.84.8.4 (1) If an amount is present on line 1f, Form 8839 must be attached. If missing,  
(01-01-2023) correspond for Form 8839.

**Line 1f - Employer-  
Provided Adoption  
Benefits - Form 8839  
(Not Transcribed)**

3.21.3.84.8.5 (1) If an amount is present on line 1g, Form 8919 must be attached. If missing,  
(01-01-2023) correspond for Form 8919.

**Line 1g - Wages - Form  
8919 (Not Transcribed)**

3.21.3.84.8.6 (1) If line 1k contains an amount for income other than effectively connected  
(02-07-2023) income (found in Exhibit 3.21.3-9 or on Schedule NEC, such as gambling,  
pension, interest, dividends or Social Security, etc.) excluded by treaty, “X” line  
1k.

**Line 1k - Total Income  
Exempt by Treaty (from  
Schedule OI, Item L)**

**Note:** If Form 8833 is attached, examine the type of income to determine whether it is non-effectively connected income.

(2) If the taxpayer does not answer Schedule OI, item L or does not provide sufficient information elsewhere on the return or on an attachment to permit the

## 3.21 International Returns and Documents Analysis

verification of the tax treaty benefit claimed (using the tax treaty table at Exhibit 3.21.3-10), **correspond** for any missing information. The taxpayer must identify all of the following:

- The name of the foreign country of which the taxpayer is a resident and whose tax treaty with the U.S. provides the exempt status.
- The treaty article number that allows the exemption.

**Note:** If the treaty country identified in Schedule OI, item L different than the country of residence, do not accept the treaty as valid.

- The amount of the “exempt” income during the tax year.

**Note:** In addition, if the taxpayer claims the benefits of the Government Service treaty article listed in Exhibit 3.21.3-14 verify that the taxpayer holds an A-1 or A-2 visa and refer to the Exhibit to determine if the claim is valid.

**Note:** If the taxpayer cites a treaty listed in IRM 3.21.3.84.8.14 (8), “**X**” line 1k.

**Note:** Indication of Exchange Visitor, see IRM 3.21.3.83.9.

- (3) Consider all paragraphs and subparagraphs of a treaty article to be valid when Exhibit 3.21.3-10 lists only the article number. If the taxpayer only lists the article number, consider the treaty to be valid when Exhibit 3.21.3-10 lists any part of the treaty article.
- (4) If the taxpayer cites Article IV or Article 4, see IRM 3.21.3.83.13. If taxpayer cites Article 4A, see IRM 3.21.3.83.16.
- (5) If the taxpayer cites Article 21 (2) for India with the standard deduction amount, “**X**” line 1k.
- (6) If after research, it is found that the claimed treaty exemption is invalid, follow the instructions below:
  - a. Edit the amount entered on line 1k **EITHER** to Form 1040-NR, line 1a, 1z, or 2b through 7a, **OR** to Schedule 1, line 1, 3 through 7, 8r, or 9, as appropriate for the type of income, if not already entered by the taxpayer. If unable to determine the appropriate line, edit the amount to Form 1040-NR, line 1a.
 

**Note:** If the line to which income is being edited already has an entry, “**X**” the entry present and include the amount from line 1k in the total edited to the left of the deleted entry.
  - b. If the taxpayer reports the amount on another line besides line 1k, “**X**” the amount **EITHER** on Form 1040-NR, line 1a, 1z, or 2b through 7a, **OR** on Schedule 1, line 1, 3 through 7, 8r, 9, 11 through 18, 20 through 23, or 25, as appropriate.
  - c. “**X**” line 1k.
  - d. **Do Not** adjust or compute lines 9 and 11a.
- (7) If the taxpayer’s claim is valid per Exhibit 3.21.3-10, follow the instructions in the table below:

If the income and/or exclusion:	And	Then
Is found on other than line 1k	Has not been included with other entries	<b>"X"</b> the income and/or exclusion. <b>Note:</b> Do not adjust or compute lines 9 and 11a.
Is found on other than line 1k	Has been included with other entries	<b>"X"</b> and adjust where found. <b>Exception:</b> Do not "X" or recompute lines 9 and 11a.
Is not already entered by the taxpayer on line 1k		Edit the allowable amount per the treaty to line 1k.
Is found on line 1k	And the taxpayer has exceeded the treaty limit	<b>"X"</b> line 1k and edit the allowable amount per the treaty to line 1k and edit the exceeded amount to line 1a. See Figure 3.21.3-33. <b>Note:</b> Do not adjust or compute lines 9 and 11a.
Is found on line 1k	Form W-2 and Form 1042-S are present for the same employer	Add Form W-2 and Form 1042-S income amounts together then subtract the valid treaty amount. Ensure the remainder is included in line 1a.

- (8) The following footnotes in Exhibit 3.21.3-10 must be used when validating treaty exemption claims. If the amount of income of that type exceeds the Maximum Amount of Compensation listed in Exhibit 3.21.3-10, the treaty is not valid. **"X"** line 1k and add the exempted amount to line 1a.

**Example:** A resident of Australia may claim an exemption up to \$10,000 under Article 17 for public entertainment income. The table has footnote "25" attached to the maximum amount on the table indicating the exemption isn't allowed when the total Article 17 income is over \$10,000. If the exempted amount is over \$10,000 or Form 1042-S with Income Code 42 is attached with gross income over \$10,000, the treaty is invalid.

Footnote	Explanation
25	Exemption does not apply if gross receipts (including reimbursements) exceed this amount.
26	Exemption does not apply if net income exceeds this amount.

Footnote	Explanation
28	Exemption does not apply if compensation (or gross income from the Philippines and Romania) exceeds this amount.
46	Exemption does not apply if gross receipts exceed this amount.

- (9) If the **only** significant entry on Form 1040-NR is line 1k, edit CCC **“B”**.



**924 DRAFT**  
**1040-NR U.S. Nonresident Alien Income Tax Return 2025**  
 Department of the Treasury—Internal Revenue Service  
 OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 2025. See separate instructions.  
☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other  
 Your first name and middle initial **Britta** Last name **Mundo** Your identifying number (see instructions) **000-00-3864**

Home address (number and street). If you have a P.O. box, see instructions.  
**Camino de Darro, 103** Apt. no. **3D**

City, town, or post office. If you have a foreign address, also complete spaces below. State ZIP code  
**Barcelona 08008** **Spain**

Foreign country name **Spain** Foreign province/state/county Foreign postal code

**Filing Status** ☒ Single ☐ Married filing separately (MFS) ☐ Qualifying surviving spouse (QSS) ☐ Estate ☐ Trust

Check only one box. **1** If you checked the QSS box, enter the child's name if the qualifying person is a child but not your dependent:

**Digital Assets** At any time during 2025, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset for a financial interest in a digital asset? (See instructions.) ☐ Yes ☐ No

**Dependents** (see instructions)

	Dependent 1	Dependent 2	Dependent 3	Dependent 4
(1) First name				
(2) Last name				
(3) Identifying number				
(4) Relationship				
(5) Check if lived with you more than half of 2025	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
(6) Credits	<input type="checkbox"/> Child tax credit <input type="checkbox"/> Credit for other dependents	<input type="checkbox"/> Child tax credit <input type="checkbox"/> Credit for other dependents	<input type="checkbox"/> Child tax credit <input type="checkbox"/> Credit for other dependents	<input type="checkbox"/> Child tax credit <input type="checkbox"/> Credit for other dependents

**Income Effectively Connected With U.S. Trade or Business**

Attach Form(s) W-2, 1042-S, RRB-1042-S, and 8288-A here. Also attach Form(s) 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.

1a Total amount from Form(s) W-2, box 1 (see instructions)	1a <b>2000</b>
b Household employee wages not reported on Form(s) W-2	1b
c Tip income not reported on line 1a (see instructions)	1c
d Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d
e Taxable dependent care benefits from Form 2441, line 26	1e
f Employer-provided adoption benefits from Form 8839, line 29	1f
g Wages from Form 8919, line 6	1g
h Other earned income (see instructions). Enter type and amount:	1h
i Reserved for future use	1i
j Reserved for future use	1j
k Total income exempt by a treaty from Schedule OI (Form 1040-NR), item L, line 1(e) <b>10000</b>	1k <b>X 12,000</b>
z Add lines 1a through 1h	1z <b>2000</b>
2a Tax-exempt interest	2a
3a Qualified dividends	3a
c Check if your child's dividends are included in 1 <input type="checkbox"/> Line 3a	
4a IRA distributions	4a
c Check if (see instructions) <input type="checkbox"/> Rollover	
5a Pensions and annuities	5a
c Check if (see instructions) <input type="checkbox"/> Rollover	
6 Reserved for future use	6
7a Capital gain or (loss). Attach Schedule D if required	7a
b Check if: <input type="checkbox"/> Schedule D not required <input type="checkbox"/> Includes child's capital gain or (loss)	
8 Additional income from Schedule 1 (Form 1040), line 10	8
9 Add lines 1z, 2b, 3b, 4b, 5b, 7a, and 8. This is your <b>total effectively connected income</b>	9 <b>400</b>
10 Adjustments to income from Schedule 1 (Form 1040), line 26. These are your <b>total adjustments to income</b>	10
11a Subtract line 10 from line 9. This is your <b>adjusted gross income</b>	11a <b>400</b>

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**Spain** **19** **0** **12,000**

**(e) Total.** Enter this amount on Form 1040-NR, line 1k. Do not enter it anywhere else on line 1 **12,000**

2. Were you a resident of the United States as effectively connected ☒ Yes ☐ No

3. Are you claiming a treaty exemption? ☐ Yes ☐ No

**Spain Treaty Article 19 is limited to \$10,000 per year.**

1. This is the first year you claimed the treaty benefit, and the treaty benefit applies to the current tax year ☒ Yes ☐ No

2. You have made an election in a previous year that has not been revoked, to treat income from real property located in the United States as effectively connected with a U.S. trade or business under section 871(d). See instructions. ☐ Yes ☐ No

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR. Cat. No. 72756T Schedule OI (Form 1040-NR) 2025

Figure 3.21.3-33 Adjusting Exempt Income Due to a Limited Treaty

(10) If the taxpayer claims the following on line 1k, use the IRM reference listed and follow the instructions:

- a. The taxpayer claims exemptions on Form 1042-S with Exemption Code 04 - see IRM 3.21.3.83.

## 3.21 International Returns and Documents Analysis

- b. The taxpayer notates IRC 871, IRC 872, or IRC 893 or lists 871, 872, or 893 as a treaty article number, “X” line 1k and see IRM 3.21.3.84.19.8.

3.21.3.84.8.7  
(10-30-2024)

### Line 1z - Total Wages

- (1) Compute and edit line 1z when it is blank, dash, or zero and there are any entries on lines 1a through 1h.

3.21.3.84.8.8  
(01-01-2021)

### Line 2a - Tax Exempt Interest

- (1) If it can be determined that the amount on line 2a is bank interest, “X” the amount.

3.21.3.84.8.9  
(01-01-2021)

### Line 2b - Taxable Interest

- (1) Edit all taxable interest income from assets effectively connected with a U.S. trade or business.
- (2) Interest paid to nonresident aliens from U.S. bank accounts is not taxable. If a supporting statement indicates U.S. bank interest, “X” the line 2b bank interest entry.

**Note:** Schedule B is not valid as a supporting statement for interest.

**Reminder:** “X” Schedule B when attached to a Form 1040-NR.

- (3) If bank interest is entered on line 2b and excluded on any of the T-lines on Schedule 1, or on Form 1040-NR, Page 1, “X” both entries.

3.21.3.84.8.10  
(01-01-2021)

### Line 3a - Qualified Dividends

- (1) Reserved

3.21.3.84.8.11  
(01-01-2021)

### Line 3b - Ordinary Dividends

- (1) Reserved

3.21.3.84.8.12  
(10-30-2024)

### Lines 4a and 4b - IRA Distributions and Taxable Amount

- (1) “X” the amount on line 4a when lines 4a and 4b are the same or there is a difference of less than \$1.
- (2) Take no action when 4a has an entry and line 4b is blank.

3.21.3.84.8.13  
(10-30-2024)

### Lines 5a and 5b - Total Pensions and Annuities and Taxable Amount

- (1) Nonresident aliens with pension income supported by Form 1099-R must report such income as either “effectively connected” on line 5b, Form 1040-NR, or “non-effectively connected” on Schedule NEC.
- a. If a Form 1099-R (pension income) is attached to a return and the income is not reported on either line 5b, Form 1040-NR, or Schedule NEC, edit the taxable amount of the Form 1099-R to line 5b, Form 1040-NR.

- (2) Nonresident aliens with pension income supported by Form 1042-S, Income Code 15 (Income Code 14 for TY14 and prior) must report such income as either “non-effectively connected” on Schedule NEC, or “effectively connected” on line 5b, Form 1040-NR.
  - a. If a Form 1042-S showing pension income is attached to a return and the income is not reported on either Schedule NEC or line 5b, Form 1040-NR, calculate the tax on the pension income using the applicable rate in **Exhibit 3.21.3-9**. Adjust line 23a, Form 1040-NR to include the tax calculated on the pension income, if not already included by the taxpayer. Do not adjust or compute line 24.
- (3) “**X**” the amount on line 5a when lines 5a and 5b are the same or if there is a difference of less than \$1.
- (4) **Take no action** when line 5a has an entry and line 5b is blank.
- (5) **Do not move pension income from line 5b to line 1a.**
- (6) Move the gross and taxable amounts of Railroad Retirement Benefits (Form RRB-1099-R) to line 5a and 5b when claimed elsewhere on the return.

3.21.3.84.8.14  
(10-30-2024)

**Line 7a - Capital Gain or  
Loss (Schedule D)**

- (1) Edit RPC “**T**” when **all** of the following apply:
  - There is a positive amount greater than \$1 on line 7a.
  - Schedule D is not attached.
  - The line 7b **Schedule D not required** box is checked.
- (2) When the line 7b **Schedule D not required** box is marked and a negative entry is present on line 7a and no Schedule D is attached, follow the instructions below (i.e., treat a negative amount on line 7a as if the line 7b **Schedule D not required** checkbox is **not** marked).
- (3) When an amount is present on line 7a, Schedule D is not attached, and the line 7b **Schedule D not required** checkbox is not checked:

If	And	Then
A document from which a Schedule D can be dummied is attached	Column (h) can be determined	Dummy a Schedule D. Edit short-term gains/losses to line 7a and long-term gains/losses to line 15. <b>Exception:</b> Do not dummy a Schedule D if corresponding for other missing return items. Instead, include the request for Schedule D in the correspondence to the taxpayer.
<b>No document</b> is attached from which a Schedule D can be dummied		Dummy the amount to line 7 Schedule D.
<b>No document</b> is attached from which a Schedule D can be dummied		Dummy the amount to line 7 Schedule D.
<b>No document</b> is attached from which a Schedule D can be dummied		<b>Correspond</b> for Schedule D.

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- (4) If income reported from Insurance Companies Demutualization (reported on Form 1099-B) is present, but entered on other than line 7a, edit that amount to line 7a, and dummy a Schedule D.
- (5) If Form 8288-A is attached, verify that the amount in box 3 is reported on one of the following:
- Schedule D, column (d)
  - Schedule E, (page 2 part II)
  - Form 4797, column (d)
  - Form 4684, Section B

If	And	Then
The amount in box 3 Form 8288-A is <b>reported</b>		Take no action.
The amount in box 3, Form 8288-A is <b>not reported</b>	Lines 16 - 18, Schedule NEC or a supporting statement includes the amount	<p><b>Note:</b> Ensure all T-lines are edited. See <b>IRM 3.21.3.24</b>.</p> <p><b>Exception:</b> Do not dummy or correspond for a Schedule D if the taxpayer resides in one of the countries listed in IRM 3.21.3.84.8.14 (8) below.</p>
The amount in box 3 Form 8288-A is <b>reported</b> on lines 16 - 18, Schedule NEC		<b>Correspond</b> for Form 4797.
The amount in box 3, Form 8288-A is <b>not reported</b>	Schedule D cannot be dummied	<p><b>Correspond</b> for Schedule D.</p> <p><b>Exception:</b> Do not correspond for a Schedule D if the taxpayer resides in one of the countries listed in IRM 3.21.3.84.8.14 (8) below.</p> <p>a. Correspond using the following literal when using Form 9143: <b>Complete Schedule D to report the amount realized from the sale of U.S. real property interests as reported in box 3, of your Form 8288-A, Statement of Withholding on Certain Dispositions by Foreign Persons.</b></p> <p>b. When using Form 13900, mark paragraph 4.</p>

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- (6) If the taxpayer claims a capital gains exemption under **IRC 871** and they were present in the U.S. for **less than 183 days**, (see Schedule OI, item H or attachments for determination) take the actions below:

- Edit the capital gains to line 7a (if not already included).
- Edit the exempt amount to Schedule 1, line 9 as a negative amount (if not already included).

**Note:** The instructions also apply if the number of days is blank.

- (7) If the taxpayer claims a capital gains exemption under **IRC 871** and they were present in the U.S. for **183 days or more**, take the actions below:

- Edit the capital gains to line 7a (if not already included).
- "X"** exemption if found on Form 1040-NR, Page 1, or if found on Schedule 1, **"X"** line 9 or line 25, as appropriate.

## 3.21 International Returns and Documents Analysis

- (8) If the taxpayer resides in any of the countries listed below, capital gains on personal property are exempt. However, if the taxpayer resides in one of the countries listed below and reports capital gains, accept the taxpayer's entry. Do not "X" the line 7a amount or Schedule D.

Country	Article Number
Austria	13
Bangladesh	13
Barbados	13
Belgium	13
Bulgaria	13
Canada	XIII
China	12
Chile (see note below)	13
Commonwealth of Independent States (Armenia, Azerbaijan, Belarus, Georgia, Kyrgyz- stan, Moldova, Tajikistan, Turkmenistan and Uzbekistan)	III
Cyprus	16
Czech Republic	13
Denmark	13
Egypt	14
Estonia	13
Finland	13
France	13
Germany	13
Hungary (see note below)	12
Iceland	16
India	13
Indonesia	14
Ireland	13
Israel	15
Italy	13
Jamaica	13
Japan	16
Kazakhstan	13
Republic of Korea	16

Country	Article Number
Latvia	13
Lithuania	13
Luxembourg	14
Mexico	13
Morocco	13
Netherlands	14
New Zealand	13
Norway	12
Philippines	14
Poland	14
Portugal	14
Romania	13
Russia (Russian Federation) (see note below)	19
Slovak Republic (Slovakia)	13
Slovenia	13
South Africa	13
Spain	13
Sri Lanka	13
Sweden	13
Switzerland	13
Tunisia	13
Turkey	13
Ukraine	13
United Kingdom (including Great Britain, England, Northern Ireland, Scotland, and Wales)	13
Venezuela	13

**Note:** The U.S.-Chile income tax treaty entered into effect with respect to taxes withheld at source paid or credited on or after February 1, 2024, and for other taxes for taxable periods beginning on or after January 1, 2024. Under the treaty, gains derived by a resident of Chile from the alienation of personal property are generally exempt from U.S. taxation. However, certain gains from the alienation of shares or other rights or interests in the capital of a U.S. company are subject to tax by the United States at not more than a 16% rate. See Article 13 of the U.S. Chile tax treaty, paragraphs (5), (6), and (7).

**Note:** The U.S.-Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to U.S. withholding tax after January 1, 2024. Beginning in 2024, it may not be relied upon in taxable years to exclude U.S. source capital gains from tax.

**Note:** The U.S.-Russia tax treaty is suspended for these taxes as of August 16, 2024. It may not be relied upon after that date to exclude U.S. source capital gains from tax

(9) If the taxpayer exempts capital gains and does not meet the criteria in IRM 3.21.3.84.8.14 (6), IRM 3.21.3.84.8.14 (7), or IRM 3.21.3.84.8.14 (8) above, edit the exempted capital gains to line 7a from where the taxpayer reported the amount.

3.21.3.84.8.15  
(01-01-2024)  
**Line 8 - Other Income  
From Schedule 1, Line  
10**

(1) If there is an amount entered on Form 1040-NR, line 8, Schedule 1 must be attached. If not attached, **correspond** for Schedule 1. If corresponding for Schedule 1 for entry on line 8 and line 10, correspond for only one missing Schedule 1. Use the first entry amount and line number on the return.

**Exception:** If a Schedule 1 can be dummied from attachments, do not correspond for a Schedule 1 unless already corresponding for other missing information. See paragraph (2) below. Do not correspond if it can be determined that line 8 on the Form 1040-NR has been used as a subtotal line.

(2) See IRM 3.11.3, Individual Income Tax Returns, for instructions on dummying Schedule 1.

3.21.3.84.8.16  
(10-30-2024)  
**Line 9 - Total Gross  
Effectively Connected  
Income (GECI)**

(1) If the only entry on lines 1a through 8 is on line 4a or 5a and this amount is equal to line 9, edit the line 9 amount to line 4b or 5b (as appropriate).

(2) Use the table below to determine editing instructions when there is an amount on line 9, lines 1a through 8 are blank, and no Schedule C, Schedule D, Schedule E, or Schedule F is attached:

If the amount on line 9 is	Then
	<b>Correspond</b> for an explanation of line 9.
	Edit the amount to Schedule 1, line 9.

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(3) Compute and edit line 9 when it is blank, dash, or zero and there are entries leading to a total. Do not include the following:

- a. Line 1k
- b. Line 2a
- c. Line 3a
- d. Line 4a
- e. Line 5a

**Exception:** Do not compute line 9 if adjusting lines 1a through 8.



- 3.21.3.84.9  
(01-01-2024)  
**Adjustments to Income - Lines 10 and 11a**
- (1) The following subsections contain information pertaining to lines 10 and 11a on Form 1040-NR.
- 3.21.3.84.9.1  
(01-01-2024)  
**Line 10 - Adjustments to Income from Schedule 1, Line 26**
- (1) If there is an amount entered on line 10, Schedule 1 must be attached.
- (2) If not attached, see IRM 3.11.3, Individual Income Tax Returns, for instructions on dummifying Schedule 1 or corresponding.
- 3.21.3.84.9.2  
(10-30-2024)  
**Line 11a - Adjusted Gross Income (Total Adjusted Gross Effectively Connected Income)**
- (1) Compute and edit line 11a when it is blank, dash, or zero and there are entries leading to a total.
- Exception:** Do not compute line 11a if adjusting lines 1a through 8.
- (2) Edit **RPC “J”** when line 11a is blank, dash, zero, or edited to be blank and line 23a has a significant entry.
- 3.21.3.84.10  
(01-01-2023)  
**Tax Computation - Lines 12 Through 18**
- (1) The following subsections contain information pertaining to perfection of lines 12 through 18 on Form 1040-NR.
- 3.21.3.84.10.1  
(10-30-2024)  
**Line 12 - Itemized Deductions/Standard Deduction**
- (1) For Form 1040-NR, the **standard deduction is not allowed**. If the standard deduction is claimed and a completed Schedule A is attached, “**X**” the Schedule A unless the exception below applies.
- Exception: Residents of India who are students or business apprentices are allowed to claim the standard deduction (Article 21 {2}). Schedule A (Form 1040-NR) must be attached. See IRM 3.21.3.84.22.**
- (2) If the taxpayer is a student from India and is claiming a treaty to use the standard deduction but the amount is less than the standard deduction, accept the taxpayer figures.
- (3) To determine if the taxpayer is a student or business apprentice, review:
- The occupation area of Form 1040-NR.
  - Lines E and F of Schedule OI for visa J-1, F-1, or H-1 that was previously F-1.
  - Form 8843 with entries in Part III.
  - Other attachments to the return.
- (4) If the taxpayer claims a current year standard deduction amount from the table below on line 12, a Schedule A is blank or not attached, and you can determine the taxpayer was a resident of India **and** a student or business apprentice, then **dummy a Schedule A** by editing the line 12 amount on lines 7 and 8 of Schedule A.

Filing Status	Standard Deduction	Additional Standard Deduction 1 (65+ or blind)	Additional Standard Deduction 2 (65+ and blind)
Single	\$15,750	\$17,750	\$19,750
Married filing separately (MFS)	\$15,750	\$16,17,350	\$18,950
Qualifying Surviving Spouse (QSS)	\$31,500	\$33,100	\$34,700

- (5) If an amount is present on line 12, Schedule A (Form 1040-NR) (Sequence 7A) must be present. If Schedule A (Form 1040-NR) is missing and cannot be dummied from attachments, **correspond**.

**Exception:** If you can determine that the taxpayer is only claiming state and/or local taxes, dummy Schedule A (Form 1040-NR) by editing the line 12 amount on lines 1a and 8, and do not correspond unless corresponding for other missing information.

**Exception:** If line 12 is a standard deduction amount from the table in IRM 3.21.3.84.10.1 (4) and the taxpayer was not a resident of India **and** a student or business apprentice, **do not dummy or correspond for Schedule A**.

**Exception:** When a prior year standard deduction amount is claimed on line 12 on a current year return, **do not dummy or correspond for Schedule A**.

- (6) For residents of **India who are students or business apprentices**, do not correspond for a missing Schedule A if line 12 equals the sum of line 15 on an attached Form 4684 plus a standard deduction amount from the table in IRM 3.21.3.84.10.1 (4). Instead, **dummy a Schedule A** by editing the line 12 amount on lines 7 and 8 of Schedule A.

3.21.3.84.10.2  
(01-01-2021)

**Line 13a - Qualified Business Income Deduction (Form 8995 or Form 8995-A)**

- (1) For **TY19 and later**, if an amount is claimed on line 13a, Form 8995 or Form 8995-A must be attached. If missing, correspond for Form 8995-A.

3.21.3.84.10.3  
(01-01-2021)

**Line 15 - Taxable Income**

- (1) Compute and edit line 15 when it is blank, dash, zero, or illegible and there are entries leading to a **positive** total.

3.21.3.84.10.4  
(01-01-2023)

**Line 16 - Tax (on Effectively Connected Income)**

- (1) If Form 4972 box is checked, Form 4972 must be attached. **Correspond**, if missing.
- (2) If Form 8814 box is checked, Form 8814 must be attached. **Correspond**, if missing.

- (3) If line 15 contains a positive entry and the taxpayer indicates “Exempt” or “Tax Treaty” on line 16, verify following line 1k procedures, and if valid, edit the excluded amount to line 1k. See **IRM 3.21.3.84.8.6**.

**Note:** If the explanation of tax treaty benefits is **not valid**, do NOT edit CCC “B”.

- (4) If all income on line 15 is determined to be **not taxable**, “X” the taxpayer’s entry on line 16 and edit CCC “B” if applicable.

3.21.3.84.11  
(01-01-2021)  
**Credits - Lines 19  
through 21**

- (1) Do not correspond for missing schedules or forms to support entries on lines 19 through 21 when line 15 of Form 1040-NR is (or can be determined to be) zero or a negative amount. Instead, “X” the unsupported credit amount and adjust the total on line 21.

3.21.3.84.11.1  
(01-01-2023)  
**Line 19 - Child Tax  
Credit or Credit for  
Other Dependents**

- (1) Reserved

3.21.3.84.11.2  
(01-01-2021)  
**Line 20 - Amount from  
Schedule 3, Line 8**

- (1) If an amount is present on line 20, Schedule 3 must be attached.
- (2) If Schedule 3 is not attached, see IRM 3.11.3, Individual Income Tax Returns, for instructions on dummyming or corresponding.

3.21.3.84.11.3  
(10-30-2024)  
**Line 21 - Total Statutory  
Credits**

- (1) Compute and edit line 21 when it is blank, dash or zero by adding lines 19 and 20.

3.21.3.84.12  
(01-01-2015)  
**Other Taxes - Lines 23a  
Through 24**

- (1) The following subsections contain information pertaining to Form 1040-NR, lines 23a through 24.

3.21.3.84.12.1  
(10-30-2024)  
**Line 23a - Not  
Effectively Connected  
Income Tax**

- (1) If blank, and an amount is present on Schedule NEC, line 15, edit the Schedule NEC, line 15 amount to line 23a.
- (2) Follow Schedule NEC instructions (see IRM 3.21.3.84.23) when **ALL** of the following apply:
- Line 23a is blank
  - Form 1042-S is present
  - Form 1042-S income has not been reported on Form 1040-NR, page 1, Schedule 1, page 1 or Schedule NEC
  - Income should be reported on Schedule NEC

**Note:** If the Form 1042-S income can be reported on Form 1040-NR, page 1 or Schedule 1, page 1 AND Schedule NEC per Exhibit 3.21.3-2, Schedule NEC takes priority.

- (3) Before editing line 23a, see Schedule NEC instructions beginning at **IRM 3.21.3.84.23**.

## 3.21 International Returns and Documents Analysis

- (4) If line 23a is significant and line 11a is blank, dash, zero, or edited to be blank, edit **RPC "J"**.
- (5) If there is an amount on line 23a, Schedule NEC must be attached. If missing, **correspond** for Schedule NEC.

**Exception:** If there is an amount on line 23a only due to editing, do **not** correspond for a missing Schedule NEC.

- (6) Enter amounts in dollars only.

3.21.3.84.12.2  
(01-01-2021)

### Line 23b - Other Taxes From Schedule 2, Line 21

- (1) If there is an amount on line 23b, Schedule 2 must be attached.
- (2) See IRM 3.11.3, Individual Income Tax Returns, for instructions on dummyming or corresponding.

3.21.3.84.12.3  
(01-01-2021)

### Line 23c - Transportation Tax

- (1) Reserved

3.21.3.84.12.4  
(01-01-2021)

### Line 23d - Total Other Taxes

- (1) Reserved

3.21.3.84.12.5  
(10-30-2024)

### Line 24 - Total Tax

- (1) Edit line 24 in dollars and cents when adjusting or computing and editing amounts.
- (2) Compute and edit line 24 when it is blank, dash, or zero **and** there are entries leading to a total:
  - a. Add lines 22 and 23d.
  - b. If there are no entries on lines 19 through 23d, and line 18 has an entry, edit the line 18 amount on line 24.
  - c. If there are no entries on lines 17 through 23d, and line 16 has an entry, edit the line 16 amount on line 24.

**Exception:** Do not compute line 24 when line 23a has been edited or adjusted.

- (3) Edit CCC **"B"** when either of the following is present:
  - a. Line 15 is a negative, zero, dash, or none, (or it can be determined to be negative or zero) and lines 16 through 38 are blank, dash, or zero.

**Note:** If line 11a is the last entry, do not attempt to make a determination.

  - b. If a significant entry on line 16 is less than or equal to line 21 and lines 22 through 38 are blank, dash, or zero.

**Exception:** DO NOT edit CCC **"B"** when either line 35a or 36 can be perfected.

- (4) Adjust line 24 to exclude any amount from Form 5330 (excise tax assessment) when there is an indication that it was included. Detach Form 5330 and route it to Receipt and Control.

3.21.3.84.13  
(01-01-2019)  
**Payments and  
Refundable Credits -  
Lines 25a Through 33**

- (1) The following subsections contain information pertaining to perfection of lines 25a through 33 on Form 1040-NR.
- (2) Edit lines 25d through 33 in dollars and cents when adjusting or computing and editing amounts.
- (3) Line 33 is a T-Compute line.

3.21.3.84.13.1  
(01-01-2021)  
**Lines 25a, 25b, and 25c -  
W-2 Withholding, 1099  
Withholding, Other  
Withholding**

- (1) Reserved

3.21.3.84.13.2  
(10-30-2024)  
**Line 25d - Total of Lines  
25a through 25c  
(Withholding for W-2,  
1099, and Other)**

- (1) If line 25d is blank, dash, or zero, compute by adding lines 25a through 25c, if present. Otherwise, if line 25d is blank, dash, or zero and withholding is present on Form W-2 or Form 1099, edit the U.S. withholding amount to line 25d.
- (2) Review ALL Forms W-2 to ensure that withholding claimed by the taxpayer is **U.S. withholding**. If an amount is present for non-U.S. withholding, “**X**” line 25d.
- (3) If line 25d has a misplaced entry from Form 8805 or Form 8288-A:
  - a. If “Partnership” is clearly shown, edit the amount to line 25e.
  - b. If “Real Property” is clearly shown, edit the amount to line 25f or 25e accordingly.

**Caution:** When editing a misplaced entry for Form 8805 or Form 8288-A, “**X**” line 25d, and edit the amount to the appropriate line. Do not arrow.

similar statement (minimum requirements are; name of employer or EIN, income and withholding) are attached, correspond if unable to verify the amount through research:

**Note:** Research IRP for withholding (when available) before corresponding. Do not

- (5) Withholding from Form 1042-S, Form SSA-1042S, and Form RRB-1042S should be reported on line 25g. If found on line 25d or any other line, edit or arrow to line 25g.
- (6) Edit **RPC “G”** if **any** of the following conditions exist:
  - a. Entry is present on Form 4972, line 6 and/or 8.
  - b. Taxpayer reported withholding on line 25d and exempted all income on the return due to a valid tax treaty.

## 3.21 International Returns and Documents Analysis

(7) Edit CCC “8” on a **refund** return when withholding is significant and there is **only a single supporting document** attached that is one of the following:

- A substitute statement (e.g., substitute Form W-2, tax software statement or employer-provided earnings statement with year-to-date totals) or attachment or worksheet.

**Note:** If the only support for withholding is from a single or multiple Forms 4852 and there are no other withholding documentation is present, edit CCC “8”.

- Handwritten
- Other than computer-printed Form W-2
- Altered name, SSN, wages or federal income tax withheld.

**Note:** To be considered a “single supporting document”, the document must show support from only one employer. Consider Form 4852 and an Employer-provided earnings statement with the same employer and identical amounts to be a “single supporting document”.

3.21.3.84.13.3  
(10-29-2025)  
**Line 25e - Form 8805**

(1) If the TIN on Form 8805 is missing or partially masked (e.g. XXX-XX-1234) matches the taxpayer name on the return.

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(2) If the TIN on Form(s) 8805 is other than the TIN in the caption area and the

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**Note:** Any statement or document from a withholding agent that is submitted in lieu of a Form 8805 must include the U.S. withholding agent’s name, address, and TIN (EIN or SSN), and the name in which the tax withheld was reported. If the statement or document does not have all this information, proceed as if there is no similar withholding document present. If the name on the Form 8805 or withholding document does not match the taxpayer name on the return, “X” the credit.

**Exception:** If a valid ITIN has been newly assigned (edited in red) but is not on Form 8805, do not “X” the credit if the name on Form 8805 matches the taxpayer name on the return.

(3) If Form 8805 or similar withholding document from withholding agent is not

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**Note:** Any statement or document from a withholding agent that is submitted in lieu of a Form 8805 must include the U.S. withholding agent’s name, address, and TIN (EIN or SSN), and the name in which the tax withheld was reported. If the name of the taxpayer claiming the refund is different or withholding agent information is not included, “X” the credit.

3.21.3.84.13.4  
(01-01-2024)  
**Line 25f - Form 8288-A**

(1) If any credit is claimed and:

- a. Form 8288-A is attached and the Date of Transfer on Form 8288-A (box 1) is not within the Tax Period of the return, IRM 3.21.3.86.13.4 (2)IRM 3.21.3.86.13.4 (2)IRM 3.21.3.86.13.4 (2)IRM 3.21.3.86.13.4 (2)IRM 3.21.3.85.13.4 (2)IRM 3.21.3.85.13.4 (2)(for

current year returns see instructions in (2) below) **X** line 25f, and edit only the credit(s) that are within the tax period of the return.

**Caution:** If “**Original DOT**” is notated on the top right side of Form 8288-A, accept that date as the official Date of Transfer.

**Note:** If the return is being filed for a Fiscal Period, allow only credit(s) for which the Date of Transfer on Form 8288-A (box 1) falls within the Fiscal Period of the return being filed.

- b. Form 8288-A is not attached, “**X**” line 25f and **correspond**.

**Note:** Form 8288 **may not** be used as verification of 8288-A withholding.

(2) If the Date of Transfer on Form 8288-A is in 2026 and:

- The return is **numbered**, “**X**” the credit(s). Detach Form 843 along with Form 8288-A and route to Accounts Management.
- The return is **unnumbered** and Form 843 is attached, detach Form 843 along with Form 8288-A and route to Accounts Management. “**X**” line 25f amount and process the return.
- The return is **unnumbered** and Form 843 is not attached, send the return back to the taxpayer. **Correspond** using Form 9143, box 23.

**Reminder:** If “**Original DOT**” is notated on the top right side of Form 8288-A, accept that date as the official Date of Transfer.

(3) **All Form 8288-A credits must be verified through the INTLWebApps Database** (see IRM 3.21.25.18). If Form 8288-A or a signed or initialed settlement statement/closing agreement (see Exhibit 3.21.3-11) is attached and the return is:

- Numbered:** Request verification of the credit from the FIRPTA Unit and edit Action Code “**420**”.
- Unnumbered:** Follow the table below:

If	And	Then
Credits have not been verified		Completely code and edit the return, then place return in designated basket for verification. <b>Note:</b> The verification slip (Form 13698) or printout is attached to the tax form after the credit verification is completed.
Credits are verified	The verified amount is the same or greater than the amount the taxpayer reported	Ensure that the taxpayer’s entry is reported on line 25f.
Credits are verified	The verified amount is less than the amount the taxpayer reported	1. “ <b>X</b> ” the amount reported by the taxpayer. 2. <b>Edit the verified amount</b> to line 25f.



3.21.3.84.13.5  
(10-30-2024)  
Line 25g - Form 1042-S

- (4) If Form 8288-A is attached, also see IRM 3.21.3.84.8.14 (5)for additional instructions.
- (1) Withholding from Form 1042-S, Form SSA-1042S, and Form RRB-1042S should be reported on line 25g. If line 25g is blank, dash, zero, or illegible and withholding is present on Form 1042-S, Form SSA-1042S, or Form RRB-1042S, edit the withholding amount(s) to line 25g.
- Note:** For Form 1042-S, edit the withholding amount from box 10, **Total withholding credit**.
- (2) If an amount is present on line 25g, Form 1042-S, Form SSA-1042S, or Form RRB-1042S must be attached with an amount for tax withheld. If missing, **“X”** line 25g, and **correspond**.
- Exception:** If a letter is attached signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not **“X”** line 25g.

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- (3) If the TIN on any Form 1042-S is missing, incomplete, partially masked (e.g.
- Note:** If a TIN has been newly assigned (edited in red), but is not on Form 1042-S, **do not “X” the credit**.
- Caution:** If there is no ITIN on Form 1042-S, but an ITIN is on the Form 1040-NR, and the names are the same, allow the withholding. **Do not “X” the credit**.
- (4) When Form 1042-S with **Exemption Code 02** in box 3a (exempt under an Internal Revenue Code section) is filed on Form 1040-NR, take one of the following actions:



If	Then
Taxpayer has not entered income or exclusion on Form 1040-NR	Take no action.
Taxpayer shows the amount as income and exclusion or as a tax treaty on page 1	“X” entries where found.
Taxpayer reported gross income and excluded withholding allowance	“X” those amounts wherever found, and accept the net income where reported.
If the taxpayer reports all or part of net income as taxable income	Accept the taxpayer’s amount on the appropriate line.
Form 1040-NR was prepared by <b>USAID</b> , <b>Note:</b> The return may be stamped <b>Treasury Regulation 1.6012-1(b)(3), USAID/G/HCD/POSS/TAX.</b>	<ol style="list-style-type: none"> <li>1. Accept the return as filed,</li> <li>2. Verify the Form 1042-S for the taxpayer’s name, Taxpayer Identification Number (TIN) and withholding only, and</li> <li>3. <b>DO NOT</b> “X” out entries in accordance with normal Exemption Code 02 procedures.</li> </ol>

- (5) When Form 1042-S with **Exemption Code 04** in box 3a (exempt under a tax treaty) is filed on Form 1040-NR, take one of the following actions:

If	Then
Taxpayer has entered a valid tax treaty article on Schedule OI, reported the exempt income on Form 1040-NR, line 1k, and reported the withholding on line 25g	Take no action.
Taxpayer has entered a valid tax treaty article on Schedule OI, included the exempt amount as taxable income (e.g., Form 1040-NR, line 1a) and has not deducted it elsewhere on the return	<b>"X"</b> line 1a or wherever found, adjust it to exclude the exempt income, and edit exempt amount to line 1k.
Taxpayer did not enter a valid tax treaty article on Schedule OI	<b>Correspond.</b> <b>Exception: Do not correspond</b> for a missing article number if Income Code 16 (Income Code 15 for TY14 and prior) and Exemption Code 04 are present and any of the following conditions apply: <ul style="list-style-type: none"> <li>• Form 1042-S was issued by a college/educational institution or</li> <li>• Zero-balance return or</li> <li>• Form 1042-S has no withholding.</li> </ul>

- (6) Edit RPC **"G"** if **either** of the following conditions exist:
- Entry is present on Form 4972, lines 6 and/or 8, or
  - Taxpayer reported withholding on line 25g and exempted all income on the return due to a valid Tax Treaty.
- (7) Edit CCC **"8"** on a refund return when withholding is claimed from a Form 1042-S, and is supported by only one withholding document that is one of the following:
- A substitute or similar statement
  - Handwritten

**Exception:** Form 1042-S issued by gambling casinos.

- c. Altered in one of the following areas: Name, SSN, Federal Income Tax Withheld, and/or Wages.

3.21.3.84.13.6  
(01-01-2021)

**Line 26 - Estimated Tax Payments**

- (1) Any amounts determined to be other than ES tax payments must be deleted and edited to the proper line.

3.21.3.84.13.7  
(01-01-2021)

**Line 27**

- (1) Reserved

3.21.3.84.13.8  
(10-29-2025)

**Line 28 - Additional Child Tax Credit**

- (1) If an amount is present on line 28 and there are 3 or more qualifying children with the CTC checkbox marked on line 6 of the dependent area of the return, Schedule 8812 must be attached. If missing, **correspond** for Schedule 8812.

3.21.3.84.13.9  
(01-01-2015)

**Line 29 - Form 1040-C Credit**

- (1) Reserved

3.21.3.84.13.10  
(01-01-2021)

**Line 30**

- (1) Reserved

3.21.3.84.13.11  
(01-01-2024)

**Line 31 - Other Payments and Refundable Credits (Schedule 3, Line 15)**

- (1) If there is an amount on line 31, Schedule 3 must be attached. If missing and cannot be dummied from attachments, **correspond** for Schedule 3.
- (2) See IRM 3.11.3, Individual Income Tax Returns, for instructions on dummied or corresponding.

3.21.3.84.13.12  
(10-30-2024)

**Line 32 - Total Other Payments and Refundable Credits**

- (1) Compute and edit line 32 when it is blank, dash, or zero and there are entries leading to a total.

3.21.3.84.13.13  
(10-30-2024)

**Line 33 - Total Payments**

- (2) Compute and edit line 33 when it is blank, dash, or zero and there are entries leading to a total.

3.21.3.84.14  
(01-01-2021)

**Refund or Amount Owed - Lines 34 Through 38**

- (1) The following subsections contain information pertaining to lines 34 through 38 on Form 1040-NR.
- (2) Edit lines 35a, 36, 37, and 38 in dollars and cents when adjusting or computing and editing amounts.

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## 3.21 International Returns and Documents Analysis

3.21.3.84.14.1  
(01-01-2021)

### Line 35a - Refund Due

- (1) If blank, compute and edit line 35a when lines 34, 36, and 37 are all blank, line 33 is greater than line 24, and any one of the following conditions is present:
  - Line 33 has an entry.
  - The taxpayer has computed or indicated no tax is due on lines 16, 18, 22, or 24.
  - It can be determined that line 24 would be zero if it were computed.
- (2) **Do not** edit CCC "B" when line 35a has been computed to a significant amount.

3.21.3.84.14.2  
(01-01-2021)

### Lines 35b, 35c and 35d - Direct Deposit

- (1) For complete instructions, see IRM 3.11.3.14.3.2, Lines 35b, 35c, and 35d - Direct Deposit Information.

3.21.3.84.14.3  
(01-01-2021)

### Line 35e - Refund Check

- (1) See IRM 3.21.3.83.6 for manual refund procedures.

3.21.3.84.14.4  
(01-01-2021)

### Line 36 - Estimated Tax Credit Elect

- (1) When lines 34, 35a, and 36 are the same, perfect them as follows:

If ES payments (line 26)	Then
Are claimed,	"X" the entry on line 35a.
Are <b>not</b> claimed,	"X" the entry on line 36.

**Note:** An overpayment (line 34) can be **divided** between lines 35a (refund) and 36 (ES Credit Elect).

- (2) Exclude the additional amount when line 36 includes an amount for any of the following:
  - Late filing penalty
  - Late payment penalty
  - Interest

**Note:** Do not exclude estimated tax penalty.

- (3) Edit Action Code "**430**" to send the return to Rejects when either of the following conditions is present:
  - A statement is present on or near line 36 indicating that the taxpayer wants the credit applied to their spouse's account.
  - The return is FS 3 and there is a statement or schedule present showing how estimated payments are to be allocated.

3.21.3.84.14.5  
(01-01-2021)

### Line 37 - Amount You Owe (Balance Due)

- (1) If blank, compute and edit line 37 when lines 34, 35a, and 36 are blank and line 24 is greater than line 33.

**Note:** When computing line 37, include the amount from line 38, estimated tax penalty.

- (2) **Do not** edit CCC “B” when line 37 has been computed to a significant amount.

3.21.3.84.14.6  
(01-01-2021)

**Line 38 - Penalty for  
Underpayment of ES Tax  
(Form 2210 and Form  
2210-F)**

- (1) Form 2210 has been assigned sequence number “06” and Form 2210-F has been assigned sequence number “06a”. **However, these forms are not transcribed.** Delete these forms.
- (2) Edit CCC “P” when any of the following conditions apply:
- Tax year is “2018” and Box A in Part II is marked and “80% Waiver or 85% Waiver” is noted next to Box A or in the Box A area.
  - Form 2210 is attached with any of the boxes in Part II, C - E marked.
  - Form 2210-F is attached with Box B in Part I marked.
  - There is any indication of the following on Form 2210 *OR* in the Line 38 area, Form 1040-NR *OR* in the occupation area of Form 1040-NR.
    - Actual Withholding
    - Annualized Income (AI)
    - Exempt
    - Waiver
    - Not liable for ES penalty (Reasonable Cause for Underpayment)

**Exception:** Take no action, and do not edit CCC “P” if there is an indication of Disaster on Form 2210, Form 2210-F, or Form 1040-NR.

- (3) If only Box A and/or Box B in Part II on Form 2210 is marked or if only Box A in Part I on Form 2210-F is marked, verify the attached statement indicates the taxpayer has retired after reaching age 62 or has become disabled during the tax year or the prior tax year. If statement is present, edit CCC “P”. If statement is not present, edit CCC “7” and correspond using Letter 369C, open paragraph U using the following verbiage: “We cannot consider your request for a waiver of the estimated tax penalty because the required documentation was not attached to your return. If you receive notice of penalty assessment, you may request a consideration of the assessment by mailing the required documentation along with a copy of your Form 2210, to the address that will be indicated on the notice of assessment.”

**Exception:** Take no action, and do not edit CCC “P” or CCC “7” if there is an indication of Disaster on Form 2210, Form 2210-F, or Form 1040-NR.

- (4) If line 38 is blank and Form 2210 or Form 2210-F is attached, edit the amount from:
- Line 19 of Form 2210.
  - Line 16 of Form 2210-F.
- (5) Compare the line 38 entry with the amount on Form 2210, line 19 (or Form 2210-F, line 16) when CCC “P” is edited. If the entry on line 38 is different from the amount on Form 2210 or Form 2210-F after allowing for rounding:
- “X” the line 38 entry, and
  - Edit the amount from Form 2210 or Form 2210-F to line 38.

3.21.3.84.15  
(01-01-2021)  
**Signature**

- (1) Rev. Rul. 68-500 allows Form 1040-NR to include a facsimile signature signed for the taxpayer by an agent. Accept a facsimile signature and process the returns that are signed for the taxpayer by an agent. (Attorney-in-Fact)

## 3.21 International Returns and Documents Analysis

- (2) Refer to IRM 3.11.3, Individual Income Tax Returns, for additional correspondence instructions.

**Note: Correspond** using Form 9143 if the signature is missing or invalid. Correspond using Form 13900 if documentary evidence is missing.

**Exception:** For “bulk/clean” filed Form 1040-NR, accept the facsimile or original signatures and process returns that are signed for the taxpayer by an agent (Attorney-in-Fact). For these types of returns, accept signatures with or without a POA or statement that indicates Treasury Regulations Section 1.6012-1(b)(3). Do not correspond if there is no signature but Treasury Regulation Section 1.6012-4(b)(3)(i) is listed.

**Reminder:** A thumbprint in lieu of a signature is to be treated as a frivolous filer when present in the signature area.

3.21.3.84.16  
(01-01-2015)  
**Occupation**

- (1) The occupation area of the return is not transcribed; however, it is important to scan this area. If the country is India and **student** is listed in the occupation area, the taxpayer qualifies to claim the standard deduction.

3.21.3.84.17  
(10-30-2024)  
**Identity Protection  
Personal Identification  
Number (IP PIN)**

- (1) Identity Protection Personal Identification Number (IP PIN) is located in the “Sign Here” area of the return.
- (2) If multiple IP PINs are present, circle all but the IP PIN assigned to the primary taxpayer.
- (3) If it is not 6 numeric digits, circle IP PIN.

3.21.3.84.18  
(01-01-2015)  
**Preparer Data**

- (1) Refer to IRM 3.11.3.14.8, Paid Preparer Data, for complete preparer instructions.

**Exception: Do not edit the E-File waiver code on Form 1040-NR.**

3.21.3.84.19  
(01-01-2021)  
**Form 1040-NR, Schedule  
1 (Sequence 01) -  
Additional Income and  
Adjustments to Income**

- (1) For TY20 and later, Schedule 1 may be attached to Form 1040-NR. See line-by-line instructions.

3.21.3.84.19.1  
(01-01-2015)  
**Schedule 1, Line 1 -  
State/Local Income  
Taxable Refunds**

- (1) Reserved

3.21.3.84.19.2  
(01-01-2024)

**Schedule 1, Lines 2a  
and 2b - Alimony  
Received and Date of  
Original Divorce or  
Separation (Not  
Transcribed)**

- (1) If the taxpayer has reported alimony income received on Schedule 1, line 2a, edit the entry to Schedule 1, line 9.

3.21.3.84.19.3  
(01-01-2021)

**Schedule 1, Line 3 -  
Business Income or  
Loss (Schedule C)**

Schedule C is attached:

If the amount on line 3 is	Then
Supported by an attachment	Dummy a Schedule C. <b>Note:</b> See IRM 3.11.3, Individual Income Tax Returns for complete instructions to dummy Schedule C.
Not supported by an attachment	<b>Correspond</b> for Schedule C.

- (2) Dummy a required Schedule C by editing a positive amount to lines 1 and 3 or a negative amount to line 28 when **ALL** of the following conditions apply:

- b. Schedule C is not present.  
c. There are no supporting documents from which to dummy the required Schedule C.

**Exception:** Do NOT dummy Schedule C if corresponding for other missing return items. Instead, include the request for Schedule C in the correspondence to the taxpayer.

3.21.3.84.19.4  
(10-29-2025)

**Schedule 1, Line 4 -  
Other Gains or Losses  
(Form 4797)**

Form 4797, Form 4684, or a statement must be attached. If missing, **correspond** for Form 4797.

**Exception:** Correspond for Form 4684 instead of Form 4797 if taxpayer has notated "Form 4684" or checked the box indicating a Form 4684.

3.21.3.84.19.5  
(01-01-2021)

**Schedule 1, Line 5 -  
Rental Real Estate,  
Royalties, Partnerships,  
S Corporations, Trusts,  
etc. (Schedule E)**

- (1) If an amount is present on line 5 and Schedule E is not attached, but Form 4835 is present, dummy Schedule E as follows:

If Form 4835	Then
Line 32 is a positive amount	Edit that amount to line 40 on Schedule E.
Line 34c is a negative amount	Edit that amount to line 40 on Schedule E. <b>Exception:</b> If a taxpayer notates PAL, do not move the negative amount to line 40 of Schedule E
Line 34c is blank	Edit the loss from line 32 on Form 4835 to line 40 of Schedule E. <b>Exception:</b> If a taxpayer notates PAL, do not move the negative amount to line 40 of Schedule E
Line 7 is a positive amount	Edit that amount to line 42 on Schedule E.

- (2) Dummy a Schedule E, if possible, when an amount is present, but neither Schedule E nor Form 4835 is attached:

If there is a clear indication that the income is from:	Then
Rents or royalties	a. Edit a <b>positive amount</b> to line 24 on Schedule E. b. Edit a <b>negative amount</b> to line 25 on Schedule E.
A partnership or S-Corporation (e.g., Schedule K-1)	a. Edit a <b>positive amount</b> to line 30 on Schedule E. b. Edit a <b>negative amount</b> to line 31 on Schedule E.
An estate or trust	a. Edit a <b>positive amount</b> to line 35 on Schedule E. b. Edit a <b>negative amount</b> to line 36 on Schedule E.

#

and Schedule E is not attached and cannot be dummied.

**Note:** Correspond for a complete Schedule E if only page 1 and/or 2 of Schedule E is attached AND blank.



- (4) Dummy a required Schedule E by editing a positive amount to line 24 or a negative amount on line 25 when **ALL** the following conditions apply:

#

- b. Schedule E is not present.
- c. There are no supporting documents from which to dummy the required Schedule E.

**Exception:** Do not dummy a Schedule E if corresponding for other missing return items. Instead, include the request for Schedule E in the correspondence to the taxpayer.

3.21.3.84.19.6

(01-01-2021)

**Schedule 1, Line 6 -  
Farm Income or Loss  
(Schedule F)**

is not attached:

#

If the amount on line 6 is	Then
Supported by an attachment	Dummy a Schedule F <b>Note:</b> See IRM 3.11.3, Individual Income Tax Returns for complete instructions to dummy Schedule F.
Not supported by an attachment	<b>Correspond</b> for Schedule F.

- (2) Dummy a required Schedule F by editing a positive or negative dollar amount onto line 9 when **ALL** the following conditions apply:

#

- b. Schedule F is not present.
- c. There are no supporting documents from which to dummy the required Schedule F.

**Exception:** Do not dummy Schedule F if corresponding for other missing return items. Instead, include a request for Schedule F in the correspondence to the taxpayer.

3.21.3.84.19.7

(01-01-2021)

**Schedule 1, Line 7 -  
Unemployment  
Compensation (UEC)**

- (1) Edit the gross amount of unemployment compensation (UEC) from Form 1099-G if line 7 is blank.
- (2) Delete any amount identified as supplemental benefits received from a company-financed supplemental unemployment benefits (SUB) fund. Include the amount of SUB pay on line 1a, Form 1040-NR.
- (3) Take no action when the taxpayer indicates repaid and an amount on the dotted portion of line 7.

3.21.3.84.19.8

(10-30-2024)

**Schedule 1, Lines 8a  
through 8z - Other  
Income**

- (1) If a claimed **Treaty Exemption** is determined to be **valid** (see IRM 3.21.3.84.8.6), but the taxpayer has entered, or included in a total, the income and/or exemption on Schedule 1, or on Form 1040-NR, lines 1a, 1z, or 2b-8, take the following actions:

## 3.21 International Returns and Documents Analysis

- a. “X” the income and/or exemption on Schedule 1, line 9 or 25 (if included), and on Form 1040-NR, line 1a, 1z, or 2b-8 (as appropriate).
- b. Edit the allowable exemption amount on Form 1040-NR, line 1k, if not already entered by the taxpayer, and

**Note:** Do not adjust or compute Form 1040-NR, line 9 or 11a.

- c. If the treaty is valid but the taxpayer has claimed more than the treaty allows, edit the allowable amount on Form 1040-NR, line 1k, if not already entered by the taxpayer. Ensure that the excess amount is reported on Form 1040-NR, lines 1a - 8; if not reported, edit the excess amount to Form 1040-NR, line 1z.

**Note:** Do not adjust or compute Form 1040-NR, line 9 or 11a.

- (2) If a claimed **Treaty Exemption** is determined to be **invalid**, take the following actions:

- a. Edit the exempted amount as taxable income on Form 1040-NR, line 1z, if not already entered by the taxpayer on line 1a or included in line 1z,
- b. “X” Form 1040-NR, line 1a, if the treaty exemption amount is present,
- c. “X” Form 1040-NR, line 1z, if the treaty exemption amount is claimed on any of lines 1b through 1h, and
- d. “X” Form 1040-NR, line 1k and/or Schedule 1, line 9 or 25, if exemption is included by the taxpayer.

**Note:** Do not adjust or compute Form 1040-NR, line 9 or 11a.

- (3) If taxpayer claims a **Treaty Exemption** that cannot be verified due to incomplete information, **correspond**.
- (4) If **Gambling Winnings** are reported as effectively connected income on Form 1040-NR, page 1 or Schedule 1, take one of the following actions:
  - a. Residents of **Canada** may claim gambling losses, but only to the extent of gambling winnings. They should report their total gambling winnings and losses (not to exceed winnings) on Schedule NEC, lines 10a and 10b. They should report net gambling winnings on Schedule NEC, line 10c. “X” the gambling winnings and losses if reported on any other line.
  - b. Gambling winnings are **tax exempt** for residents of the following countries:

Country
Austria
Belgium
Bulgaria
Chile (see below)
Czech Republic
Denmark
Finland
France
Germany
Hungary (see below)
Iceland
Ireland
Italy
Japan
Latvia
Lithuania
Luxembourg
Netherlands
Russian Federation (Russia) (see below)
Slovak Republic (Slovakia)
Slovenia
South Africa
Spain
Sweden
Tunisia
Turkey
Ukraine
United Kingdom (including Great Britain, England, Northern Ireland, Scotland, and Wales)

**Note:** The U.S.-Chile income tax treaty entered into effect with respect to taxes withheld at source paid or credited on or after February 1, 2024, and for other taxes for taxable periods beginning on or after January 1, 2024. Accordingly, beginning in 2024, gambling winnings paid to a resident of Chile should be treated as not subject to U.S. tax.

## 3.21 International Returns and Documents Analysis

**Note:** The U.S.-Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to U.S. withholding tax after January 1, 2024. Beginning in 2024, it may not be relied upon to exclude gambling winnings of a resident of Hungary from U.S. tax.

**Note:** The U.S.-Russia tax treaty is suspended for these taxes as of August 16, 2024. It may not be relied upon after that date to exclude gambling winnings from U.S. tax.

**Caution:** If a taxpayer is a resident of a country that is exempt from U.S. tax on gambling winnings, “X” entry where found.

- c. All other countries: “X” the amount **and** multiply the amount of gross gambling winnings by 30% and edit the result to line 23a, 1040-NR. **Do not** adjust or compute Form 1040-NR, line 24.

**Exception:** Malta is taxed at 10%.

- (5) If a taxpayer claims a **foreign earned income exclusion** (Form 2555, Form 2555-EZ (TY18 and prior), IRC 911, IRC 931, or IRC 933), “X” the exclusion and Form 2555 or Form 2555-EZ. Make sure that the foreign earned income is reported on the appropriate Form 1040-NR, lines 1a through 1h or Schedule 1, lines 3, 5, or 6.

- (6) Line 8r, “Scholarship and fellowship grants not reported on Form W-2,” is a T-line. If there is an entry on this line, see IRM 3.21.3.84.19.9 for instructions.

- (7) If taxpayer indicates **IRC 893** or employee of **foreign government** or **international organization**, and exempts wages or salary compensation, verify that the taxpayer has provided the following information:

- a. Evidence of non-United States citizen status (e.g., a copy of their A or G visa or green card).
- b. Written evidence from the United States Citizenship and Immigration Services (USCIS) which confirms that the taxpayer has not signed and filed USCIS Form I-508 (Waiver of Certain Rights, Privileges, Exemptions, and Immunities).

**Note:** An employee’s compensation is not eligible for exemption under IRC 893 if they have signed and filed the USCIS Form I-508.

- c. If an employee of a foreign government, a copy of the U.S. State Department IRC 893(b) certification.

**Note:** If a taxpayer provides evidence in lieu of IRC 893(b) certification, accept the evidence if it establishes that the services rendered by the employee are similar to the services rendered by employees of the U.S. government in foreign countries, and that the foreign government grants an equivalent tax exemption to such U.S. government employees.

**Example:** The taxpayer may provide a copy of a foreign statute or regulation that shows an equivalent tax exemption to U.S. government employees in that country.

- d. If an employee of an international organization, the number of the Presidential Executive Order. See Exhibit 3.21.3-4 for a list of those approved international organizations and foreign governments.

**Exception:** The Executive Order number is not required if the international organization is listed in Exhibit 3.21.3-4.

**Note:** IRC 893 does not apply to the North Atlantic Treaty Organization (NATO) or the Ottawa Agreement.

- e. If taxpayer has provided all the necessary information, follow the table below:

If	And	Then
Taxpayer exempts income on Schedule 1, line 9	Reports earned income	Take no action.
Taxpayer exempts income on Schedule 1, line 9	Does not report earned income (Form 1040-NR, line 1a)	Edit earned income to Form 1040-NR, line 1a.
Taxpayer exempts income on Form 1040-NR, line 1k	Does not report earned income (Form 1040-NR, line 1a) or exemption amount (Schedule 1, line 9)	<ul style="list-style-type: none"> <li>Edit earned income to Form 1040-NR, line 1a (if not present),</li> <li>Edit the exempt income to Schedule 1, line 9 (if not present) as a negative amount, and</li> <li>“X” Form 1040-NR, line 1k.</li> </ul>

- f. If taxpayer has not provided all the necessary information, **correspond**.

- (8) If the taxpayer claims a capital gains exemption under **IRC 871**, and they were present in the U.S. for **less than 183 days** during the tax year (see Schedule OI, Letter H or attachments for determination):
- Edit the capital gains to Form 1040-NR, line 7a (if not already included), and
  - Edit the exempt amount to Schedule 1, line 9 as a negative amount (if not already included).

**Note:** The instructions also apply if the number of days is blank.

- (9) If the taxpayer claims a capital gains exemption under **IRC 871**, and they were present in the U.S. for **183 days or more** during the tax year:
- Edit the capital gains to Form 1040-NR, line 7a (if not already included), and
  - “X” Schedule 1, line 9.
- (10) Under **IRC 872(b)(3)**, compensation paid by a foreign employer to a nonresident alien individual present in the United States on an “F”, “J”, or “Q” visa while participating in certain exchange or training programs is exempt from tax. A “foreign employer” includes a nonresident alien individual, foreign partnership, or foreign corporation, or an office or place of business maintained in a foreign country or in a territory of the United States by a domestic corporation, a domestic partnership, or an individual who is a citizen or resident of the United States.

If	Then
The taxpayer doesn't report the income	Take no action.
The taxpayer reports the income on any of the income lines and/or exempts it on Schedule 1, line 9	<b>"X"</b> the income and/or exemption where found.

- (11) A **Form 1099-B** (Proceeds from Broker and Barter Exchange Transactions) filed with a Form 1040-NR is taxable effectively connected income and should be reported on Schedule D or included on Schedule 1, line 9:
- If reported on other than Schedule D or Schedule 1, line 9, edit gross proceeds to Schedule 1, line 9.
  - If Form 1099-B (Proceeds from Broker and Barter Exchange Transactions) is attached and not reported on the return, edit gross proceeds to Schedule 1, line 9.
- (12) Use the table below to determine action(s) for notations and/or other amounts included on Schedule 1, line 9:

If the amount is identified as	Then
Dependent Care Benefits (DCB)	Move to Form 1040-NR, line 1z. Form 2441 must be attached. If missing, correspond for Form 2441.
Disability Pension (Form 1099-R with Code 3 in box 7)	Move to Form 1040-NR, line 1z.
Indian Gaming Proceeds (IGP)	Edit <b>RPC "G"</b> , if withholding is present
Nontaxable income: <ul style="list-style-type: none"> <li>• Accident and health insurance proceeds</li> <li>• "Black Lung" benefits</li> <li>• Casualty insurance and other reimbursements</li> <li>• Child support</li> <li>• Damages awarded for physical injury or sickness</li> <li>• Federal Employees' Compensation Act (FECA) payments</li> <li>• Interest on state or local government obligations</li> <li>• Public aid</li> <li>• Supplemental Security Income (SSI)/SSI Disability</li> <li>• Tax-Sheltered Annuities</li> <li>• Temporary Assistance for Needy Families (TANF)</li> <li>• Veterans' Administration (VA) Benefits</li> <li>• Workers' Compensation</li> </ul>	Adjust Schedule 1, line 9 to exclude nontaxable income.

3.21.3.84.19.9  
(10-30-2024)

**Schedule 1, Line 8r -  
Scholarship and  
Fellowship Grants Not  
Reported on Form W-2**

- (1) Generally, a taxpayer's entry on Schedule 1, line 8r should include only the amount of scholarship and fellowship grants not reported on Form W-2, reduced by any amount exempt by treaty and any amount used to pay for tuition and required, course-related expenses.
- (2) Scholarship and fellowship income shown on Form W-2 should be reported on Form 1040-NR, line 1a. If it is determined this Form W-2 income is included in the line 8r entry:
  - a. Edit the Form W-2 gross income to Form 1040-NR, line 1a, if not already included,
  - b. **Do not** adjust or compute Form 1040-NR, line 9 or 11a, and
  - c. **"X"** or adjust the line 8r amount to exclude the income moved to Form 1040-NR, line 1a.
- (3) If it can be determined that any amount of scholarship or fellowship grant reported on line 8r, from a Form 1042-S with Income Code 16 (Income Code

## 3.21 International Returns and Documents Analysis

15 for TY14 and prior) or a Form 1098-T, is **exempt under a tax treaty** (check Schedule OI, item L), take the following actions:

- a. Move the treaty-exempt grant to Form 1040-NR, line 1k, if not already included there,
  - b. “**X**” or adjust the line 8r amount to exclude the treaty-exempt grant, and
  - c. “**X**” the treaty exemption if found elsewhere on the return.
- (4) One or more of the following documents **must** be attached to support an entry on line 8r. If missing, **correspond**:
- Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior) issued by a college or an educational institution
  - A statement from a college or an educational institution (on their letter-head) that states the amount of the grant, the grantor’s name, the dates it covers, and the expenses the grant covers
  - Form 1098-T
- (5) If at least one of the items in IRM 3.21.3.84.19.9 (4) above is present and **EITHER** there is still an amount on line 8r after following the above paragraphs **OR** there is a Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior) issued by a college or an educational institution or a Form 1098-T attached to the return, where the income is not reported anywhere, follow the instructions in the table below:



If	And	Then
<p>You calculate (1) minus (2) below by:</p> <p>1. Adding:</p> <ul style="list-style-type: none"> <li>All Form 1042-S (Income Code 16) gross income, box 2 amounts,</li> <li>All Form 1098-T scholarships or grants, box 5 amounts, and</li> <li>All grant income from educational institution statements</li> </ul> <p>2. Subtracting:</p> <ul style="list-style-type: none"> <li>All Form 1098-T payments received for qualified tuition and related expenses, box 1 amounts and</li> <li>All tuition and required, course-related expenses (fees, books, supplies, equipment) from educational institution statements, and from receipts, invoices and the like</li> </ul> <p><b>Note:</b> While you can use statements from educational institutions that provide only institution-determined total expenses without a breakdown do <b>not</b> use taxpayer-prepared or taxpayer-provided statements showing only total expenses or other statements showing only taxpayer-determined total expenses with no breakdown or itemization</p>	<p>The amount calculated by adding all the items in (1) and then subtracting all the items in (2) is greater than the line 8r entry, including when line 8r is blank or zero</p>	<p>Edit or adjust line 8r to equal the calculated amount.</p>

3.21.3.84.19.10  
(10-30-2024)  
**Schedule 1, Line 9 -  
Total Other Income**

- (1) If the taxpayer exempts income on Schedule 1, Part I without providing a valid treaty, "**X**" Schedule 1, line 9.
- (2) If **Form 1099-MISC** or **Form 1099-NEC** is attached and there is a clear indication that the income was not included on the return, edit the income to Schedule 1, line 9. Do not include the Form 1099-MISC or Form 1099-NEC amount on Schedule 1, line 9, when any of the following are attached:
  - a. Schedule C
  - b. Schedule E (Part II)
  - c. Schedule F
  - d. Form 2106
- (3) If line 9 is blank, dash, or zero and there are any entries on lines 8a through 8z, compute and edit line 9 by adding lines 8a through 8z.

3.21.3.84.19.11 (11-12-2021) <b>Schedule 1, Line 11 Dotted Portion - Form 982 Indicator</b>	(1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.	
3.21.3.84.19.12 (01-01-2021) <b>Schedule 1, Line 11 - Educator Expenses</b>	(1) Reserved	
3.21.3.84.19.13 (01-04-2021) <b>Schedule 1, Line 12 - Certain Business Expenses of Reservists, Performing Artists, and Fee-Basis Government Officials (Form 2106)</b>	(1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.	
3.21.3.84.19.14 (01-01-2021) <b>Schedule 1, Line 13 - Health Savings Account Deduction (Form 8889)</b>	(1) Form 8889 must be attached if an amount is being claimed on line 13. <b>Correspond</b> , if missing.	
3.21.3.84.19.15 (01-01-2021) <b>Schedule 1, Line 14 - Moving Expenses for Members of the Armed Forces (Form 3903)</b>	(or similar statement) must be attached. If missing, <b>correspond</b> for Form 3903.  <b>Note:</b> If the taxpayer is <b>only</b> claiming an expense for storage fees while out of the United States, Form 3903 is not required.	#
3.21.3.84.19.16 (01-01-2021) <b>Schedule 1, Line 15 - Deductible Part of Self-Employment Tax</b>	(1) Reserved	
3.21.3.84.19.17 (01-01-2021) <b>Schedule 1, Line 16 - Self-Employed SEP, SIMPLE, and Qualified Plans</b>	(1) If Schedule C, Schedule E (Part II), or Schedule F is not attached, “ <b>X</b> ” line 16.	
3.21.3.84.19.18 (01-01-2021) <b>Schedule 1, Line 17 - Self-Employed Health Insurance Deduction</b>	(1) Edit misplaced amount from line 17 to line 15 when both of the following conditions are present: <ul style="list-style-type: none"> <li>• Line 15 is blank</li> <li>• Schedule SE is attached to the return</li> </ul>	

3.21.3.84.19.19 (1) Reserved  
(01-01-2021)

**Schedule 1, Line 18 -  
Penalty on Early  
Withdrawal of Savings**

3.21.3.84.19.20 (1) Reserved  
(01-04-2021)

**Schedule 1, Lines 19a,  
19b, and 19c - Alimony  
Paid, Recipient's TIN,  
and Date of Divorce**

3.21.3.84.19.21 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(01-01-2021)

**Schedule 1, Line 20 -  
IRA Deduction**

3.21.3.84.19.22 (1) Reserved  
(01-01-2021)

**Schedule 1, Line 21 -  
Student Loan Interest  
Deduction**

3.21.3.84.19.23 (1) Reserved  
(01-01-2021)

**Schedule 1, Line 22**

3.21.3.84.19.24 (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.  
(11-12-2021)

**Schedule 1, Line 23 -  
Archer MSA Deduction**

3.21.3.84.19.25 (1) If a claimed **Treaty Exemption** is determined to be **valid** (see IRM  
(10-30-2024) 3.21.3.84.8.6), but the taxpayer has entered, or included in a total, the income  
and/or exemption on Schedule 1, or on Form 1040-NR, lines 1a, 1z, or 2b-8,  
take the following actions:

**Schedule 1, Lines 24a  
through 24z - Other  
Adjustments (Not  
Transcribed)**

- a. "X" the income and/or exemption on Schedule 1, line 9 or 25 (if included), and on Form 1040-NR, line 1a, 1z, or 2b-8 (as appropriate),
- b. Edit the allowable exemption amount on Form 1040-NR, line 1k, if not already entered by the taxpayer, and

**Note:** Do not adjust or compute Form 1040-NR, line 9 or 11a.

- c. If the treaty is valid but the taxpayer has claimed more than the treaty allows, edit the allowable amount on Form 1040-NR, line 1k, if not already entered by the taxpayer. Ensure that the excess amount is reported on Form 1040-NR, lines 1a - 8; if not reported, edit the excess amount to Form 1040-NR, line 1z.

**Note:** Do not adjust or compute Form 1040-NR, line 9 or 11.

- (2) If a claimed **Treaty Exemption** is determined to be **invalid**, take the following actions:

## 3.21 International Returns and Documents Analysis

- a. Edit the exempted amount as taxable income on Form 1040-NR, line 1z, if not already entered by the taxpayer on line 1a or included in line 1z,
- b. “X” Form 1040-NR, line 1a, if the treaty exemption amount is present,
- c. “X” Form 1040-NR, line 1z, if the treaty exemption amount is claimed on any of lines 1b through 1h, and
- d. “X” Form 1040-NR, line 1k and/or Schedule 1, line 9 or 25, if exemption is included by the taxpayer.

**Note:** Do not adjust or compute Form 1040-NR, line 9 or 11a.

- (3) If taxpayer claims a **Treaty Exemption** that cannot be verified due to incomplete information, **correspond**.
- (4) Delete the following adjustments from Schedule 1, lines 11 through 23, and/or Form 1040-NR, line 10a, and ensure the amounts are included in the Schedule 1, line 25 total:

- “403(b)” - contributions by certain chaplains to section 403(b) plans
- “501(c)(18)(D)” - contributions to certain pension plans
- “ED67(e)” - (TY18 and later) Excess Deductions of section 67(e) expenses from Form 1041 Schedule K-1
- “Jury Pay” - Jury Duty Pay
- “PPR” - Personal Property Rental deductible expenses
- “RFST” - Reforestation amortization and expenses
- “Sub-Pay TRA” - repayment of Supplemental Unemployment Benefit (SUB) payments received in a prior year under the Trade Act of 1974 (TRA)

**Exception:** “X” the SUB pay amount where found and subtract the amount from Form 1040, line 1a when there is no indication that the adjustment is for benefits received in a prior year.

- “UDC” - legal fees for Unlawful Discrimination Claims
- “USOC” - United States Olympic Committee-deduction for Olympic and Paralympic medals and prize money
- “WBF” - Whistle Blower Fees
- “DPAD” - Domestic Production Activity Deduction

- (5) If a taxpayer claims an adjustment to income on Schedule 1, line 24z for anything other than the items listed in (4) above, “X” line 25.
- (6) If there is an amount on line 24z with no explanation present, “X” line 25.

3.21.3.84.19.26  
(10-30-2024)

### Schedule 1, Line 25 - Total Other Adjustments

- (1) If line 25 is blank, dash, or zero and there are any entries on lines 24a through 24z, compute and edit line 25 by adding lines 24a through 24z.

3.21.3.84.19.27  
(01-01-2021)

### Schedule 1, Line 26 - Total Adjustments to Income

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

- 3.21.3.84.20  
(01-01-2021)  
**Form 1040-NR, Schedule 2 (Sequence 02) - Additional Taxes**
- (1) For TY20 and later, Schedule 2 may be attached to Form 1040-NR. See line-by-line instructions.
- 3.21.3.84.20.1  
(10-30-2024)  
**Schedule 2, Line 1a - Excess Advance Premium Tax Credit Repayment (Form 8962)**
- (1) If an amount is claimed on line 1a, Form 8962 must be present. **Correspond**, if missing.
- a. When corresponding for Form 8962 on Form 13900, also correspond for Form 1095-A, if not attached, using paragraph “s”.
- b. When corresponding for Form 8962, on Form 9143, also correspond for Form 1095-A, if not attached, using the following literal: “Send a copy of your Form 1095-A, Health Insurance Marketplace Statement, to support your entries on Form 8962, Premium Tax Credit. If you didn’t receive one or your Form 1095-A is incorrect, visit [www.healthcare.gov](http://www.healthcare.gov) or your state Marketplace website.”
- 3.21.3.84.20.2  
(10-29-2025)  
**Schedule 2, Line 2 - Alternative Minimum Tax (Form 6251)**
- (1) If an amount is present on Schedule 2, Form 6251 must be attached. If missing, correspond for Form 6251.
- Reminder:** Edit FPC “5” when Form 6251 is attached.
- Note:** A blank Form 6251 should never be deleted.
- 3.21.3.84.20.3  
(01-01-2021)  
**Schedule 2, Line 3 - Total**
- (1) Reserved
- 3.21.3.84.20.4  
(01-01-2023)  
**Schedule 2, Line 4 - Self-Employment Tax (Schedule SE)**
- (1) A Schedule SE is required if there is an amount on line 4. Dummy Schedule SE from Schedule C, Schedule E (Part II present), Schedule F, or attachments, if possible. Otherwise, **correspond**.
- Exception:** Do not dummy Schedule SE if corresponding for other missing attachments. Instead, include the request for Schedule SE in the correspondence to the taxpayer.
- (2) Edit FPC “S” if Schedule SE is attached or the taxpayer includes an entry on line 4.
- 3.21.3.84.20.5  
(01-01-2021)  
**Schedule 2, Line 7 - Total Additional Social Security and Medicare Tax (Form 4137 and Form 8919)**
- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.84.20.6  
(01-01-2023)

**Schedule 2, Line 8 -  
Additional Tax on IRAs  
or Other Tax-Favored  
Accounts (Form 5329)**

- (1) **Correspond** for Form 5329 if an amount is present on line 8 and Form 5329 is not attached, unless any of the following conditions apply:
  - a. The taxpayer has checked the box to the left of line 8.
  - b. The taxpayer notates “**No**” to the **left** of line 8, or
  - c. Line 8 has an entry that is 10% of any combination of the following:
    - Form 1040-NR, line 4b
    - Form 1040-NR, line 5b
    - Form 1099-R
- (2) Edit RPC “**3**” if Form 5329 is not present and any of the conditions above apply.
- (3) Edit the totals of Parts I through IX of Form 5329 when line 8 is blank **and** Form 5329 is attached with entries present.

3.21.3.84.20.7  
(01-01-2021)

**Schedule 2, Line 9 -  
Household Employment  
Taxes (Schedule H)**

- (1) If an amount is claimed on line 9, Schedule H must be attached. **Correspond**, if missing.

3.21.3.84.20.8  
(01-01-2023)

**Schedule 2, Line 11 -  
Additional Medicare Tax  
(Form 8959)**

- (1) If an amount is present on line 11, Form 8959 must be attached. **Correspond** for Form 8959, if missing.

3.21.3.84.20.9  
(01-01-2023)

**Schedule 2, Line 12 -  
Net Investment Income  
Tax (Form 8960)**

- (1) If an amount is present on line 12, Form 8960 must be attached. **Correspond** for Form 8960, if missing.

3.21.3.84.20.10  
(01-01-2023)

**Schedule 2 Line 13 -  
Uncollected Social  
Security and Medicare  
or RRTA Tax on Tips**

- (1) UT/UTOT or COBRA is reported on Schedule 2, line 13. If found elsewhere on the return, delete where found and edit to line 13 or renumber to be line 13, as appropriate.

3.21.3.84.20.11  
(11-12-2021)

**Schedule 2, Line 16 -  
Recapture of  
Low-Income Housing  
Credit (Form 8611)**

for Form 8611.

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- 3.21.3.84.20.12 (11-12-2021) **Schedule 2, Lines 17a through 17z - Other Additional Taxes (Not Transcribed)** (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- 3.21.3.84.20.13 (10-30-2024) **Schedule 2, Line 18 - Total Additional Taxes** (1) If line 18 is blank, dash, or zero and there are any entries on lines 17a through 17z, compute and edit line 18 by adding lines 17a through 17z.
- 3.21.3.84.20.14 (10-30-2024) **Schedule 2, Line 19 - NET EPE Recapture (Form 4255)** (1) If an amount is present on Schedule 2, line 19, Form 4255 must be attached. If missing, correspond for Form 4255.
- 3.21.3.84.20.15 (01-04-2021) **Schedule 2, Line 20 - Section 965 Net Tax Liability Installment (Form 965-A)** (1) If an amount is present on line 20, and Form 965-A is missing, **correspond** for Form 965-A **only** if corresponding for other missing information.  
(2) If an amount is present on line 20, edit RPC **"F"**.  
**Note:** If Form 965-A is attached and there is **no** entry on line 20, do not edit RPC **"F"**.
- 3.21.3.84.20.16 (01-01-2021) **Schedule 2, Line 21 - Total Other Taxes** (1) Reserved
- 3.21.3.84.21 (01-01-2021) **Form 1040-NR, Schedule 3 (Sequence 03) - Additional Credits and Payments** (1) For TY20 and later, Schedule 3 may be attached to Form 1040-NR. See line-by-line instructions.
- 3.21.3.84.21.1 (01-01-2021) **Schedule 3, Line 1 - Foreign Tax Credit (Form 1116)** (1) If credit claimed is more than \$300, Form 1116 or similar statement must be attached. If Form 1116 is missing, or if no significant amount is present on line 7, 8, 24, or 35, **correspond** for Form 1116.  
(2) Taxpayers earning income in the following countries are not allowed to take a foreign tax credit for foreign taxes paid to these countries. If the taxpayer takes the foreign tax credit (see Form 1116, Part II, line 8) with respect to taxes paid to any of the following countries (see Form 1116, Part I, line i, columns A, B, and C), **"X"** both Form 1116, line 8 **and** Schedule 3, line 1.

Country	Starting Date	Ending Date
Iran	January 1, 1987	Still in Effect
North Korea	January 1, 1987	Still in Effect

Country	Starting Date	Ending Date
Sudan	February 12, 1994	Still in Effect
Syria	January 1, 1987	Still in Effect

- 3.21.3.84.21.2  
(01-01-2021)  
**Schedule 3, Line 2 - Credit for Child and Dependent Care Expenses (Form 2441)**
- (1) If an amount is claimed, Form 2441 must be attached. If missing, take one of the following actions:
- If a statement is attached, prepare a dummy Form 2441.
  - Otherwise, **correspond**.
- 3.21.3.84.21.3  
(01-04-2021)  
**Schedule 3, Line 3 - Education Credits (Form 8863, Line 19)**
- (1) Line 3 is not a valid line with Form 1040-NR. If Form 8863 is attached, "**X**" Form 8863.
- 3.21.3.84.21.4  
(01-01-2021)  
**Schedule 3, Line 4 - Retirement Savings Contributions Credit (Form 8880)**
- (1) **Correspond** for Form 8880 if an amount is claimed on line 4 and Form 8880 is not present.
- 3.21.3.84.21.5  
(01-01-2024)  
**Schedule 3, Line 5a - Residential Clean Energy Credit (Form 5695, Line 15)**
- (1) If an amount is claimed on line 5a, Form 5695 must be attached. If missing, **correspond** for Form 5695.
- Note:** If an amount is claimed on line 5a and only pages 2 and/or 3 of the Form 5695 are attached, "**X**" the amount on line 5a.
- 3.21.3.84.21.6  
(10-30-2024)  
**Schedule 3, Line 5b - Energy Efficient Home Improvement Credit (Form 5695, Line 32)**
- (1) If an amount is claimed on line 5b, Form 5695 must be attached. If missing, **correspond** for Form 5695.
- Note:** If an amount is claimed on line 5b and only pages 1 and/or 2 of the Form 5695 are attached and page 3 is missing, "**X**" the amount on line 5b.
- 3.21.3.84.21.7  
(01-01-2021)  
**Schedule 3, Lines 6a through 6z - Other Nonrefundable Credits**
- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- Exception:** Line 6d is not a valid line with Form 1040-NR. If Schedule R is attached, "**X**" Schedule R.
- 3.21.3.84.21.7.1  
(10-30-2024)  
**Schedule 3, Line 6f - Clean Vehicle Credit**
- (1) For **TY23 and later**, if there is an amount on line 6f, Form 8936 and Form 8936 Schedule A must be attached. If missing, **correspond** for Form 8936 and Form 8936 Schedule A.



3.21.3.84.21.7.2  
(10-30-2024)  
**Schedule 3, Line 6m -  
Credit for Previously  
Owned Clean Vehicles**

- (1) For **TY23 and later**, if there is an amount on line 6m, Form 8936 and Form 8936 Schedule A must be attached. If missing, **correspond** for Form 8936 and Form 8936 Schedule A.

3.21.3.84.21.8  
(10-30-2024)  
**Schedule 3, Line 7 -  
Total Other  
Nonrefundable Credits**

- (1) If line 7 is blank, dash, or zero and there are any entries on lines 6a through 6z, compute and edit line 7 by adding lines 6a through 6z.

3.21.3.84.21.9  
(01-01-2021)  
**Schedule 3, Line 9 - Net  
Premium Tax Credit  
(Form 8962)**

- (1) If an amount is claimed on Schedule 3, line 9, Form 8962 must be attached. If missing, **correspond**.
- a. When corresponding for Form 8962 on Form 13900, also **correspond** for Form 1095-A, if not attached, using paragraph "s".
  - b. When corresponding for Form 8962, on Form 9143, also correspond for Form 1095-A if not attached, using the following literal: "Send a copy of your Form 1095-A, Health Insurance Marketplace Statement, to support your entries on Form 8962, Premium Tax Credit. If you didn't receive one or your Form 1095-A is incorrect, visit [www.healthcare.gov](http://www.healthcare.gov) or your state Marketplace website."

3.21.3.84.21.10  
(01-01-2021)  
**Schedule 3, Line 10 -  
Amount Paid with  
Request for Extension to  
File (Form 4868)**

- (1) Do **not** perfect line 10 from an attached Form 4868. If the taxpayer indicates a payment from Form 2350, include this amount on line 10.

3.21.3.84.21.11  
(01-01-2021)  
**Schedule 3, Line 11 -  
Excess Social Security  
and Tier 1 RRTA Tax  
Withheld**

- (1) If it appears that ALL Social Security and RRTA tax withheld is claimed, "**X**" the amount on line 11.
- Note:** Taxpayers having more than one employer may claim a credit for excess Social Security withholding, see IRM 3.11.3, Individual Income Tax Returns.
- (2) If it is obvious that the taxpayer has a "F", "J", "M", or "Q" Visa and Form 843 is attached, "**X**" line 11. Detach Form 843, and route it to Accounts Management.
- Note:** When detaching Form 843, also detach Form 8316. These forms must be kept together.
- (3) If it is obvious that the taxpayer has a "F", "J", "M", or "Q" Visa and Form 843 is **not** attached:
- a. "**X**" the amount on line 11,
  - b. **Correspond** by preparing Form 3696-A to send Letter 513C,
  - c. Edit Action Trail "513C" on Form 1040-NR, and
  - d. Continue processing the return.

3.21.3.84.21.12  
(01-01-2021)

**Schedule 3, Line 12 -  
Credit for Federal Tax on  
Fuels (Form 4136)**

- (1) **Correspond** for Form 4136 if any amount is claimed and Form 4136 is not attached.

3.21.3.84.21.13  
(01-01-2024)

**Schedule 3, Line 13a -  
Form 2439**

attached, **correspond** for Form 2439.

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**Note:** Form 2439 is a small form and is generally found stapled to the front of the return with Form(s) W-2.

- (2) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.84.21.14  
(10-30-2024)

**Schedule 3, Line 13b -  
Credit for Repayment**

- (1) Reserved

3.21.3.84.21.15  
(10-30-2024)

**Schedule 3, Line 13c -  
Elective Payment  
Election (EPE)**

- (1) If an amount is present, Form 3800 must be attached. If missing, correspond for Form 3800.

3.21.3.84.21.16  
(10-29-2025)

**Schedule 3, Line 13z -  
Other Refundable  
Credits**

**Exception:** If taxpayer cites IRC Section 1341 or "Claim of Right", do not correspond for documentation. See IRM 3.11.3, Individual Income Tax Returns.

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- (2) If line 13z was used for other refundable credits that do not have a specific line, follow the table below:

If the credit claimed is	Then
Form 8805	<p>a. If Form 8805 is attached, "X" line 14, Schedule 3 and edit Form 8805 withholding to the dotted portion of Form 1040-NR, line 32.</p> <p>b. If Form 8805 is not attached, <b>correspond</b>.</p>
Form 1042-S	<p>a. If Form 1042-S is attached, "X" line 14, Schedule 3 and edit Form 1042-S withholding to the dotted portion of Form 1040-NR, line 32.</p> <p>b. If Form 1042-S is not attached, <b>correspond</b>.</p>

If the credit claimed is	Then
Form 8288-A	<p>a. If Form 8288-A is attached with a Date of Transfer within the tax period of the return, “<b>X</b>” line 14, Schedule 3 and edit the verified amount of the Form 8288-A withholding to the dotted portion of Form 1040-NR, line 32.</p> <p>b. If Form 8288-A is attached with a Date of Transfer <b>not</b> within the tax period of the return, “<b>X</b>” line 14.</p> <p><b>Exception:</b> When a Date of Transfer is in 2026 and Form 843 is not attached <b>correspond</b>.</p> <p>c. If Form 8288-A is not attached, <b>correspond</b>.</p>

- (3) If Fuel Tax Credit, **FTC** or something similar is notated on line 13z, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.84.21.17  
(10-30-2024)

**Schedule 3, Line 14 -  
Total Other Payments or  
Refundable Credits**

- (1) If line 14 is blank, dash, or zero and there are any entries on lines 13a through 13z, compute and edit line 14 by adding lines 13a through 13z.

3.21.3.84.22  
(10-30-2024)

**Form 1040-NR, Schedule  
A (Sequence 7A) -  
Itemized Deductions**

- (1) The following are the T-lines and T-Compute lines for Schedule A (Form 1040-NR):

T-Lines	T-Compute Lines
<ul style="list-style-type: none"> <li>Line 1a</li> <li>Lines 2 through 8</li> </ul>	<ul style="list-style-type: none"> <li>Line 5</li> <li>Line 8</li> </ul>

- (2) “**X**” Schedule A (Form 1040-NR) if all of the following conditions exist:
- Schedule A (Form 1040-NR) has no T-line entries present or edited,
  - Schedule NEC has no T-line entries present or edited, and
  - Schedule OI has no T-line boxes marked.
- (3) If the taxpayer claims a valid treaty exemption, exclusion, or deduction on Schedule A (Form 1040-NR), take the following actions (see Figure 3.21.3-34):
- a. “**X**” the amount entered on Schedule A,

## 3.21 International Returns and Documents Analysis

- b. Edit the allowable exemption on Form 1040-NR, line 1k, and follow line 1k procedures.

**Note:** Do not “X”, adjust, or compute Schedule A, line 8.

**924 DRAFT**

**1040-NR** Department of the Treasury—Internal Revenue Service **2025** U.S. Nonresident Alien Income Tax Return OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased / / Spouse / /

☐ Other

Your first name and middle initial **Richard** Last name **Bellinger** Your identifying number (see instructions) **000 00 7130**

Home address (number and street). If you have a P.O. box, see instructions. **3366 Cooloola St** Apt. no.

City, town, or post office. If you have a foreign address, also complete spaces below. **Melbourne** State ZIP code **AS**

Foreign country name **Australia / \$** Foreign province/state/county **VIC** Foreign postal code **3000**

**Filing Status** **1** ☒ Single ☐ Married filing separately (MFS) ☐ Qualifying surviving spouse (QSS) ☐ Estate ☐ Trust

Check only one box. **1** If you checked the QSS box, enter the child's name if the qualifying person is a child but not your dependent:

**Digital Assets** At any time during 2025, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

**Dependents** (see instructions)

	Dependent 1	Dependent 2	Dependent 3	Dependent 4
(1) First name				
(2) Last name				
(3) Identifying number				
(4) Relationship				
(5) Check if lived with you more than half of 2025	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
(6) Credits	<input type="checkbox"/> Child tax credit <input type="checkbox"/> Credit for other dependents	<input type="checkbox"/> Child tax credit <input type="checkbox"/> Credit for other dependents	<input type="checkbox"/> Child tax credit <input type="checkbox"/> Credit for other dependents	<input type="checkbox"/> Child tax credit <input type="checkbox"/> Credit for other dependents

If more than four dependents, see instructions and check here ☐

**Income Effectively Connected With U.S. Trade or Business**

Attach Form(s) W-2, 1042-S, SSA-1042-S, RRB-1042-S, and 8288-A here. Also attach Form(s) 1099-R if tax was withheld.

**1a** Total amount from Form(s) W-2, box 1 (see instructions) **24000** **1e** **X 26000.00**

**b** Household employee wages not reported on Form(s) W-2 **1b**

**c** **1c**

**d** **1d**

**e** **1e**

**f** **1f**

**g** **1g**

**h** Other earned income (see instructions). Enter type and amount: **1h**

**i** Reserved for future use **1i**

**j** Reserved for future use **1j**

**k** Total income exempt by a treaty from Schedule OI (Form 1040-NR), item L, line 1(e) **1k** **2000** **1z** **26000.00**

**z** Add lines 1a through 1h **1z**

**TAX TREATY ARTICLE 14**

**Total Itemized Deductions** **8** Add the amounts in the far right column for lines 1b through 7. Also, enter this amount on Form 1040-NR, line 12 **7** **X 2000.00**

**8** **4500.00**

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR. Cat. No. 72749E Schedule A (Form 1040-NR) 2025

**DRAFT**

**Exhibit 3.21.3-10 was used to verify the treaty before amounts were moved.**

**Figure 3.21.3-34 Moving Valid Treaty Exemption Claimed on Schedule A**

- (4) If taxpayer claims an invalid treaty exemption, “X” where found.

**Note:** Do not “X” or recompute line 8.

- (5) Gambling losses cannot be deducted on Schedule A; “X” where found.

**Note:** Do not “X” or recompute line 8.

- (6) If a resident of India can be determined to be a student or business apprentice using the Form 1040-NR occupation area; Schedule OI, lines E and F (visa J-1, F-1, or H-1 that was previously F-1); Form 8843 with entries in Part III; or from other attachments; and:

If	Then
Both itemized and standard deductions are present on Schedule A	<b>"X"</b> the lesser amount of the deductions. See Figure 3.21.3-35. <b>Note:</b> Do not adjust line 8.
Itemized deductions on Schedule A are less than the standard deduction claimed on Form 1040-NR, line 12	<b>"X"</b> the itemized deductions where found, and edit the standard deduction to line 7. <b>Note:</b> Do not adjust line 8.
Schedule A is blank or not attached and a standard deduction from the table below is claimed on Form 1040-NR, line 12	Dummy Schedule A, and edit the 1040-NR, line 12 amount on lines 7 and 8.

<b>DRAFT</b>		<b>SCHEDULE A</b> (Form 1040-NR)		<b>Itemized Deductions</b>		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service		Go to <a href="http://www.irs.gov/Form1040NR">www.irs.gov/Form1040NR</a> for instructions and the latest information.		Attach to Form 1040-NR.		2025 Attachment Sequence No. 7A	
Name shown on Form 1040-NR				Your identifying number			
<b>Taxes You Paid</b>	1a	State and local income taxes . . . . .	<b>Standard deduction</b>	1a	15750		
	b	Enter the smaller of line 1a or \$10,000 (\$5,000 if married filing separately) . . . . .				1b	15750
<b>Gifts to U.S. Charities</b>	2	Gifts by cash or check. If you made any gift of \$250 or more, see instructions . . . . .		2	X 100		
<b>Caution:</b> If you made a gift and got a benefit for it, see instructions.	3	Other than by cash or check. If you made any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if over \$500 . . . . .		3			
	4	Carryover from prior year . . . . .		4			
	5	Add lines 2 through 4 . . . . .		5	X 100		
<b>Casualty and Theft Losses</b>	6	Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount: from line 18 of that form. See instructions . . . . .		6			
<b>Other Itemized Deductions</b>		<b>Residents of India determined to be Students or Business Apprentices:</b> <b>When both itemized and standard deductions are claimed, "X" the lesser amount.</b>					
<b>Total Itemized Deductions</b>	8	Add the amounts in the far right column for lines 1b through 7. Also, enter this amount on Form 1040-NR, line 12 . . . . .		8	15850		
For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR.		Cat. No. 72749E		Schedule A (Form 1040-NR) 2025			

Figure 3.21.3-35 Editing Schedule A, Form 1040-NR - Itemized Deductions

Filing Status	Standard Deduction	Additional Standard Deduction 1 (65+ or Blind)	Additional Standard Deduction 2 (65+ or Blind)
Single	\$15,750	\$17,750	\$19,750
Married Filing Separately (MFS)	\$15,750	\$16,17,350	\$18,950
Qualifying Surviving Spouse (QSS)	\$31,500	\$33,100	\$34,700

- (7) If a resident of a country other than India **OR** a resident of India that is not a student or business apprentice claims the standard deduction, “X” line 1a, 7, or where found on Schedule A, Form 1040-NR.

**Note:** Do not “X” line 8 .

- (8) If a Schedule A (Form 1040) is attached to a Form 1040-NR, dummy a Schedule A (Form 1040-NR) from the attached Schedule A (Form 1040). Transfer the amounts as follows:

From Schedule A, Form 1040 (Sequence 07)	To Schedule A, Form 1040-NR (Sequence 7A)
Line 4	Line 7
Line 5d	Line 1a
Line 6	Line 7
Line 10	Line 7
Line 11	Line 2
Line 12	Line 3
Line 13	Line 4
Line 14	Line 5
Line 15	Line 6
Line 16	Line 7
Line 17	Line 8

3.21.3.84.22.1  
(01-01-2020)

**Line 1a - State and Local  
Income Tax Total**

- (1) If the standard deduction is claimed on line 1a, see IRM 3.21.3.84.22.

3.21.3.84.22.2  
(01-01-2020)

**Line 2 - Gifts by Cash or  
Check**

- (1) When two entries are present on line 2 and “See Note” is present in the line 2 area, do not compute the entries. “X” the line 2 amount located directly to the left of “See Note”.

3.21.3.84.22.3

(01-01-2024)

**Line 3 - Contributions  
Other Than Cash**

- (1) If more than \$500 is claimed on Schedule A, line 3, Form 8283 with significant entries or a supporting statement must be present. If missing, **correspond** for Form 8283.
- (2) When Form 8283 with significant entries or a supporting statement is present, and the amount on Schedule A, line 3 is more than \$500, edit RPC **"H"**.
- (3) If Schedule A, line 3 is more than \$500 and Form 8283 indicates the taxpayer has donated an automobile, airplane, or boat, Form 1098-C must also be present. If Form 1098-C is not attached, **"X"** Schedule A, line 3.

**Note:** In lieu of Form 1098-C, the taxpayer may attach a similar statement provided it includes all the same information as on Form 1098-C. If the statement does not include all this information, **"X"** Schedule A, line 3.

- (4) If Schedule A, line 3 is more than \$500,000, Form 8283, Parts IV and V must be completed, and a separate qualified appraisal must be attached. If all these conditions are met, edit RPC **"4"**. If all these conditions are not met, **correspond**.
- (5) If Form 8283 is present and Part I, checkbox 2b is marked, checkbox 2b(1) is marked, or line 3, column (h) contains a value other than zero, edit Audit Code **"C"**.
- (6) If Schedule A, line 3 is \$20,000 or more, and Form 8283, Part I, checkbox 2a is marked, a separate qualified appraisal must be attached. If a qualified appraisal is not attached, **correspond**. Use the following literal: *"If your total deduction for Art is \$20,000 or more, you must attach a complete copy of the signed appraisal."*

3.21.3.84.22.4

(01-01-2015)

**Line 4 - Carryover  
Contributions**

- (1) Delete the line 4 amount if the taxpayer has used line 4 as a subtotal line.

3.21.3.84.22.5

(01-01-2018)

**Line 5 - Total  
Contributions**

- (1) Compute and edit line 5 when it is blank and there are entries leading to a total, unless **See Note** is present above line 5 or the taxpayer notates "Limited" or similar statement.

3.21.3.84.22.6

(01-01-2019)

**Line 6 - Casualty and  
Theft Losses**

- (1) If an amount is claimed, Form 4684 must be attached. If missing, **correspond** for Form 4684.

3.21.3.84.22.7

(10-29-2025)

**Line 7 - Other Itemized  
Deductions**

- (1) The following are to be included on line 7:
  - Casualty and theft loss from income producing property
  - Impairment-related work expenses of a disabled person
  - Unrecovered investments in a pension
  - Schedule K-1 (amounts reported as itemized deductions from Box 13, Code W, on a partner's K-1, or amounts reported as itemized deductions from Box 12, Code S, on a shareholder's K-1)

#



#  
#  
#

- Note:** Gambling losses cannot be deducted on Schedule A; “X” where found
- . Do not adjust line 8.
- (2) “X” line 7 if any miscellaneous deductions are not listed in IRM 3.21.3.84.22.7 (1) above.

**Note:** Do NOT “X” line 7 when the taxpayer includes an amount but does not include an explanation for the deduction.

3.21.3.84.22.8  
(10-30-2024)  
**Line 8 - Total Itemized Deductions**

- (1) Compute and edit line 8 if it is blank, dash, or zero and there are entries leading to a total.
- Exception:** Do not adjust or compute line 8 if adjusting lines 1a through 7.

3.21.3.84.23  
(10-30-2024)  
**Form 1040-NR, Schedule NEC (Sequence 7B) - Tax on Income Not Effectively Connected With a U.S. Trade or Business**

- (1) The following are the T-Lines and T-Compute Lines for Schedule NEC of Form 1040-NR.

T-Lines	T-Compute Lines
<ul style="list-style-type: none"><li>Column d (both columns at Nature of Income line)</li><li>Line 13, column (a)</li><li>Line 13, column (b)</li><li>Line 13, column (c)</li><li>Line 13, column (d) - columns 1 and 2</li></ul>	<ul style="list-style-type: none"><li>Line 13, column (a)</li><li>Line 13, column (b)</li><li>Line 13, column (c)</li><li>Line 13, column (d) - columns 1 and 2</li></ul>

- (2) “X” Schedule NEC if all of the following conditions exist:
- Schedule A (Form 1040-NR) is missing,
  - Schedule NEC has no T-line entries present or edited, and
  - Schedule OI has no T-line boxes marked.
- (3) Income not effectively connected with a U.S. trade or business is reported on Schedule NEC.
- (4) Income from the following forms is not effectively connected:
- a. Social Security/Railroad Retirement Form SSA-1042S and Form RRB-1042S - For processing instructions, see **IRM 3.21.3.83.11**.
  - b. Gambling winnings (Form 1042-S, Income Code 28 or 23) - For processing instructions, see **IRM 3.21.3.84.23.1**.

**Note:** Professional gambling is considered effectively connected income; see exception at IRM 3.21.3.84.23.1 (1).

**Note:** Real property may be treated as effectively connected income if reported on Schedule E and Schedule 1.

- (5) To determine the country in which the filer is a tax resident, review:



- a. Schedule OI, taxpayer response to Question B, Question A, caption or attachments.
  - b. If country of tax residence cannot be determined, **correspond**.
- (6) Income not effectively connected is taxed at a rate of 30% unless a U.S. tax treaty with the filer's country of tax residency prescribes a lower rate.
- a. If the taxpayer enters a rate lower than 30%, verify the rate entered using **Exhibit 3.21.3-9**.
  - b. Edit the total correct amount to Form 1040-NR, line 23a. Do not adjust or compute line 24.
  - c. If the filer uses a higher rate than the one indicated in **Exhibit 3.21.3-9**, accept the taxpayer's figure.
  - d. If the rate cannot be determined, use the 30% tax rate.
- (7) A taxpayer who is a tax resident of a foreign country with which the U.S. has not concluded an income tax treaty is generally taxed at a flat rate of 30% on his U.S. source not effectively connected income.
- (8) Schedule NEC, line 15 should equal Form 1040-NR, line 23a. If amounts are present on Schedule NEC and no amount is present on Form 1040-NR, line 23a, compute and edit the line 23a amount. **Do not adjust or compute line 24.**

3.21.3.84.23.1  
(10-30-2024)  
**Gambling Winnings**

- (1) Gambling winnings are non-effectively connected income.
- Exception:** Professional gambling income is effectively connected and is reported on Schedule 1, page 1 with supporting Schedule C for TY19 and later, or on Form 1040-NR, page 1 with supporting Schedule C prior to TY19.
- (2) Gambling winnings **are not** reducible by gambling losses.
- Exception:** Residents of Canada are allowed to claim gambling losses up to winnings.
- (3) Gambling income won in the U.S. by residents of the following foreign countries is not taxable by the U.S.:
- a. Austria
  - b. Belgium
  - c. Bulgaria
  - d. Chile (see note below)
  - e. Czech Republic
  - f. Denmark
  - g. Finland
  - h. France
  - i. Germany
  - j. Hungary (see note below)
  - k. Iceland
  - l. Ireland
  - m. Italy
  - n. Japan (effective 2005)
  - o. Latvia
  - p. Lithuania
  - q. Luxembourg

- r. Netherlands
- s. Russian Federation (Russia) (see note below)
- t. Slovak Republic (Slovakia)
- u. Slovenia
- v. South Africa
- w. Spain
- x. Sweden
- y. Tunisia
- z. Turkey
- aa. Ukraine
- ab. United Kingdom (including Great Britain, England, Northern Ireland, Scotland, and Wales)

**Note:** The U.S.-Chile income tax treaty entered into effect with respect to taxes withheld at source paid or credited on or after February 1, 2024, and for other taxes for taxable periods beginning on or after January 1, 2024. Accordingly, beginning in 2024, gambling winnings paid to a resident of Chile should be treated as not subject to U.S. tax.

**Note:** The U.S.-Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to U.S. withholding tax after January 1, 2024. Beginning in 2024, it may not be relied upon to exclude gambling winnings of a resident of Hungary from U.S. tax.

**Note:** The U.S.-Russia tax treaty is suspended for these taxes as of August 16, 2024. It may not be relied upon after that date to exclude gambling winnings from U.S. tax.

**Note:** Gambling income won in the U.S. by residents of Malta is taxed at 10%.

**Reminder:** If Form 1040-NR, line 11a is blank, dash, or zero, or edited to be blank and Form 1040-NR, line 23a is significant, edit **RPC "J"**.

- (4) **Residents of Canada** may claim gambling losses, but only to the extent of gambling winnings.
- a. The net gambling income (winnings minus losses), which is taxed at 30%, should be on Schedule NEC, line 10c, column (c). If the taxpayer has not entered 30% of the net gambling income on Form 1040-NR, line 23a, edit 30% of their net gambling income to line 23a.
  - b. If the taxpayer does not claim losses, edit 30% of their gross winnings on Form 1040-NR, line 23a.

**Note:** Do not calculate gambling losses if the taxpayer has not reported losses on their tax return.

**Caution:** When determining if a taxpayer is a resident of Canada, do not use the address in the caption. The country of residence should be determined by Schedule OI, questions B and/or A or Form 1040-NR-EZ, page 2. Additionally, refer to the 1042-S payee address and country identification.

- (5) If a taxpayer is not a resident of Canada and tries to reduce gambling winnings by gambling losses, multiply the gross winnings by 30% and edit the result to Form 1040-NR, line 23a. Do not adjust or compute line 24. **All countries not listed in IRM 3.21.3.84.23.1 (3) are taxed at a rate of 30%, except Malta which is taxed at 10%.**

- (6) If gambling winnings are reported on Schedule 1, page 1 or on Form 1040-NR, page 1, “X” the amount where found, and
- Multiply the amount of gross gambling winnings by 30%,
  - Edit the result to Form 1040-NR, line 23a, and
  - Do not adjust or compute line 24. See **Figure 3.21.3-36**.

**Exception:** If a country is exempt from U.S. tax on gambling winnings, “X” income where found.

**Exception:** Professional gambling income is effectively connected and is reported on Schedule 1, page 1 with supporting Schedule C for TY19 and later, or on Form 1040-NR, page 1 with supporting Schedule C prior to TY19.

- (7) If Schedule C is attached to the return to report gambling winnings and gambling losses:
- If exempt from U.S. tax, “X” Schedule C. **Do not** edit a tax amount to Form 1040-NR, line 23a.
  - If not exempt from U.S. tax, “X” Schedule C. Multiply the gross gambling winnings by 30%, and edit the result to Form 1040-NR, line 23a. **Do not** adjust or compute line 24.

**Exception:** For residents of Canada, see IRM 3.21.3.84.23.1 (4).

- (8) Withholding from Form 1042-S for gambling winnings should be reported on Form 1040-NR, line 25g. If reported on any other line, edit or arrow to line 25g.

**Caution:** Withholding from gambling winnings is not always reported on a “standard-format” Form 1042-S; casinos often issue Form 1042-S in a format that looks like a commercial-type receipt. If a taxpayer provides a Form 1042-S in receipt-format as support for withholding on Form 1040-NR, line 25g, accept the receipt if issued by a business if it includes the date, recipient information, the amount of gambling winnings, and the amount of tax withheld. See Exhibit 3.21.3-17 for a sample.

**DRAFT**

1099-R if tax was withheld. If you did not get a Form W-2, see instructions.

**Taxpayer is not a resident of Canada.**

z Add lines 1a through 1h

2a Tax-exempt interest 2a

3a Qualified dividends 3a

c Check if your child's dividends are included in: 1 ☐ Line 3a 2 ☐ Line 3b

1 ☐ Rollover 2 ☐ QCD 3 ☐

1 ☐ Rollover 2 ☐ PSO 3 ☐

7a Capital gain or (loss). Attach Schedule D if required

b Check if: ☐ Schedule D not required ☐ Includes child's capital gain or (loss)

8 Additional income from Schedule 1 (Form 1040), line 10

9 Add lines 1z, 2b, 3b, 4b, 5b, 7a, and 8. This is your **total effectively connected income**

10 Adjustments to income from Schedule 1 (Form 1040), line 26. These are your **total adjustments to income**

11a Subtract line 10 from line 9. This is your **adjusted gross income**

11a **2800.00**

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11364D Form 1040-NR (2025)

**DRAFT**

Form 1040-NR (2025) Page 2

11b **2800.00**

14 Add lines 12 through 13c

15 Subtract line 14 from line 11b. If zero or less, enter -0-. This is your **taxable income**

16 Tax (see instructions). Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐

17 Amount from Schedule 2 (Form 1040), line 3

18 Add lines 16 and 17

19 Child tax credit or credit for other dependents

20 Amount from Schedule 3 (Form 1040), line 10

21 Add lines 19 and 20

22 Subtract line 21 from line 18. If zero or less, enter -0-

23a Tax on income not effectively connected with U.S. sources (see instructions)

23b Other taxes, including self-employment tax

23c Transportation tax (see instructions)

24 Add lines 22 and 23d. This is your **total tax**

24 **281.00**

25 Federal income tax withheld from:

a Form(s) W-2

b Form(s) 1099

c Other forms (see instructions)

d Add lines 25a through 25c

25a **840.00**

25b

25c

25d

25e

25f

25g

25g 2025 estimated tax

8 Other income:

**Verify on calculator**

2800  
X .30  
840

**"X" Schedule 1 when all T-line entries are deleted.**

**DRAFT**

Form 1042-S (2025)

Go to [www.irs.gov/form1042s](https://www.irs.gov/form1042s) for instructions and the latest information.

OMB No. 1545-0046

Copy C for Recipient

1 Recipient's name (if different from payee's name) 12a City or town, state or province, country, ZIP or foreign postal code

2 Gross income 28 2800 12b Recipient's U.S. TIN, if any 12c U.S. status code

3a Chapter indicator "25" or "4" 3b Exemption code 00 4a Exemption code 000-00-0650 12d Ch. 4 status code

5 Withholding allowance 5a Federal tax withheld 840 12e Recipient's EIN 12f Recipient's account number

7a Check if federal tax withheld was not deposited with the IRS because of an error (see instructions)

7b Check if withholding occurred in subsequent year with respect to a partnership interest

7c Check if you are a qualified intermediary, withholding foreign partnership, or withholding foreign trust (see instructions)

8 Tax withheld by other payor

9 Overwithheld tax (see instructions)

10 Total withholding credit (sum of lines 5a, 7a, 7b, and 8)

11 Tax paid by withholding agent (sum of lines 5a, 7a, 7b, and 8)

12a Withholding agent's EIN 12b Ch. 1 status code 12c Ch. 4 status code

12d Withholding agent's name 12e Ch. 1 status code 12f Ch. 4 status code

12g Withholding agent's global intermediary identification number (GIDN)

12h Country code 12i Foreign tax identification number, if any

12j Addressee (number and street) 12k City or town, state or province, country, ZIP or foreign postal code

12l Recipient's name 12m Recipient's country code

12n Addressee and street 12o Recipient's name 12p Recipient's country code

12q Av Bosencheve 833

12r Country code 12s Foreign tax identification number, if any

12t Recipient's EIN 12u Recipient's TIN

12v Recipient's EIN 12w Recipient's TIN

12x Recipient's EIN 12y Recipient's TIN

12z Recipient's EIN 12y Recipient's TIN

9 Total other income. Add lines 8a through 8z

10 Combine lines 1 through 7 and 9. This is your **additional income**. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8

9 **2800.00**

10 **2800.00**

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71479F Schedule 1 (Form 1040) 2025

Figure 3.21.3-36 Editing Misplaced Gambling Winnings and Withholding

3.21.3.84.23.2  
(01-04-2021)  
Alimony

- (1) If alimony income is being reported on Schedule NEC, consider it not effectively connected income; calculate the tax using the **Pensions and Annuities** tax rate indicated in Exhibit 3.21.3-9.

3.21.3.84.23.2

Internal Revenue Manual

34010036

Cat. No. 34010Y (10-29-2025)  
Any line marked with a #  
is for **Official Use Only**

- (2) If the taxpayer has reported alimony income received on Form 1040-NR, line(s) 1a through 7a, or Schedule 1, lines 1 through 7, edit the entry to Schedule 1, line 9.

3.21.3.84.23.3

(01-01-2017)

**Awards and Prizes**

- (1) Awards and prizes are not effectively connected income and are reported on Schedule NEC and all countries are taxed at 30%.

3.21.3.84.23.4

(01-01-2015)

**Schedule NEC Column  
(d)1 - Other (specify)**

- (1) The percentage column labeled Other (specify) **must be edited** if an amount is present or edited to line 13(d)1. Edit the column with the three-digit number obtained by multiplying the taxpayer's percentage by 10 (use a leading zero if necessary). See **Figure 3.21.3-37**. For example:

If the taxpayer enters:	Edit:
9%	090
20%	200
27.5%	275

**Note:** If the taxpayer enters 0 percent (%), exempt, none, N/A, or does not indicate a percentage, edit "000" above column (d)1.

- (2) If the taxpayer enters the percent in the column "Other (specify)" as:
- 10%, edit amount from 13(d)1 to 13(a)
  - 15%, edit amount from 13(d)1 to 13(b)
  - 30%, edit amount from 13(d)1 to 13(c)

# DRAFT

## SCHEDULE NEC (Form 1040-NR)

Department of the Treasury  
Internal Revenue Service

Name shown on Form 1040-NR

## Tax on Income Not Effectively Connected With a U.S. Trade or Business

Attach to Form 1040-NR.

Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.

OMB No. 1545-0074

**2025**  
Attachment  
Sequence No. **7B**

Your identifying number

Enter amount of income under the appropriate rate of tax. See instructions.

Nature of Income		(a) 10%	(b) 15%	(c) 30%	275 (d) Other (specify) 000 27.5 % 0 %
1	Dividends and dividend equivalents:				
a	Dividends paid by U.S. corporations	1a			
b	Dividends paid by foreign corporations	1b	400		
c	Dividend equivalent payments received with respect to section 871(m) transactions	1c			
2	Interest:				
a	Mortgage	2a			
b	Paid by foreign corporations	2b			
c	Other	2c			
3	Industrial royalties (patents, trademarks, etc.)	3			600
4	Motion picture or TV copyright royalties	4			
5	Other royalties (copyrights, recording, publishing, etc.)	5			
6	Real property income and natural resources royalties	6			
7	Pensions and annuities	7			
8	Social security benefits	8			
9	Capital gain from line 18 below	9			
10	Gambling—Residents of Canada only. Enter net income in column (c). If zero or less, enter -0-				
a	Winnings				
b	Losses	10c			
11	Gambling—Residents of countries other than Canada. Note: Enter winnings only. Losses aren't allowed	11			
12	Other (specify):				
		12			3450
13	Add lines 1a through 12 in columns (a) through (d)	13	400		3450
14	Multiply line 13 by rate of tax at top of each column	14			600
15	Tax on income not effectively connected with a U.S. trade or business. Add columns (a) through (d) of line 14. Enter the total here and on Form 1040-NR, line 23a	15			

### Capital Gains and Losses From Sales or Exchanges of Property

16	(a) Kind of property and description (if necessary, attach statement of descriptive details not shown below)	(b) Date acquired mm/dd/yyyy	(c) Date sold mm/dd/yyyy	(d) Sales price	(e) Cost or other basis	(f) LOSS If (e) is more than (d), subtract (f) from (e).	(g) GAIN If (d) is more than (e), subtract (g) from (d).
17	Add columns (f) and (g) of line 16					17 ( )	
18	Capital gain. Combine columns (f) and (g) of line 17. Enter the net gain here and on line 9 above. If a loss, enter -0-						18

Enter only the capital gains and losses from property sales or exchanges that are from sources within the United States and not effectively connected with a U.S. business. Do not include a gain or loss on disposing of a U.S. real property interest; report these gains and losses on Schedule D (Form 1040).  
Report property sales or exchanges that are effectively connected with a U.S. business on Schedule D (Form 1040), Form 4797, or both.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR.

Cat. No. 72752B

Schedule NEC (Form 1040-NR) 2025

**Figure 3.21.3-37 Editing Tax Rates on Not Effectively Connected Income**

3.21.3.84.23.5  
(01-01-2015)

**Schedule NEC Column**  
**(d)2 - Other (specify)**

- (1) The percentage column labeled Other (specify) **must be edited** if an amount is present or edited to line 13(d)2. Edit the column with the three-digit number obtained by multiplying the taxpayer's percentage by 10 (use a leading zero if necessary). See Figure 3.21.3-37. For example:

If the taxpayer enters:	Edit:
9%	090
20%	200
27.5%	275

**Note:** If the taxpayer enters 0 percent (%), exempt, none, N/A, or does not indicate a percentage, edit "000" above column (d)2.

- (2) If the taxpayer enters the percent in the column "Other (specify)" as:
- a. 10%, edit amount from 13(d)2 to 13(a)
  - b. 15%, edit amount from 13(d)2 to 13(b)
  - c. 30%, edit amount from 13(d)2 to 13(c)

3.21.3.84.23.6 (1) Compute and edit if blank and there are entries leading to a total.  
(01-01-2015)

**Line 13 Column (a) 10%**  
**- Total U.S. Tax Withheld**  
**At Source**

3.21.3.84.23.7 (1) Compute and edit if blank and there are entries leading to a total.  
(01-01-2015)

**Line 13 Column (b) 15%**  
**- Total U.S. Tax Withheld**  
**At Source**

3.21.3.84.23.8 (1) Compute and edit if blank and there are entries leading to a total.  
(01-01-2015)

**Line 13 Column (c) 30%**  
**- Total U.S. Tax Withheld**  
**at Source**

3.21.3.84.23.9 (1) Compute and edit if blank and there are entries leading to a total.  
(01-01-2015)

**Line 13 Column (d)1**  
**Other % - Total U.S. Tax**  
**Withheld at Source**

**Reminder:** If an amount is present or edited to line 13 column (d)1, the corresponding column percentage must be edited.

3.21.3.84.23.10 (1) Compute and edit if blank and there are entries leading to a total.  
(01-01-2015)

**Line 13 Column (d)2**  
**Other % - Total U.S. Tax**  
**Withheld at Source**

**Reminder:** If an amount is present or edited to line 13 column (d)2, the corresponding column percentage must be edited.

3.21.3.84.24 (1) The following are the T-Lines and T-Compute Lines for Schedule OI of Form  
(01-01-2023) 1040-NR.  
**Form 1040-NR, Schedule**  
**OI (Sequence 7C) -**  
**Other Information**

T-Lines	T-Compute Lines
Line M1 box	There are no T-Compute lines
Line M2 box	

(2) “X” Schedule OI when all of the following conditions exist:

- Schedule A (Form 1040-NR) is missing,
- Schedule NEC is missing, and
- Schedule OI has no T-line boxes marked.

3.21.3.85 (1) The following subsections discuss processing returns of taxpayers claiming  
(01-01-2015) Dual-Status.  
**Dual-Status Returns**



## 3.21 International Returns and Documents Analysis

3.21.3.85.1  
(01-01-2023)

### Dual-Status - General Instructions

- (1) A taxpayer who is a resident alien and a nonresident alien in the United States within the same tax year files a Dual-Status tax return. This condition usually occurs in the year of arrival in the U.S. or year of departure from the U.S. The taxpayer will file Form 1040 with a Form 1040-NR or Form 1040-NR-EZ attached, or Form 1040-NR or Form 1040-NR-EZ with a Form 1040 attached for the tax year based on the place of the taxpayer's residence on the last day of the year.
  - a. The taxpayer files Form 1040 with a Form 1040-NR or Form 1040-NR-EZ attached if they are a resident of the U.S. on the last day of the year.
  - b. The taxpayer files Form 1040-NR or Form 1040-NR-EZ with a Form 1040 attached if they are **NOT** a resident of the U.S. on the last day of the year.
  - c. Follow the intent of the taxpayer, and process the return that is identified as the "Dual-Status Return" if there is an indication they entered or left the United States in December. See Schedule OI, question "G" or Form 1040-NR-EZ, page 2, question "G".
- (2) **Effectively Connected Income** earned in the U.S. by a nonresident alien is taxed at normal U.S. rates, but special restrictions apply to deductions and filing status.
- (3) **Non Effectively Connected Income** - Annuities, dividends, interest, capital gains, rents, and royalties from U.S. sources received while the taxpayer is a nonresident alien are taxed at a rate of 30%, or lower, depending on any treaty rate which might have been established with the country involved. See Exhibit 3.21.3-9.
- (4) **IRC 6013(g) and IRC 6013(h)** - The taxpayer can elect to file a Married Filing Jointly (FS "2") return and report worldwide income (income from all sources and includes foreign and U.S. income) under IRC 6013(g) or IRC 6013(h). If a taxpayer chooses this election, **DO NOT PROCESS AS DUAL-STATUS**. To qualify under 6013(g) or 6013(h), one taxpayer must be a U.S. resident alien or U.S. citizen. These taxpayers are not allowed to claim tax treaty benefits.
- (5) **Article XXV** of the U.S.-- Canada Income Tax Treaty - see IRM 3.21.3.83.5.
- (6) **Foreign Earned Income Exclusion** - Dual-Status taxpayers **are allowed** a Foreign Earned Income Exclusion on the portion of their income reported on the Form 1040 in accordance with the rules of Form 2555 and Form 2555-EZ (TY18 and prior) regarding number of days, etc.

3.21.3.85.2  
(01-01-2023)

### Restrictions for Dual-Status Taxpayers

- (1) Dual-Status taxpayer restrictions are listed below:
  - a. Dual-Status taxpayers **cannot file** as **Married Filing Jointly** (FS "2").
  - b. Dual-Status taxpayers **cannot file** as **Head of Household** (FS "4").
  - c. Dual-Status taxpayers **cannot claim the standard deduction/additional standard deduction**.
 

**Exception:** Taxpayers who are **students or business apprentices from India** are eligible to claim the standard deduction under "Article 21(2)" of the United States - India treaty.
  - d. Dual-Status taxpayers **cannot claim** Education Credits. If the taxpayer claims the education credit, "**X**" where found and "**X**" Form 8863, if attached.



- e. Dual-Status taxpayers **cannot claim** the Recovery Rebate Credit (RRC). If the taxpayer claims the RRC, “**X**” where found.

3.21.3.85.3  
(10-29-2025)  
**Processing Dual-Status Returns**

- (1) If the taxpayer identifies Form 1040 as a **Dual-Status Return** (controlling document), then Form 1040-NR, Form 1040-NR-EZ or a statement must be attached as a “Dual-Status Statement.” If the taxpayer identifies Form 1040-NR or Form 1040-NR-EZ as a “Dual-Status Return” (controlling document), then Form 1040 or a statement must be attached as a **Dual-Status Statement**. If a **Dual-Status Statement** or **Dual-Status Return** is missing, **correspond**.
- (2) When corresponding for a “Dual-Status Return,” with Form 13900, code the “Dual-Status Statement” as the controlling document.

**Note:** When corresponding for Form 1040 as the missing “Dual-Status Return,” edit CCC “**Y**” instead of CCC “**E**” on the Form 1040-NR “Dual-Status Statement.”

- (3) If Form 8854, Initial and Annual Expatriation Statement, is attached:
- If the return is unnumbered and there is no LB&I stamp indicating LB&I reviewed the return, stop coding and route the entire return to Stop 4301 AUSC.
  - If the return is unnumbered and there is an LB&I stamp indicating LB&I received the return, edit Audit Code “**K**” and continue processing, following Dual-Status instructions, even if the taxpayer indicates present in the U.S. for 0 days.
  - If the return is numbered, edit Audit Code “**K**” and continue processing, following Dual-Status instructions, even if the taxpayer indicates present in the U.S. for 0 days.
- (4) Use information from Schedule OI questions, Form 1040-NR-EZ, page 2 questions, attached statement, or elsewhere on the return to determine which return is the controlling document to be processed.

**Caution:** If the taxpayer indicates presence **in the U.S. for 365 or 366 days**, fully code Form 1040 as international and “**X**” the Form 1040-NR or Form 1040-NR-EZ. If the taxpayer indicates presence **outside the U.S. for 365 or 366 days (present in the U.S. for 0 days)**, and Form 8854 is not attached fully code Form 1040-NR or Form 1040-NR-EZ and “**X**” the Form 1040. Ensure that all income is reported on the form that is being processed; **do not follow any other Dual-Status instructions**. Rebatch following local procedures.

- a. If the taxpayer is a **U.S. resident at the end of the year**, Form 1040 is to be processed. If the taxpayer is a **nonresident at the end of the year**, Form 1040-NR or Form 1040-NR-EZ is to be processed. Follow the intent of the taxpayer and process the return that is identified as the “Dual-Status Return” if there is an indication they entered or left the United States in December.
- b. If unable to determine which return to process from the Schedule OI questions of Form 1040-NR, page 2 questions of Form 1040-NR-EZ, an attached statement, or elsewhere on the return, process the return that is identified by the taxpayer as the “Dual-Status Return.”
- c. If unable to determine which return should be processed using (a) or (b) above, process Form 1040-NR as the Dual-Status Return and **correspond** for dual-status dates.

## 3.21 International Returns and Documents Analysis

- (5) In general, dual-status taxpayers may be eligible for treaty benefits only with respect to income received during the period that they were nonresident aliens. The amount of income exempt by a tax treaty and the treaty article under which an exemption is claimed must be reported and validated on Form 1040-NR or Form 1040-NR-EZ. Additionally, a Form 8833, **Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)**, may need to be filed with the Form 1040-NR or Form 1040-NR-EZ.

**Note:** Resident Aliens may be entitled to treaty benefits with respect to certain categories of income (students, apprentices, trainees, teachers, professors, and researchers) .

- a. Validate the treaty using Exhibit 3.21.3-10.
- b. If the Form 1040 is the controlling document, see IRM 3.21.3.85.4.
- c. If the Form 1040-NR or Form 1040-NR-EZ is the controlling document, see IRM 3.21.3.85.5.

- (6) Accept the taxpayer's signature on either the Form 1040, or Form 1040-NR or Form 1040-NR-EZ, regardless of which return is the controlling document.

### 3.21.3.85.4 (10-29-2025) Processing Form 1040 Dual-Status Returns

- (1) The taxpayer is permitted to use Form 1040-NR, Form 1040-NR-EZ, or a statement (showing income for the part of the year they were a nonresident) as a "Dual-Status Statement." If necessary, edit data from the "Dual-Status Statement" to perfect the Form 1040 return.

- (2) Edit "**D/S**" in the upper-center margin.

- (3) Edit RPC "**1**", RPC "**B**", and CCC "**Y**".

- (4) The **Filing Status Code** (FSC) can be "1", "3", "5", or "6".

**Caution:** Taxpayers can elect to file a Married Filing Jointly (FS 2) return and report worldwide income (income from all sources and includes foreign and U.S. income) under IRC 6013(g) or IRC 6013(h). However, if a taxpayer chooses this election, **DO NOT PROCESS AS DUAL-STATUS; process the return as a Form 1040**. To qualify under 6013(g) or 6013(h), one taxpayer must be a U.S. resident alien or U.S. citizen. These taxpayers are not allowed to claim tax treaty benefits unless they are residents of India (students/business apprentices).

- a. Use the following table to edit the correct Filing Status Code (FSC) on Form 1040:

FS Box Marked on 1040	And	Then
Single		Edit FSC "1".
Married filing jointly	Taxpayers are students/business apprentices from <b>India</b>	Take the following actions: 1. Edit FSC "6". 2. Ensure that there is only one name in the caption area.
Married filing jointly	Taxpayer elects to file a Married Filing Jointly return and report worldwide income( income from all sources and includes foreign and U.S. income) under IRC 6013(g) or IRC 6013(h)	<b>DO NOT PROCESS AS Dual-Status.</b> Follow instructions to process Form 1040 and "X" Form 1040-NR.
Married filing jointly	Only one of the taxpayers has income and criteria above are not met	Edit FSC "6", and circle out the name of the taxpayer that has no income. See <b>Figure 3.21.3-38.</b>
Married filing jointly	Both taxpayers have income and criteria above are not met	<b>Correspond</b> for separate returns. See <b>Figure 3.21.3-39.</b>
Married filing separately (MFS)	Spouse is not claimed as a dependent	Edit FSC "3".
Married filing separately (MFS)	Spouse is claimed as a dependent	Edit FSC "6".
Head of household (HOH)		Edit FSC "3". Do not allow claim for dependent spouse.
Qualifying surviving spouse (QSS)	No spousal date of death, or date of death was within the two years before the tax year of the return	Edit FSC "5".
Qualifying surviving spouse (QSS)	Spousal date of death was more than two years before the tax year of the return	Edit FSC "1".
If none of the above scenarios apply		Edit FSC "1".

**DRAFT**

**DUAL STATUS STATEMENT**

Form **1040-NR** Department of the Treasury—Internal Revenue Service **U.S. Nonresident Alien Income Tax Return** **2025** CMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 2025, ending . See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased ☐ Spouse ☐

☐ Other

Your first name and middle initial **Trudy Avocado** Last name **Avocado** Your identifying number (see instructions) **000-00-3991**

Home address (number and street). If you have a P.O. box, see instructions. **206 Lemon St.** Apt. no. **33602**

City, town, or post office. If you have a foreign address, also complete spaces below. **Tampa, FL** State **FL** ZIP code **33602**

Foreign country name Foreign province/state/county Foreign postal code

Filing Status ☐ Single ☒ Married filing separately (MFS) ☐ Qualifying surviving spouse (QSS) ☐ Estate ☐ Trust

Check only one box.

Digital Assets

**924** **DRAFT** **1040** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return** **2025** CMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 2025, ending . See separate instructions.

☐ Filed pursuant to section 301.9100-2 ☐ Combat zone ☐ Deceased ☐ Spouse ☐

☐ Other

Your first name and middle initial **Trudy Avocado** Last name **Avocado** Your social security number **000-00-3991**

If joint return, spouse's first name and middle initial **Benjamin Avocado** Last name **Avocado** Spouse's social security number **000-00-9193**

Home address (number and street). If you have a P.O. box, see instructions. **206 Lemon St.** Apt. no. **33602**

City, town, or post office. If you have a foreign address, also complete spaces below. **Tampa, FL** State **FL** ZIP code **33602**

Foreign country name Foreign province/state/county Foreign postal code

Filing Status ☐ Single ☐ Head of household (HOH) ☒ Married filing jointly (even if only one had income) ☐ Qualifying surviving spouse (QSS) ☒ Married filing separately (MFS). Enter spouse's SSN above and full name here: **Benjamin Avocado**

Check only one box.

**6** ☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their identifying number: **000-00-9193**

Note: If you are a resident of Canada or Mexico, check the box for Canada or Mexico and skip to item H.

Date entered United States **1 / 10 / 25** Date departed United States **5 / 15 / 25**

mm/dd/yy mm/dd/yy

Dependent 2 Dependent 3 Dependent 4

Dependent 1: **Trudy Avocado** (a) ☐ Yes ☐ No (b) ☐ And in the U.S. (c) ☐ Full-time student ☐ Permanently and totally disabled ☐ Child tax credit ☐ Credit for other dependents

Dependent 2: **Benjamin Avocado** (a) ☐ Yes ☐ No (b) ☐ And in the U.S. (c) ☐ Full-time student ☐ Permanently and totally disabled ☐ Child tax credit ☐ Credit for other dependents

Dependent 3: **Trudy Avocado** (a) ☐ Yes ☐ No (b) ☐ And in the U.S. (c) ☐ Full-time student ☐ Permanently and totally disabled ☐ Child tax credit ☐ Credit for other dependents

Dependent 4: **Benjamin Avocado** (a) ☐ Yes ☐ No (b) ☐ And in the U.S. (c) ☐ Full-time student ☐ Permanently and totally disabled ☐ Child tax credit ☐ Credit for other dependents

**Only one taxpayer has income**

**W-2 Wage and Tax Statement** **2025** Department of the Treasury—Internal Revenue Service

Copy B—To Be Filed With Employee's FEDERAL Tax Return. This information is being furnished to the Internal Revenue Service.

Employee's identification number (EIN) **00-8762196** 1 Wages, tips, other compensation **68000.00** 2 Federal income tax withheld **6700.00**

3 Social security wages **68000.00** 4 Social security tax withheld **6700.00**

5 Medicare wages and tips **68000.00** 6 Medicare tax withheld **6700.00**

7 Social security tips **68000.00** 8 Allocated tips **6700.00**

9 **68000.00** 10 Dependent care benefits **6700.00**

11 Nonqualified plans **68000.00** 12a See instructions for box 12 **6700.00**

13 Statutory employee ☐ Retirement plan ☐ Domestic partner ☐ 12b **68000.00**

14 Other **6700.00** 12c **68000.00**

15 State Employer's state ID number **68000.00** 16 State wages, tips, etc. **6700.00** 17 State income tax **68000.00** 18 Local wages, tips, etc. **6700.00** 19 Local income tax **68000.00** 20 Locality name **6700.00**

Employee's first name and initial Last name **Trudy Avocado** **Avocado**

Home address (number and street). If you have a P.O. box, see instructions. **206 Lemon St.** **33602**

City, town, or post office. If you have a foreign address, also complete spaces below. **Tampa, FL** State **FL** ZIP code **33602**

Foreign country name Foreign province/state/county Foreign postal code

1a **68000** 1b **68000** 1c **68000** 1d **68000** 1e **68000** 1f **68000** 1g **68000** 1h **68000** 1i **68000** 1j **68000** 1k **68000** 1l **68000** 1m **68000** 1n **68000** 1o **68000** 1p **68000** 1q **68000** 1r **68000** 1s **68000** 1t **68000** 1u **68000** 1v **68000** 1w **68000** 1x **68000** 1y **68000** 1z **68000** 2a **68000** 2b **68000** 2c **68000** 2d **68000** 2e **68000** 2f **68000** 2g **68000** 2h **68000** 2i **68000** 2j **68000** 2k **68000** 2l **68000** 2m **68000** 2n **68000** 2o **68000** 2p **68000** 2q **68000** 2r **68000** 2s **68000** 2t **68000** 2u **68000** 2v **68000** 2w **68000** 2x **68000** 2y **68000** 2z **68000** 3a **68000** 3b **68000** 3c **68000** 3d **68000** 3e **68000** 3f **68000** 3g **68000** 3h **68000** 3i **68000** 3j **68000** 3k **68000** 3l **68000** 3m **68000** 3n **68000** 3o **68000** 3p **68000** 3q **68000** 3r **68000** 3s **68000** 3t **68000** 3u **68000** 3v **68000** 3w **68000** 3x **68000** 3y **68000** 3z **68000** 4a **68000** 4b **68000** 4c **68000** 4d **68000** 4e **68000** 4f **68000** 4g **68000** 4h **68000** 4i **68000** 4j **68000** 4k **68000** 4l **68000** 4m **68000** 4n **68000** 4o **68000** 4p **68000** 4q **68000** 4r **68000** 4s **68000** 4t **68000** 4u **68000** 4v **68000** 4w **68000** 4x **68000** 4y **68000** 4z **68000** 5a **68000** 5b **68000** 5c **68000** 5d **68000** 5e **68000** 5f **68000** 5g **68000** 5h **68000** 5i **68000** 5j **68000** 5k **68000** 5l **68000** 5m **68000** 5n **68000** 5o **68000** 5p **68000** 5q **68000** 5r **68000** 5s **68000** 5t **68000** 5u **68000** 5v **68000** 5w **68000** 5x **68000** 5y **68000** 5z **68000** 6a **68000** 6b **68000** 6c **68000** 6d **68000** 6e **68000** 6f **68000** 6g **68000** 6h **68000** 6i **68000** 6j **68000** 6k **68000** 6l **68000** 6m **68000** 6n **68000** 6o **68000** 6p **68000** 6q **68000** 6r **68000** 6s **68000** 6t **68000** 6u **68000** 6v **68000** 6w **68000** 6x **68000** 6y **68000** 6z **68000** 7a **68000** 7b **68000** 7c **68000** 7d **68000** 7e **68000** 7f **68000** 7g **68000** 7h **68000** 7i **68000** 7j **68000** 7k **68000** 7l **68000** 7m **68000** 7n **68000** 7o **68000** 7p **68000** 7q **68000** 7r **68000** 7s **68000** 7t **68000** 7u **68000** 7v **68000** 7w **68000** 7x **68000** 7y **68000** 7z **68000** 8 **68000** 9 **68000** 10 **68000** 11a **68000**

1B Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form 1040 (2025)

Figure 3.21.3-38 Editing Form 1040 Dual-Status Return When Secondary Taxpayer Has No Income

**Figure 3.21.3-39 Corresponding for Separate Form 1040 Dual-Status Returns**

- (5) Code all dependents to the correct dependent position. For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- (6) Edit a **Received date**, if not present.

## 3.21 International Returns and Documents Analysis

- (7) If the **standard deduction** is claimed, leave an action trail indicating a dual-status taxpayer claiming standard deduction "D/S SD".

**Exception:** Taxpayers who are students or business apprentices from India are eligible to claim the standard deduction under Article 21(2) of the United States - India Treaty.

- (8) Include total tax withheld and the amounts from the attached "Dual-Status Statement" (Form 1040-NR, lines 25d - 25g, or Form 1040-NR-EZ, lines 18a - 18b) **on Form 1040, line 25d.**

- (9) **Combine all related T-Line** amounts.

**Reminder:** Add all T-Line amounts together from both forms and watch for amounts that are identical and may have already been transferred by the taxpayer.

**Exception:** If taxpayer's entries are identical on both Form 1040 and Form 1040-NR or Form 1040-NR-EZ, do not combine the figures from the two returns. See **Figure 3.21.3-40.**



**Figure 3.21.3-40 Editing Dual-Status Return When Entries are Identical on “D/S” Return and “D/S” Statement**

- (10) If treaty income is reported on Form 1040-NR or Form 1040-NR-EZ:
- a. Do not include valid treaty income exclusion on Form 1040.

## 3.21 International Returns and Documents Analysis

- b. If tax treaty is not valid, ensure that the income is reported on the appropriate line of Form 1040.
- (11) If the treaty exclusion is claimed on Form 1040 or Schedule 1, “**X**” the treaty exclusion.
- (12) Edit tax on not effectively connected income from line 23a, Form 1040-NR to Schedule 2, line 18 if not already included.
- (13) Edit or combine T-line amounts from Schedule A, Form 1040-NR to Schedule A, Form 1040. Transfer the amounts as follows:

From Schedule A, Form 1040-NR (Sequence 7A)	To Schedule A, Form 1040 (Sequence 07)
Line 1a	Line 5a
Line 1b	Line 7
Line 2	Line 11
Line 3	Line 12
Line 4	Line 13
Line 5	Line 14
Line 6	Line 15
Line 7	Line 16
Line 8	Line 17

- (14) Process the return using Form 1040 line-by-line instructions and the transcribed forms and schedules instructions.

**Exception:** Taxpayers may not claim the Recovery Rebate Credit (RRC) on Dual-Status returns. If an amount for RRC is present on a Dual-Status return, “**X**” it.

**Caution:** If multiple forms and schedules are attached, determine whether they are duplicates or multiples by comparing amounts with entries on Form 1040. If duplicates are attached, perfect the forms or schedules that support the Form 1040 and “**X**” all duplicates.

- (15) Dual-status taxpayers are allowed to claim the Foreign Earned Income Exclusion, Housing Deduction and Housing Exclusion on the Form 1040 portion of their income using a valid Form 2555 or Form 2555-EZ (TY18 and prior).
- (16) “**X**” Form 1040-NR or Form 1040-NR-EZ. Ensure that Form 1040 is the top document in the return package.



3.21.3.85.5  
(10-30-2024)

**Processing Form  
1040-NR and Converted  
Form 1040-NR-EZ  
Dual-Status Returns**

- (1) If Form 1040-NR-EZ is the “Controlling Document,” convert to Form 1040-NR before combining with the “Dual-Status Statement.”
- (2) The taxpayer is permitted to use Form 1040, Form 1040-A (TY17 and prior), Form 1040-EZ (TY17 and prior), or a statement (showing income for the part of the year they were a resident) as a “Dual-Status Statement.” If necessary, edit data from the “Dual-Status Statement” to perfect the Form 1040-NR.
- (3) Edit “**D/S**” in the top-center margin.
- (4) Edit RPC “**1**”.
- (5) Edit CCC “**E**”.
- (6) The **Filing Status Code** (FSC) can be “1”, “3”, or “6”.
- (7) To determine the correct Filing Status Code (FSC) to edit on the Form 1040-NR:
  - a. If a filing status box is marked on a Form 1040, take one of the following actions:

FS Box Marked on 1040	And	Then
Single		Edit FSC “1”.
Married filing jointly	Only one of the taxpayers has income	Edit FSC “6”, and circle out the name of the taxpayer that has no income.
Married filing jointly	Both taxpayers have income	Correspond for separate returns.
Married filing separately (MFS)	Spouse is claimed as a dependent	Edit FSC “6”.
Married filing separately (MFS)	Spouse is not claimed as a dependent	Edit FSC “3”.
Head of household (HOH)		Edit FSC “3”.

- b. If a filing status box is **not marked** on a Form 1040, take one of the following actions:

FS Box Marked on 1040-NR	And	Then
Single		Edit FSC “1”.
Married filing separately (MFS)		Edit FSC “3”.

FS Box Marked on 1040-NR	And	Then
Multiple boxes marked or no boxes marked	Spouse is not claimed as a dependent	Edit FSC “1”.
Multiple boxes marked or no boxes marked	Spouse is claimed as a dependent	Edit FSC “3”.

- (8) Edit Country Code. See **IRM 3.21.3.84.5.1**.
- (9) Code all dependents to the correct dependent positions. For complete instructions, see IRM 3.11.3, Individual Income Tax Returns. For additional dependent editing, see IRM 3.21.3.84.7.1.
- (10) Edit the received date, if not present.
- (11) Combine all related T-Line amounts from Form 1040 and Form 1040-NR or Form 1040-NR-EZ. See **Figure 3.21.3-41**.

**Reminder:** Add all T-Line amounts together from both forms, and watch for amounts that are identical and may have already been transferred by the taxpayer.

**Exception:** If taxpayer’s entries are identical on both Form 1040 and Form 1040-NR or Form 1040-NR-EZ, do not combine the figures from the two returns.

**Figure 3.21.3-41 Combining “D/S” Return and “D/S” Statement**

**3.21.3.85.5**

From Schedule A, Form 1040 (Sequence 07)	To Schedule A, Form 1040-NR (Sequence 7A)
Line 4	Line 7
Lines 5a, 5b, and 5c	Line 1a
Line 6	Line 7
Line 10	Line 7
Line 11	Line 2
Line 12	Line 3
Line 13	Line 4
Line 14	Line 5
Line 15	Line 6
Line 16	Line 7
Line 17	Line 8

- (13) If Schedule A (Form 1040-NR) is attached with no entries present or edited, edit “+” after Sequence Code 7A.
- (14) Process the return using Form 1040-NR line-by-line instructions and the transcribed forms and schedules instructions.

**Exception:** Do not “X” Schedule A (Form 1040-NR).

**Caution:** If multiple forms and schedules are attached, determine whether they are duplicates or multiples by comparing amounts with entries on Form 1040. If duplicates are attached, perfect the forms or schedules that support the Form 1040 and “X” all duplicates.

- (15) Income earned during the Form 1040-NR period may not be excluded with Form 2555 or Form 2555-EZ (TY18 and prior). “X” Form 2555 or Form 2555-EZ (TY18 and prior), and if the foreign earned income exclusion is claimed on Schedule 1, “X” Schedule 1, line 9.
- (16) If treaty income is reported on Form 1040-NR or Form 1040-NR-EZ:
- If the treaty is valid, see IRM 3.21.3.84.8.6.
  - If the treaty is invalid, ensure the income is reported on the appropriate line of Form 1040-NR.
- (17) “X” Form 1040. Ensure that Form 1040-NR or converted Form 1040-NR-EZ is the top document in the return package.
- (18) Form 1040-NR or Form 1040-NR-EZ Dual-Status returns will be rebatched following local procedures.

3.21.3.86  
(01-01-2015)  
**Prior Year Returns**

- (1) The instructions provided in this subsection of the manual are for editing prior year tax returns.

3.21.3.86.1  
(10-30-2024)  
**Prior Year Returns**  
**General Instructions**

- (1) Prior year returns are:
  - a. Calendar-year returns filed for tax periods ending on or before 2412, and
  - b. Fiscal-year returns filed for tax periods 2511 and earlier.
- (2) **All of the prior year editing procedures are based on the TAX YEAR of the return.** Unlike the tax period which is based on the end of the return's tax period, the tax year (TY) is determined by the **beginning** of the return's tax period.
  - a. For calendar-year returns, the tax period is the same as the tax year.  
**Example:** A return filed for January 1 through December 31, 2024, has a tax year of "**TY24**" and a tax period of "**2412**".
  - b. For a fiscal-year return, the tax year is always earlier than the tax period.  
**Example:** A return filed for June 1, 2022 through May 31, 2405, has a tax year of "**TY23**" and a tax period of "**2405**".
- (3) **Do not** edit RPC "V" or SPC "Y" on prior year returns.
- (4) Use the appropriate Correspondence action sheet to generate Letter 4087C, Letter 2894C, or Letter 2894SP when corresponding on prior year returns.

**Note:** When corresponding on prior year returns, refer to original line numbers in correspondence.

**Exception:** Use Form 9143 or Form 13557 when corresponding for missing signature(s) and other correspondence being sent back to the taxpayer.

3.21.3.86.2  
(10-30-2024)  
**Statutory Protection**  
**Cases**

- (1) The refund statute on Form 1040, Form 1040-A, Form 1040-EZ, Form 1040-PR, Form 1040-SS, Form 1040-NR, and Form 1040-NR-EZ returns expires three years after the return due date, or the date the return was filed (if after the due date), or two years after the date the tax was paid, whichever is later. The assessment statute generally expires three years after either the return received date or the due date, whichever is later.
- (2) For purposes of Code & Edit, consider a prior year return to be a potential statute protection case when both of the following apply:
  - a. The return due date was 33 months (two years and nine months) or more prior to the current date and
  - b. The return has not been cleared by the Statute Function
- (3) For TY22 **refund** returns, if the received date is April 16, 2026, or later and the postmark date is on or before April 15, 2026, edit the postmark date as the received date. Otherwise, leave the existing received date.
- (4) Route a return to the Statute Function if the received date on the return is 33 or more prior to the current date, even if a Statute Function stamp is already present.

**Note:** If the statute return has been returned with a new statute cleared stamp, process the return.

- (5) If (4) doesn't apply on a statute return, edit RPC "**K**" and continue processing the return in EITHER of these situations:

## 3.21 International Returns and Documents Analysis

- a. Return has been cleared by the Statute Function, or

**Note:** Look for notations the return has been cleared such as “Cleared for Assessment”, “Cleared by Statute”, “No Statute Issue”, Delinquent Return Cleared by Statute, or similar statement. A Statute received date stamp alone, without one of these notations, does not indicate the return was cleared by the Statute Function.

- b. Return is received from RIVO/ITVA, whether or not it has been cleared by the Statute Function.

- (6) When processing, if the return has been cleared by the Statute Function or the Letter 105C is attached, do not correspond for missing information.

### 3.21.3.86.3 (10-29-2025) Prior Year Returns Editing Procedures

- (1) **Follow the instructions in both IRM 3.21.3 and IRM 3.11.3, Individual Income Tax Returns. Follow the current-year procedures when no specific prior-year instructions are given.**
- (2) Underline the preprinted tax year when the taxpayer has used the correct form for the tax period being reported. Edit the tax period to the right of the preprinted year in “YMM” format when either of the following conditions apply:

- a. The taxpayer has used a form for a tax period other than the one being reported.
- b. The preprinted tax period is missing or illegible.

- (3) For all tax years, renumber or convert all T-lines to agree with current year forms and schedules.

- a. Renumbering - Mark out the line number(s) on the prior year form/schedule and edit the current year T-line number(s). See Prior Year Job Aid, 2431-010 and Prior Year section of Job Aid 2513-701.
- b. Converting - Convert to a current year form or use a conversion sheet (Form 13899 for Form 1040-NR, Form 6114 for Form 1040, and Form 6114-A for Schedules 1-3) if marking out the line numbers would make transcription more difficult.

**Note:** When using Form 13899, follow Form 6114 instructions in IRM 3.11.3, Individual Income Tax Returns.

**Note:** Use current year forms and schedules when renumbering is not practical.

- (4) Line references in these prior year instructions are to the current year line numbers, unless otherwise specified.
- (5) Take one of the following actions when a T-Line with no current year equivalent contains a significant entry:
  - a. “X” the amount when present on a current year T-line.
  - b. **Do not** renumber the line as a T-line when renumbering a prior year form/schedule.
  - c. **Do not** edit the amount to the Form 13899, Form 6114, Form 6114-A, or blank current year form/schedule when converting.
- (6) Compute and edit amounts following line-by-line instructions only for **TY16 and later**.

- (7) For **TY15 and prior**, **do not** correspond or manually compute T-Lines.

**Exception:** Correspond for signature regardless of tax year.

- (8) When editing from prior year Forms W-2 and Forms 1042-S, ensure correct amounts are transferred by referring to box titles in addition to box numbers.
- (9) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.86.4  
(01-01-2023)  
**Form 1040, Pages 1 and 2**

- (1) The instructions in this subsection are for prior year editing of Form 1040, pages 1 and 2.

3.21.3.86.4.1  
(10-30-2024)  
**Form 1040, Line 30 - Recovery Rebate Credit**

- (1) The Recovery Rebate Credit is valid for **TY21 and TY20 only**.
- (2) If a nonnumeric entry is present on line 30, **X** the line.

**Exception:** Taxpayers may **not** claim the Recovery Rebate Credit (RRC) on Dual-Status returns. If an amount for RRC is present on a Dual-Status return, "**X**" where found.

3.21.3.86.4.2  
(01-01-2024)  
**Form 1040, Line 31 - Other Payments and Refundable Credits (Schedule 3, Line 15) (not transcribed)**

- (1) **For TY22 only**, if there is an amount on line 31, and a notation of "IRA22DPE", "CHIPS22DPE", "IRA22TRE", or something similar is present here or elsewhere on the return, indicating a Deemed Payment Election (DPE) is being claimed, follow these instructions:
- If "IRA22DPE", "CHIPS22DPE", or something similar is notated, edit CCC "**3**" and RPC "**5**".
  - If "IRA22TRE" or something similar is notated, edit RPC "**5**".
  - Fully code the return, and then pull to be rebatched under the original program using "**DPE**" as the Batch ID.
- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.86.5  
(01-01-2021)  
**Form 1040, Schedule 1**

- (1) The instructions in this subsection are for prior year editing of Form 1040, Schedule 1.

3.21.3.86.5.1  
(01-01-2021)  
**Schedule 1, Line 9 - Other Income**

- (1) Most treaties have exemptions for specific categories of income for which resident aliens may claim treaty benefits. The exceptions generally are not available to resident aliens who are green card holders. **For Tax Year 2006 and prior, China, former Soviet Republics still governed by the Soviet Treaty, Pakistan, and Greece** are the only countries that permit green card holders to claim treaty exemptions on Form 1040. If the treaty claimed is:
- Valid - allow by editing the exempt income to Schedule 1, line 9 as a negative amount, and verify that the income is reported on the appropriate income line.
  - Invalid (any country other than those listed above for **TY06** and prior) - disallow by "**X**"-ing the exempt income where found, and ensure that the income is reported on the appropriate line.



- (2) Use Exhibit 3.21.3-12 to verify if the treaty is valid when the tax year is listed in Exhibit 3.21.3-12. If the tax year is not included in Exhibit 3.21.3-12, use Exhibit 3.21.3-10 to verify if the treaty is valid.

3.21.3.86.6  
(01-01-2024)  
**Form 1040, Schedule 2 -  
Additional Taxes**

- (1) The instructions in this subsection are for prior year editing of Form 1040, Schedule 2.

3.21.3.86.6.1  
(01-01-2024)  
**Schedule 2, Line 19 -  
Additional Tax from  
Schedule 8812 (TY21  
Only)**

- (1) For **TY21 only**, if an amount is present on line 19, Schedule 8812 must be attached. If missing, **correspond** for Schedule 8812.

3.21.3.86.7  
(01-01-2024)  
**Form 1040, Schedule 3**

- (1) The instructions in this subsection are for prior year editing of Form 1040, Schedule 3.

3.21.3.86.7.1  
(10-30-2024)  
**Schedule 3, Line 5a -  
Residential Energy  
Credits (Form 5695, Line  
15) (TY23 and Prior)**

- (1) For **TY22 and prior**, if an amount is claimed on line 5a, Form 5695 must be 5695.

#

**Note:** If an amount is claimed on line 5a and only Form 5695, page 2 is attached, delete the amount on line 5a.

3.21.3.86.7.2  
(01-01-2024)  
**Schedule 3, Line 6f -  
Qualified Plug-In Motor  
Vehicle Credit (TY22 and  
Prior)**

- (1) For **TY22 and prior**, if there is an amount on line 6f, Form 8936 must be attached. If missing, **correspond** for Form 8936.

3.21.3.86.7.3  
(01-01-2024)  
**Schedule 3, Line 13a -  
Deemed Payment  
Election (DPE)**

- (1) For **TY22 only**, see IRM 3.21.3.86.4.2.

3.21.3.86.7.4  
(10-29-2025)  
**Schedule 3, Line 13b  
(12b for TY20) (SFL) -  
Credit for Qualified Sick  
and Family Leave Wages  
(Schedule H)**

- (1) For **TY22**, when an amount is claimed on line 13b (TY22), Schedule H must be attached. If not attached, **correspond** for missing Schedule H.

**Note:** Correspondence is required even though TY22, line 13b is being deleted.

- (2) For **TY21 - TY20**, when an amount is claimed on line 13b (TY21) or line 12b (TY20) (SFL), Schedule H and Form 7202 must be attached. If not attached, correspond for missing form(s). If corresponding for Schedule H and Form 7202 for entry on line SFL and SL2, correspond for only one missing Schedule H and one Form 7202. Use the first entry amount and line number on the schedule.



3.21.3.86.7.5  
(01-01-2024)

**Schedule 3, Line 13g -  
Credit for Child and  
Dependent Care  
Expenses (Form 2441)  
(TY21 Only)**

- (1) For **TY21 only**, when an amount is present, Form 2441 with an entry on line 10 must be attached. If missing, **correspond** for Form 2441.

3.21.3.86.7.6  
(10-29-2025)

**Schedule 3, Line 13h  
(SL2) - Qualified Sick  
and Family Leave  
Credits (Schedule H and  
Form 7202**

- (1) For **TY21 - TY22**, when an amount is claimed on original line 13h, Schedule H and Form 7202 must be attached. If not attached, correspond for missing form(s). If corresponding for Schedule H and Form 7202 for entry on line SFL and SL2, correspond for only one missing Schedule H and one Form 7202. Use the first entry amount and line number of the schedule.

3.21.3.86.8  
(03-12-2021)

**Schedule C-EZ  
(Sequence 09, 10, 11) -  
Net Profit From  
Business**

- (1) Process following Schedule C instructions.  
(2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.86.9  
(01-01-2020)

**Form 1116 (Sequence  
19) - Foreign Tax Credit**

- (1) Taxpayers earning income in the following countries are not allowed to take credit for foreign taxes paid to that country with respect to income earned between the start and end dates according to the table below:

Country Name	Start Date	End Date
Afghanistan	January 1, 1987	August 4, 1994
Albania	January 1, 1987	March 15, 1991
Angola	January 1, 1987	June 18, 1993
Cambodia	January 1, 1987	August 4, 1994
Cuba	January 1, 1987	December 21, 2015
Iraq	February 1, 1991	June 27, 2004
Libya	January 1, 1987	December 9, 2004
South Africa	January 1, 1988	July 10, 1991
Vietnam	January 1, 1987	July 21, 1995
People's Democratic Republic of Yemen	January 1, 1987	May 22, 1990

3.21.3.86.10  
(10-29-2025)  
**Form 3800 (Sequence 22) - General Business Credit**

- (1) See IRM 3.11.3.31.2, Prior Year Form 3800 for complete instructions.

3.21.3.86.11  
(10-29-2025)  
**Form 2555 (Sequence 34) - Foreign Earned Income Exclusion**

- (1) U.S. citizens and resident aliens living abroad are taxed on their worldwide income (income from all sources and includes foreign and U.S. income) and may qualify to exclude some or all of their foreign earnings. In addition, they can exclude or deduct certain foreign housing amounts. The maximum foreign earned income exclusions for prior years are:

- a. \$126,500 for 2024
- b. \$120,000 for 2023
- c. \$112,000 for 2022
- d. \$108,700 for 2021
- e. \$107,600 for 2020
- f. \$105,900 for 2019
- g. \$103,900 for 2018
- h. \$102,100 for 2017
- i. \$101,300 for 2016
- j. \$100,800 for 2015

- (2) **Waiver of minimum time requirements** - the minimum time requirements for the bona fide residence test or the physical presence test can be waived if the taxpayer must leave a foreign country because of war, civil unrest, or similar adverse conditions in that country.

**Note:** Edit dates to cover a full calendar year using dates provided by the taxpayer, if available. Otherwise, use the tax year of the return to determine the applicable dates.

- (3) The following are the **only** countries for which a waiver may be claimed for **2024**:

Country	Date of Departure on or after
Ukraine	January 13, 2024
Iraq	January 18, 2024
Haiti	January 23, 2024
Bangladesh	August 5, 2024

- (4) The following are the **only** countries for which a waiver may be claimed for **2023**:

Country	Date of Departure on or after
Ukraine	January 18, 2023
Belarus	January 26, 2023
Sudan	April 20, 2023

Country	Date of Departure on or after
Haiti	July 27, 2023
Niger	August 2, 2023
Iraq	October 20, 2023

- (5) The following are the **only** countries for which a waiver may be claimed for **2022**:

Country	Date of Departure on or after
Ethiopia	January 3, 2022
Iraq	January 14, 2022
Ukraine	February 12, 2022
Belarus	February 28, 2022
China	April 11, 2022
Mali	July 29, 2022

- (6) The following are the **only** countries for which a waiver may be claimed for **2021**:

Country	Date of Departure on or after
Afghanistan	April 27, 2021
Burma	March 30, 2021
Chad	April 17, 2021
Ethiopia	November 5, 2021
Iraq	January 19, 2021

- (7) The following are the **only** countries for which a waiver may be claimed for **2020**:

Country	Date of Departure on or after
People's Republic of China, excluding the Special Administrative Regions of Hong Kong and Macau (or Macao) (China)	December 1, 2019 and on or before July 15, 2020
All foreign countries	February 1, 2020 and on or before July 15, 2020
Iraq	March 25, 2020

**Note:** If the dates are either missing **or** don't qualify for either the bona fide residence or physical presence test, **and** there is a notation of "Revenue

## 3.21 International Returns and Documents Analysis

Procedure 2020-27”, “adverse conditions”, or “could not meet 330-day requirement due to emergency” (e.g., medical condition or travel restrictions), then **allow** the foreign earned income exclusion, and edit the physical presence dates provided. If dates are missing, edit dates for the calendar year (2001 and 2012).

- (8) The following are the **only** countries for which a waiver may be claimed for **2019**:

Country	Date of Departure on or after
Democratic Republic of the Congo	January 13, 2019
Haiti	February 14, 2019
Iraq	May 14, 2019
Sudan	April 11, 2019
Venezuela	January 24, 2019
People’s Republic of China, excluding the Special Administrative Regions of Hong Kong and Macau (or Macao) (China)	December 1, 2019 and on or before July 15, 2020
All foreign countries	February 1, 2020 and on or before July 15, 2020

**Note:** If the dates are either missing **or** don’t qualify for either the bona fide residence or physical presence test, **and** there is a notation of “Revenue Procedure 2020-27”, “adverse conditions”, or “could not meet 330-day requirement due to emergency” (e.g., medical condition or travel restrictions), then **allow** the foreign earned income exclusion, and edit the physical presence dates provided. If dates are missing, edit dates for the calendar year (1901 and 1912).

- (9) The following are the **only** countries for which a waiver may be claimed for **2018**:

Country	Date of Departure on or after
Democratic Republic of the Congo	December 14, 2018
Cuba	January 4, 2018
Iraq	September 28, 2018
Nicaragua	July 6, 2018

- (10) The following are the **only** countries for which a waiver may be claimed for **2016**:

Country	Date of Departure on or after
South Sudan	July 10, 2016
Turkey	October 29, 2016

- (11) The following is the **only** country for which a waiver may be claimed for **2015**:

Country	Date of Departure on or after
Burundi	May 14, 2015

- (12) The following are the **only** countries for which a waiver may be claimed for **2014**:

Country	Date of Departure on or after
Libya	July 26, 2014
Yemen	September 24, 2014

- (13) Line 45 - The taxpayer may include an amount for a **prior year exclusion** by making a notation on the dotted portion of Form 2555, line 45. If this notated amount is included in the total on line 45, accept the taxpayer's figure. If this amount is the only Form 2555 exclusion claimed, accept the taxpayer's figures. **DO NOT correspond for dates. DO NOT edit POD or dates.**

3.21.3.86.12  
(10-30-2024)  
**Form 2555-EZ**

- (1) Generally, Form 2555-EZ is available for TY18 and prior. If a Form 2555-EZ is filed for TY19 or later, convert to Form 2555.
- (2) For TY 1991 and prior, Form 2555-EZ is **not** allowed. If a Form 2555-EZ is filed for TY1991 or earlier, also convert it to Form 2555.

3.21.3.86.12.1  
(11-12-2021)  
**General Editing for Form 2555-EZ**

- (1) U.S. citizens or resident aliens living abroad are taxed on their worldwide income( income from all sources and includes foreign and U.S. income) and may qualify to exclude their foreign earnings. In addition, they can exclude or deduct certain foreign housing amounts. The maximum foreign earned income exclusions for TY18 and prior years are:
- \$103,900 for 2018
  - \$102,100 for 2017
  - \$101,300 for 2016
  - \$100,800 for 2015
  - \$99,200 for 2014
  - \$97,600 for 2013
- (2) **Convert to Form 2555** if the taxpayer reports any of the following on Form 2555-EZ:
- Foreign earned income is over the maximum exclusion amount for the tax year shown in (1) above. See Figure 3.21.3-42.

**Note:** Convert to Form 2555 when combined foreign earned income from Form 2555-EZ for any one taxpayer is over the maximum exclusion amount for the tax year.

**Reminder:** The limitation is based on the amount of income, not the exclusion.

- Self-employment income (for example: Schedule C, Schedule E Part II or Schedule F).
- Form 2106, Employee Business Expenses
- Form 3903, Moving Expenses
- Housing exclusion or housing deduction (including for a prior year)
- Other than a calendar year, 12-month tax period

**CA**

Form **2555-EZ** **Foreign Earned Income Exclusion** OMB No. 1545-0074  
 Department of the Treasury  
 Internal Revenue Service (99)

▶ Attach to Form 1040. Complete the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040 if you enter an amount on line 18.  
 ▶ Go to [www.irs.gov/Form2555EZ](http://www.irs.gov/Form2555EZ) for instructions and the latest information.

2018  
 Attachment Sequence No. 34A

Name shown on Form 1040 **Eliza Duck** Your social security number **000-00-3579**

**You May Use This Form if You:**

- Are a U.S. citizen or a resident alien.
- Earned wages/salaries in a foreign country.
- Had total foreign earned income of \$103,900 or less. See line 17.
- Are filing a calendar year return that covers a 12-month period.

**And You:**

- Don't have self-employment income.
- Don't have business/moving expenses.
- Don't claim the foreign housing exclusion or deduction.

**Part I Tests To See if You Can Take the Foreign Earned Income Exclusion**

**1 Bona Fide Residence Test**

a Were you a bona fide resident of a foreign country or countries for a period that includes an entire tax year? See instructions. ☒ Yes ☐ No

- If you answered "Yes," you meet this test. Fill in line 1b and then go to line 3.
- If you answered "No," you **don't** meet this test. Go to line 2 to see if you meet the Physical Presence Test.

**10** Enter the date your bona fide residence began ▶ **1/15/2017** and ended (see instructions) ▶ **03/31/2019**

**2 Physical Presence Test**

a Were you physically present in any foreign country or countries for at least 181 days during 2018, or any other period of 12 months ending in 2018? ☐ Yes ☐ No

• If you answered "Yes," you meet the Bona Fide Residence Test above.

b The physical presence test is based on the 12-month period from ▶ through ▶

**3 Tax Home Test.** Was your tax home in a foreign country or countries throughout your period of bona fide residence or physical presence, whichever applies? ☐ Yes ☐ No

- If you answered "Yes," you can take the exclusion. Complete Part II below and then go to page 2.
- If you answered "No," you **can't** take the exclusion. **Don't** file this form.

**Part II General Information**

4 Your foreign address (including country)  
**6237 Glacier Ave**  
**Toronto, ON M5A 1W3**  
**Canada**

5 Your occupation

6 Employer's name 7 Employer's U.S. address (including ZIP code) 8 Employer's foreign address

16 Multiply line 13 by line 15

17 Enter, in U.S. dollars, the total foreign earned income you earned and received in 2018. See instructions. Be sure to include this amount on Form 1040, line 1 **19** **108,000**

**Caution:** If the amount on line 17 is more than \$103,900, **don't** file this form. You must file Form 2555 instead.

18 **Foreign earned income exclusion.** Enter the **smaller** of line 16 or line 17 here and in parentheses on Schedule 1 (Form 1040), line 21. Next to the amount, enter "2555-EZ." On Schedule 1 (Form 1040), subtract this amount from your additional income to arrive at the amount reported on Schedule 1 (Form 1040), line 22 **42/45** **108,000**

Form 2555-EZ (2018)

Figure 3.21.3-42 Converting Form 2555-EZ to Form 2555

3.21.3.86.12.2  
(01-01-2015)

Form 2555-EZ - Page 1

(1) POD Codes (top-center of Form 2555-EZ): see IRM 3.21.3.42.4 and Exhibit 3.21.3-7.

(2) Line 1b and line 2b - Bona Fide Residence Test and Physical Presence Test: see IRM 3.21.3.42.5.

(3) If page 1 is missing, **correspond**.

## 3.21 International Returns and Documents Analysis

3.21.3.86.12.3  
(04-24-2020)

### Form 2555-EZ - Page 2

- (1) If the taxpayer is claiming an exclusion from Form 2555-EZ, then page 2 must be completed. If missing or incomplete, **correspond**.

**Note:** If the taxpayer enters zero on line 18, do not correspond; continue processing.

**Note:** Ensure that the taxable amount is on Form 1040, line 1a, and the exclusion is on Schedule 1, line 9.

- (2) **Days in U.S. on Business:**

- a. Add the number of days listed in column (c) titled "Number of days in U.S. on business" (Part III, line 12c).

**Note:** Do not include days in the U.S. due to illness, personal reasons, or vacation in the total number of days in the U.S. on business.

- b. Edit the sum in the margin to the right of line 12d just above Part IV.

- (3) **Line 17** - Total Foreign Earned Income - Ensure income is included on Form 1040, line 1a.

- (4) **Line 18** - Foreign Earned Income Exclusion - If blank, edit the smaller of line 16 or line 17.

- a. Verify that the line 18 amount (or combined amounts if the primary and secondary both submitted a Form 2555) has been reported on Schedule 1, line 9. If Schedule 1, line 9 is blank, edit the line 18 amount to Schedule 1, line 9 as a negative entry (bracket the amount).

**Note:** Prior Year Exclusion is not valid on Form 2555-EZ. Convert to Form 2555 by editing line 45 on page 3 only. No other editing is required. Do not correspond for dates

3.21.3.86.13  
(10-29-2025)

### Form 5405 (Sequence 58, 59) - Repayment of the First-Time Homebuyer Credit (TY24 and prior)

- (1) The following lines on Form 5405 (edit Sequence Code **58** for the primary taxpayer and **59** for the secondary taxpayer, even if only one form is filed) are T-Lines and T-Compute Lines:

T-Lines	T-Compute Lines
TIN	There are no T-Compute Lines
Line 1	
Line 3 Checkboxes	
Lines 4 and 5	
Lines 7 and 8	

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.86.14  
(10-29-2025)

### Form 8910 - Alternative Motor Vehicle Credit

- (1) Form 8910 is historical and cannot be used for TY23 and later.

- (2) For **TY22 - TY25:**



- If line 1 of Form 8910 shows a claim for a bicycle, Moped, or motor-cycle, circle the entry on Form 8910.
- Edit Unallowable Code “79” when multiple instances of the same Vehicle Identification Number (VIN) appears on attached Form 8910 and/or Form 8936.

(3) For **TY10** and prior, “**X**” Form 8910.

3.21.3.86.15  
(10-29-2025)  
**Form 1040-PR and Form  
1040-SS - General  
Instructions (TY22 and  
Prior)**

- (1) The instructions in this subsection apply to **TY22 and prior** Form 1040-SS, and **TY22** and prior Form 1040-PR. Line references in these instructions are to the TY24 Form 1040-SS and TY22 Form 1040-PR line numbers, see IRM 3.21.3.81 for TY23 and later instructions.
- (2) For **TY22 and prior**, the Form 1040-SS is written in English, and the Form 1040-PR is written in Spanish. Besides the language, both are identical forms, and taxpayers who reside in the U.S. territories of American Samoa (AS), the Commonwealth of the Northern Mariana Islands (CNMI), Guam (GU), Puerto Rico (PR), and the U.S. Virgin Islands (USVI) can file either Form 1040-SS or Form 1040-PR. Throughout this subsection, references to Form 1040-SS or Form 1040-PR are understood to apply to both Form 1040-SS and Form 1040-PR.
- (3) Form 1040-SS or Form 1040-PR is filed by residents of U.S. territories and is used to:
  - Report net earnings from self-employment and pay self-employment taxes,
  - Pay any household employment taxes,
  - Claim excess Social Security tax withheld,
  - Pay any employee Social Security and Medicare tax on unreported tips or uncollected employee Social Security and Medicare tax on tips or group-term insurance,
  - For TY22, claim the additional child tax credit (only if qualified bona fide residents of Puerto Rico with at least 1 qualifying child),
  - For TY21, claim the refundable child tax credit (only if qualified bona fide residents of Puerto Rico with at least 1 qualifying child),
  - For TY20 and prior, claim the additional child tax credit (only if qualified bona fide residents of Puerto Rico with at least 3 qualifying children), and
  - For TY21 and prior, claim the health coverage tax credit (only if qualified bona fide residents of Puerto Rico).
- (4) When correspondence is required, use:
  - a. Form 13557 for Form 1040-PR and Form 1040-SS for missing signatures or other correspondence when the return is being sent back to the taxpayer.
  - b. Form 13975 for Form 1040-PR and Form 1040-SS for correspondence when the return is **not** being sent back to the taxpayer.
- (5) If a taxpayer, who lives or lived in Puerto Rico (PR), files Form 1040-PR or Form 1040-SS to report self-employment and also files Form 1040 to report worldwide income (income from all sources and include foreign and U.S. income), see IRM 3.21.3.80.3.

## 3.21 International Returns and Documents Analysis

- (6) If the taxpayer files Form 1040-PR or Form 1040-SS along with a U.S. Form W-2 showing U.S. income, **correspond** and request that they file Form 1040 to report their income. Return the Form 1040-PR or Form 1040-SS to the taxpayer using Form 13557, paragraph 14.
- (7) For the items listed below, refer to the general instructions:
  - Received Dates, see IRM 3.21.3.8
  - Tax Period, see IRM 3.21.3.11
  - Taxpayer Identification Information, see IRM 3.21.3.12.2
  - Caption Information, see IRM 3.21.3.12.1
  - Address, see IRM 3.21.3.12.3.2 through IRM 3.21.3.12.6
  - P-TIN/S-TIN, see IRM 3.21.3.12.2.1 and IRM 3.21.3.12.2.2
  - Name Line and Additional Information Line, see IRM 3.21.3.12.3 through IRM 3.21.3.12.3.3
- (8) Route all Form 1040-PR and Form 1040-SS to the work leader when there is an indication it is a copy/copia, amended/enmendada, corrected/corregida, sent/enviado, accepted/aceptado, or electronically filed/radicado electronicamente, unless “no TC 150” is annotated.
- (9) Route all Form 1040-PR and Form 1040-SS to the work leader for TC 150 research before corresponding, when only page 1 is present and the return was received with remittance.
- (10) **For TY01 and prior**, dummy a current year form. Take the following actions: See Figure 3.21.3-43
  - a. Edit the tax period, caption information, FSC “1” and the received date on the dummied return, Edit RPC “K” when applicable.
  - b. Edit SE tax amount from the original return to lines 3, 7 and 16 of the dummied return.
  - c. Edit Sequence Code “17” on the original return.
  - d. Renumber line 1 as line 1a on the original return.
  - e. Attach the original return behind the dummied return.

**924 DRAFT 1040-SS** Declaración de Impuestos Federal sobre el Trabajo por Cuenta Propia (Incluyendo el Crédito Tributario Adicional por Hijos para Residentes Bona Fide de Puerto Rico)

Department of the Treasury Internal Revenue Service Para el año correspondiente del 1 de enero al 31 de diciembre de 2025, o cualquier otro año tributario comenzando el de 2025 y terminando el de 20.

☐ Presentado conforme a la sección 301.9100-2 ☐ Fallido ☐ NMI / DDI / AAAA ☐ Cónyuge ☐ NMI / DDI / AAAA

Nombre e inicial de su segundo nombre **Magda** Apellido **Cupeyes** Su número de Seguro Social **000.00.9095**

Si es una declaración conjunta, nombre e inicial del cónyuge Apellido **Cupeyes** Número de Seguro Social del cónyuge

Dirección postal (número y calle). Si tiene apartado postal, vea las instrucciones. **2489 Avenida Unibon URB Vequitas** Nóm. de apt.

Ciudad, pueblo u oficina postal. Si es una dirección extranjera, también complete los espacios a continuación. **Rio Grande** **PR** Código postal (ZIP) **00745**

Nombre del país extranjero Código postal extranjero

En algún momento durante 2025, ¿(a) recibió (como recompensa, premio o pago por bienes o servicios) o (b) vendió, intercambió o de otra manera enajenó un activo digital (o un interés financiero en un activo digital)? (Vea las instrucciones) ☐ Sí ☐ No

**Parte I Impuesto y Créditos Totales** (vea las instrucciones)

**1** Estado civil.

☐ Soltero ☐ Cabeza de familia (HOH)

☐ Casado que presenta una declaración conjunta ☐ Cónyuge sobreviviente que reúne los requisitos (QSS)

☐ Casado que presenta una declaración por separado (MFS). Si marcó el recuadro HOH y no completará la línea 2, anote el nombre del hijo:

**Forma 1040-PR PLANILLA PARA LA DECLARACIÓN DE LA CONTRIBUCIÓN FEDERAL SOBRE EL TRABAJO POR CUENTA PROPIA— PUERTO RICO** CASE No. 1545-0090 **1999 17**

Forma 1040-PR PLANILLA PARA LA DECLARACIÓN DE LA CONTRIBUCIÓN FEDERAL SOBRE EL TRABAJO POR CUENTA PROPIA— PUERTO RICO

Para el año que comienza el primero de enero de 1999 y termina el 31 de diciembre de 1999, o cualquier otro año contributivo comenzando el de 1999 y terminando el de 1999.

Nombre e inicial **Magda** Apellido **Cupeyes** Su número de seguro social **000.00.9095**

Dirección actual (calle, número, número del apartamento o ruta rural) **2489 Avenida Unibon URB Vequitas** Nóm. de apt.

Ciudad, pueblo u oficina postal y zona postal "ZIP" **Rio Grande PR 00745**

**Parte I La contribución total**

**1a** Si su único ingreso sujeto a la contribución federal sobre el trabajo por cuenta propia consta de ingreso como empleado de una iglesia, no tiene ingresos **no constituye** ingreso derivado como empleado de una iglesia. Vea la página 5.

**1** Ganancia (o pérdida) neta procedente de un negocio agropecuario, la cantidad de la línea 36, Parte III, más la parte recibida por usted de una sociedad agropecuaria. **Nota:** No tiene esta línea si usted usa el método opcional para calcular la ganancia neta de un negocio agropecuario. Vea la página 7. **1a** **6200**

**2** Ganancia (o pérdida) neta procedente de un negocio agropecuario, la cantidad de la línea 36, Parte III, más la parte recibida por usted de una sociedad agropecuaria. **Nota:** No tiene esta línea si usted usa el método opcional para calcular la ganancia neta de un negocio agropecuario. Vea la página 7. **2** **6200**

**3** Com. **3** **6200**

**4a** Si la **4a** **6200**

**4b** Si usted eligió uno (o ambos) de los métodos opcionales, anote aquí el total de las líneas 2 y 4 de la Parte II **4b** **6200**

**5a** Combine las líneas 4a y 4b. Si es menor de \$400, no tiene ingresos. Si es mayor de \$400, anote el monto de su ingreso como empleado de una iglesia o de la contribución sobre el trabajo por cuenta propia. **5a** **5726**

**5b** Anote su ingreso como empleado de una iglesia o de la contribución sobre el trabajo por cuenta propia. **5b** **5726**

**6** Ganancias netas del trabajo por cuenta propia. **6** **5726**

**7** Cantidad máxima de salarios e ingresos del trabajo por cuenta propia sujetos a la contribución al seguro social en 1999. **7** **72,600.00**

**8a** Total de salarios y propinas sujetos a la contribución al seguro social. **8a** **72,600.00**

**8b** Propinas que usted no informó a su patrono y que están sujetas a la contribución al seguro social de la línea 8a de la Forma 4137. Vea la página 7. **8b** **710**

**9** Reste la línea 8b de la línea 8a. Si es cero o menor, anote 0. **9** **710**

**10** Multiplique por el 12.4% (.124) la cantidad que resulte menor entre la línea 6 o la línea 9. **10** **166**

**11** Multiplique por el 2.9% (.029) la cantidad de la línea 6. **11** **166**

**12** Contribución sobre el trabajo por cuenta propia. (Vea la página 7). Sumo las líneas 10 y 11. **12** **876**

**13** Contribuciones por empleos domésticos. Adjunte el Anexo H-PR (Forma 1040-PR). **13** **876**

**14** Contribuciones totales. Sumo las líneas 12 y 13. **14** **876**

**15** Pagos hechos mediante declaración de contribución estimada del año 1999. **15** **876**

**16** Si la línea 15 es mayor que la línea 14, anote aquí la cantidad **PAGADA EN EXCESO**. **16** **876**

**17** Cantidad de la línea 16 que desea que se le REINTEGRE. **17** **876**

**18** Cantidad de la línea 16 que desea que se le ACREDITE A LA CONTRIBUCIÓN ESTIMADA DE 2000. **18** **876**

**19** Si la línea 14 es mayor que la línea 15, anote aquí el MONTO NO PAGADO DE LA CONTRIBUCIÓN. Vea la página 4. **19** **876**

**20** Declara bajo las penalidades de perjurio que esta planilla, incluyendo los anexos y demás documentos que se acompañan, ha sido examinada por mí y que según mi mejor conocimiento y conciencia es cierta, correcta y completa. La declaración del agente o preparador (que no es el contribuyente) está basada en toda la información sobre la cual el agente o preparador tenía conocimiento.

**21** Su firma **Magda Cupeyes** Fecha **04/15/2026**

**22** Para uso del agente o preparador: Nombre del negocio (o del agente o preparador) **Magda Cupeyes** Nombre del negocio (o del agente o preparador) **Magda Cupeyes** Número de identificación personal (PIN) **000.00.9095**

**23** Vea en la página 8 el Aviso sobre la Ley de Confidencialidad de Información y la Ley de Reducción de Trámites. Cat. No. 17102P (Forma 1040-PR (1999))

**24** Vea las instrucciones. Conserve una copia para sus archivos.

**25** Firma del cónyuge. Si presentan conjuntamente, ambos cónyuges tienen que firmar. **25** **Magda Cupeyes**

**26** Fecha **04/15/2026**

**27** Si el IRS le envió un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **27** **000.00.9095**

**28** Si el IRS le envió a su cónyuge un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **28** **000.00.9095**

**29** Teléfono durante el día **29** **000.00.9095**

**30** Si el IRS le envió un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **30** **000.00.9095**

**31** Si el IRS le envió a su cónyuge un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **31** **000.00.9095**

**32** Teléfono durante el día **32** **000.00.9095**

**33** Si el IRS le envió un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **33** **000.00.9095**

**34** Si el IRS le envió a su cónyuge un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **34** **000.00.9095**

**35** Teléfono durante el día **35** **000.00.9095**

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**37** Si el IRS le envió a su cónyuge un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **37** **000.00.9095**

**38** Teléfono durante el día **38** **000.00.9095**

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**41** Teléfono durante el día **41** **000.00.9095**

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**44** Teléfono durante el día **44** **000.00.9095**

**45** Si el IRS le envió un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **45** **000.00.9095**

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**47** Teléfono durante el día **47** **000.00.9095**

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**50** Teléfono durante el día **50** **000.00.9095**

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**53** Teléfono durante el día **53** **000.00.9095**

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**56** Teléfono durante el día **56** **000.00.9095**

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**59** Teléfono durante el día **59** **000.00.9095**

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**62** Teléfono durante el día **62** **000.00.9095**

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**65** Teléfono durante el día **65** **000.00.9095**

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**68** Teléfono durante el día **68** **000.00.9095**

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**71** Teléfono durante el día **71** **000.00.9095**

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**76** Si el IRS le envió a su cónyuge un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **76** **000.00.9095**

**77** Teléfono durante el día **77** **000.00.9095**

**78** Si el IRS le envió un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **78** **000.00.9095**

**79** Si el IRS le envió a su cónyuge un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **79** **000.00.9095**

**80** Teléfono durante el día **80** **000.00.9095**

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**83** Teléfono durante el día **83** **000.00.9095**

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**86** Teléfono durante el día **86** **000.00.9095**

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**89** Teléfono durante el día **89** **000.00.9095**

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**92** Teléfono durante el día **92** **000.00.9095**

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**95** Teléfono durante el día **95** **000.00.9095**

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**98** Teléfono durante el día **98** **000.00.9095**

**99** Si el IRS le envió un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **99** **000.00.9095**

**100** Si el IRS le envió a su cónyuge un "Identity Protection PIN", anótelo aquí. (Vea las inst.) **100** **000.00.9095**

Figure 3.21.3-43 Dummying Current Form 1040-SS (sp), Page 1 From a Prior Year

3.21.3.86.15.1

(1) "X" any amount claimed for a government retiree credit.

(02-06-2014)

Government Retiree  
Credit

Cat. No. 34010Y (10-29-2025)

Internal Revenue Manual

3.21.3.86.15.1

Any line marked with a #  
is for Official Use Only

34010043

3.21.3.86.15.2

(1) The taxpayer uses this section to report Total Tax and Credits.

(01-01-2024)

**Editing Part I, Lines 1 - 16 (Total Tax and Credits)**

3.21.3.86.15.2.1

(1) The **Filing Status Code (FSC)** must always be edited. Edit the FSC in the left margin beside the filing status (FS) area.

(01-01-2024)

**Line 1 - Filing Status Code (FSC)**(2) **For TY22 and TY21**, use the following table to edit the correct FSC when one filing status box is marked:

FS Box Marked	And	Then
Single		Edit FSC “1”.
Married filing jointly	Two signatures are present	Edit FSC “2”.
Married filing jointly	One signature is present	Correspond for the spouse’s missing signature.
Married filing separately (MFS)	Spouse’s name is not included in the caption area	Edit FSC “3”.
Married filing separately (MFS)	Spouse’s name is included in the caption area, but only one signature is present	Edit FSC “3”, and circle the spouse’s name.
Married filing separately (MFS)	Spouse’s name is not included in the caption area, but two signatures are present	Edit FSC “3”.
Married filing separately (MFS)	Spouse’s name is included in the caption area, and two signatures are present	Edit FSC “2”.
Head of household	At least one qualifying child is present	Edit FSC “4”.
Head of household	No qualifying children are present	Edit FSC “1”.
Qualifying surviving spouse	No spousal date of death, or date of death was within the two years before the tax year of the return	Edit FSC “5”.
Qualifying surviving spouse	<b>Both</b> of the following conditions are present: <ul style="list-style-type: none"> <li>Spousal date of death was more than two years before the tax year of the return, <b>AND</b></li> <li>No qualifying children are present</li> </ul>	Edit FSC “1”.

FS Box Marked	And	Then
Qualifying surviving spouse	<b>Both</b> of the following conditions are present: <ul style="list-style-type: none"> <li>Spousal date of death was more than two years before the tax year of the return, <b>AND</b></li> <li>At least one qualifying child is present</li> </ul>	Edit FSC “4”.
Qualifying surviving spouse	Spousal date of death was either within the tax year of the return or after the tax year of the return	Edit FSC “2”.

- (3) **For TY22 and TY21**, use the following table to edit the correct FSC when no filing status box is marked:

If	Then
Two names are in the caption and two signatures are present	Edit FSC “2”.
<b>Both</b> of the following conditions are present: <ul style="list-style-type: none"> <li>One name is in the caption and one signature is present, <b>AND</b></li> <li>An S-TIN or spouse’s name is entered on the line under the filing status boxes, or an S-TIN is present in the caption area</li> </ul>	Edit FSC “3”.
If any other condition exists	Edit FSC “1”.

- (4) **For TY22 and TY21**, when more than one filing status box is marked (**unless** both filing status **Single** and filing status **Head of household** are marked), edit the FSC for the marked filing status box that has the largest corresponding FSC number.
- (5) **For TY22 and TY21**, if both filing status **Single** and filing status **Head of household** are marked, use the following table to edit the correct FSC:

If	Then
At least one qualifying child is present	Edit FSC “4”.
No qualifying children are present	Edit FSC “1”.

- (6) **For TY20 and prior**, use the following table to edit the correct FSC when one filing status box is marked:

FS Box Marked	And	Then
Single		Edit FSC “1”.
Married filing jointly	Two signatures are present	Edit FSC “2”.
Married filing jointly	One signature is present	Correspond for the spouse’s missing signature.
Married filing separately	Spouse’s name is not included in the caption area	Edit FSC “3”.
Married filing separately	Spouse’s name is included in the caption area, but only one signature is present	Edit FSC “3”, and circle the spouse’s name.
Married filing separately	Spouse’s name is not included in the caption area, but two signatures are present	Edit FSC “3”.
Married filing separately	Spouse’s name is included in the caption area, and two signatures are present	Edit FSC “2”.

- (7) **For TY20 and prior**, use the following table to edit the correct FSC when no filing status box is marked or more than one filing status box is marked:

If	Then
Two names are in the caption and two signatures are present	Edit FSC “2”.
<b>Both</b> of the following conditions are present: <ul style="list-style-type: none"> <li>One name is in the caption and one signature is present, <b>AND</b></li> <li>An S-TIN or spouse’s name is entered on the “Married filing separately” line, or an S-TIN is present in the caption area</li> </ul>	Edit FSC “3”.
Any other condition exists	Edit FSC “1”.

3.21.3.86.15.2.2  
(10-29-2025)

**Line 2 - Qualifying  
Children Information**

- (1) For Form 1040-PR and Form 1040-SS, up to four qualifying children name controls and Social Security Numbers can be transcribed.
- (2) A qualifying child may include a son, daughter, stepchild, adopted child, grandchild, niece, nephew, foster child, brother, sister, stepbrother, stepsister, half-brother, or half-sister. For additional information on qualifying children, see IRM 3.11.3.13, Dependents. “X” all claimed dependents that are not qualifying children.

**Note:** Treat a relationship of “g child” as a godchild, and “X” the dependent. Also, “X” a dependent with a blank relationship.

- (3) **For TY22 and TY21**, if the taxpayer has not claimed **at least one qualifying child** or the taxpayer’s **address is not in Puerto Rico**, take the following actions:
- “X” all dependents,
  - “X” the amount on line 9 (Additional Child Tax Credit/Refundable Child Tax Credit), and
  - “X” Part II even if blank.
- (4) **For TY20 and prior**, if the taxpayer has not claimed **at least 3 qualifying children** or the taxpayer’s **address is not in Puerto Rico**, take the following actions:
- “X” all dependents,
  - “X” the amount on line 9 (Additional Child Tax Credit), and
  - “X” Part II even if blank.

3.21.3.86.15.2.2.1  
(01-01-2024)

**Child’s Social Security Number**

- (1) Every qualifying child must have a Social Security Number. Search attachments for any qualifying child’s Social Security Number not listed on line 2(b).
- (2) If the missing **Social Security Number is found** and:

If four Social Security Numbers are	Then
Already listed	“X” the name of the dependent(s) without a listed Social Security Number
<b>Not</b> already listed	Edit up to four Social Security Numbers to line 2(b).

- (3) If the missing **Social Security Number is not found** on the return or attachments, take the following actions:

If the taxpayer	And	Then
Notes “Died” (child born and died during the tax period)	Birth or death certificate or copies of hospital medical record(s) are not attached	<b>Correspond</b> for the missing birth certificate.
Provides no Social Security Number	Fewer than four Social Security Numbers are present for other dependents	“X” the name(s) of the qualifying child(ren) on line 2(a)
Provides no Social Security Number	At least four Social Security Numbers are present for other dependents	Take no action



- (4) **When corresponding for other missing return items, correspond**, for missing Social Security Numbers of all qualifying children.

**Exception:** Do not correspond when a dependent Social Security Number is missing, and there is an indication that the dependent was born and died during the tax year.

3.21.3.86.15.2.2.2  
(01-01-2024)

**Qualifying Child's Name Control**

- (1) The name control(s) must be present for the first four qualifying children with Social Security Numbers listed on line 2. If missing, edit the name control(s) to the qualifying child's name area. Determine the missing name control(s) in the following priority:

- a. From supporting attachments
- b. From the primary taxpayer's name control

3.21.3.86.15.2.2.3  
(01-01-2024)

**Line 2c - Child Tax Credit Indicator**

- (1) Edit a checkmark to the right of line 2(c) in the margin for every qualifying child with a name control and complete Social Security Number.

**Caution:** Do not edit a checkmark if the qualifying child was "X"-ed (disallowed).

3.21.3.86.15.2.3  
(10-29-2025)

**Line 3 - Self-Employment Tax**

- (1) If an amount is present, Part V, Schedule SE, or Schedule SE, Section B (TY19 and prior) must be completed.
- (2) If an amount is present and Part V, Schedule SE, or Schedule SE, Section B (TY19 and prior) is missing or blank, dummy Part V or Schedule SE from Part III, Part IV, Schedule C, Schedule F, or Schedule SE, Section A (TY19 and prior), if possible.
- (3) If an amount is present and Part V, Schedule SE, or Schedule SE, Section B (TY19 and prior) is missing or blank and cannot be dummied, **correspond** for Part V.

**Exception:** If the taxpayer used this line to report unreported tips from Form 4137 or Form 8919, **do not correspond**. Delete the amount from line 3, and edit the amount to be included in line 6.

- (4) If line 3 is blank and Part V or Schedule SE has entries, edit the amount from Part V, line 12 or Schedule SE, line 12 to Part I, line 3.

**Caution:** The taxpayers may include separate Parts V or Schedules SE for the primary and secondary taxpayers. If the return includes two Parts V or two Schedules SE, combine the line 12 amounts and edit the total to Part I, line 3.

3.21.3.86.15.2.4  
(10-30-2024)

**Line 4 - Household Employment Taxes (Schedule H or Schedule H-PR/Schedule H (sp))**

- (1) If an amount is present on line 4 and Schedule H, Schedule H-PR, or Schedule H (sp) is not attached, **correspond** for Schedule H.



3.21.3.86.15.2.5  
(01-01-2024)

**Line 5 (5a for TY21) -  
Additional Medicare Tax  
(Form 8959)**

- (1) If an amount is present on line 5 (5a for TY21), Form 8959 must be attached. If missing, **correspond** for Form 8959.

3.21.3.86.15.2.6  
(01-01-2024)

**Line 5b - Repayment of  
Advance Child Tax  
Credit (TY21 Only)**

- (1) **For TY21 only**, if an amount is present on line 5b, Schedule 8812 must be attached. If missing, **correspond** for Schedule 8812.

3.21.3.86.15.2.7  
(10-30-2024)

**Line 6 - Total Tax**

- (1) Edit line 6 in dollars and cents when adjusting or computing and editing an amount.
- (2) Compute and edit line 6 when it is blank, dash, zero, or illegible and there are entries leading to a total.

**Reminder:** Edit lines 6 through 16 in dollars and cents when adjusting or computing and editing amounts.

- (3) If the taxpayer notates, "Tax on Tips," on the line 6 dotted portion, Form 4137 must be attached to support the entry. If missing, **correspond** for Form 4137.
- (4) If the taxpayer notates Uncollected Tax, on line 6 dotted portion, Form 8919 must be attached to support the entry. If missing, correspond Form 8919.

3.21.3.86.15.2.8  
(01-01-2024)

**Line 7 - Estimated Tax  
Payments**

- (1) **"X"** any amount that can be determined to be other than ES tax payments.

3.21.3.86.15.2.9  
(01-01-2024)

**Line 8 - Excess Social  
Security Tax Withheld**

- (2) **Correspond** when an amount for excess SST is present on line 8 and no Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI, or Form 499R-2/W-2PR is attached.

Form W-2GU, Form W-2VI, or Form 499R-2/W-2PR is attached, and any single Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI, or Form 499R-2/W-2PR shows Social Security withholding greater than the maximum Social Security tax withholding limit for the tax year filed (see IRM 3.11.3, Individual Income Tax Returns for prior year maximum SST withholding limits), **"X"** line 8. Otherwise, take the following steps to verify the line 8 entry using dollars and cents during the computation:

- a. Compute the taxpayer's Social Security tax withheld. If the result is less than the filed year's maximum SST withholding limit, **"X"** line 8.

**Caution:** If married filing jointly, **DO NOT ADD** Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI, or Form 499R-2/W-2PR for **primary and secondary taxpayers together**.

## 3.21 International Returns and Documents Analysis

- b. Subtract the filed year's maximum SST withholding limit from the Social Security tax withheld. The result is the excess Social Security tax withheld for that taxpayer.
- c. For FS 2, the excess SST amount for each taxpayer is computed separately, and the combined total is compared to the entry on line 8.
- d. If the computed amount differs from the line 8 amount by more than \$5.00, "X" line 8, and edit the computed amount in dollars and cents.

3.21.3.86.15.2.10  
(01-01-2024)

### Line 9 - Additional/ Refundable Child Tax Credit

- (1) "X" the line 9 amount if present and the address on the return is not in Puerto Rico.
- (2) **For TY22 and TY21**, "X" the line 9 amount if present and the taxpayer has not claimed at least 1 qualifying child on Part I, line 2.
- (3) **For TY20 and prior**, "X" the line 9 amount if present and the taxpayer has not claimed at least 3 qualifying children on Part I, line 2.
- (4) If line 9 is blank, Part II, line 3 has an amount, and the taxpayer qualifies for the Additional Child Tax Credit or the Refundable Child Tax Credit, edit the Part II, line 3 amount to Part I, line 9.

**Note:** Do not edit Part I, line 9 if Part II has been "X"-ed.

3.21.3.86.15.2.11  
(10-29-2025)

### Line 11a - Credit for Qualified Sick and Family Leave Wages From Schedule(s) H for Leave Taken Before April 1, 2021

- (1) **For TY22 - TY21**, if line 11a has an amount, then Schedule H must be attached. If missing, **correspond** for Schedule H.

3.21.3.86.15.2.12  
(10-29-2025)

### Line 11b - Credit for Qualified Sick and Family Leave Wages from Schedule(s) H for Leave Taken After March 31, 2021, and Before October 1, 2021

- (1) **For TY22 - TY21**, if line 11b has an amount, then Schedule H must be attached. If missing, **correspond** for Schedule H.

3.21.3.86.15.2.13  
(01-01-2024)

### Line 12 - Total Payments and Credits

- (1) Edit line 12 in dollars and cents when adjusting, or computing and editing amounts.
- (2) Compute and edit line 12, by adding lines 7 through 11b, when it's blank, dash, or zero, and there are entries leading to a total.
- (3) **Correspond** for an explanation when there is an amount on line 12 and lines 7 through 11b are blank.

**Exception:** Do not correspond if "Form 4868" or an explanation is noted on the dotted portion of line 12.

**Note:** Do not correspond if Form 8959 is attached to support withholding.

- (4) **For TY20 only**, taxpayers may claim Schedule H, line 8e as a write-in on the dotted portion of line 12. If the taxpayer includes an amount with the notation "SLFLC" to the left of line 12, Schedule H must be attached. If missing, **correspond** for Schedule H.

3.21.3.86.15.2.14  
(01-01-2024)  
**Line 14a - Refund**

- (1) Compute and edit line 14a, by subtracting line 6 from line 12, when lines 13, 14a, 15, and 16 are **all** blank, line 12 is greater than line 6, and any of the following conditions are present:
- a. Line 6 has an entry,
  - b. The taxpayer has computed or indicated no tax due on line 6, or
  - c. It can be determined that line 6 would be zero if computed.

3.21.3.86.15.2.15  
(01-01-2024)  
**Lines 14b, 14c and 14d - Direct Deposit Information**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.
- Note:** When Form 1040 refers to lines 35b, 35c, and 35d, they are lines 14b, 14c, and 14d on Form 1040-PR and Form 1040-SS.

3.21.3.86.15.2.16  
(01-01-2024)  
**Line 15 - ES Credit Elect**

- (1) If lines 13, 14a, and 15 are the same and:
- a. ES Payments (line 7) **are** claimed, "**X**" the line 14a entry.
  - b. ES Payments (line 7) are **not** claimed, "**X**" the line 15 entry.
- Note:** Take no action when the overpayment (line 13) is divided between lines 14a and 15.

3.21.3.86.15.2.17  
(01-01-2024)  
**Line 16 - Amount You Owe**

- (1) Compute and edit line 16, by subtracting line 12 from line 6, when lines 13, 14a, 15, and 16 are **all** blank, dash, or zero and line 6 is greater than line 12.

3.21.3.86.15.2.18  
(01-01-2024)  
**Signature**

- (1) For complete instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.86.15.2.19  
(10-30-2024)  
**Identity Protection Personal Identification Numbers (IP PIN)**

- (1) Identity Protection Personal Identification Number (IP PIN) is located in the "Sign Here" area of the return.
- (2) If it is not 6 numeric digits, circle the IP PIN.

3.21.3.86.15.2.20  
(01-01-2024)  
**Paid Preparer Data**

- (1) Edit the E-File Waiver Indicator to the right of the IP PIN boxes.
- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

## 3.21 International Returns and Documents Analysis

3.21.3.86.15.3  
(01-01-2024)  
**Editing Part II - Bona Fide Residents of Puerto Rico Claiming Additional/Refundable Child Tax Credit**

- (1) **For TY22 and TY21**, “X” Part II if entries are present, and the address on the return is not in Puerto Rico or the taxpayer did not claim at least 1 qualifying child on Part I, line 2.

**Note:** “X” Part II even if there is not an amount on Part I, line 9.

- (2) **For TY20 and prior**, “X” Part II if entries are present, and the address on the return is not in Puerto Rico or the taxpayer did not claim at least 3 qualifying children on Part I, line 2.

**Note:** “X” Part II even if there is not an amount on Part I, line 9.

3.21.3.86.15.3.1  
(01-01-2024)  
**Line 1 - Modified Adjusted Gross Income/Income Derived From Sources Within Puerto Rico**

- (1) If line 1 has an amount, **renumber** line 1 to line 3, and line through the preexisting line number 3.

**Exception:** Do not renumber if Part II has been “X”-ed.

3.21.3.86.15.3.2  
(01-01-2024)  
**Line 2 - Withheld Social Security, Medicare, and Additional Medicare Taxes**

- (1) **Reserved for TY21.** The following instructions do not apply to TY21.

- (2) If line 2 has an amount, **renumber** line 2 to line 13f.

**Exception:** Do not renumber if Part II has been “X”-ed.

- (3) **For TY22, and TY20 and prior**, if an amount is present and the taxpayer is claiming the Additional Child Tax Credit (ACTC) on Part I, line 9, supporting documentation (Forms 499R-2/W-2PR or leave and earnings statements) must be present. If missing, **correspond** for documentation.

- (4) **For TY22, and TY20 and prior**, if line 2 is blank, ACTC is claimed on Part I, line 9, and Forms 499R-2/W-2PR or leave and earnings statement are present, edit line 2 using the Forms 499R-2/W-2PR or leave and earnings statements by adding all withheld Social Security, Medicare, and Additional Medicare taxes.

- (5) **For TY22, and TY20 and prior**, if an amount was already present, verify the amount claimed by adding all withheld Social Security, Medicare, and Additional Medicare taxes from Forms 499R-2/W-2PR or leave and earnings statements:

- If the amount is correct, take no action.
- If the amount is not correct, “X” line 2 amount and edit the correct amount.

**Note:** Allow for rounding by the taxpayer (\$2.00 tolerance per Form 499R-2/W-2PR).

**Caution:** Do not use dollars and cents during the computation.

3.21.3.86.15.4  
(01-01-2024)  
**Editing Part III - Profit or Loss From Farming**

- (1) No editing is required here.

3.21.3.86.15.5  
(01-01-2024)

**Editing Part IV - Profit or  
Loss From Business  
(Sole Proprietorship)**

- (1) If Part IV has an amount on line 1, 16, 23, or 24, do the following:
- If line 1 has an amount to the right of “gross receipts” that is different from an amount to the right of “balance,” edit a “1” to the left of the amount for “gross receipts,” and line through the line number 1 to the right of “balance.”
  - If line 16 has an amount, **renumber** line 16 to line 18, and line through the preexisting line numbers 18a and 18b.
  - If line 23 has an amount, **renumber** line 23 to line 25, and line through the preexisting line number 25b.
  - If line 24 has an amount, **renumber** line 24 to line 26, and line through the preexisting line number 26.
  - Edit Sequence Code “09” in the upper-right margin of the first Page 3 with T-line entries in Part IV, edit Sequence Code “10” in the upper-right margin of the second Page 3 with T-line entries in Part IV, and edit Sequence Code “11” in the upper-right margin of the third Page 3 with T-line entries in Part IV. If there are more than three Parts IV with T-line entries, combine T-line amounts following instructions in IRM 3.11.3, Individual Income Tax Returns.

3.21.3.86.15.6  
(10-30-2024)

**Editing Part V -  
Self-Employment Tax**

- (1) Only two Parts V or Schedules SE can be processed; one Part V or Schedule SE for each of:
- The **primary** taxpayer
  - The **secondary** taxpayer
- (2) For TY 19 and prior, when the taxpayer uses Schedule SE - Short version, Section **A** instead of Part V of Form 1040-PR or Form 1040-SS, convert to Schedule SE. Edit lines 2 and 3 from the Short Schedule SE to lines 2 and 3 of a current Schedule SE.
- Note:** Schedule SE - Long version is an acceptable substitute for Part V.
- (3) If the TIN is present but no dollar amounts are present, “**X**” Part V or Schedule SE.
- (4) If only one processable Part V or Schedule SE is present, edit Sequence Code “17”, if not preprinted.
- (5) If two processable Parts V or Schedules SE are present, one for the primary taxpayer and one for the secondary taxpayer, edit the Sequence Code as follows:
- a. Edit “17”, if not preprinted for the primary taxpayer.
  - b. Edit “18”, for the secondary taxpayer.
- (6) Combine multiple Parts V or Schedules SE when there is more than one Part V or Schedule SE for any one taxpayer.
- (7) Take one of the following actions when one Part V or Schedule SE was submitted for two taxpayers:
- a. Allocate each taxpayer’s Part V or Schedule SE amounts to two separate dummy Parts V or Schedules SE. “**X**” the Part V or Schedule SE with the combined taxpayer liability.
  - b. **Correspond** for the correct allocation when it cannot be determined.

## 3.21 International Returns and Documents Analysis

3.21.3.86.15.6.1  
(10-29-2025)

### Social Security Number

- (1) A TIN must be present if there are significant T-line entries in Part V or Schedule SE. If the TIN is missing, illegible, or incomplete, take the following actions:

- a. Edit the TIN from the caption on Form 1040-PR or Form 1040-SS.
- b. If the TIN is not present in the caption, search Form(s) W-2 and other attachments for the missing TIN.

**Note:** Also, edit the missing TIN to the caption.

- (2) If the TIN and name are both missing, edit the primary TIN.

**Note:** If corresponding for missing signature on a joint return, also request the Social Security Number.

- (3) If there are **multiple TINs and one name** on Part V or Schedule SE, circle out the TIN that does not match the name. Use the caption area to determine which TIN should be circled out.
- (4) Correspond for a missing TIN if it cannot be perfected or obtained through research with the exception of rejected ITIN/Form W-7.

3.21.3.86.15.6.2  
(01-01-2024)

### Line 1a - Net Farm Profit or (Loss)

- (1) If blank, edit the amount from Part III, line 36 or Schedule F, line 34.

3.21.3.86.15.6.3  
(01-01-2024)

### Line 1b - Conservation Reserve Program Payments

- (1) If blank, edit the amount from Part III, line 6 or Schedule F, line 4b.

3.21.3.86.15.6.4  
(01-01-2024)

### Line 2 - Net Nonfarm Profit or (Loss)

- (1) If blank, edit the amount from Part IV, line 27 or Schedule C, line 31.

3.21.3.86.15.6.5  
(01-01-2024)

### Line 3 - Total Net Profit or (Loss)

- (1) Compute and edit line 3 when it is blank, dash, or zero and there are entries leading to a total.
- (2) “X” Page 4 or Schedule SE when the amount on line 3 is a negative amount or it is less than \$434.

**Exception:** Do not “X” Page 4 or Schedule SE when line 5a has an entry of \$109 or more.

- (3) If lines 1a, 1b, 2, and 3 are all blank and you are unable to determine line 3 from attachments, but line 4a has an entry, divide the amount on line 4a by .9235 and edit the result on line 3.
- (4) If lines 1a, 1b, 2, 3, and 4a are all blank, but line 4b has an entry, edit line 4b to line 3.

3.21.3.86.15.6.6  
(01-01-2024)

**Right Margin of Line 4c -  
SE Quarters Covered**

- (1) When the return is for a short year or for a change of accounting period, edit the number of quarters covered in the margin to the right of line 4c, using the following guidelines:
- The quarters begin in January, April, July, and October.
  - A fraction counts as a full quarter.
  - Code SE quarters as follows - Code 1 for one quarter, - Code 2 for two quarters, - Code 3 for three quarters - **DO NOT code for four quarters.**

3.21.3.86.15.6.7  
(01-01-2024)

**Line 5a - Church  
Employee  
Self-Employment Wages**

- (1) If line 5a has an entry of \$109 or more, process regardless of the line 3 amount.
- (2) If line 5a is blank and line 5b has an entry, divide the amount on line 5b by .9235, and edit the result on line 5a.

3.21.3.86.15.6.8  
(01-01-2024)

**Line 8d - Total Social  
Security Wages and Tips**

- (1) If the amount on line 8d is equal to or greater than the maximum Social Security wage limit for the tax year filed (see IRM 3.11.3, Individual Income Tax Returns for prior year maximum Social Security wage limits) and lines 8b and 8c are blank, add applicable taxpayer's Form 499R-2/W-2PR, Form W-2VI, Form W-2GU, Form W-2CM, or Form W-2AS wages and tips subject to Social Security tax withholding, and take one of the following actions:
- a. If wages and tips per Form 499R-2/W-2PR, Form W-2VI, Form W-2GU, Form W-2CM, or Form W-2AS are less than the maximum Social Security wage limit for the tax year filed, edit the total income on line 8d.
  - b. If there is no Form 499R-2/W-2PR, Form W-2VI, Form W-2GU, Form W-2CM, or Form W-2AS income, lines 8a through 8c are blank, and line 8d is equal to or greater than the maximum Social Security wage limit for the tax year filed, "**X**" line 8d.

**Note:** For prior year line 8d maximum thresholds, see IRM 3.11.3, Individual Income Tax Returns.

- (2) If the amount is equal to or greater than the maximum Social Security wage limit for the tax year filed and line 8b or 8c contains a significant entry, take no action.
- (3) Compute and edit line 8d when it is blank, dash, or zero and one of the following conditions is present:
- a. There are entries leading to an amount.
  - b. The taxpayer has Form 499R-2/W-2PR, Form W-2VI, Form W-2GU, Form W-2CM, or Form W-2AS wages and/or tips subject to Social Security tax withholding.

**Note:** Only edit the amounts from the "Social security wages" box and/or the "Social security tips" box if there is also an amount in the box for "Social Security tax withheld".

3.21.3.86.15.6.9  
(10-29-2025)

**Bottom-Center Margin -  
SE Method Code**

- (1) Edit the SE Method Code to the bottom-center margin of Form 1040-PR or Form 1040-SS, Page 4 (or Schedule SE, Page 1).



## 3.21 International Returns and Documents Analysis

**Exception: Do Not** edit the SE Method Code when it can be determined that the entries on Part VI, line 2 (or Schedule SE, line 15) and/or Part VI, line 4 (or Schedule SE, line 17) are misplaced.

(2) Edit SE Method Code “1” when **both** of the following conditions are present:

- Part VI, line 2 (or Schedule SE, line 15) is blank or zero, and
- Part V, line 4b (or Schedule SE, line 4b) and Part VI, line 4 (or Schedule SE, line 17) have significant amounts that are equal.

**Exception: Do Not** edit the SE Method Code when it can be determined that the entries on Part VI, line 2 (or Schedule SE, line 15) and/or Part VI, line 4 (or Schedule SE, line 17) are misplaced.

(3) Edit SE Method Code “2” when **both** of the following conditions are present:

- There is a significant entry on either Part VI, line 2 (or Schedule SE, line 15) or Part VI, line 4 (or Schedule SE, line 17), and
- SE Method Code “1” has not been assigned.

**Exception: Do Not** edit the SE Method Code when it can be determined that the entries on Part VI, line 2 (or Schedule SE, line 15) and/or Part VI, line 4 (or Schedule SE, line 17) are misplaced.

3.21.3.86.15.7  
(01-01-2024)

### Forms and Schedules that are Allowed to be Attached to Form 1040-PR or Form 1040-SS

(1) The following forms and schedules are the only transcribed forms and schedules that can be attached to Form 1040-PR or Form 1040-SS:

- Form 8867
- Form 8888
- Form 8919
- Form 8959
- Form 9000 (TY21 and later)
- Schedule C
- Schedule H
- Schedule H-PR
- Schedule LEP (TY19 and later)
- Schedule SE

**Note:** For TY19 and prior, only Section B of Schedule SE is transcribed. If Section A (short Schedule SE) is completed, convert to Schedule SE.

(2) If any other forms or schedules are attached, they **must** be “X”-ed or moved behind the last transcribable form.

3.21.3.86.16  
(01-01-2023)

### Form 1040-NR - General Instructions

(1) Follow the current-year procedures when no specific prior-year instructions are given here.

(2) **For TY20**, Form 1040-NR was restructured to align with Form 1040, and uses the Form 1040, Schedules 1, 2, and 3.

(3) Form 1040-NR, pages 3 through 5, have been updated to separate schedules beginning in TY20.

**Note:** Prior to TY20, these schedules did not have sequence numbers.



- a. Treat Schedule A (Sequence 7A), Schedule NEC (Sequence 7B), and Schedule OI (Sequence 7C) as pages 1, 2, and 3 of Sequence 07 when ordering the return.

3.21.3.86.16.1  
(01-01-2018)  
**Form 1040-NR -  
Perfecting Form  
1040-NR Country Code**

- (1) For **TY08 and prior**, edit the appropriate 2 alpha character Country Code to the right of the taxpayer's response to the question "Of what country were you a citizen or national during the tax year?" according to Exhibit 3.21.3-7. Examine Form 1040-NR to determine the country in which the taxpayer was a permanent resident by reviewing:
  - a. The taxpayer's response in the box headed "Give address in the country where you are a permanent resident".
  - b. If the taxpayer indicates "Same" or if the taxpayer does not respond to this question, determine the Country Code by using the address information in the caption.
  - c. If the taxpayer uses a U.S. address in the caption area of the Form 1040-NR and does not respond to the question "Give address in the country where you are a permanent resident.", assign the Country Code for the country indicated in response to the question "Of what country were you a citizen or national during the tax year?"
  - d. If unable to determine the correct Country Code from the information on Page 1 of the return (Form 1040-NR), review the information included in the rest of the return, including attachments, to assign the Country Code.

3.21.3.86.16.2  
(10-30-2024)  
**Form 1040-NR - Manual  
Refund Procedure**

- (1) For **TY08 and Prior**:
  - a. On a refund return when the nonresident has an address in the box notated, "give the address outside the U.S. to which you want any refund check mailed," which differs from the caption address and at least one is foreign, edit CCC "**Y**" and an action trail of "**Manual Refund**".
  - b. If a foreign address is present in the caption of Form 1040-NR or Form 1040-NR-EZ, and a name is present or has been edited as a second AIL, underline both. Then take the following actions for **REFUND** returns:
    - For Decedent Returns - **Do Not Edit** CCC "L" or CCC "W".
    - Edit CCC "**Y**" and an action trail of "**Manual Refund**".

**Exception:** Do not edit CCC "Y" if CCC "3" has been edited. If taxpayer has elected to use Direct Deposit or has been issued an IRSN, do not issue a manual refund. An IRSN can be identified when the middle two digits are not 50-65, 70-88, 90-92, 94-99 and the number starts with a 9.

3.21.3.86.16.3  
(10-30-2024)  
**Form 1040-NR - Filing  
Status Code (FSC)**

- (1) For **TY19 and TY18** Form 1040-NR, edit the Filing Status Code (FSC) using the table below:

FS Box Marked	And	Then
2		Edit FSC " <b>1</b> ".
5		Edit FSC " <b>3</b> ".

FS Box Marked	And	Then
6	<p>Any of the following conditions are present:</p> <ul style="list-style-type: none"> <li>• Spousal date of death was more than 2 years before the tax year of the return,</li> <li>• Spousal date of death was within the tax year of the return.</li> <li>• Spousal date of death was after the tax year of the return, <b>OR</b></li> <li>• Based on edited Country Code, taxpayer is <b>not</b> a resident of Canada, Mexico, or South Korea, or is <b>not</b> a student or business apprentice from India.</li> </ul>	Edit FSC "1".

FS Box Marked	And	Then
6	Both of the following conditions are present: <ul style="list-style-type: none"> <li>No spousal date of death, or date of death was within the two years before the tax year of the return <b>AND</b></li> <li>Based on edited Country Code, taxpayer is a resident of Canada, Mexico, or South Korea, or is a student or business apprentice from India.</li> </ul>	Edit FSC "5".
Multiple boxes marked or no boxes marked	Spouse is not claimed as a dependent	Edit FSC "1".
Multiple boxes marked or no boxes marked	Spouse is claimed as a dependent	Edit FSC "3".

- (2) **For TY17 and prior**, before editing the FSC, determine if the country the taxpayer resides in is one of the countries that is allowed to exempt a spouse. See table below for the countries allowed to claim a spouse.

**Note:** The taxpayer will indicate that they are claiming their spouse by checking the box on line 7b, entering the spouse's name on line 7c, or including them in, "boxes checked on 7a and 7b."

Country of Residence	Spouse
Canada	Yes
Mexico	Yes

Country of Residence	Spouse
<b>India</b> (Students and business apprentices only) <b>Note:</b> Review the occupation area, attachments, Schedule OI, or Form 1040-NR-EZ, page 2 to make the determination.	Yes
<b>South Korea</b>	Yes
<b>U.S. National (residing in any other country)</b> <b>Note:</b> Taxpayer may mark FS Box 1 or 3.	Yes
<b>All Other Countries</b>	No

(3) **For TY17 and prior**, edit the Filing Status Code (FSC) using the table below:

FS Box Marked	And	Then
1 or 2		Edit FSC “1”.
3 or 4	Spousal exemption is not claimed or not allowed	Edit FSC “3”.
3 or 4	Spousal exemption is claimed and allowed	Edit FSC “6”.
5	Spousal exemption is not claimed	Edit FSC “3”.
5	Spousal exemption is claimed and the taxpayer is a resident of India and a student or business apprentice	Edit FSC “6”.
5	Spousal exemption is claimed but not allowed	Edit FSC “3”.

FS Box Marked	And	Then
6	Spousal date of death was more than two years before the tax year of the return was within the tax year of the return, or was after the tax year of the return	Edit FSC "1".
6	No spousal date of death, or date of death was within the two years before the tax year of the return	Edit FSC "5".
Multiple boxes marked or no boxes marked	Spouse is not claimed as an exemption or dependent	Edit FSC "1".
Multiple boxes marked or no boxes marked	Spouse is claimed as an exemption or dependent	Edit FSC "3".

3.21.3.86.16.4  
(10-29-2025)  
**Form 1040-NR -  
Dependents**

- (1) Dependents are restricted by country of residence. See IRM 3.21.3.84.7.1 for instructions showing which countries and what relations are eligible to be claimed.
- (2) **For TY24 and prior**, edit an "X" to the left of the name of any dependent that does not qualify based on the country of residence.
- (3) **For TY24 and prior**, if the spouse's name is present in the Dependents area, edit an "X" to the left of the name.
- (4) **For TY05 and prior**, residents of Japan are allowed to claim exemptions for spouse, children, and other dependents.

3.21.3.86.16.4.1  
(01-01-2023)  
**Form 1040-NR -  
Dependent Coding**

- (1) **For TY17 and prior**, dependent position 2 will be edited as, "Child who did not live with you."

**Note:** Always delete all entries on exemption position lines to the right of the line 7 area before editing the dependent positions.

**For TY17 and prior**, if an eligible dependent is claimed in dependent position 2 (children on 7c who did not live with you due to divorce or separation), and Form 8332 with entries, Form 2120 with entries, or a copy of a divorce decree is attached, edit FPC "A".

## 3.21 International Returns and Documents Analysis

3.21.3.86.16.5  
(01-01-2024)

### Form 1040-NR, Line 1a - Wages, Salaries, Tips (TY21 and Prior)

- (1) **For TY21 and prior**, edit SPC “E” when “HSH” is notated on or near line 1a.

3.21.3.86.16.6  
(10-29-2025)

### Form 1040-NR, Line 1b for TY21 and TY20 (Line 12 for TY19 and Prior) - Scholarship and Fellowship Grants

- (1) **For TY21 and prior**, the following documents can be used to support a Form 1040-NR, line 1b (line 12 for TY19 and prior) entry:
- Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior), issued by a college or an educational institution
  - A statement from a college or an educational institution (on their letter-head) that states the amount of a grant, the grantor’s name, the dates it covers, and the expenses the grant covers
  - Form 1098-T
- (2) If it can be determined that a scholarship or fellowship grant entered on line 1b (line 12 for TY19 and prior) is **exempt under a tax treaty** (check Schedule OI, item L), take the following actions:
- a. Edit/renumber the treaty-exempt amount to line 1k, and
  - b. “X” the treaty exemption if shown anywhere else on the return.
- (3) Scholarship and fellowship income shown on a Form W-2 should be reported on Form 1040-NR, line 1a. If it is determined any Form W-2 income is included in the line 1b (line 12 for TY19 and prior) entry:
- a. Move the Form W-2 gross income to line 1a, and
  - b. **Do not** adjust or compute Form 1040-NR, line 9 or 11.
- (4) If an amount remains on line 1b (line 12 for TY19 and prior) after following the preceding instructions, edit that amount to Schedule 1, line 8r.

**Note:** If an amount is present on line 10c (line 31 for TY19 and prior), see IRM 3.21.3.86.16.8 before editing Schedule 1, line 8r.

3.21.3.86.16.7  
(01-01-2023)

### Form 1040-NR - Income Exemption(s) Claimed Due to Tax Treaties

- (1) Use Exhibit 3.21.3-12 to verify if the treaty is valid when the tax year is listed in Exhibit 3.21.3-12. If the tax year is not included in Exhibit 3.21.3-12, use Exhibit 3.21.3-10 to verify if the treaty is valid.

3.21.3.86.16.8  
(10-29-2025)

### Form 1040-NR, Line 10c for TY21 and TY20 (Line 31 for TY19 and Prior) - Scholarship and Fellowship Grants Excluded

- (1) **For TY21 and prior**, if the taxpayer claims a treaty exemption on line 10c (line 31 for TY19 and prior) (including a scholarship/fellowship treaty exemption), “X” the entry on line 10c (line 31 for TY19 and prior), and follow one of these sets of actions:
- a. If the **treaty exemption** claimed is determined to be **valid** and the taxpayer has entered the income and/or exemption on any of lines 1a through 8 or Schedule 1, Part I, “X” the income and/or exemption, **and** edit/renumber the valid treaty-exempt amount to line 1k.
- Note:** **Do not** adjust or compute line 9 or 11a.
- b. If the **treaty exemption** is determined to be **invalid**, edit the exempted amount (if not already entered by the taxpayer) on line 1a if income is

from Form W-2; on Schedule 1, line 8r if income is from Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior), Form 1098-T, or a college statement; or on another appropriate line of Form 1040-NR, page 1 or Schedule 1, page 1; **AND "X"** the claimed treaty exemption if entered by the taxpayer elsewhere on Form 1040-NR.

**Note:** Do not adjust or compute line 9 or 11.

- (2) If an amount remains on line 10c (line 31 for TY19 and prior) after following the preceding instructions, at least one of the following must be attached. If missing, **correspond**.
- Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior), issued by a college or an educational institution
  - A statement from a college or an educational institution (on their letter-head) that states the amount of a grant, the grantor's name, the dates it covers, and the expenses the grant covers
  - Form 1098-T
- (3) If an amount remains on line 10c (line 31 for TY19 and prior) after following the preceding instructions and at least one of the items in IRM 3.21.3.86.16.8 (2) is attached, follow the instructions in the table below:

If	And	Then
<p>The amount on line 10c (line 31 for TY19 and prior) exceeds the sum of all the following:</p> <ul style="list-style-type: none"> <li>• All Form 1098-T payments received for qualified tuition and related expenses, box 1 amounts, and</li> <li>• All tuition and required, course-related expenses (fees, books, supplies, equipment) from educational institution statements and from receipts, invoices and the like</li> </ul> <p><b>Note:</b> While you can use statements from educational institutions that provide only institution-determined total expenses without a breakdown, do <b>not</b> use taxpayer-prepared or taxpayer-provided statements showing only total expenses or other statements showing only taxpayer-determined total expenses, with no breakdown or itemization.</p>	<p>The sum of expenses calculated is less than or equal to the line 1b (line 12 for TY19 and prior) amount</p>	<p>Subtract the sum of expenses calculated from the line 1b (line 12 for TY19 and prior) amount and edit the total to Schedule 1, line 8r.</p>



If	And	Then
<p>The amount on line 10c (line 31 for TY19 and prior) exceeds the sum of all the following:</p> <ul style="list-style-type: none"> <li>• All Form 1098-T payments received for qualified tuition and related expenses, box 1 amounts, and</li> <li>• All tuition and required, course-related expenses (fees, books, supplies, equipment) from educational institution statements and from receipts, invoices and the like.</li> </ul> <p><b>Note:</b> While you can use statements from educational institutions that provide only institution-determined total expenses without a breakdown, do <b>not</b> use taxpayer-prepared or taxpayer-provided statements showing only total expenses or other statements showing only taxpayer-determined total expenses, with no breakdown or itemization.</p>	<p>The sum of expenses calculated is greater than the line 1b (line 12 for TY19 and prior) amount</p>	<p>Do not edit Schedule 1, line 8r.</p>

If	And	Then
<p>The amount on line 10c (line 31 for TY19 and prior) is less than or equal to the sum of all the following:</p> <ul style="list-style-type: none"> <li>a. All Form 1098-T payments received for qualified tuition and related expenses, box 1 amounts, and</li> <li>b. All tuition and required course-related expenses (fees, books, supplies, equipment) from educational institution statements and from receipts, invoices and the like.</li> </ul> <p><b>Note:</b> While you can use statements from educational institutions that provide only institution-determined total expenses without a breakdown, do <b>not</b> use taxpayer-prepared or taxpayer-provided statements showing only total expenses or other statements showing only taxpayer-determined total expenses, with no breakdown or itemization,</p>	Line 10c is less than line 1b	Subtract the line 10c amount from the line 1b amount and edit the total to Schedule 1, line 8r.

If	And	Then
Line 1b is blank (Line 12 for TY19 and prior)	Any of the following is attached: <ul style="list-style-type: none"> <li>Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior), issued by a college or an educational institution</li> <li>Form 1098-T</li> <li>A statement from a college or an educational institution (on their letter-head) that states the amount of a grant, the grantor's name, the dates it covers, and the expenses the grant covers</li> </ul>	Edit the total gross amount of scholarship or fellowship grants from all Form 1042-S with Income Code 16 (Income Code 15 for TY14 and prior) box 2 amounts, Form 1098-T box 5 amounts, and grant statements from educational institutions to Schedule 1, line 8r. <b>Exception:</b> If the scholarship or fellowship grant is included on line 1a, adjust line 1a and move amount to Schedule 1, line 8r. If line 1a is adjusted to zero and withholding has been claimed on line 25g, edit RPC "G".

3.21.3.86.16.9  
(01-01-2020)  
**Form 1040-NR -  
Domestic Production  
Activities Deduction  
(Form 8903)**

- (1) "X" any amount claimed.

3.21.3.86.16.10  
(10-30-2024)  
**Form 1040-NR -  
Itemized/Standard  
Deductions**

- (1) **For TY16**, do not correspond for Schedule A if the taxpayer is a student/ business apprentice of India and the amount on line 12 equals the Form 4684 amount plus the standard deduction. Dummy Schedule A and edit the amount on lines 7 and 8.
- (2) See Job Aid 2513-701 in the prior year section for standard deductions for residents of India (student or business apprentices).

3.21.3.86.16.11  
(01-01-2023)  
**Form 1040-NR, Line 12b  
- Charitable  
Contributions for Certain  
Residents of India (TY21  
and TY20)**

- (1) **For TY21 and TY20**, if there is an entry on this line, "X" line 12b if the taxpayer does not indicate that they were a resident of India on Schedule OI, line B.

## 3.21 International Returns and Documents Analysis

3.21.3.86.16.12  
(10-29-2025)

**Form 1040-NR, Line 31 - Other Payments and Refundable Credits (Schedule 3, Line 15)**

- (1) **For TY22 only**, if there is an amount on line 31, and a notation of "IRA22DPE", "CHIPS22DPE", "IRA22TRE", or something similar is present here or elsewhere on the return, indicating a Deemed Payment Election (DPE) is being claimed, follow these instructions:
  - a. If "IRA22DPE", "CHIPS22DPE", or something similar is notated, edit CCC **"3"** and RPC **"5"**.
  - b. If "IRA22TRE" or something similar is notated, edit RPC **"5"**.
  - c. Fully code the return, and then pull to be rebatched under the original program using **"DPE"** as the Batch ID.

3.21.3.86.16.13  
(10-30-2024)

**Form 1040-NR, Schedule 3, Line 5a - Residential Energy Credits (Form 5695 Line 15) (TY22 and Prior)**

- (1) For **TY22 and prior**, if an amount is claimed on line 5a, Form 5695 must be 5695.

#

**Note:** If an amount is claimed on line 5a and only Form 5695, page 2 is attached, delete the amount on line 5a.

- (2) For TY23, line 5a was line 5.

3.21.3.86.16.14  
(01-01-2024)

**Form 1040-NR, Schedule 3, Line 6f - Qualified Plug-In Motor Vehicle Credit (TY22 and Prior)**

- (1) For **TY22 and prior**, if there is an amount on line 6f, Form 8936 must be attached. If missing, **correspond** for Form 8936.

3.21.3.86.16.15  
(10-30-2024)

**Form 1040-NR, Schedule 3, Line 13a - Deemed Payment Election (DPE) (TY22 Only)**

- (1) **For TY22 only**, if there is an amount on line 31, and a notation of "IRA22DPE", "CHIPS22DPE", "IRA22TRE", or something similar is present here or elsewhere on the return, indicating a Deemed Payment Election (DPE) is being claimed, follow these instructions:
  - a. If "IRA22DPE", "CHIPS22DPE", or something similar is notated, edit CCC **"3"** and RPC **"5"**.
  - b. If "IRA22TRE" or something similar is notated, edit RPC **"5"**.
  - c. Fully code the return, and then pull to be rebatched under the original program using **"DPE"** as the Batch ID.

- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.86.16.16  
(01-01-2024)

**Form 1040-NR, Schedule 3, Line 13b (12b for TY20) (SFL) - Credit for Qualified Sick and Family Leave Wages (TY20, TY21, and TY22)**

- (1) For **TY22**, when an amount is claimed on line 13b (SFL), Schedule H must be attached. If missing, **correspond** for Schedule H.
- (2) For **TY21 and TY20**, when an amount is claimed on line 13b (TY21) (SFL) or line 12b (TY20), Schedule H and Form 7202 must be attached. If either or both are missing, **correspond** for Schedule H and/or Form 7202.
- (3) For **TY22 and TY21**, when an amount is claimed on line 13b, **renumber** line 13b as **"SFL"**.
- (4) For **TY20**, when an amount is claimed on line 12b, **renumber** line 12b as **"SFL"**.

3.21.3.86.16.17  
(01-01-2024)

**Form 1040-NR, Schedule 3, Line 13g - Credit for Child and Dependent Care Expenses (Form 2441) (TY21 Only)**

- (1) For **TY21 only**, when an amount is present, Form 2441 with an entry on line 10 must be attached. If missing, **correspond** for Form 2441.

3.21.3.86.16.18  
(01-01-2024)

**Form 1040-NR, Schedule 3, Line 13h (SL2) - Credit for Qualified Sick and Family Leave Wages (TY21 and TY22)**

- (1) For **TY22**, when an amount is claimed on line 13h, Schedule H must be attached. If missing, **correspond** for Schedule H.
- (2) For **TY21**, when an amount is claimed on line 13h, Schedule H and Form 7202 must be attached. If either or both are missing, **correspond** for Schedule H and/or Form 7202.
- (3) For **TY22 and TY21**, when an amount is claimed on line 13h, **renumber** line 13h as **"SL2"**.

3.21.3.86.16.19  
(03-04-2022)

**Form 1040-NR, Schedule A - Other Itemized Deductions**

- (1) **"X"** line 7 when the amount on Form 1040-NR, line 11a is over:

Tax Year	FSC 1	FSC 3 or 6	FSC 5
2017	\$261,500	\$156,900	\$313,800
2016	\$259,400	\$155,650	\$311,300
2015	\$258,250	\$154,950	\$309,000
2014	\$254,200	\$152,525	\$305,050
2013	\$250,000	\$150,000	\$300,000

- (2) For **TY12 and prior**, do not **"X"** the amount for Other Miscellaneous Deductions.

3.21.3.86.16.20  
(03-12-2021)

**Form 1040-NR, Schedule C-EZ (Sequence 09, 10, 11) - Net Profit From Business**

- (1) Process following Schedule C instructions.
- (2) For additional instructions, see IRM 3.11.3, Individual Income Tax Returns.

3.21.3.86.16.21  
(03-04-2022)

**Form 1040-NR - Self-Employment Tax**

- (1) **For TY09 and prior**, if the taxpayer indicates that they are paying Self-Employment (SE) tax on Form 1040-NR, **"X"** SE tax or half of SE tax where found.

**Caution:** If there is an amount on line 8 and the taxpayer does not indicate that it is SE income, take no action.

3.21.3.86.16.22  
(10-29-2025)

**Form 1040-NR - Gambling Winnings**

- (1) Gambling winnings are non-effectively connected income and **are not** reducible by gambling losses.

**Exception:** Residents of Canada may claim losses but only to the extent of winnings.

## 3.21 International Returns and Documents Analysis

**Exception:** Professional gambling income is effectively connected and is reported on Schedule 1, page 1 with supporting Schedule C for TY19 and later, or on Form 1040-NR, page 1 with supporting Schedule C prior to TY19.

- (2) Gambling income won in the U.S. by residents of the following foreign countries is not taxable by the U.S.:

Country	Country
Austria	Lithuania
Belgium	Luxembourg
Bulgaria	Netherlands
Chile (see Note below)	Russian Federation/Russia (see Note below)
Czech Republic	Slovak Republic/Slovakia
Denmark	Slovenia
Finland	South Africa
France	Spain
Germany	Sweden
Hungary (see Note below)	Tunisia
Iceland	Turkey
Ireland	Ukraine
Italy	United Kingdom (includes notations of Great Britain, England, Northern Ireland, Scotland, and Wales)
Japan	
Latvia	

**Note:** The U.S. - Chile income tax treaty generally entered into effect on January 1, 2024. U.S. source gambling income of a Chilean resident is not subject to tax after that date.

**Note:** The U.S. - Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to gambling income after January 1, 2024.

**Note:** The U.S. - Russia tax treaty is suspended for these taxes as of August 16, 2024. It may not be relied upon after that date to exclude gambling winnings from U.S. tax.

**Reminder:** If line 11a is blank, dash, zero, or edited to be blank and line 23a is significant, edit RPC "J".

- (3) All other countries not listed in IRM 3.21.3.86.16.22 (2) are taxed at **30%**.

**Exception:** Malta is taxed at 10% starting in 2011.

- (4) If gambling winnings are reported on Form 1040-NR, page 1 or Schedule 1, and the taxpayer is not a professional gambler:
- “X”** the amount on page 1, or if found on Schedule 1, **“X”** Schedule 1, line 9.
  - Multiply the amount of gross gambling winnings by 30%, and edit the result to Form 1040-NR, line 23a.
  - Do not** adjust or compute line 24.

3.21.3.86.17  
(10-29-2025)

**Form 1040-NR-EZ -  
General Instructions**

- Form 1040-NR-EZ is obsolete. Form 1040-NR-EZ was a simplified version of Form 1040-NR which was available to certain taxpayers with no dependents.
- Convert **all** Form 1040-NR-EZ to current year Form 1040-NR for transcription. This may be done by either:
  - Renumbering Form 1040-NR-EZ, and attaching Form 6114-A, as needed, or
  - Using Form 13899 to convert Form 1040-NR-EZ, and attaching Form 6114-A, as needed.
- Form 1040-NR-EZ should be processed using the instructions for Form 1040-NR, unless otherwise stated.
- Convert Form 1040-NR-EZ as follows:

Form 1040-NR-EZ Line or Item:	Type:	Convert By/To:
Form Title (Form 1040-NR-EZ)	T-Line	Circle “EZ.”
Caption Information <ul style="list-style-type: none"> <li>• Tax Period</li> <li>• TIN</li> <li>• Taxpayer Name</li> <li>• Additional Information Line</li> <li>• Street Address</li> <li>• City/State/Province</li> <li>• Mail Routing Code</li> <li>• Country Code</li> </ul>	T-Line	Edit on the Form 1040-NR-EZ following normal Form 1040-NR procedures.
SPC Code	T-Line	Edit in the right margin to the right of the caption above the Country Code on Form 1040-NR-EZ.
Filing Status	T-Line	Edit FSC “3” if the taxpayer marked only box 2. Otherwise, edit FSC “1”. <ol style="list-style-type: none"> <li>Renumbering: Edit in the area to the left of the <b>Single nonresident alien</b> box on Form 1040-NR-EZ.</li> <li>Converting: Edit in the area to the left of the “Single” box on Form 13899.</li> </ol>
CCC Code	T-Line	<ol style="list-style-type: none"> <li>Renumbering: Edit in the blank area to the right of the “Married nonresident alien” on Form 1040-NR-EZ</li> <li>Converting: Edit the area above “Dependents” identifying number on Form 13899</li> </ol>

Form 1040-NR-EZ Line or Item:	Type:	Convert By/To:
Received Date	T-Line	a. Renumbering: Edit on the dotted portion of line 3 on Form 1040-NR-EZ. b. Converting: Edit in the empty space to the right of "Dependents (see instructions):" on Form 13899.
Line 3	T-Line	Lines 1z
Line 4	T-Line	Schedule 1, line 1
Line 5	T-Line	Schedule 1, line 8r or Form 1040-NR, line 1a. See IRM 3.21.3.86.16.6.
Line 6	T-Line	Line 1k
Line 7	T-Compute	Line 9
FPC	T-Line	a. Renumbering: Edit in the right margin to the right of line 7 on Form 1040-NR-EZ. b. Converting: Edit in the right margin to the right of line 7 on Form 13899.
Line 8	T-Line	Schedule 1, line 8r. See IRM 3.21.3.16.10
Line 9	T-Line	Schedule 1, line 21
Line 10	T-Compute	Line 11a
Line 11	T-Line	See IRM 3.21.3.86.17.2, Itemized Deductions on Form 1040-NR-EZ.
Line 14	T-Compute	Line 15
Line 15	T-Line	Line 16
Line 16	T-Line	Schedule 2, line 7
Line 17	T-Compute	Line 24
Line 18a	T-Line	Line 25d
Line 18b	T-Line	Line 25g
Line 19	T-Line	Line 26
Line 20	T-Line	Line 29
Line 21	T-Compute	Line 33
RPC Code	T-Line	Edit to the lower-left margin of page 1 of Form 1040-NR-EZ.
Line 23a	T-Compute	a. Renumbering: Edit as line 35a on Form 1040-NR-EZ. b. Converting: Edit to line 35a of Form 13899.
Line 23b	T-Line	Line 35b on Form 1040-NR-EZ
Line 23c	T-Line	Line 35c on Form 1040-NR-EZ
Line 23d	T-Line	Line 35d on Form 1040-NR-EZ



Form 1040-NR-EZ Line or Item:	Type:	Convert By/To:
Line 24	T-Line	Line 36
Line 25	T-Compute	Line 37
Line 26	T-Line	Line 38
Signature Area: <ul style="list-style-type: none"> <li>• Third Party Designee Checkbox</li> <li>• Third Party Designee Name</li> <li>• Third Party Designee PIN</li> <li>• IP Pin</li> <li>• Preparer SSN or PTIN</li> <li>• Preparer EIN</li> <li>• Preparer Phone Number</li> <li>• Preparer Code</li> </ul>	T-Line	Edit on the Form 1040-NR-EZ following normal Form 1040-NR procedures.
RPC Code	T-Line	a. Renumbering: Edit in the bottom-left margin of Form 1040-NR-EZ. b. Converting: Edit in the bottom-left margin of Form 13899.
Action Code	T-Line	a. Renumbering: Edit in the bottom-center margin of Form 1040-NR-EZ. b. Converting: Edit in the bottom-center margin of Form 13899.
Audit Code	T-Line	a. Renumbering: Edit in the bottom-right margin of Form 1040-NR-EZ. b. Converting: Edit in the bottom-right margin of Form 13899.
Form 1040-NR-EZ, Page 2 (Schedule OI)		“X” Form 1040-NR-EZ, page 2.

**Reminder:** Do not transfer third party information, direct deposit information, or paid preparer information when using Form 13899 to convert.

(5) Refer to Job Aid 2513-701 for an illustration of converting Form 1040-NR-EZ.

3.21.3.86.17.1  
(01-01-2024)  
**Processing Form  
1040-NR-EZ**

- (1) Do not correspond if there are indications of conditions which are not eligible for Form 1040-NR-EZ, but which are valid for Form 1040-NR in the tax year filed. Convert the additional items following Form 1040-NR instructions.
- (2) Review the return following the instructions cited below. Line numbers are for TY19 Form 1040-NR-EZ.

Condition	Then
Government Service Treaty	Verify taxpayer holds an A-1 or A-2 Visa, and see Exhibit 3.21.3-14.
Line 3: Wages	See IRM 3.21.3.84.8.1.

Condition	Then
Line 5: Scholarship and Fellowship Grants	If an amount is present, see IRM 3.21.3.86.16.6.
Line 6: Total Income Exempt by Treaty (Page 2, Schedule OI, Item J)	If an amount is present, see IRM 3.21.3.84.8.6.
Line 8: Scholarship and Fellowship Grants Excluded	If an amount is present, see IRM 3.21.3.86.16.8.
Line 10: Adjusted Gross Income	See IRM 3.21.3.84.9.2.
Line 11: Itemized Deductions	Continue to IRM 3.21.3.86.17.2, Line 11 - Itemized Deductions on Form 1040-NR-EZ.
Line 14: Taxable Income	See IRM 3.21.3.84.10.3.
Line 15: Tax	If the taxpayer indicates, "Exempt" or "Treaty," see IRM 3.21.3.84.10.4.
Line 16: Unreported Social Security and Medicare Tax	If an amount is present, see IRM 3.21.3.84.20.5.
Line 17: Total Tax	See IRM 3.21.3.84.12.4.
Line 18a: Withholding from Form 1042-S	See IRM 3.21.3.84.13.2.
Line 18b: Withholding from Form 1042-S	See IRM 3.21.3.84.13.5.
Line 19: Estimated Tax Payments	Correct any misplaced entries if they are determined not to be estimated tax payments.
Line 21: Total Payments	See IRM 3.21.3.84.13.13.
Line 23a: Refund Due	See IRM 3.21.3.84.14.1.
Line 23e: Refund Check	See IRM 3.21.3.83.6 for manual refund procedures.
Line 24: Estimated Tax Credit Elect	See IRM 3.21.3.84.14.4.
Line 25: Amount You Owe (Balance Due)	See IRM 3.21.3.84.14.5.
Signature	See IRM 3.21.3.84.15.
Identify Protection Personal Identification Number (IP PIN)	See IRM 3.21.3.84.17.

Condition	Then
Preparer Data	See IRM 3.11.3.14.8 Paid Preparer Data. <b>Exception:</b> Do not edit the E-File Waiver Indicator on Form 1040-NR-EZ.

- (3) **All** T-Line information must be transferred when converting.

**Exception:** Do not transfer third party information, direct deposit information, or paid preparer information when using Form 13899 to convert.

3.21.3.86.17.2  
(01-01-2024)

**Line 11 - Itemized  
Deductions on Form  
1040-NR-EZ**

- (1) If an amount is present on Line 11, total any amounts withheld on Form W-2 or similar statements, or on Form 1042-S, for state and/or local income taxes (including state disability insurance). Take appropriate actions according to the table below, whether or not there are any withholding documents attached:

If the line 11 amount	And	Then
Includes only state and local income taxes (including possible state disability insurance)		Dummy Schedule A to include the amount for state and local taxes (including possible state disability insurance) on Lines 1a and 8.
Includes withholding for federal income tax (Form W-2, box 2 or Form 1042-S)		Dummy Schedule A to include only the amount for state and local taxes on Line 1a and 8.
Includes withholding for Social Security Tax (Form W-2, box 4)		<p>a. Dummy Schedule A to include only the amount for state and local taxes on Line 1a and 8.</p> <p>b. If the taxpayer is an “F”, “J”, “M”, or “Q” visa holder, correspond with a 513C letter and see IRM 3.21.3.84.21.11.</p>

If the line 11 amount	And	Then
Taxpayer notation indicates amount includes other than state or local income taxes (job expenses, charitable contributions, etc,) or source of amount cannot be determined		If Schedule A, Form 1040-NR cannot be dummied based on the information provided and IRM 3.21.3.84.22, <b>correspond</b> for Form 1040-NR and Schedule A with Form 13900, using the fill-in, "The only itemized deduction you can claim on Form 1040-NR-EZ, U.S. Income Tax Return for Certain Nonresident Aliens with No Dependents, is for state and local income taxes. If you want to claim other itemized deductions, complete and submit Form 1040-NR including page 3, Schedule A, Itemized Deductions."
Can be determined to be a current or prior year standard deduction	The taxpayer is NOT a student/business apprentice from India	"X" line 11.
Can be determined to be a current or prior year standard deduction	The taxpayer is a student/business apprentice from India	Dummy Schedule A by editing the standard deduction on lines 7 and 8.

**Exhibit 3.21.3-1 (10-29-2025)****Attachment Guide**

(1) Examine all attachments to the return. Leave attachments with the return unless specifically instructed otherwise. Refer to the table below for specific attachment-by-attachment instructions.

**Note:** See IRM 3.11.3, Individual Income Tax Returns if not found within this list.

**Reminder:** Do not detach attachments (except remittance) when sending the return back to the taxpayer.

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>CP 01A</b> - We Assigned You An Identity Protection Personal Identification Number (IP PIN)	No	Move CP 01A to the back of the return and continue processing.
<b>CP 01H</b> - ID Theft Lock	No	Route the entire return to ECU (Entity Control Unit) <b>Exception:</b> Do not route CP 01H that is “X”-ed.
<b>LTR 2358C</b> a. <b>Numbered</b> b. <b>Unnumbered</b>	a. No b. No	a. Edit Action Code “331”. b. Route to Exam.
<b>LTR 2894C/SP</b> , Individual Return Incomplete for Processing: Form 1040-PR and Form 1040-SS	No	Route to Rejects Stop 6126 AUSC. <b>Exception:</b> Do not route to Rejects, and continue processing if: • “Process as Original” is present on the return. • The letter date is <b>more than 60</b> calendar days prior to the current date.
<b>LTR 4087C</b> , International Return Incomplete for Processing: Form 1040-NR, Form 1040-NR-EZ, Form 1040, Form 1040-SR, Form 1040-A (2017 and prior), Form 1040-EZ (2017 and prior)	No	Route to Rejects Stop 6126 AUSC. <b>Exception:</b> Do not route to Rejects, and continue processing if: • <b>Process as Original</b> is present on the return. • The letter date is <b>more than 60</b> calendar days prior to the current date.
<b>LTR 4883C</b> - Potential Identity Theft during Original Processing	No	Route the entire return and all attachments to RIVO Stop 6579 AUSC. The return may be an original or a copy, and the submission may include, but not limited to, photocopies of passports, Social Security cards, and driver licenses, and Form 14039.

**Exhibit 3.21.3-1 (Cont. 1) (10-29-2025)****Attachment Guide**

<b>FORM/DOCUMENTS</b>	<b>DETACH</b>	<b>ACTION REQUIRED</b>
<b>LTR 5071C</b> - Potential Identity Theft during Original Processing with Online Option	No	Route the entire return and attachments to RIVO Stop 6579 AUSC. The return may be an original or a copy, and the submission may include, but not limited to, photocopies of passports, Social Security cards, and driver licenses, and Form 14039.
<b>LTR 5216</b> - Taxpayer Cannot Authenticate	No	Route the entire return and attachments to RIVO Stop 6579 AUSC. The return may be an original or a copy, and the submission may include, but not limited to, photocopies of passports, Social Security cards, and driver licenses, and Form 14039.
<b>LTR 5447C</b> - Potential Identity Theft during Original Processing; Foreign Address	No	Route the entire return and attachments to RIVO Stop 6579 AUSC. The return may be an original or a copy, and the submission may include, but not limited to, photocopies of passports, Social Security cards, and driver licenses, and Form 14039.
<b>LTR 5747C</b> - Potential Identity Theft during Original Processing - TAC AUTH ONLY	No	Route the entire return and attachments to RIVO Stop 6579 AUSC. The return may be an original or a copy, and the submission may include, but not limited to, photocopies of passports, Social Security cards, and driver licenses, and Form 14039.
<b>LTR 6167C</b> - Identity Authentication Incomplete (IMF)	No	Route the entire return and attachments to RIVO Stop 6579 AUSC. The return may be an original or a copy, and the submission may include, but not limited to, photocopies of passports, Social Security cards, and driver licenses, and Form 14039.
<b>Form W-2, W-2G</b> , etc. - Wage and Tax Statement a. Any related copy b. Unrelated or loose copy c. Employer's copy submitted with Schedule H	a. No b. Yes c. Yes	a. Take no action. b. Route to Accounts Management c. Route to Receipt and Control
<b>Form W-7/W-7(SP)</b> - Application for IRS Individual Taxpayer Identification Number (ITIN) a. Unnumbered b. Numbered	No	a. Follow local procedures to route ITIN unit if unnumbered b. See IRM 3.21.3.12.2.4 if numbered

**Exhibit 3.21.3-1 (Cont. 2) (10-29-2025)**  
**Attachment Guide**

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form W-7A</b> - Application for Taxpayer Identification Number for Pending U.S. Adoptions	No	Do not detach Form W-7A from the return. Route to Entity. Do NOT send Letter 86C. When the ATIN unit sends the return back through processing after the ATIN has been assigned, they will edit for example, "02 RPC MM-DD-YYYY" in the left side margin for the date the ATIN was assigned on refund returns only. Edit this date on the Edit Sheet, if current date is after the filing due date.
<b>Form W-9</b> - Request for Taxpayer Identification and Certification	No	If attached with correspondence, route to Accounts Management If attached with no correspondence, take no action
<b>Form 390</b> - A.S. Individual Income Tax Return a. Original b. Duplicate	a. Yes b. No	a. Transship return to American Samoa at: <ul style="list-style-type: none"> <li>American Samoa Tax office</li> <li>Executive Office Bldg.</li> <li>First Floor</li> <li>Pago Pago, AS 96799.</li> </ul> b. No action required.
<b>Form 843</b> - Claim for Refund and Request for Abatement	Yes	Route to Accounts Management. <b>Note:</b> See IRM 3.21.3.84.21.11 <b>Note:</b> If Form 8316 is also attached with Form 843, they must remain together.
<b>Form 911</b> - Request for Taxpayer Advocate Service Assistance (And Application for a Taxpayer Assistance Order)	Yes	Route the Form 911 to Taxpayer Advocate Service, and continue processing the return.
<b>Form 926</b> - Return by a U.S. Transferor of Property to a Foreign Corporation	No	Edit Audit Code "H" and continue processing the return.
<b>Form 982</b> - Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment)	No	Edit the Form 982 Indicator Code "1" on dotted portion of Schedule 1, Line 11. If Schedule 1 is not attached, dummy Schedule 1 by editing the Indicator Code.
<b>Form 1040-C</b> - U.S. Departing Alien Income Tax Return	No	Edit CCC "Y" and an action trail.
<b>Form 1040-ES</b> - Estimated Tax for Individuals	No	If remittance is attached for 1040-ES, refer to the manager.

## Exhibit 3.21.3-1 (Cont. 3) (10-29-2025)

## Attachment Guide

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 1040 Guam Individual Income Tax Return</b>	No	Transship return to Guam at: <ul style="list-style-type: none"> <li>• Department of Revenue and Taxation</li> <li>• Taxpayer Services Division</li> <li>• P.O. Box 23607</li> <li>• Barrigada, GU 96921.</li> </ul>
<b>Form 1040-AS</b>	No	Transship return to American Samoa.
<b>Form 1040-NR Schedule P</b> - Gain or Loss of Foreign Persons From Sale or Exchange of Certain Partnership Interests	No	For TY24 and subsequent, if there is an entry for "Enter the total proceeds/amount realized from the transfers of partnership interests on all of your Schedules P (Form 1040-NR, Part II, Line 1. See instructions.", edit RPC " <b>P</b> ".
<b>Form 1040-V</b> - Payment Voucher a. Without Remittance b. With remittance and unnumbered c. With remittance and numbered	a. No b. No c. No	a. Take no action if it does not obstruct T-lines. If it does obstruct T-lines, move voucher to the back of return and continue processing. b. Route the entire return to Receipt and Control via your manager. c. Consult your Work leader.
<b>Form 1042</b> - Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	Yes	Transship to Ogden Service Center (OSC.)
<b>Form 1042-S</b> - Foreign Persons U.S. Source Income Subject to Withholding	No	See IRM 3.21.3.84.13.5
<b>Form SSA-1042S</b> - Social Security Benefit Statement or <b>Form RRB-1042S</b> - Statement for Nonresident Aliens Recipients of Payments by the Railroad Retirement Board	No	See IRM 3.21.3.83.12



## Exhibit 3.21.3-1 (Cont. 4) (10-29-2025)

## Attachment Guide

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 1045</b> - Application for Tentative Refund a. Original Form 1040 or Form 1040-NR 1. Return posted (TC 150 present) 2. Return not posted (no TC 150) b. Photocopied Form 1040 or Form 1040-NR which is unnumbered. c. Photocopied Form 1040 or Form 1040-NR which is numbered. d. Photocopied Form 1045 without page 1	1. No 2. Yes  • No • No • No	a. Research for a TC 150 1. Move the Form 1045 to the front of the return and route the entire package to Accounts Management 2. Take the following actions: • Edit the received date to the front of Form 1045. • Photocopy Page 1 and 2 of Form 1040 or Form 1040-NR and appropriate forms/schedules. • Forward Form 1045 and copies to Accounts Management. • Process original Form 1040 or Form 1040-NR. <b>Note:</b> Correspond for any missing information. b. Edit the received date to the front of Form 1045. Route to entire package to Accounts Management. c. Edit Action Code “640” on Form 1040 or Form 1040-NR and route Form 1045 to Accounts Management. d. Take no action.
<b>Form 1062</b> - Deferral of Tax on Gain From the Sale or Exchange of Qualified Farmland Property to Qualified Farmers	No	Edit FPC “F” (TY 202607 and later, fiscal filer only).
<b>Form 1065</b> - U.S. Return of Partnership Income a. Signed original 1065 or signed photocopy of 1065 b. Unsigned photocopy of 1065	a. Yes b. No	a. Route to Receipt and Control. <b>Note:</b> Include any related Schedules K-1. b. Take no action.
<b>Form 1096</b> - Annual Summary and Transmittal of U.S. Information Returns	Yes	Route Form 1096 and copies “A” of Form 1099 to Receipt and Control.
<b>Form 1120</b> (series) - U.S. Corporation Income Tax Return	Yes	Route to Receipt and Control. <b>Note:</b> Include any related Schedules K-1.

**Exhibit 3.21.3-1 (Cont. 5) (10-29-2025)****Attachment Guide**

<b>FORM/DOCUMENTS</b>	<b>DETACH</b>	<b>ACTION REQUIRED</b>
<b>Form 1127</b> - Application for Extension of Time for Payment of Tax Due to Undue Hardship	Yes	a. Edit the return received date in the upper-right corner of Form 1127. Attach a photocopy of the taxpayer's envelope, if present. b. Route to Receipt and Control
<b>Form 1128</b> - Application to Adopt, Change or Retain Tax Year	No	Documentation for a Short Period Return. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 1310</b> - Statement of Person Claiming Refund Due a Deceased Taxpayer	No	See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 2159</b> - Payroll Deduction Agreement	Yes	Route to Compliance Services Collections Operation (CSCO)
<b>Form 2210 or Form 2210-F</b> - Underpayment of Estimated Tax by Individuals, Estates and Trusts	No	<ul style="list-style-type: none"> <li>For Form 1040, see IRM 3.11.3, Individual Income Tax Returns.</li> <li>For Form 1040-NR and Form 1040-NR-EZ, see IRM 3.21.3.84.14.6.</li> </ul>
<b>Form 2275</b> - Records Request, Charge and Recharge	No	Edit DLN, if present and received date on Form 2275. Staple to the back of the return so that form shows at least one inch above top.
<b>Form 2350</b> - Application for Extension of Time to File U.S. Income Tax Return	No	Support for Schedule 3, line 10.
<b>Form 2439</b> - Notice to Shareholders of Undistributed Long-Term Capital Gains	No	Support for Schedule 3, line 13a of Form 1040 or Form 1040-NR. See IRM 3.11.3, Individual Income Tax Returns.

**Exhibit 3.21.3-1 (Cont. 6) (10-29-2025)**  
**Attachment Guide**

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 2848</b> - Power of Attorney (POA) and Declaration of Representative	Yes	<p>Detach all originals and copies of Form 2848, including the white paper. The white paper is also considered to be a 3rd page of the POA and <b>must</b> remain with the POA. This includes Form 2848 which cite Treasury Regulation 1.6012(a)(5) or 1.6012-1(b)(3)USAID/G/HCD/POSS/TAX.</p> <p><b>Send to the following address following local procedures:</b></p> <ul style="list-style-type: none"> <li>• PAMC International CAF</li> <li>• STOP 4-H14.123</li> <li>• 2970 Market Street</li> <li>• Philadelphia, PA 19104 - 5016</li> </ul> <p><b>Caution:</b> The white page must remain with the Form 2848, including Form 8821 in order for the POA to be processed. Look for any additional pages related to the Power of Attorney, and keep <b>all</b> of them attached to the POA.</p>
<b>Form 3439</b> - Statement of Annual Income (Individual)	No	Route the entire return to Collections.
<b>Form 3449</b> - Referral Report	No	Edit DLN, if present and received date on Form 3449. Staple to the back of the return so that the form shows at least one inch above the top.
<b>Form 3465</b> - Adjustment Request	No	Edit DLN, if present and received date on Form 3465. Staple to the back of the return so that the form shows at least one inch above the top.
<b>Form 3468</b> - Investment Credit	No	Support for Form 3800. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 3520</b> - Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts	No	Edit Audit Code “H” and continue processing.
<b>Form 3520-A</b> - Annual Information Return of Foreign Trusts With a U.S. Owner (Under section 6048(b))	No	Edit Audit Code “H” and continue processing.
<b>Form 3903</b> - Moving Expenses	No	Support for Schedule 1, line 14 of Form 1040 or Form 1040-NR.

**Exhibit 3.21.3-1 (Cont. 7) (10-29-2025)****Attachment Guide**

<b>FORM/DOCUMENTS</b>	<b>DETACH</b>	<b>ACTION REQUIRED</b>
<b>Form 3911</b> - Taxpayer Statement Regarding Refund	a. Yes b. No	a. If Form 3911 is for a different tax period from the return, detach and route to ICT. b. If the Form 3911 is for the same tax period as the return or no tax period indicated, research for TC 150. If posted, route entire return to ICT. If no TC 150 has posted, continue processing the return.
<b>Form 4029</b> - Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits a. Original b. Photocopy of approved application, Form 4029	a. Yes b. No	a. Route immediately to the Compliance function at: <ul style="list-style-type: none"> <li>Philadelphia Campus</li> <li>4-G08-151</li> <li>2970 Market Street</li> <li>Philadelphia, PA 19104</li> </ul> b. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 4361</b> - Application for Exemption from Self-Employment Tax for Use by Ministers, Members of Religious Orders, and Christian Science Practitioners a. Original b. Photocopy or approved application of Form 4361	a. Yes b. No	a. Edit envelope Postmark Date (or received date if an envelope is not attached) on Form 4361 and route it, along with any additional copies of Form 4361 to the Compliance Function at: <ul style="list-style-type: none"> <li>Internal Revenue Service</li> <li>Philadelphia, PA 19255-0733</li> </ul> b. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 4506 and Form 4506-T</b> - Request for Copy of Tax Return	Yes	Route to Receipt and Control.
<b>Form 4506-F</b> - Identity Theft Victim's Request for a Copy of Fraudulent Return	No	Route to Accounts Management
<b>Form 4549</b> - Report of Income Tax Examination Changes	Yes	Route to Examination or to Exam Field Support (EFS) at Mail stop 632-2 if shown on return envelope.
<b>Form 4563</b> - Exclusion of Income for Bona Fide Residents of American Samoa	No	See IRM 3.21.3.76.1 and IRM 3.21.3.76.1.3
<b>Form 4810</b> - Request for Prompt Assessment Under Internal Revenue Code 6501(d)	Yes	Route Form 4810 and a copy of the Letters of Testimony, if present, to Examination.

**Exhibit 3.21.3-1 (Cont. 8) (10-29-2025)**  
**Attachment Guide**

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 4868</b> - Application for Automatic Extension of Time to File U.S. Individual Income Tax Return	No	See IRM 3.21.3.8.4 and IRM 3.11.3, Individual Income Tax Returns.
<b>Form 4970</b> - Tax on Accumulation Distribution of Trusts	No	See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 5074</b> - Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Island (CNMI)	No	See IRM 3.21.3.77.1.2 and IRM 3.21.3.78.1.2
<b>Form 5471</b> - Information Return of U.S. Persons with Respect to Certain Foreign Corporations, <b>Form 5471 Schedule G-1</b> , or another schedule supporting <b>Form 5471</b>	No	Edit Audit Code “H” and FPC “W” and continue processing.
<b>Form 5472</b> - Information Return of Foreign Owned Corporation	No	Edit Audit Code “H” and continue processing.
<b>Form 5495</b> - Request for Discharge from Personal Liability under Internal Revenue Code Section 2204 or 6905	No	Route to Examination.
<b>Form 5500-EZ</b> - Annual Return of A One-Participant (Owners and Their Spouses) Retirement Plan and Foreign Plan	Yes	Route to OSC.
<b>Form 5564</b> - Notice of Deficiency - Waiver a. From Examination b. From Collection c. From Underreporter (URP)	No	Route to Underreporter.
<b>Form 5564-A</b> a. From Examination b. From Collection	a. No b. No	a. Route entire return to Examination. b. Route entire return to Collection.

**Exhibit 3.21.3-1 (Cont. 9) (10-29-2025)****Attachment Guide**

<b>FORM/DOCUMENTS</b>	<b>DETACH</b>	<b>ACTION REQUIRED</b>
<b>Form 5884</b> - Work Opportunity Credit	No	Support for Form 3800. See IRM 3.11.3, Individual Income Tax Returns.
<b>Letter 5935</b> - (Form 15023)	Yes	Misrouted or Loose, route to LB&I, Stop 4301 AUSC
<b>Form 6478</b> - Biofuel Producer Credit	No	Support for Form 3800. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 6497</b> - Information Return of Nontaxable Energy Grants or Subsidized Energy Financing	Yes	Route form to: <ul style="list-style-type: none"> <li>• LB&amp;I Central Compliance Practice Area</li> <li>• 1919 Smith Street M/S 1000-HOU</li> <li>• Houston, TX 77002</li> </ul>
<b>Form 6513</b> - Extension of Time to File Not Allowed a. With a letter of disagreement or cancelled check b. By itself	a. Yes b. No	a. Route the form and letter (or cancelled check) to Accounts Management. b. Take no action.
<b>Form 6765</b> - Credit for Increasing Research Activities	No	Support for Form 3800. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 6781</b> - Gains and Losses From Section 1256 Contracts and Straddles	No	If the taxpayer notes Deferred tax from Form 6781 on or near line 38 Form 1040 or Form 1040-NR: 1. Edit CCC “ <b>3</b> ”. 2. Edit Action Code “ <b>620</b> ”. 3. Attach Form 4227 and notate Tax Straddle Investment.
<b>Form 7004</b> - Application for Automatic 6 - Month Extension of Time to File Certain Business Income Tax, Information and Other Returns	Yes	Route to Receipt and Control.
<b>Form 7202</b> - Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals (TY20 and TY21 only)	No	Support for Schedule 3, lines 13b and 13h.
<b>Form 8082</b> - Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)	No	Edit Audit Code “ <b>Q</b> ” and continue processing.

**Exhibit 3.21.3-1 (Cont. 10) (10-29-2025)**  
**Attachment Guide**

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 8275 and Form 8275-R</b> - Disclosure Statement/Regulation Disclosure Statement	No	Edit Audit Code "K" and continue processing.
<b>Form 8283</b> - Noncash Charitable Contributions	No	Support for Schedule A. See IRM 3.21.3.84.22.3 and IRM 3.11.3, Individual Income Tax Returns
<b>Form 8288</b> - U.S. Withholding Tax Return for Certain Dispositions by Foreign Persons a. Original b. Copy	a. Yes b. No	a. Route to OSC b. Take no action. <b>Note:</b> Cannot be used as FIRPTA verification of withholding.
<b>Form 8288-A</b> - Statement of Withholding on Certain Dispositions by Foreign Persons	No	See IRM 3.21.3.84.13.4
<b>Form 8288-B</b> - Application for Withholding Certificate for Dispositions by Foreign Persons of U.S. Real Property Interests	Yes <b>Note:</b> Be sure to edit ITIN number before detaching.	Route to OSC: <ul style="list-style-type: none"> <li>• Director, OSC Accounts Management Operation</li> <li>• 1973 N. Rulon White Boulevard</li> <li>• Ogden, UT 84404</li> </ul> <b>Note:</b> Send only originals and not copies to OSC.
<b>Form 8302</b> - Electronic Deposit of Tax Refund of \$1 Million or More	No	Take no action in regards to Form 8302. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 8316</b> - Information Regarding Request for Refund of Social Security Tax Erroneously Withheld on Wages Received by a Nonresident Alien on an F, J, or M Type Visa	Yes	Route to Accounts Management. <b>Note:</b> If Form 843 is also attached with Form 8316, they must remain together.
<b>Form 8379</b> - Injured Spouse Claim and Allocation	No	See IRM 3.11.3, Individual Income Tax Returns
<b>Form 8396</b> - Mortgage Interest Credit	No	Support for Schedule 3, line 6g. See IRM 3.11.3, Individual Income Tax Returns
<b>Form 8404</b> - Interest Charge on DISC-Related Deferred Tax Liability	Yes	Route to Receipt and Control.

**Exhibit 3.21.3-1 (Cont. 11) (10-29-2025)****Attachment Guide**

<b>FORM/DOCUMENTS</b>	<b>DETACH</b>	<b>ACTION REQUIRED</b>
<b>Form 8453</b> - U.S. Individual Income Tax Transmittal for an IRS e-file Return	No	When Form 8453 is on top of the return, route the entire return to Receipt and Control. Otherwise, take no action.
<b>Form 8586</b> - Low-Income Housing Credit	No	See IRM 3.11.3, Individual Income Tax Returns
<b>Form 8609</b> - Low-Income Housing Credit Allocation and Certification	No	Support for Form 8586. See IRM 3.11.3, Individual Income Tax Returns
<b>Form 8611</b> - Recapture of Low-Income Housing Credit	No	Support for Schedule 2, Line 16. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 8621</b> - Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund	No	“X” Form 8621.
<b>Form 8689</b> - Allocation of Individual Income Tax to the U.S. Virgin Islands	No	See IRM 3.21.3.79.1.2
<b>Form 8697</b> - Interest Computation Under the Look-Back Method for Completed Long-Term Contracts a. Refund or Amended Return (line 9, Form 8697) b. Zero or Balance Due (line 10, Form 8697)	a. Yes b. No	a. Route Form 8697 to Accounts Management. b. Take no action.
<b>Form 8801</b> - Credit for Prior Year Minimum Tax - Individuals, Estates, and Trusts	No	Support for Schedule 3, line 6b (Form 1040 and Form 1040-NR). See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 8804 Series (including Form 8804-C)</b> - Annual Return for Partnership Withholding Tax (Section 1446) a. Original b. Duplicate	a. Yes b. No	a. Route to OSC. b. Take no action.



**Exhibit 3.21.3-1 (Cont. 12) (10-29-2025)**  
**Attachment Guide**

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 8805</b> - Foreign Partner's Information Statement of Section 1446 Withholding Tax	No	Support for Form 1040-NR, line 25e. See IRM 3.21.3.84.13.3
<b>Form 8813</b> - Partnership Withholding Tax Payment Voucher (Section 1446) a. Original b. Duplicate	a. Yes b. No	a. Route OSC. b. Take no action. <b>Caution:</b> If remittance is attached refer to Manager or Work Leader.
<b>Form 8815</b> - Exclusion of Interest from Series EE and I U.S. Savings Bonds Issued after 1989	No	Support for Schedule B, line 3 - See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 8820</b> - Orphan Drug Credit	No	Support for Form 3800. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 8821</b> - Tax Information Authorization	Yes	Detach all originals and copies of Form 8821, including 3rd page (white paper). <b>Send to the following address following local procedures:</b> PAMC International CAF STOP 4-H14.123 2970 Market Street Philadelphia, PA 19104-5016. <b>Note:</b> Look for any additional pages related to the authorization, including Form 2848 and/or General Power of Attorney, and keep <b>all</b> documents attached.
<b>Form 8822</b> - Change of Address a. Change of Address b. Box 1 or no box is checked c. Box 2 is checked	a. No b. No c. Yes	a. Edit the new address from Form 8822 to the caption area unless there is an indication that the address is not permanent. b. Take no action c. Route Form 8822 to Entity Control.
<b>Form 8826</b> - Disabled Access Credit	No	Support for Form 3800.
<b>Form 8828</b> - Recapture of Federal Mortgage Subsidy	No	Support for total tax on Form 1040, line 24. <b>Note:</b> "X" Form 8828.
<b>Form 8829</b> - Expenses for Business Use of Your Home	No	Support for Schedule C, line 30. See IRM 3.11.3, Individual Income Tax Returns.

**Exhibit 3.21.3-1 (Cont. 13) (10-29-2025)****Attachment Guide**

<b>FORM/DOCUMENTS</b>	<b>DETACH</b>	<b>ACTION REQUIRED</b>
<b>Form 8830</b> - Enhanced Oil Recovery Credit	No	Support for Form 3800.
<b>Form 8833</b> - Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b) <b>Note:</b> The headings of the statement must read Treaty-Based Return Position Disclosure Under or Section 6114 or 7701(b).	No	Edit CCC “C” on Form 1040-NR.
<b>Form 8835</b> - Renewable Electricity Production Credit	No	Support for Form 3800.
<b>Form 8840</b> - Closer Connection Exception Statement for Aliens	No	Take no action.
<b>Form 8843</b> - Statement for Exempt Individuals and Individuals with a Medical Condition	No	Take no action
<b>Form 8845</b> - Indian Employment Credit	No	Support for Form 3800. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 8846</b> - Credit for Employer Social Security and Medicare Taxes Paid on Certain Employee Tips	No	Take no action.
<b>Form 8849</b> - Claim for Refund of Excise Taxes	No	Edit CCC “Y”, and leave an action trail.
<b>Form 8854</b> - Initial and Annual Expatriation Information Statement a. Unnumbered return: <ol style="list-style-type: none"> <li>No stamp indicating LB&amp;I received return</li> <li>Stamp indicating LB&amp;I received return</li> </ol> b. Numbered return	a. No b. No	a. <ol style="list-style-type: none"> <li>Stop coding. Route entire return containing Form 8854 to Stop 4301 AUSC.</li> <li>Edit Audit Code “K”, and continue processing as normal.</li> </ol> b. Edit Audit Code “K”, and continue processing as normal.

**Exhibit 3.21.3-1 (Cont. 14) (10-29-2025)**  
**Attachment Guide**

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 8857</b> - Request for Innocent Spouse Relief	Yes	Expedite on a daily basis Form 8857 and any supporting documentation to CSPC at the following address: <ul style="list-style-type: none"> <li>• Internal Revenue Service</li> <li>• CSO (Campus Support Operation)</li> <li>• Stop #840F</li> <li>• 7940 Kentucky Drive</li> <li>• Florence, KY 41042</li> </ul> <b>Caution:</b> Form 8857 must be received by CSPC within 10 days of receipt by the IRS. <b>Note:</b> Edit CCC “3” and leave an action trail on both Forms.
<b>Form 8859</b> - District of Columbia First-Time Homebuyer Credit	No	Support for Schedule 3, line 6h. See IRM 3.11.3, Individual Income Tax Returns.
<b>Form 8862/8862(SP)</b> - Information to Claim Certain Refundable Credits After Disallowance	No	Edit Audit Codes as listed below and continue processing: <ul style="list-style-type: none"> <li>• “U” when Part II EIC portion of the form is completed.</li> <li>• “2” when Part III CTC/RCTC/ACTC/ODC portion of the form is completed.(TY17 and later)</li> <li>• “3” when Part IV AOTC portion of the form is completed. (TY17 and later)</li> </ul> <b>Note:</b> “X” this form.
<b>Form 8865</b> - Return of U.S. Persons With Respect to Certain Foreign Partnerships	No	Edit FPC “X” when Form 8865 is attached to the return (Form 1040 or Form 1040-NR).
<b>Form 8885</b> - Health Coverage Tax Credit (TY21 and prior)	No	Support for Schedule 3, line 13c (Form 1040/1040-NR) or support for Form 1040-SS/PR, Part I, line 10.
<b>Form 8886</b> - Reportable Transaction Disclosure Statement	No	Edit FPC “J” and continue processing.
<b>Form 8898</b> - Statement for Individuals Who Begin or End Bona Fide Residence in a U.S. Territory <ul style="list-style-type: none"> <li>a. No stamp indicating LB&amp;I received return</li> <li>b. Stamp indicating LB&amp;I received return</li> </ul>	<ul style="list-style-type: none"> <li>a. No</li> <li>b. No</li> </ul>	<ul style="list-style-type: none"> <li>a. Stop coding. Route entire return to Stop 4301 AUSC.</li> <li>b. Continue processing as normal.</li> </ul>

## Exhibit 3.21.3-1 (Cont. 15) (10-29-2025)

## Attachment Guide

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 8938</b> - Statement of Foreign Specified Foreign Financial Assets	No	See processing instructions in IRM 3.11.3.6.2.10, Form 8938, Statement of Foreign Financial Assets. These instructions also apply to Form 1040-NR.
<b>Form 8948</b> - Preparer Explanation for NOT Filing Electronically	No	Edit E-File Waiver indicator, see IRM 3.11.3, Individual Income Tax Returns. <b>Exception:</b> Do not edit indicator on Form 1040-NR.
<b>Form 8957</b> - Foreign Account Tax Compliance Act (FATCA) Registration	Yes	Route to Entity Stop 6182 AUSC
<b>Form 8990</b> - Limitation on Business Interest Expense for Section 163(J)	No	Edit FPC “R” when Form 8990 is attached to the return (Form 1040, Form 1040-NR, Form 1040-SS, or Form 1040-PR).
<b>Form 8992</b> - U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)	No	Edit FPC “R” when Form 8992 is attached to the return (Form 1040, Form 1040-NR, Form 1040-SS, or Form 1040-PR).
<b>Form 8893</b> - Deduction for Foreign-Derived Intangible income and Global Intangible Low-Taxed Income	No	Edit FPC “R” when Form 8893 is attached to the return (Form 1040, Form 1040-NR, Form 1040-SS, or Form 1040-PR).
<b>Form 8994</b> - Employer Credit for Paid Family and Medical Leave	No	Edit FPC “R” when Form 8994 is attached to the return (Form 1040, Form 1040-NR, Form 1040-SS, or Form 1040-PR).
<b>Form 8995-A Schedule A</b> - Specified Service Trades or Businesses	No	Edit FPC “H” when Form 8995-A Schedule A is attached to the return (Form 1040 or Form 1040-NR) and delete the Schedule.
<b>Form 8995-A Schedule B</b> - Aggregation of Business Operations	No	Edit FPC “H” when Form 8995-A Schedule B is attached to the return (Form 1040 or Form 1040-NR) and delete the Schedule.
<b>Form 8995-A Schedule D</b> - Special Rules for Patrons of Agricultural or Horticultural Cooperatives	No	Edit FPC “H” when Form 8995-A Schedule D is attached to the return (Form 1040 or Form 1040-NR) and delete the Schedule.
<b>Form 9465/9465 (SP)</b> - Installment Agreement Request	Yes	Perfect the Amount Paid and Total Tax Due entries on Form 9465 before routing to Collections at Stop 5501.

**Exhibit 3.21.3-1 (Cont. 16) (10-29-2025)**  
**Attachment Guide**

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>Form 13441-A</b> - Health Coverage Tax Credit (HCTC) Monthly Registration and Update	Yes	Route to AUSC Stop: 6098 – Entity <b>Exception:</b> Do not detach if Form 8885 is present.
<b>Form 13844</b> - Application for Reduced User Fee for Installment Agreements	Yes	Route to FSC (Fresno Submission Campus) ACSS Stop 76101.
<b>Form 14039 /Form 14039 (sp)</b> - Identity Theft Affidavit a. For primary or secondary taxpayer b. For child or dependent of the taxpayer	a. No b. Yes	a. Edit FPC “8” when Form 14039 is attached, or edit FPC “9” when Form 14039 (SP) is attached. <b>Note:</b> This instruction also applies to the presence of police reports or other documentation that appears to notify the Service of Identity Theft. b. Refer entire return to the workleader. If a taxpayer cites IDT and/or attaches Form 14039, and/or police reports or other supporting documentation and claims that someone has claimed their child/dependent on another tax return, photocopy Form 14039, letter or statement. Attach all photocopied items (Form 14039 and documentation) to the return. Send the <b>original</b> Form 14039 with the documentation to CII/ICT. <b>Caution:</b> Do not edit FPC “8” or FPC “9” for a dependent filing Form 14039 or Form 14039 (SP). <b>Note:</b> Route loose Form 14039 or Form 14039 (SP) to CII/ICT.
<b>Form 14095</b> - The Health Coverage Tax Credit (HCTC) Reimbursement Request	Yes	Route to AUSC Stop: 6098 – Entity <b>Exception:</b> Do not detach if Form 8885 is present.
<b>Form 14653</b> - Certification by U.S. Person Residing Outside of the United States for Streamlined Foreign Offshore Procedures	No	Rebatch the entire package as Streamlined, if not in a Streamlined batch.
<b>Amended Form 14653</b> - Certification by U.S. Person Residing Outside of the United States for Streamlined Foreign Offshore Procedures	No	Route the entire package to LB&I at MS AUSC - 4305.

**Exhibit 3.21.3-1 (Cont. 17) (10-29-2025)****Attachment Guide**

<b>FORM/DOCUMENTS</b>	<b>DETACH</b>	<b>ACTION REQUIRED</b>
<b>Form 14654</b> - Certification by U.S. Person Residing in the United States for Streamlined Domestic Offshore Procedures	No	Rebatch the entire package as Streamlined, if not in a Streamlined batch.
<b>Amended Form 14654</b> - Certification by U.S. Person Residing in the United States for Streamlined Domestic Offshore Procedures	No	Route the entire package to LB&I at MS AUSC - 4305.
<b>Form 15023</b> - Offshore Compliance Status Report (Letter 5935)	Yes	Route to LB&I if mis routed or detached, Stop 4301 AUSC.
<b>Another Return</b> not listed in this guide (e.g., Form 1120-F) original or signed copy <b>Exception:</b> Form 1040-X or Form 1040 with Form 1040-NR or Form 1040-NR-EZ, Dual-Status or Article XXV.	Yes	Route to Receipt and Control.
<b>Identity Theft Documentation</b> - This includes the following: <ul style="list-style-type: none"> <li>• Copies of police reports indicating identity theft</li> <li>• Form 14039 or Form 14039 (SP), Identity Theft Affidavit</li> <li>• Copies of Social Security cards, passports, driver's licenses, etc.</li> <li>• Notation of "IDT"</li> <li>• Notation of identity theft on Form 8948 or other attachment.</li> </ul>	No	See Exhibit 3.21.3-1, Form 14039, or Form 14039 (SP)

**Exhibit 3.21.3-1 (Cont. 18) (10-29-2025)**  
**Attachment Guide**

FORM/DOCUMENTS	DETACH	ACTION REQUIRED
<b>IRC 965</b> - Transition Tax Statement or similar statement/worksheet	No	Edit RPC <b>"F"</b> . For TY17, also edit CCC <b>"P"</b> and Action Code <b>"300"</b> . <b>Note:</b> For TY18 and later, do not edit RPC <b>"F"</b> when Form 965-A is attached without an entry on Schedule 2, line 20 unless an amount is present elsewhere (e.g., Schedule 1, line 8z or Schedule 3, line 13z).
<b>State/U.S. Territory/ Country Returns</b> (original or copy with taxpayer's original signature)	Yes	Route to Receipt and Control for transshipment to taxpayer's state, U.S. territory, or country.

**Exhibit 3.21.3-2 (10-29-2025)****Form 1042-S Income Codes**

<b>Form 1042-S Box 1 Income Code Current Year</b>	<b>Form 1042-S Box 1 Income Code Prior Year (If Different from Current Year)</b>	<b>Description (Type) of Income</b>	<b>Where Income is Reported</b>
01		Interest Paid by U.S. Obligors - General	Form 1040-NR, line 2b or Schedule NEC, line 2c
02		Interest Paid on Real Property Mortgages	Form 1040-NR, line 2b or Schedule NEC, line 2a
03		Interest Paid to Control- ling Foreign Corporations	Form 1040-NR, line 2b or Schedule NEC, line 2c
04		Interest Paid by Foreign Corporations	Form 1040-NR, line 2b or Schedule NEC, line 2b
05		Interest on Tax Free- Covenant Bonds	No reporting required
06		Dividends Paid by United States Corpora- tions - General	Form 1040-NR, line 3b or Schedule NEC, line 1a
07		Dividends Qualifying for Direct Dividend Rate	Form 1040-NR, line 3b or Schedule NEC, line 1b
08		Dividends Paid by Foreign Corporations	Form 1040-NR, line 3b or Schedule NEC, line 1b
09		Capital Gains	Form 1040-NR, line 7 or Schedule NEC, lines 9 and 18
10		Industrial Royalties	Schedule 1, line 5 or Schedule NEC, line 3
11		Motion Picture or Televi- sion Copyright Royalties	Schedule 1, line 5 or Schedule NEC, line 4
12		Other Royalties (e.g., Copyright, Software, Recording, Broadcast- ing, Endorsement Payments)	Schedule 1, line 5 or Schedule NEC, line 5



## Exhibit 3.21.3-2 (Cont. 1) (10-29-2025)

## Form 1042-S Income Codes

Form 1042-S Box 1 Income Code Current Year	Form 1042-S Box 1 Income Code Prior Year (If Different from Current Year)	Description (Type) of Income	Where Income is Reported
13	TY15 and later	Royalties paid on certain publicly offered securities	Schedule 1, line 5 or Schedule NEC, line 5
14	13 (TY14 and prior)	Real Property Income and Natural Resources Royalties	Schedule 1, line 5 or Schedule NEC, line 6
15	14 (TY14 and prior)	Pensions, Annuities, Alimony, and/or Insurance Premiums	Form 1040-NR, line 5b or Schedule NEC, line 7
16	15 (TY14 and prior)	Scholarships/Fellowship Grants	Form 1040-NR, line 1k or Schedule 1, line 8r
17	16 (TY14 and prior)	Compensation for Inde- pendent Personal Services	Schedule 1, line 3 or 8z or Form 1040-NR, line 1k  <b>Exception:</b> If the income is earned by a nonresi- dent alien for services performed outside the U.S., the income is NOT taxable. Follow the taxpayer's intent if they do not claim the income and the address on the Form 1040-NR is outside of the U.S.
18	17 (TY14 and prior)	Compensation for Dependent Personal Services	Form 1040-NR, line 1h or 1k

**Exhibit 3.21.3-2 (Cont. 2) (10-29-2025)****Form 1042-S Income Codes**

<b>Form 1042-S Box 1 Income Code Current Year</b>	<b>Form 1042-S Box 1 Income Code Prior Year (If Different from Current Year)</b>	<b>Description (Type) of Income</b>	<b>Where Income is Reported</b>
19	18 (TY14 and prior)	Compensation for Teaching	Form 1040-NR, line 1h or 1k
20	19 (TY14 and prior)	Compensation during Studying and Training	Form 1040-NR, line 1h or 1k
21 (not valid after TY 2015)	21 (TY15 and prior)	Gross Income - Capital Gain Dividend	Page 1 Form 1040-NR, line 7 or Schedule NEC, line 9 or 18
22		Interest Paid on Deposit with a Foreign Branch of a Domestic Corporation or Partnership	Form 1040-NR, line 2b or 1k
23	20 (TY14 and prior)	Gross Income - Other	Schedule 1, line 8z or Schedule NEC, line 12
24		Qualified Investment Entity (QIE) Distributions of Capital Gains	Form 1040-NR, line 7 or Schedule NEC, lines 9 and 18
25		Trust Distributions Subject to IRC Section 1445)	Schedule 1, line 8z or Schedule NEC, line 12
26		Unsevered Growing Crops and Timber Distributions by a Trust Subject to IRC Section 1445)	Schedule 1, line 8z or Schedule NEC, line 12
27		Publicly Traded Partnership Distributions Subject to IRC Section 1446(a)	Schedule 1, line 8z or Schedule NEC, line 12
28		Gambling Winnings	Schedule NEC, line 10a or 11 (depending on country of residence)
29		Deposit Interest	Schedule NEC, line 12
30		Original Issue Discount (OID)	Schedule NEC, line 12
31		Short-Term Original Issue Discount (OID)	Schedule NEC, line 9
32		Notional Principal Contract Income	Schedule 1, line 8z or Schedule NEC, line 12

**Exhibit 3.21.3-2 (Cont. 3) (10-29-2025)**  
**Form 1042-S Income Codes**

<b>Form 1042-S Box 1 Income Code Current Year</b>	<b>Form 1042-S Box 1 Income Code Prior Year (If Different from Current Year)</b>	<b>Description (Type) of Income</b>	<b>Where Income is Reported</b>
33		Substitute Payment - Interest	Form 1040-NR, line 2b or Schedule NEC, line 2c
34		Substitute Payment - Dividends	Form 1040-NR, line 3b or Schedule NEC, line 1a
35		Substitute Payment - Other	Form 1040-NR, line 1z or Schedule NEC, line 12
36		Capital Gains Distribu- tions	Form 1040-NR, line 7 or Schedule NEC, lines 9 and 18
37		Return of capital	Generally not reported
38		Eligible deferred com- pensation items subject to IRC Section 877A(d)(1)	Form 1040-NR, line 1h
39		Distributions from a non-grantor trust subject to IRC Section 877A(f)(1)	Schedule NEC, line 12
40		Other dividend equiva- lents under IRC Section 871 (m)	Schedule 1, line 8z or Schedule NEC, line 1c
41		Guarantee of Indebted- ness	Schedule 1, line 8z or Schedule NEC, line 12
42	20 (TY11 and prior)	Earnings as an Artist or Athlete without a central withholding agreement.	Form 1040-NR, line 1h or 1k or Schedule 1, line 3
43		Earnings as an Artist or Athlete with a central withholding agreement	Form 1040-NR, line 1h or 1k or Schedule 1, line 3
44		Specified Federal pro- curement payments	Schedule 1, line 8z
50		Income previously reported under escrow procedure	No reporting required

## Exhibit 3.21.3-2 (Cont. 4) (10-29-2025)

## Form 1042-S Income Codes

Form 1042-S Box 1 Income Code Current Year	Form 1042-S Box 1 Income Code Prior Year (If Different from Current Year)	Description (Type) of Income	Where Income is Reported
51	TY15 and later <b>Note:</b> In TY14, Income Code 51 was “Other Income”	Interest paid on certain actively traded or publicly offered securi- ties	Form 1040-NR, line 2b or Schedule NEC, line 2
52	TY15 and later	Dividends paid on certain actively traded or publicly offered secu- rities	Form 1040-NR, line 3b or Schedule NEC, line 1
53	TY15 and later	Substitute payments - dividends from certain actively traded or publicly offered securi- ties	Form 1040-NR, line 3b or Schedule NEC, line 1
54	TY17 and later <b>Note:</b> In TY15 - TY16, Income Code 54 was “Other Income”.	Substitute payments - interest from certain actively traded or publicly offered securi- ties	Form 1040-NR, line 2b or Schedule NEC, line 2
55	TY19 and later	Taxable death benefits on life insurance contracts	Schedule 1, line 8z or Schedule NEC, line 12
56	TY22 and later	Dividend equivalents under IRC section 871(m) as a result of applying the combined transaction rules	Form 1040-NR, line 3b or Schedule NEC, line 1c
57	TY22 and later	Amount realized under IRC section 1446(f)	Form 1040-NR, line 3b
58	TY23 and later	Publicly traded partner- ship distributions - undetermined	Schedule 1, line 8z

**Exhibit 3.21.3-3 (10-29-2025)****Return Processing Codes (RPCs)**

<b>Code</b>	<b>Explanation</b>
<b>B</b>	International return Form 1040, Form 1040-A (TY17 and prior), or Form 1040-EZ (TY17 and prior), and EIC is <b>not</b> claimed.
<b>F</b>	Taxpayer has included IRC Section 965 claims and/or payments on the return.
<b>G</b>	<ul style="list-style-type: none"> <li>a. All income on the return has been exempted by a valid tax treaty, and withholding is present,</li> <li>b. Scholarship, stipend, or fellowship grant reported, withholding claimed and neither wages, pensions, and annuities nor Social Security benefits reported,</li> <li>c. Gross amount of “scholarship/fellowship” grant has been moved to, or is on, Form 1040-NR, Schedule 1, line 8r, withholding is on Form 1040-NR, line 25d or 25g, and Form 1040-NR, line 1a is zero, blank, or dash,</li> <li>d. There is a significant amount on Form 4972, line 6 or 8, and withholding is present, or</li> <li>e. Indian Gaming Proceeds (IGP) is present on Form 1040-NR, Schedule 1, Line 8z, and withholding is present.</li> </ul>
<b>J</b>	Form 1040-NR, line 23a is a significant entry (other than zero), and line 11a is blank, dash, zero, or edited to be blank.
<b>M</b>	Unemployment Compensation box checked on Form 8962 for TY21.
<b>P</b>	<b>TY24</b> and subsequent, Form 1040-NR Schedule P, Foreign Partner’s Interests in Certain Partnerships Transferred During Tax Year. with an entry for “total proceeds/amount realized from the transfer of partnership interest”.

## Exhibit 3.21.3-3 (Cont. 1) (10-29-2025)

## Return Processing Codes (RPCs)

Code	Explanation
<b>S</b>	<p>The amount of self-employment income claimed is \$434 or more, Schedule SE is not attached, Schedule 2, line 4 does not have a significant entry, and the taxpayer resides in:</p> <ul style="list-style-type: none"> <li>a. Australia</li> <li>b. Austria</li> <li>c. Belgium</li> <li>d. Brazil</li> <li>e. Canada</li> <li>f. Chile (see Note below)</li> <li>g. Czech Republic</li> <li>h. Denmark</li> <li>i. Finland</li> <li>j. France</li> <li>k. Germany</li> <li>l. Greece</li> <li>m. Hungary (see Note below)</li> <li>n. Iceland</li> <li>o. Ireland</li> <li>p. Italy</li> <li>q. Japan</li> <li>r. Luxembourg</li> <li>s. Netherlands</li> <li>t. Norway</li> <li>u. Poland</li> <li>v. Portugal</li> <li>w. Slovak Republic/Slovakia</li> <li>x. Slovenia</li> <li>y. South Korea</li> <li>z. Spain</li> <li>aa. Sweden</li> <li>ab. Switzerland</li> <li>ac. United Kingdom (including Great Britain, England, Northern Ireland, Scotland, and Wales)</li> <li>ad. Uruguay</li> </ul> <p><b>Note:</b> The U.S. - Chile income tax treaty generally entered into effect on January 1, 2024. Do treat Chile as an RPC “<b>S</b>” country for tax years beginning before 2024.</p> <p><b>Note:</b> The U.S. - Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to self-employment income after January 1, 2024. Do treat Hungary as an RPC “<b>S</b>” country for tax years beginning after 2023.</p>
<b>U</b>	Form 8949 attached with code “ <b>Z</b> ” or “ <b>Y</b> ” in column (f).
<b>W</b>	TY25 and later, Clergy Filing Schedule SE.
<b>X</b>	Indicates LB&I screening of international returns for Revenue Protection.

**Exhibit 3.21.3-3 (Cont. 2) (10-29-2025)**  
**Return Processing Codes (RPCs)**

Code	Explanation
1	All Dual-Status Returns.

**Exhibit 3.21.3-4 (07-15-2022)****International Organizations and Foreign Governments**

<b>International Organizations and Foreign Governments</b>
African Development Bank (Ex. Order No. 12403)
African Development Fund (Ex. Order No. 11977)
African Union (Ex. Order No. 13377)
African Union Mission (Ex. Order No. 13444)
Asian Development Bank (Ex. Order No. 11334)
Border Environment Cooperation Commission (Ex. Order No. 12904)
Caribbean Organization (Ex. Order No. 10983)
Commission for Environmental Cooperation (Ex. Order No. 12904)
Commission for Labor Cooperation (Ex. Order No. 12904)
Commission for the Study of Alternatives to the Panama Canal (Ex. Order No. 12567)
Council of Europe in Respect of the Group of States Against Corruption (GRECO) (Ex. Order No. 13240)
Customs Cooperation Council (Ex. Order No. 11596)
European Bank for Reconstruction and Development (Ex. Order No. 12766)
European Central Bank (Ex. Order No. 13307)
European Space Agency (formerly European Space Research Organization - ESRO) (Ex. Order No. 11318/11351/11760/12766)
Food and Agriculture Organization (Ex. Order No. 9698)
Global Fund to Fight AIDS, Tuberculosis and Malaria (Ex. Order No. 13395)
Great Lakes Fishery Commission (Ex. Order No. 11059)
Hong Kong Economic and Trade Offices (Ex. Order No. 13052)
Inter-American Defense Board (Ex. Order No. 10228)
Inter-American Development Bank (Ex. Order No. 10873/11019)
Inter-American Institute of Agricultural Sciences (Ex. Order No. 9751)
Inter-American Investment Corporation (Ex. Order No. 12567)
Inter-American Statistical Institute (Ex. Order No. 9751)
Inter-American Tropical Tuna Commission (Ex. Order No. 11059)
Intergovernmental Maritime Consultative Organization (Ex. Order No. 10795)
International Atomic Energy Agency (Ex. Order No. 10727)
International Bank for Reconstruction and Development (Ex. Order No. 9751)
International Boundary and Water Commission, United States and Mexico (Ex. Order No. 12467)



**Exhibit 3.21.3-4 (Cont. 1) (07-15-2022)****International Organizations and Foreign Governments**

<b>International Organizations and Foreign Governments</b>
International Centre for Settlement of Investment Disputes (Ex. Order No. 11966)
International Civil Aviation Organization (Ex. Order No. 9863)
International Civilian Office in Kosovo (Ex. Order No. 13568)
International Coffee Organization (Ex. Order No. 11225)
International Committee of the Red Cross (Ex. Order No. 12643)
International Cotton Advisory Committee (Ex. Order No. 9911)
International Cotton Institute (Ex. Order No. 11283)
International Criminal Police Organization (INTERPOL) (limited privileges) (Ex. Order No. 12425/12971/13524)
International Development Association (Ex. Order No. 11966)
International Development Law Institute (Ex. Order No. 12842)
International Fertilizer Development Center (Ex. Order No. 11977)
International Finance Corporation (Ex. Order No. 10680)
International Food Policy Research Institute (limited privileges) (Ex. Order No. 12359)
International Fund for Agricultural Development (Ex. Order No. 12732)
International Hydrographic Bureau (Ex. Order No. 10769)
International Joint Commission - United States and Canada (Ex. Order No. 9972)
International Labor Organization (Ex. Order No. 9698)
International Maritime Satellite Organization (Ex. Order No. 12238)
International Monetary Fund (Ex. Order No. 9751)
International Pacific Halibut Commission (Ex. Order No. 11059)
International Renewable Energy Agency (Ex. Order No. 13705)
International Secretariat for Volunteer Service (Ex. Order No. 11363)
International Telecommunication Union (Ex. Order No. 9863)
International Telecommunications Satellite Organization (INTELSAT) (Ex. Order No. 11718/11966)
International Union for Conservation of Nature and Natural Resources (Ex. Order No. 12986)
International Wheat Advisory Committee (International Wheat Council) (Ex. Order No. 9823)
Interparliamentary Union (Ex. Order No. 13097)
Israel-United States Binational Industrial Research and Development Foundation (Ex. Order No. 12956)
ITER International Fusion Energy Organization (Ex. Order No. 13451)
Korean Peninsula Energy Development Organization (Ex. Order No. 12997)

**Exhibit 3.21.3-4 (Cont. 2) (07-15-2022)****International Organizations and Foreign Governments**

<b>International Organizations and Foreign Governments</b>
Multilateral Investment Guarantee Agency (Ex. Order No. 12647)
Multinational Force and Observers (Ex. Order No. 12359)
North American Development Bank (Ex. Order No. 12904)
North Pacific Anadromous Fish Commission (Ex. Order No. 12895)
North Pacific Marine Science Organization (Ex. Order No. 12894)
Office of the High Representative in Bosnia and Herzegovina (Ex. Order No. 13568)
Organization for European Economic Cooperation (now known as the Organization for Economic Cooperation and Development) (Ex. Order No. 10133)
Organization for the Prohibition of Chemical Weapons (Ex. Order No. 13049)
Organization of American States (includes Pan American Union) (Ex. Order No. 10533)
Organization of Eastern Caribbean States (Ex. Order No. 12669)
Pacific Salmon Commission (Ex. Order No. 12567)
Pan American Health Organization (includes Pan American Sanitary Bureau) (Ex. Order No. 10864)
Preparatory Commission of the International Atomic Energy Agency (Ex. Order No. 10727)
Provisional Intergovernmental Committee for the Movement of Migrants from Europe (now known as the Intergovernmental Committee for European Migration) (Ex. Order No. 10335)
South Pacific Commission (Ex. Order No. 10086)
United International Bureau for the Protection of Intellectual Property (BIRPI) (Ex. Order No. 11484)
United Nations (Ex. Order No. 9698)
United Nations Educational, Scientific, and Cultural Organization (Ex. Order No. 9863)
United Nations Industrial Development Organization (Ex. Order No. 12628)
United States-Mexico Border Health Commission (Ex. Order No. 13367)
Universal Postal Union (Ex. Order No. 10727)
World Health Organization (Ex. Order No. 10025)
World Intellectual Property Organization (Ex. Order No. 11866)
World Meteorological Organization (Ex. Order No. 10676)
World Organisation for Animal Health (Ex. Order No. 13759)
World Tourism Organization (Ex. Order No. 12508)
World Trade Organization (Ex. Order No. 13042)

**Exhibit 3.21.3-5 (01-01-2020)****Province, State and Territory Abbreviations**

<b>Australia State</b>	<b>Abbreviation</b>
Australian Capital Territory	ACT
New South Wales	NSW
Northern Territory	NT
Queensland	QLD
South Australia	SA
Tasmania	TAS
Victoria	VIC
Western Australia	WA

<b>Brazil State</b>	<b>Abbreviation</b>
Acre	AC
Alagoas	AL
Amapa	AP
Amazonas	AM
Bahia	BA
Ceara	CE
Distrito Federal	DF
Espirito Santo	ES
Goiias	GO
Maranhao	MA
Mato Grosso	MT
Mato Grosso do Sul	MS
Minas Gerais	MG
Para	PA
Paraiba	PB
Parana	PR
Pernambuco	PE
Piaui	PI
Rio de Janiero	RJ
Rio Grande do Norte	RN

**Exhibit 3.21.3-5 (Cont. 1) (01-01-2020)****Province, State and Territory Abbreviations**

<b>Brazil State</b>	<b>Abbreviation</b>
Rio Grande do Sul	RS
Rondonia	RO
Roraima	RR
Santa Catarina	SC
Sao Paulo	SP
Sergipe	SE
Tocantins	TO

<b>Canada Province/Territory</b>	<b>Abbreviation</b>
Alberta	AB
British Columbia	BC
Manitoba	MB
New Brunswick	NB
Newfoundland and Labrador/Newfoundland	NL
Northwest Territories	NT
Nova Scotia	NS
Nunavut	NU
Ontario	ON
Prince Edward Island	PE
Quebec	QC
Saskatchewan	SK
Yukon	YT

<b>Cuba Provincia</b>	<b>Abbreviation</b>
Camaguey	CG
Ciego de Avila	CA
Cienfuegos	CF
Ciudad de La Habana	CH
Granma (Bayamo)	GR
Guantanamo	GT
Holguin	HO

**Exhibit 3.21.3-5 (Cont. 2) (01-01-2020)**  
**Province, State and Territory Abbreviations**

<b>Cuba Provincia</b>	<b>Abbreviation</b>
La Habana	HA
Matanzas	MT
Municipio Especial Isla de la Juventud	IJ
Pinar del Rio	PR
Sancti Spiritus	SS
Santiago de Cuba	SC
(Victoria de) Las Tunas	LT
Villa Clara	VC

<b>Italy Provincia</b>	<b>Abbreviation</b>
Agrigento	AG
Alessandria	AL
Ancona	AN
Aosta/Aoste	AO
Arezzo	AR
Ascoli Piceno	AP
Asti	AT
Avellino	AV
Bari	BA
Barletta-Andria-Trani	BT
Belluno	BL
Benevento	BN
Bergamo	BG
Biella	BI
Bologna	BO
Bolzano/Bozen	BZ
Brescia	BS
Brindisi	BR
Cagliari	CA
Caltanissetta	CL
Campobasso	CB

**Exhibit 3.21.3-5 (Cont. 3) (01-01-2020)****Province, State and Territory Abbreviations**

Italy Provincia	Abbreviation
Carbonia-Iglesias	CI
Caserta	CE
Catania	CT
Catanzaro	CZ
Chieti	CH
Como	CO
Cosenza	CS
Cremona	CR
Crotone	KR
Cuneo	CN
Enna	EN
Fermo	FM
Ferrara	FE
Firenze/Florence	FI
Foggia	FG
Forli-Cesena	FO
Frosinone	FR
Genova/Genoa	GE
Gorizia	GO
Grosseto	GR
Imperia	IM
Isernia	IS
L'Aquila	AQ
La Spezia	SP
Latina	LT
Lecce	LE
Lecco	LC
Livorno	LI
Lodi	LO
Lucca	LU
Macerata	MC

**Exhibit 3.21.3-5 (Cont. 4) (01-01-2020)**  
**Province, State and Territory Abbreviations**

Italy Provincia	Abbreviation
Mantova/Mantua	MN
Massa-Carrara	MS
Matera	MT
Messina	ME
Milano/Milan	MI
Modena	MO
Monza and Brianza	MB
Napoli/Naples	NA
Novara	NO
Nuoro	NU
Ogliastra	OG
Olbia-Tempio	OT
Oristano	OR
Padova/Padua	PD
Palermo	PA
Parma	PR
Pavia	PV
Perugia	PG
Pesaro-Urbino	PS
Pescara	PE
Piacenza	PC
Pisa	PI
Pistoia	PT
Pordenone	PN
Potenza	PZ
Prato	PO
Ragusa	RG
Ravenna	RA
Reggio Calabria	RC
Reggio Emilia	RE
Rieti	RI

**Exhibit 3.21.3-5 (Cont. 5) (01-01-2020)****Province, State and Territory Abbreviations**

<b>Italy Provincia</b>	<b>Abbreviation</b>
Rimini	RN
Roma/Rome	RM
Rovigo	RO
Salerno	SA
Sassari	SS
Savona	SV
Siena	SI
Siracusa/Syracuse	SR
Sondrio	SO
Taranto	TA
Teramo	TE
Terni	TR
Torino/Turin	TO
Trapani	TP
Trento	TN
Treviso	TV
Trieste	TS
Udine	UD
Varese	VA
Venezia/Venice	VE
Verbano-Cusio-Ossola	VB
Vercelli	VC
Verona	VR
Vibo Valentia	VV
Vicenza	VI
Viterbo	VT

<b>Mexico State</b>	<b>Abbreviation</b>
Aguascalientes	AGS
Baja California Norte/Baja California	BCN
Baja California Sur	BCS



**Exhibit 3.21.3-5 (Cont. 6) (01-01-2020)****Province, State and Territory Abbreviations**

<b>Mexico State</b>	<b>Abbreviation</b>
Campeche	CAM
Chiapas	CHIS
Chihuahua	CHIH
Coahuila	COAH
Colima	COL
Distrito Federal	DF
Durango	DGO
Guanajuato	GTO
Guerrero	GRO
Hidalgo	HGO
Jalisco	JAL
Mexico	MEX
Michoacan	MICH
Morelos	MOR
Nayarit	NAY
Nuevo Leon	NL
Oaxaca	OAX
Puebla	PUE
Queretaro	QRO
Quintana Roo	QROO
San Luis Potosi	SLP
Sinaloa	SIN
Sonora	SON
Tabasco	TAB
Tamaulipas	TAMPS
Tlaxcala	TLAX
Veracruz	VER
Yucatan	YUC
Zacatecas	ZAC

**Exhibit 3.21.3-5 (Cont. 7) (01-01-2020)****Province, State and Territory Abbreviations**

<b>The Netherlands Province</b>	<b>Abbreviation</b>
Drenthe	DR
Flevoland	FLD
Friesland	FR
Gelderland	GLD
Groningen	GN
Limburg	LB
North Brabant/Noord Brabant	NB
North Holland/Noord Holland	NH
Overijssel	OV
South Holland/Zuid Holland	ZH
Utrecht	UT
Zeeland	SLD

**Exhibit 3.21.3-6 (10-30-2024)****U.S. Territory ZIP Codes****American Samoa (AS)**

City	ZIP Code
Faga'itua	96799
Leone	96799
Olosega Manua'	96799
Pago Pago	96799

**Federated States of Micronesia (FM)**

City	ZIP Code
Chuuk	96942
Kosrae	96944
Pohnpei	96941
Yap	96943

**Guam (GU)**

City	ZIP Code
Agana	96910
Inarajan	96917
Merizo	96916
Tamuning	96931
Umatac	96915
Yona	96915

**Marshall Islands (MH)**

City	ZIP Code
Ebeye	96970
Majuro	96960

**Northern Mariana Islands (MP)**

**Exhibit 3.21.3-6 (Cont. 1) (10-30-2024)****U.S. Territory ZIP Codes**

City	ZIP Code
Capitol Hill	96950
Rota	96951
Saipan	96950
Tinian	96952

**Palau (PW)**

City	ZIP Code
Koror	96940
Palau	96940

**Puerto Rico (PR)**

City	ZIP Code
Adjuntas	00601
Aguada	00602
Aguadilla	00603
Aguas Buenas	00703
Aguirre	00704
Aibonito	00705
Anasco	00610
Angeles	00611
Arecibo	00612
Arroyo	00714
Bajadero	00616
Barceloneta	00617
Barranquitas	00794
Bo Obrero	00935
Bayamon	00956
Boqueron	00622
Cabo Rojo	00623
Caguas	00725

**Exhibit 3.21.3-6 (Cont. 2) (10-30-2024)**  
**U.S. Territory ZIP Codes**

City	ZIP Code
Camuy	00627
Canovanas	00729
Caparra Heights	00920
Carolina	00982
Catano	00962
Cayey	00736
Ceiba	00735
Ciales	00638
Cidra	00739
Coamo	00769
Comerio	00782
Corozal	00783
Coto Laurel	00780
Culebra	00775
Dorado	00646
Ensenada	00647
Fajardo	00738
Fernandez Juncos	00936
Florida	00650
Fort Buchanan	00934
Garrochales	00652
Guanica	00653
Guayama	00784
Guayanilla	00656
Guaynabo	00965
Gurabo	00778
Hatillo	00660
Hato Rey (STA)	00936
Hormigueros	00660
Humacao	00791
Isabela	00662

**Exhibit 3.21.3-6 (Cont. 3) (10-30-2024)****U.S. Territory ZIP Codes**

City	ZIP Code
Jayuya	00664
Juana Diaz	00795
Juncos	00777
Lajas	00667
La Plata	00786
Lares	00669
Las Marias	00670
Las Piedras	00771
Levittown	00950
Loiza	00772
Loiza ST	00936
Luquillo	00773
Manati	00674
Maricao	00606
Maunabo	00707
Mayaguez	00680
Mercedita	00715
Minillas	00940
Moca	00676
Morovis	00687
Naguabo	00718
Naranjito	00719
Orocovis	00720
Palmer	00721
Patillas	00723
Penuelas	00624
Ponce	00731
Puerta de Tierra	00906
Puerta Real	00740
Punta Santiago	00741
Quebradillas	00678

**Exhibit 3.21.3-6 (Cont. 4) (10-30-2024)****U.S. Territory ZIP Codes**

City	ZIP Code
Rincon	00677
Rio Grande	00745
Rio Blanco	00744
Rio Piedras	00927
Rosario	00636
Sabana Grande	00637
Sabana Hoyos	00688
Sabana Seca	00952
Saint Just	00978
Salinas	00751
San Antonio	00690
San German	00683
San Juan	00936
San Lorenzo	00754
San Sebastian	00685
Santa Isabel	00757
Santurce	00936
Toa Alta	00953
Toa Baja	00949
Trujillo Alto	00976
Utua	00641
Vega Alta	00692
Vega Baja (box 1 - 9049)	00694
Vieques	00765
Villalba	00766
Yabucoa	00767
Yauco	00698

**Virgin Islands (VI)**

**Exhibit 3.21.3-6 (Cont. 5) (10-30-2024)****U.S. Territory ZIP Codes**

City	ZIP Code
Charlotte Amalie	00802
Christiansted	00820
Cruz Bay	00830
Downtown	00840
Frederiksted	00840
Kingshill	00850
Saint Croix	00820
Saint John	00830
Saint Thomas	00805
Sunny Isle	00850
Veterans Annex	00820



**Exhibit 3.21.3-7 (10-30-2024)****Country Codes**

Foreign Country	Country Code
Afghanistan	AF
Aland Islands	AX
Albania	AL
Algeria	AG
Andorra	AN
Angola	AO
Anguilla	AV
Antarctic Lands	FS
Antarctica	AY
Antigua	AC
Antigua and Barbuda	AC
Argentina	AR
Armenia	AM
Aruba	AA
Ashmore Island	AT
Ashmore and Cartier Islands	AT
Australia	AS
Austria	AU
Azerbaijan	AJ
Bahamas	BF
Bahrain	BA
Baker Island	FQ
Balearic Islands (Spain)	SP
Bangladesh	BG
Barbados	BB
Barbuda	AC
Bassas da India	XX
Belarus	BO
Belgium	BE
Belize	BH

**Exhibit 3.21.3-7 (Cont. 1) (10-30-2024)****Country Codes**

Foreign Country	Country Code
Benin	BN
Bermuda	BD
Bhutan	BT
Bolivia	BL
Bonaire, Sint Eustatius and Saba	BQ
Bosnia-Herzegovina	BK
Botswana	BC
Bouvet Island	BV
Brazil	BR
British Indian Ocean Territory	IO
British Virgin Islands	VI
Brunei	BX
Bulgaria	BU
Burkina Faso (Upper Volta)	UV
Burma/Myanmar	BM
Burundi	BY
Caicos Islands	TK
Cambodia	CB
Cameroon	CM
Canada	CA
Cape Verde/Cabo Verde	CV
Cartier Island	AT
Cayman Islands	CJ
Central African Republic	CT
Chad	CD
Chile	CI
China	CH
Christmas Island	KT
Clipperton Islands	IP
Cocos Island (Keeling Island)	CK
Colombia	CO

**Exhibit 3.21.3-7 (Cont. 2) (10-30-2024)****Country Codes**

Foreign Country	Country Code
Comoros	CN
Congo, Republic of (Brazzaville)	CF
Congo, Democratic Republic of (Kinshasa)	CG
Cook Islands	CW
Coral Sea Islands Territory	CR
Costa Rica	CS
Cote d'Ivoire (Ivory Coast)	IV
Croatia	HR
Cuba	CU
Curacao (Netherland Antillies)	UC
Cyprus	CY
Czech Republic	EZ
Dem. People's Rep. of Korea (North)	KN
Dem. Rep. of Congo (Kinshasa)	CG
Denmark	DA
Djibouti	DJ
Dominica	DO
Dominican Republic	DR
East Timor	TT
Ecuador	EC
Egypt	EG
El Salvador	ES
Eleuthera Island (Bahamas)	BF
England	UK
Equatorial Guinea	EK
Eritrea	ER
Estonia	EN
Eswatini (formerly Swaziland)	WZ
Ethiopia	ET
Europa Island	EU
Falkland Islands	FK

**Exhibit 3.21.3-7 (Cont. 3) (10-30-2024)****Country Codes**

Foreign Country	Country Code
Faroe Islands	FO
Fiji	FJ
Finland	FI
France	FR
French Guiana	XX
French Polynesia	FP
French Southern and Antarctic Lands	FS
Futuna	WF
Gabon	GB
Gambia	GA
Georgia	GG
Germany	GM
Ghana	GH
Gibraltar	GI
Glorioso Islands	GO
Great Britain	UK
Greece	GR
Greenland	GL
Grenada	GJ
Grenadines	VC
Guadeloupe	GP
Guam	GQ
Guatemala	GT
Guernsey	GK
Guinea	GV
Guinea-Bissau	PU
Guyana	GY
Haiti	HA
Heard Island and McDonald Island	HM
Holy See	VT
Honduras	HO

**Exhibit 3.21.3-7 (Cont. 4) (10-30-2024)****Country Codes**

Foreign Country	Country Code
Hong Kong	HK
Howland Island	HQ
Hungary	HU
Iceland	IC
India	IN
Indonesia	ID
Iran	IR
Iraq	IZ
Ireland	EI
Isle of Man	IM
Israel	IS
Italy	IT
Ivory Coast	IV
Jamaica	JM
Jan Mayen	JN
Japan	JA
Jarvis Island	DQ
Jersey	JE
Johnston Atoll	JQ
Jordan	JO
Juan de Nova Island	JU
Kazakhstan	KZ
Kenya	KE
Kingman Reef	KQ
Kiribati	KR
Korea	KS
Korea (North)	KN
Korea (South)	KS
Kosovo	KV
Kurile Islands (Russia)	RS
Kuwait	KU

**Exhibit 3.21.3-7 (Cont. 5) (10-30-2024)****Country Codes**

Foreign Country	Country Code
Kyrgyzstan	KG
Laos	LA
Latvia	LG
Lebanon	LE
Lesotho	LT
Liberia	LI
Libya	LY
Liechtenstein	LS
Lithuania	LH
Luxembourg	LU
Macau/Macao	MC
Macedonia/North Macedonia	MK
Madagascar	MA
Malawi	MI
Malaysia	MY
Maldives	MV
Mali	ML
Malta	MT
Mariana Island	CQ
Marshall Islands	RM
Martinique	MB
Mauritania	MR
Mauritius	MP
Mayotte	MF
McDonald Island	HM
Mexico	MX
Micronesia	FM
Midway Islands	MQ
Miquelon	SB
Moldova	MD
Monaco	MN

**Exhibit 3.21.3-7 (Cont. 6) (10-30-2024)****Country Codes**

Foreign Country	Country Code
Mongolia	MG
Montenegro	MJ
Montserrat	MH
Morocco	MO
Mozambique	MZ
Myanmar/Burma	BM
Namibia	WA
Nauru	NR
Navassa Island	BQ
Nepal	NP
Netherlands	NL
Nevis	SC
New Caledonia	NC
New Zealand	NZ
Nicaragua	NU
Niger	NG
Nigeria	NI
Niue	NE
Norfolk Island	NF
North Korea	KN
North Macedonia/Macedonia	MK
Northern Ireland	UK
Norway	NO
Oman	MU
Other (country not identified elsewhere)	XX
Pakistan	PK
Palmyra Atoll	LQ
Panama	PM
Papua New Guinea	PP
Paracel Islands	PF
Paraguay	PA

**Exhibit 3.21.3-7 (Cont. 7) (10-30-2024)****Country Codes**

Foreign Country	Country Code
Peru	PE
Philippines	RP
Pitcairn Islands	PC
Poland	PL
Portugal	PO
Principe	TP
Qatar	QA
Redonda (British Virgin Islands)	VI
Reunion	RE
Romania	RO
Russia (Russian Federation)	RS
Rwanda	RW
Ryukyu Islands (Japan)	JA
S Georgia Island	SX
S Georgia Island and S Sandwich Island	SX
S Sandwich Island	SX
Samoa	WS
San Marino	SM
Sao Tome and Principe	TP
Sarawak	MY
Saudi Arabia	SA
Scotland	UK
Senegal	SG
Serbia	RI
Seychelles	SE
Sierra Leone	SL
Singapore	SN
Sint Maarten (Dutch part) (not St. Martin-French part)	SD
Slovak Republic (Slovakia)	LO
Slovenia	SI
Solomon Islands	BP



**Exhibit 3.21.3-7 (Cont. 8) (10-30-2024)****Country Codes**

Foreign Country	Country Code
Somalia	SO
South Africa	SF
South Georgia Island	SX
South Georgia Island and South Sandwich Island	SX
South Korea	KS
South Sandwich Island	SX
South Sudan	SS
Spain	SP
Spratly Islands	PG
Sri Lanka	CE
(St) Saint Barthelemy	TB
St. Helena	SH
St. Kitts and Nevis	SC
St. Lucia	ST
St. Martin (French part) (not Sint Maarten-Dutch part)	RN
St. Miquelon	SB
St. Pierre	SB
St. Pierre and Miquelon	SB
St. Vincent and Grenadines	VC
Sudan	SU
Suriname	NS
Svalbard	SV
Swaziland (now Eswatini)	WZ
Sweden	SW
Switzerland	SZ
Syria	SY
Taiwan	TW
Tajikistan	TI
Tanzania	TZ
Thailand	TH
The Bahamas	BF

**Exhibit 3.21.3-7 (Cont. 9) (10-30-2024)****Country Codes**

Foreign Country	Country Code
The Gambia	GA
The Netherlands	NL
Timor-Leste	TT
Togo	TO
Tokelau	TL
Tonga	TN
Tortola	VI
Trinidad and Tobago	TD
Tromelin Island	TE
Tunisia	TS
Turkey/Turkiye	TU
Turkmenistan	TX
Turks and Caicos Islands	TK
Tuvalu	TV
Uganda	UG
Ukraine	UP
United Arab Emirates	AE
United Kingdom	UK
Uruguay	UY
Uzbekistan	UZ
Vanuatu	NH
Vatican City	VT
Venezuela	VE
Vietnam	VM
Wake Island	WQ
Wales	UK
Wallis and Futuna	WF
Windward Island	VC
Yemen	YM
Zambia	ZA
Zimbabwe	ZI

**Exhibit 3.21.3-7 (Cont. 10) (10-30-2024)****Country Codes**

<b>Foreign Country</b>	<b>Country Code</b>
All Other Countries	XX

**Exhibit 3.21.3-8 (10-30-2024)****Types of Non-Immigrant Visa Issued to Aliens Admitted to the U.S.**

Visa Type	Description	Residency Status For Income Tax Purposes
A	"Diplomatic" Visa	Nonresident Alien <b>Note: An alien (not a U.S. citizen) is considered a nonresident alien unless they meet the "green card test" or substantial presence test. For details on tests, see IRM 3.21.3.3.2.</b>
B	"Visitors Visa" <ul style="list-style-type: none"> <li>• B - 1: Business</li> <li>• B - 2: Tourism; Medical Treatment</li> <li>• Cannot work as employee for United States or foreign employer, but can be independent contractor</li> </ul>	Nonresident or Resident Alien based on substantial presence
C	In Transit - Must depart from United States within 10-20 days from arrival	Nonresident Alien (unless meets substantial presence based on number of days in U.S. during tax year)
D	Ship crew members	Nonresident Alien <b>Note: An alien (not a U.S. citizen) is considered a nonresident alien unless they meet the "green card test" or substantial presence test. For details on tests see IRM 3.21.3.3.2</b>
E	<ul style="list-style-type: none"> <li>• E - 1: Treaty Trader</li> <li>• E - 2: Treaty Investor</li> </ul>	Status depends on length of stay in the U.S. (substantial presence)

## Exhibit 3.21.3-8 (Cont. 1) (10-30-2024)

## Types of Non-Immigrant Visa Issued to Aliens Admitted to the U.S.

Visa Type	Description	Residency Status For Income Tax Purposes
F	Foreign Student already accepted by college or university for full course of study. <b>Note:</b> Generally, unable to accept employment	Nonresident Alien <b>Note:</b> An alien (not a U.S. citizen) is considered a nonresident alien unless they meet the “green card test” or substantial presence test. For details on tests see IRM 3.21.3.3.2
G	Works for foreign government or International Organization (e.g., United Nations)	Nonresident Alien <b>Note:</b> An alien (not a U.S. citizen) is considered a nonresident alien unless they meet the “green card test” or substantial presence test. For details on tests see IRM 3.21.3.3.2
H	Temporary Worker - Visa petition filed by U.S. employer must be approved <b>Note:</b> Foreign agricultural workers temporarily admitted to the U.S. on H-2A visas are exempt from U.S. social security and Medicare taxes (SE tax). The wages earned are subject to U.S. income tax; however, H-2A workers are exempt from federal income tax withholding requirements.	Status depends on length of stay in the U.S. (substantial presence)
I	Foreign media representative - Journalist	Status depends on length of stay in the U.S. (substantial presence)

## Exhibit 3.21.3-8 (Cont. 2) (10-30-2024)

## Types of Non-Immigrant Visa Issued to Aliens Admitted to the U.S.

Visa Type	Description	Residency Status For Income Tax Purposes
J	Exchange Visitor (USA sponsored) - Foreign Professor or Teacher <b>Note:</b> Generally, length of stay in the United States is 2 years	Nonresident Alien <b>Note:</b> An alien (not a U.S. citizen) is considered a nonresident alien unless they meet the “green card test” or substantial presence test. For details on tests see IRM 3.21.3.3.2.
K	Fiancee of U.S. citizen <b>Note:</b> Marriage must take place within 90 days of arrival in U.S.	<ul style="list-style-type: none"> <li>Nonresident Alien if not going to reside in U.S. with spouse</li> <li>Resident Alien if going to reside permanently in U.S. (substantial presence)</li> </ul>
L	Intra company transferee	Status depends on length of stay in the U.S. (substantial presence)
M	Student in vocational or other non-academic school	Nonresident Alien <b>Note:</b> An alien (not a U.S. citizen) is considered a nonresident alien unless they meet the “green card test” or substantial presence test. For details on tests see IRM 3.21.3.3.2
Q	Treated as engaged in trade or business in the United States	Nonresident Alien <b>Note:</b> An alien (not a U.S. citizen) is considered a nonresident alien unless they meet the “green card test”; or substantial presence test. For details on tests see IRM 3.21.3.3.2

## Exhibit 3.21.3-8 (Cont. 3) (10-30-2024)

## Types of Non-Immigrant Visa Issued to Aliens Admitted to the U.S.

Visa Type	Description	Residency Status For Income Tax Purposes
TN	Both NAFTA (effective on or before June 30, 2020) and its successor, the United States-Mexico-Canada Agreement (USMCA) (effective July 1, 2020) allow temporary entry of Canadian and Mexican professionals in qualifying occupations to work.	Nonresident Alien <b>Note:</b> An alien (not a U.S. citizen) is considered a nonresident alien unless they meet the “green card test” or substantial presence test. For details on tests see IRM 3.21.3.3.2

Exhibit 3.21.3-9 (10-30-2024)

Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties

The link below lists the income tax rates on income other than personal service income. The income code numbers shown in this table are the same as the income codes on TY25 Form 1042-S. Use this table and the footnote references to verify tax treaty claims. *Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties.*

**Note:** Those countries to which the U.S. - U.S.S.R. income tax treaty still applies: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Uzbekistan

**Note:** The U.S.-Chile income tax treaty entered into effect with respect to taxes withheld at source paid or credited on or after February 1, 2024, and for other taxes for taxable periods beginning on or after January 1, 2024. In general, the rate on interest subject to withholding under the treaty is 15% through 2028, and thereafter, 10%; the rate on dividends, 15% on portfolio investments and 5% on dividends paid to a resident of Chile that is the beneficial owner of the dividend and that owns directly at least 10% of the voting stock of the company paying the dividend; and with respect to royalties, 2% for the right to use industrial and certain other equipment, and 10% for royalties paid with respect to other intangible property.

**Note:** The U.S.-Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to U.S. withholding tax after January 1, 2024, and for other taxes for taxable periods beginning after that date.

**Note:** The U.S.-Russia tax treaty is suspended for these taxes withheld at source and in respect of other taxes as of August 16, 2024.



**Exhibit 3.21.3-10 (10-30-2024)****Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

The link below is for **Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties** is used to verify tax treaty claims exempting personal services compensation. Personal services income that may be fully or partly exempt from U.S. income tax. Use the link and the footnote references to verify tax treaty claims. *Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties*.

**Note:** Those countries to which the U.S. - U.S.S.R. income tax treaty still applies: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Uzbekistan

**Note:** The U.S.-Chile income tax treaty entered into effect with respect to taxes withheld at source paid or credited on or after February 1, 2024, and for other taxes for taxable periods beginning on or after January 1, 2024. Independent personal services are exempt from U.S. tax if a Chilean resident has a fixed base available to him in the United States and the income is attributable to that fixed base, or if the Chilean resident is present in the United States for more than 183 days in any twelve-month period commencing or ending in the taxable year concerned, and to the extent that the income is derived from those activities. Article 14. Dependent personal services are generally exempt from U.S. tax unless the Chilean resident is present in the United States for more than 183 days in any twelve-month period commencing or ending in the taxable year concerned, the remuneration is paid by a non-U.S. employer, and the remuneration is not borne by a permanent establishment that the employer has in the United States. Article 15. Directors' fees of a Chilean resident paid by a company that is a United States resident that arise in the United States are not exempt unless they are paid in respect of a attendance at meetings held in Chile. Article 16.

**Note:** The U.S.-Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to U.S. withholding tax after January 1, 2024, and for other taxes for taxable periods beginning after that date.

**Note:** The U.S.-Russia tax treaty is suspended for these taxes withheld at source and in respect of other taxes as of August 16, 2024.

**Exhibit 3.21.3-11 (01-01-2021)**  
**Form 8288-A and Form 13698**

### Form 8288-A

WITHHOLDING AGENT'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and phone no.		1 Date of transfer (mm/dd/yyyy) <b>Step 1</b>	OMB No. 1545-0902 Form <b>8288-A</b> (Rev. January 2023)	<b>Statement of Withholding on Certain Dispositions by Foreign Persons</b>  <b>Copy B</b> <b>Send to Internal Revenue Service Center</b> <b>(For Use by Foreign Person Subject to Withholding)</b>  This information is being furnished to the Internal Revenue Service.
WITHHOLDING AGENT'S U.S. TIN		2 Gain recognized by foreign corporation \$	4 Federal income tax withheld \$ <b>Step 3</b>	
U.S. TIN of FOREIGN PERSON subject to withholding (see instructions)	3 Amount realized \$ <b>Step 2</b>	5 Withholding under section: a 1445 <input type="checkbox"/> b 1446(f)(1) <input type="checkbox"/>	6 FOREIGN PERSON subject to withholding: a Individual <input type="checkbox"/> b Corporation <input type="checkbox"/> c Partnership <input type="checkbox"/> d Other <input type="checkbox"/> (specify)	
FOREIGN PERSON'S name subject to withholding	7 Country code of FOREIGN PERSON subject to withholding	8 Description of property transferred		
Foreign address (number, street, and apt. or suite no.)				
City or town, state or province, country (not U.S.), and ZIP or foreign postal code				
Mailing address of FOREIGN PERSON subject to withholding (if different)				

Form **8288-A** (Rev. 1-2023) Department of the Treasury - Internal Revenue Service

- Step 1** Verify date in **Box 1**. Date of issue can only be during the tax period of the return. If date is different than the tax period on the return, delete Form 8288-A withholding from the return.
- Step 2** Verify the amount in **Box 3**. The amount must be reported on one of the following: Schedule D column (d); Schedule E page 2, part II; Form 4797 column (d); or Form 4684 section B. Dummying or correspondence may be required.
- Step 3** All withholding claimed in **Box 4** must be verified through INTLWebApps.

### Form 13698

INTERNATIONAL CREDIT(S) VERIFICATION SLIP				
TIN (TP claiming credit): <b>1</b> MFT: <b>2</b> Tax Period: <b>3</b>				
Other credits Form _____ (attached)	Form 1042S (attached)	Form 8805 (attached)	Form 8288A (attached)	Amount of credit <b>4</b>
Amount of credit	Amount of credit	Amount of credit	Verified by: <b>5</b>	
			Date: <b>6</b>	
Comments: <b>8</b>		Total Credits: <b>7</b>		

Form **13698** (6-2005) Catalog Number 40881X Department of the Treasury Internal Revenue Service

- 1** TIN
- 2** MFT: "30"
- 3** Tax Period: "YYYYMM"
- 4** Amount of credit
- 5** Verified by: Your IDRS Profile Number
- 6** Date
- 7** Total Credits
- 8** Comments, if applicable.

See IRM 3.21.25.

**Exhibit 3.21.3-12 (01-01-2021)****Prior Year Treaty table*****Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties***

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Austria TY 1998 - Prior	Scholarship or Fellowship Grant	No Limit	Any U.S. or foreign resident	No limit	XIII(3)
Austria TY 1998 - Prior	Independent Personal Service	183 days	Austrian resident contractor	No limit	X
Austria TY 1998 - Prior	Independent Personal Service	183 days	Other foreign or U.S. contractor	\$3,000	X
Austria TY 1998 - Prior	Dependent Personal Service	183 days	Austrian resident	No limit	X
Austria TY 1998 - Prior	Dependent Personal Service	183 days	Other foreign or U.S. resident	\$3,000	X
Austria TY 1998 - Prior	Teaching	2 years	U.S. educational institution	No limit	XII
Austria TY 1998 - Prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	XIII(1) and (2)
Austria TY 1998 - Prior	Studying and Training: Compensation while gaining experience	1 year	Austrian resident	\$10,000	XIII(4)
Bangladesh TY 2006 and prior	N/A	N/A	N/A	N/A	N/A
Belgium TY 2007 - Prior	Scholarship or Fellowship Grant	5 years	Any U.S. or foreign resident	No limit	21(1)
Belgium TY 2007 - Prior	Independent personal service	182 days	Any contractor	No limit	14(2)(a)(b)

**Exhibit 3.21.3-12 (Cont. 1) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Belgium TY 2007 - Prior	Public Entertainment	90 days	Any contractor	\$3,000	14(2)(c)
Belgium TY 2007 - Prior	Dependent personal service	182 days	Belgium resident	No limit	15
Belgium TY 2007 - Prior	Teaching	2 years	U.S. educational institution	No limit	20
Belgium TY 2007 - Prior	Studying and Training: Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
Belgium TY 2007 - Prior	Studying and Training: Compensation during training	12 consecutive months	Belgium resident	\$5,000	21(2)(b)
Belgium TY 2007 - Prior	Studying and Training: Compensation during training	5 years	Other foreign or U.S. resident	\$2,000 p.a.	21(1)
Belgium TY 2007 - Prior	Studying and Training: Compensation while gaining experience	12 consecutive months	Belgium resident	\$5,000	21(2)(a)
Belgium TY 2007 - Prior	Studying and Training: Compensation under U.S. Govt Program	1 year	U.S. government or its contractor	\$10,000	21(3)
Bulgaria TY 2008 - Prior	N/A	N/A	N/A	N/A	N/A
Canada TY 2003 - Prior	Independent personal service	No limit	Any contractor	No limit	XIV
Canada TY 2003 - Prior	Dependent personal service	No limit	Any U.S. or foreign resident	\$10,000	XV

**Exhibit 3.21.3-12 (Cont. 2) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Canada TY 2003 - Prior	Dependent personal service	183 days	Any foreign resident	No limit	XV
Canada TY 2003 - Prior	Dependent personal service	No limit	Any foreign resident	No limit	XX
Canada TY 2008 - 2004	Independent personal service	No limit	Any contractor	No limit	XIV
Canada TY 2008 - 2004	Public Entertainment	No limit	Any contractor	\$15,000 p.a.	XVI
Canada TY 2008 - 2004	Dependent personal service	No limit	Any U.S. or foreign resident	\$10,000	XV
Canada TY 2008 - 2004	Dependent personal service	183 days	Any foreign resident	No limit	XV
Canada TY 2008 - 2004	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	XX
Denmark TY 2000 - Prior	Independent personal service	180 days	Danish resident contractor	No limit	XI
Denmark TY 2000 - Prior	Independent personal service	90 days	Other foreign or U.S. contractor	\$3,000	XI
Denmark TY 2000 - Prior	Dependent personal service	180 days	Danish resident	No limit	XI
Denmark TY 2000 - Prior	Dependent personal service	90 days	Other foreign or U.S. resident	\$3,000	XI
Denmark TY 2000 - Prior	Teaching	2 years	U.S. educational institution	No limit	XIV

**Exhibit 3.21.3-12 (Cont. 3) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Denmark TY 2000 - Prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	XIII
Estonia TY 1999 - Prior	N/A	N/A	N/A	N/A	N/A
Germany TY 2007 and prior	Scholarship or Fellowship Grant	No limit	Any U.S. or foreign resident	No limit	20(3)
Germany TY 2007 and prior	Dependent personal service	183 days	Any foreign resident	No limit	15
Germany TY 2007 and prior	Public Entertainment	No limit	Any U.S. or foreign resident	\$20,000	17
Germany TY 2007 and prior	Teaching	2 years	U.S. educational or research institution	No limit	20(1)
Germany TY 2007 and prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	20(2)
Germany TY 2007 and prior	Studying and Training: Compensation during study or training	4 years	Any foreign resident	\$5,000	20(4)
Germany TY 2007 and prior	Studying and Training: Compensation while gaining experience	1 year	Any U.S. or foreign resident	\$10,000	20(5)
Germany TY 2008 and prior	Scholarship or fellowship grant	No limit	Any U.S. or foreign resident	No limit	21(1)
Germany TY 2008 and prior	Independent personal service	No limit	Any contractor	No limit	14

**Exhibit 3.21.3-12 (Cont. 4) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Germany TY 2008 and prior	Independent personal service: Public entertain-ment	No limit	Any contractor	\$20,000 p.a.	17
Germany TY 2008 and prior	Dependent personal service	183 days	Any foreign resident	No limit	15
Germany TY 2008 and prior	Dependent personal service: Public entertain-ment	183 days	Any foreign resident	\$20,000 p.a.	17
Germany TY 2008 and prior	Teaching	2 years	U.S. educa-tional or research institu-tion	No limit	20(1)
Germany TY 2008 and prior	Studying and Training: Remit-tances or allowances	No limit	Any foreign resident	No limit	20(2)
Germany TY 2008 and prior	Studying and Training: Compen-sation during study or training	4 years	Any U.S. or foreign resident	\$5,000 p.a.	20(4)
Germany TY 2008 and prior	Studying and Training: Compen-sation while gaining experience	1 year	Any German enterprise or foreign organi-zation or institution	\$10,000	20(5)
Iceland TY 2008 - Prior	N/A	N/A	N/A	N/A	N/A
Ireland TY1998 - Prior	Independent personal service	183 days	Irish resident contractor	No limit	XI
Ireland TY1998 - Prior	Dependent personal service	183 days	Irish resident	No limit	XI
Ireland TY1998 - Prior	Teaching	2 years	U.S. educa-tional institution	No limit	XVIII

**Exhibit 3.21.3-12 (Cont. 5) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Ireland TY1998 - Prior	Studying and Training: Remittances or allowances	No limit	Irish resident	No limit	XIX
Italy TY 2010 - Prior	Independent personal service	183 days	Any contractor	No limit	14
Italy TY 2010 - Prior	Independent personal service: Public entertainment	90 days	Any contractor	\$12,000 p.a.	17(1)
Italy TY 2010 - Prior	Dependent personal service	183 days	Any foreign resident	No limit	15
Italy TY 2010 - Prior	Independent personal service: Public entertainment	90 days	Any U.S. or foreign resident	\$12,000 p.a.	17(1)
Italy TY 2010 - Prior	Teaching	2 years	U.S. educational institution	No limit	20
Italy TY 2010 - Prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	21
Japan TY 2003 - Prior	Scholarship or Fellowship Grant	5 years	Any U.S. or foreign resident	No limit	20(1)
Japan TY 2003 - Prior	Independent personal service	183 days	Any contractor	No limit	17
Japan TY 2003 - Prior	Public Entertainment	90 days	Any contractor	\$3,000	17
Japan TY 2003 - Prior	Dependent personal service	183 days	Japanese resident	No limit	18
Japan TY 2003 - Prior	Teaching	2 years	U.S. educational institution	No limit	19



**Exhibit 3.21.3-12 (Cont. 6) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Japan TY 2003 - Prior	Studying and Training: Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
Japan TY 2003 - Prior	Studying and Training: Compensation during training	5 years	U.S. or any foreign resident	\$2,000	20(1)
Japan TY 2003 - Prior	Studying and Training: Compensation while gaining experience	12 consecutive months	Japanese resident	\$5,000	20(2)
Japan TY 2003 - Prior	Studying and Training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000	20(3)
Latvia TY 1999 - Prior	N/A	N/A	N/A	N/A	N/A
Lithuania TY 1999 - Prior	N/A	N/A	N/A	N/A	N/A
Luxembourg TY 2003 - Prior	Scholarship or Fellowship Grant	No limit	Any foreign resident	No limit	XIV(1)
Luxembourg TY 2003 - Prior	Independent personal service	180 days	Luxembourg resident	No limit	XII
Luxembourg TY 2003 - Prior	Independent personal service	180 days	Any U.S. or foreign resident	\$3,000	XII
Luxembourg TY 2003 - Prior	Dependent personal service	180 days	Luxembourg resident	No limit	XII
Luxembourg TY 2003 - Prior	Dependent personal service	180 days	Any U.S. or foreign resident	\$3,000	XII

**Exhibit 3.21.3-12 (Cont. 7) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Luxembourg TY 2003 - Prior	Teaching	2 years	U.S. educational institution	No limit	XIII
Luxembourg TY 2003 - Prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	XIV(1)
Luxembourg TY 2003 - Prior	Studying and Training: Compensation during training	1 year	Any foreign resident	No limit	XIV(1)
Luxembourg TY 2003 - Prior	Studying and Training: Compensation while gaining experience	1 year	Any foreign resident	\$5,000	XIV(2)
Luxembourg TY 2003 - Prior	Studying and Training: Compensation under U.S. government program	1 year	U.S. government, its contractor, or a foreign resident	\$10,000	XIV(3)
Malta TY 2010 - Prior	N/A	N/A	N/A	N/A	N/A
New Zealand TY 2010 - Prior	Independent personal service	183 days	Any contractor	No limit	14
New Zealand TY 2010 - Prior	Independent personal service: Public entertainment	183 days	Any contractor	\$10,000	17
New Zealand TY 2010 - Prior	Dependent personal service	183 days	Any foreign resident	No limit	15
New Zealand TY 2010 - Prior	Dependent personal service: Public entertainment	183 days	Any foreign resident	\$10,000	17

**Exhibit 3.21.3-12 (Cont. 8) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
New Zealand TY 2010 - Prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	20
Slovenia TY 2003 - Prior	N/A	N/A	N/A	N/A	N/A
South Africa TY 1998 - Prior	N/A	N/A	N/A	N/A	N/A
Sri Lanka TY 2006 - Prior	N/A	N/A	N/A	N/A	N/A
Switzerland TY 1998 - Prior	Independent personal service	183 days	Swiss resident contractor	No limit	X
Switzerland TY 1998 - Prior	Independent personal service	183 days	Other foreign or U.S. contractor	\$10,000	X
Switzerland TY 1998 - Prior	Dependent personal service	183 days	Swiss resident	No limit	X
Switzerland TY 1998 - Prior	Dependent personal service	183 days	Other foreign or U.S. contractor	\$10,000	X
Switzerland TY 1998 - Prior	Teaching	2 years	U.S. educational institution	No limit	XII
Switzerland TY 1998 - Prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	XIII
Thailand TY 1998 - Prior	N/A	N/A	N/A	N/A	N/A
Turkey TY 1998 - Prior	N/A	N/A	N/A	N/A	N/A

**Exhibit 3.21.3-12 (Cont. 9) (01-01-2021)****Prior Year Treaty table**

<b>Country</b>	<b>Purpose</b>	<b>Maximum Presence in the U.S.</b>	<b>Required Employer or Payer</b>	<b>Maximum Amount of Compensation</b>	<b>Treaty Article</b>
Ukraine TY 2000 - Prior	N/A	N/A	N/A	N/A	N/A
United Kingdom TY 2003 - Prior	Independent personal service	183 days	Any contractor	No limit	14
United Kingdom TY 2003 - Prior	Dependent personal service	183 days	Any foreign resident	No limit	15
United Kingdom TY 2003 - Prior	Teaching	2 years	U.S. education institution	No limit	20
United Kingdom TY 2003 - Prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	21
Venezuela TY 1999 - Prior	N/A	N/A	N/A	N/A	N/A

## Examples of Resident Alien Cards (Green Cards) and Visas

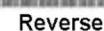
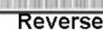
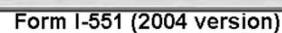
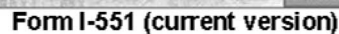
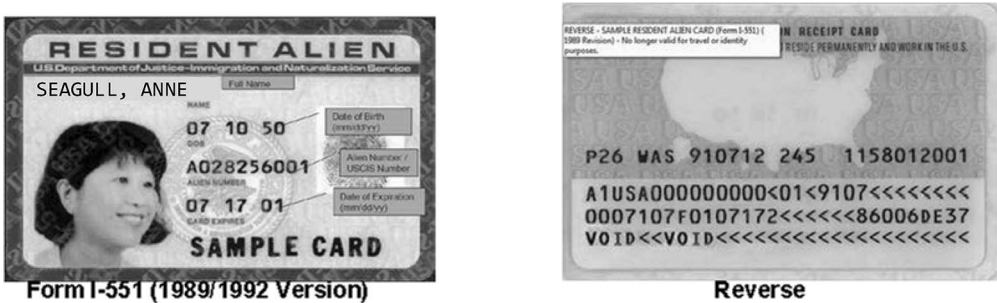


Exhibit 3.21.3-13 (Cont. 1) (01-01-2015)

Examples of Resident Alien Cards (Green Cards) and Visas



**Exhibit 3.21.3-14 (01-01-2015)****Exempt Countries for Government Service Employees**

Use the table below to determine the validity of Exempt Countries for Government Service Employees

<b>Mission</b>	<b>Article</b>	<b>Government salary exempt from US tax?</b>
Armenia (USSR)	VI(1)(a)	Yes, if citizen of paying state
Australia	19	Yes, if citizen of paying state
Austria	19	Yes, if citizen of paying state
Azerbaijan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Bangladesh	20	Yes
Barbados	19	Yes, if citizen of paying state
Belarus (USSR)	VI(1)(a)	Yes, if citizen of paying state
Belgium	18	Yes
Bulgaria	18	Yes
Canada	XIX	Yes, if citizen of paying state
Chile (see note below)	19(1)	Yes
China	18	Yes
Cyprus	22	Yes, if citizen of paying state
Czech Republic	20	Yes, if citizen of paying state
Denmark	19	Yes
Egypt	21	Yes, if citizen of paying state
Estonia	19	Yes
Finland	19	Yes
France	19	Yes
Georgia (USSR)	VI(1)(a)	Yes, if citizen of paying state
Germany	19	Yes
Greece	XI	Yes
Hungary (see note below)	16	Yes
Iceland	18	Yes
India	19	Yes
Indonesia	18	Yes
Ireland	19	Yes
Israel	22	Yes, if citizen of paying state

**Exhibit 3.21.3-14 (Cont. 1) (01-01-2015)****Exempt Countries for Government Service Employees**

<b>Mission</b>	<b>Article</b>	<b>Government salary exempt from US tax?</b>
Italy	19	Yes
Jamaica	20	Yes
Japan	18	Yes
Kazakhstan	17	Yes
Korea	22	Yes, if citizen of paying state
Kyrgyzstan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Latvia	19	Yes
Lithuania	19	Yes
Luxembourg	20	Yes
Malta	19	Yes
Mexico	20	Yes
Moldova (USSR)	VI(1)(a)	Yes, if citizen of paying state
Morocco	17	Yes, if citizen of paying state
Netherlands	20	Yes
New Zealand	19	Yes
Norway	17	Yes, if citizen of paying state
Pakistan	IX	Yes, if citizen of paying state
Philippines	20	Yes, if citizen of paying state
Poland	19	Yes, if citizen of paying state
Portugal	21	Yes
Romania	18	Yes, if citizen of paying state
Russia (Russian Federation) (see note below)	16	Yes
Slovak Republic (Slovakia)	20	Yes, if citizen of paying state
Slovenia	19	Yes
South Africa	19	Yes
Spain	21	Yes
Sri Lanka	20	Yes, if citizen of paying state
Sweden	20	Yes,
Switzerland	19	Yes,



**Exhibit 3.21.3-14 (Cont. 2) (01-01-2015)****Exempt Countries for Government Service Employees**

<b>Mission</b>	<b>Article</b>	<b>Government salary exempt from US tax?</b>
Tajikistan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Thailand	21	Yes
Trinidad and Tobago	20	Yes, if citizen of paying state
Tunisia	19	Yes, if citizen of paying state
Turkey	19	Yes
Turkmenistan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Ukraine	18	Yes
United Kingdom	19	Yes
Uzbekistan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Venezuela	20	Yes

**Note:** The U.S.-Chile income tax treaty entered into effect with respect to taxes withheld at source paid or credited on or after February 1, 2024, and for other taxes for taxable periods beginning on or after January 1, 2024.

**Note:** The U.S.-Hungary tax treaty was terminated in 2023 and ceased to have effect with respect to U.S. withholding tax after January 1, 2024, and for other taxes for taxable periods beginning after that date.

**Note:** The U.S.-Russia tax treaty is suspended for taxes withheld at source and in respect of other taxes as of August 16, 2024.

## Exhibit 3.21.3-15 (01-01-2024)

## Correspondence Action Sheet Instructions Form 13900

**Use with Forms 1040, 1040-NR, or PY 1040A/EZ/NR-EZ**

<b>CORRESPONDENCE ACTION SHEET INSTRUCTIONS FOR FORM 13900</b>	
<b>A</b>	Prior Year returns only – Edit the tax year of the return in YYYY format.
<b>B</b>	To correspond for a missing SSN for a dependent, select box <b>G</b> .
<b>C</b>	For scholarship income exclusion support, select box <b>I</b> .
<b>D</b>	If withholding support is missing, select box <b>L</b> . Multiple line entries are acceptable.
<b>E</b>	If a green card and/or signed declaration are missing, select box <b>N</b> .
<b>F</b>	If Form 2555 is missing, select box <b>O</b> .
<b>G</b>	For boxes <b>Y</b> through <b>3</b> , only one Form or Schedule can be selected per paragraph. Information must be filled in all the way across. Fill in all blanks and circle the F/S (Form/Schedule) that applies.
<b>H</b>	When selecting a paragraph that contains items separated by a slash (/) after a field number, such as “ <b>Schedule SE/Form 4137/Form 5329/Form 8919</b> ”, circle the choice that applies. See example for box <b>8</b> .
<b>I</b>	When corresponding for Form 8962, also select box <b>s</b> to correspond for Form 1095-A if not attached.
<b>J</b>	Only approved fill-ins can be used when selecting box <b>#</b> . <b>An open paragraph (fill-in) must always be approved by the National Headquarters Analyst.</b>
<b>K</b>	Always select the appropriate fax paragraph from boxes <b>&amp;</b> through <b>&gt;</b> .

**Edit Action Code “215” on the return.**

All amounts on Form 13900 must be edited in dollars and cents. Bracket negative amounts.

## Exhibit 3.21.3-15 (Cont. 1) (01-01-2024)

## Correspondence Action Sheet Instructions Form 13900

Letter 4087C Correspondence Action Sheet International Returns									
(01) Primary SSN		<b>Note:</b> The typist will input fill-ins (01) and (03) from the data on the return		(02) Batch					
(03) DLN		<b>A</b> (04) Tax Period		Fill-in (04) is ALWAYS required					
A,B	<input type="checkbox"/>	Missing Self-Certification							
A,C,\	<input type="checkbox"/>	Missing signature on Streamlined Certification. Declaration (59) Batch Number (60) DLN							
A,D	<input type="checkbox"/>	Didn't provide account balance or calculation and amount of miscellaneous offshore penalty							
E	<input type="checkbox"/>	Resubmit request using current Streamlined Filing Compliance Procedures							
F	<input type="checkbox"/>	Missing or incomplete Primary or Secondary TIN							
<b>B</b>	<input type="checkbox"/>	Form 5129 - Filing Status, Exemptions, Standard Deduction Amount, Age 65/Blind							
H	<input type="checkbox"/>	Birth Certificate for deceased dependent							
<b>C</b>	<input type="checkbox"/>	To claim a Scholarship/Fellowship Exclusion, provide Form 1042-S or similar statement							
J	<input type="checkbox"/>	Tax Treaty exclusion requires statement: Country, Treaty Article, Amount of exempt income							
K	<input type="checkbox"/>	Support for wage exemption for foreign government or international organization employee							
<b>D</b>	<input checked="" type="checkbox"/>	W-2, 1042-S, 8805, 8288-A or other withholding forms to support Lines (05) <b>25a, 25g</b> of Form (06) <b>1040-NR</b>							
M	<input type="checkbox"/>	Your Form (07) _____ is blank, illegible or damaged							
<b>E</b>	<input type="checkbox"/>	Green Card and declaration							
<b>F</b>	<input type="checkbox"/>	To exclude foreign earned income, complete Form 2555							
P	<input type="checkbox"/>	Separate Forms 2555 required for each taxpayer and/or tax period							
Q	<input type="checkbox"/>	Provide Bona Fide Residence/Physical Presence dates							
R	<input type="checkbox"/>	Complete Page(s) (08) _____, Form 2555, to support your Foreign Earned Income Exclusion							
S	<input type="checkbox"/>	Separate Forms 1040-NR required for each taxpayer							
T	<input type="checkbox"/>	Complete Schedule A to support entry of \$(09) _____ on Line (10) _____ of 1040-NR							
U	<input type="checkbox"/>	Complete Page(s) (11) _____, Form 1040-NR							
V	<input type="checkbox"/>	If filing as a dual-status taxpayer, submit a signed Form (12) _____							
W	<input type="checkbox"/>	Provide dual-status dates							
X	<input type="checkbox"/>	Not a U.S. citizen or U.S. resident alien. Must file Form 1040-NR							
<b>G</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<b>8863</b>	Amt. (14)	<b>1500.00</b>	Line (15)	<b>29</b>	(16) F/S	<b>1040</b>
Z	<input type="checkbox"/>	<input type="checkbox"/>		Amt. (18)		Line (19)		(20) F/S	
0	<input type="checkbox"/>	<input type="checkbox"/>		Amt. (22)		Line (23)		(24) F/S	
<b>1</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<b>F</b>	Amt. (26)	<b>1060.53</b>	Line (27)	<b>6</b>	(28) F/S	<b>1</b>
<b>2</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<b>8812</b>	Amt. (30)	<b>3000.00</b>	Line (31)	<b>28</b>	(32) F/S	<b>1040</b>
3	<input type="checkbox"/>	<input type="checkbox"/>		Amt. (34)		Line (35)		(36) F/S	
4	<input type="checkbox"/>	Schedule D for Form 8288-A							
5	<input type="checkbox"/>	Explain entry \$(37) _____, Line (38) _____, (39) F/S _____							
6	<input type="checkbox"/>	May be liable for SE Tax on income \$(40) _____, Line (41) _____, (42) F/S _____							
7	<input type="checkbox"/>	HCTC eligibility and invoices							
<b>H</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<b>43</b>	(43) Schedule SE Form 4137/Form 5329/Form 8919 required to support \$(44) <b>700.00</b> , Line (45) <b>4</b> , (46) F/S <b>2</b>					
9	<input type="checkbox"/>	Entry Required Lines (47) _____, (48) F/S _____							
Form <b>13900</b> (Rev. 1-2025) Catalog Number 50369G publish.no.irs.gov Department of the Treasury - Internal Revenue Service									
<b>Edit Action Code "215" on the return after preparing F13900.</b>									

# Correspondence Action Sheet Instructions Form 13900

**Edit Action Code “215” on the return after preparing F13900.**

Exhibit 3.21.3-16 (01-01-2024)

Correspondence Action Sheet Instructions Form 13975

**Form 13975, Generates Letter 2894-C/Letter 2894-C (SP)**

CORRESPONDENCE ACTION SHEET INSTRUCTIONS FOR FORM 13975	
<b>A</b>	Select the box to indicate the return type.
<b>B</b>	<b>Prior Year returns only</b> – Edit the tax year of the return in YYYY format.
<b>C</b>	CY: Select box <b>D</b> when corresponding for missing supporting documentation of Part II, line 13a entry when ACTC is claimed. PY: Select box <b>E</b> when corresponding for missing supporting documentation of Part II, line 2 entry when ACTC is claimed. (Exception: for TY21, do not correspond.)
<b>D</b>	Select box <b>H</b> when corresponding for missing supporting documentation of Excess Social Security Taxes withheld.
<b>E</b>	CY: Select box <b>I</b> to correspond for Sch SE to support Part 1, line 3 when a Sch SE cannot be dummed to support line 3. PY: Select box <b>J</b> to correspond for Part V when a Part V cannot be dummed to support line 3.
<b>F</b>	Select box <b>M</b> when corresponding for missing Schedule H.
<b>G</b>	Select box <b>O</b> and fill in the blanks when corresponding for a missing or incomplete form.
<b>H</b>	Select box <b>S</b> to correspond for a missing or incorrect TIN for a dependent.
<b>I</b>	Select box <b>T</b> to correspond for a missing or incomplete TIN for the primary or secondary taxpayer.
<b>J</b>	Select box <b>V</b> for missing documentary evidence or an incomplete Form 1310 when an original signature is present on a decedent return.
<b>K</b>	If selecting box <b>6</b> , only approved fill-ins can be used. <b>An open paragraph (fill-in) must always be approved by National Headquarters Analyst.</b> Use English fill-ins for Form 1040-SS and Spanish fill-ins for Form 1040-SS (sp) and Form 1040-PR.
<b>L</b>	Select box <b>7,e</b> when the return does not have original signatures or is missing documentary evidence for someone else to sign.
<b>M</b>	Always select the appropriate fax paragraph from boxes <b>8</b> through <b>d</b> .

**Edit Action Code "215" on the return.**

All amounts on Form 13975 must be edited in dollars and cents. Bracket negative amounts.

## Exhibit 3.21.3-16 (Cont. 1) (01-01-2024)

## Correspondence Action Sheet Instructions Form 13975

## Form 13975, Generates Letter 2894-C/Letter 2894-C (SP)

<b>Letter 2894-C Correspondence Action Sheet</b>	
<b>International Returns</b>	
(check one)	
<b>A</b> <input type="checkbox"/> <b>Form 1040-SS</b>	<input type="checkbox"/> <b>Form 1040-SS (sp)/Form 1040-PR</b>
(01) Primary SSN _____ <b>Note:</b> The typist will input fill-ins (01) and (03) from the data on the return.	
(02) Batch _____	(03) DLN _____
(04) Tax Period <b>B</b> Fill-in (04) is ALWAYS required	
A <input type="checkbox"/> Multiple tax periods - tax liability.	
B <input type="checkbox"/> Multiple taxpayers (other than husband and wife for FSC 2) - Self-Employment Tax.	
C <input type="checkbox"/> Form is blank, illegible, missing, or damaged.	
D <input type="checkbox"/> Support for Social Security and Medicare taxes withheld for your entry of \$(05) _____ on Part II, line 13a.	
E <input type="checkbox"/> Support for Social Security and Medicare taxes withheld for your entry of \$(06) _____ on Part II, line 2.	
F <input type="checkbox"/> Missing Part II to support Additional Child Tax Credit claimed, AND missing support for Social Security and Medicare taxes withheld on line 13a of Part II.	
G <input type="checkbox"/> Missing Part II to support Part I, line 9, AND missing support for Social Security and Medicare taxes withheld on Part II, line 2.	
H <input type="checkbox"/> Support for excess Social Security tax withheld claimed on Form 1040-SS.	
I <input type="checkbox"/> Missing Schedule SE to support Part I, line 3.	
J <input type="checkbox"/> Missing Part V, Self-Employment Tax, to support Part I, line 3.	
K <input type="checkbox"/> We can't determine who is filing Schedule SE.	
L <input type="checkbox"/> We can't determine who is filing Part V, Self-Employment Tax.	
M <input type="checkbox"/> Missing Schedule H to support Part I, line 4.	
N <input type="checkbox"/> Missing Schedule (07) _____ to support Part (08) _____, line (09) _____.	
O <input type="checkbox"/> Missing Form (10) _____ to support Part (11) _____, line (12) _____.	
P <input type="checkbox"/> Explain your entry on line (13) _____ of your return.	
Q <input type="checkbox"/> Missing invoices and/or proof of payment for line 2, Form 8885, Health Coverage Tax Credit.	
R <input type="checkbox"/> Missing proof of HCTC Eligibility.	
S <input type="checkbox"/> Missing or incorrect SSN/ITIN for dependents.	
T <input type="checkbox"/> Missing or incorrect SSN/ITIN for Primary or Secondary taxpayer.	
U <input type="checkbox"/> Missing date of death.	
V <input type="checkbox"/> Deceased taxpayer - Form 1310 and court certificate.	
W <input type="checkbox"/> Error Code 018 - verify SSNs - date of death prior to tax period.	
X <input type="checkbox"/> Error Code 027 - verify SSNs - Primary taxpayer under age 14.	
Y <input type="checkbox"/> Error Code 028 - verify SSNs - SSA records indicate deceased.	
Z <input type="checkbox"/> Error Code 029 - verify estimated tax payments.	
0 <input type="checkbox"/> Error Code 190 - missing Form 8962, Form 1040/1040-NR required.	
K <input type="checkbox"/> 6 Fill in (14) (limited to 385 characters)	
L <input type="checkbox"/> 7,e Signature missing - Primary/Secondary/Minor/witness/POA or court certificate. Declaration - (24) Batch Number (25) DLN.	
8 <input type="checkbox"/> AUSC paper return fax. (15) Batch Number (16) DLN.	
9 <input type="checkbox"/> AUSC MeF return fax. (15) Batch Number (16) DLN.	
a <input type="checkbox"/> KCSC paper return fax. (15) Batch Number (16) DLN.	
b <input type="checkbox"/> KCSC MeF return fax. (15) Batch Number (16) DLN.	
c <input type="checkbox"/> OSC paper return fax. (15) Batch Number (16) DLN.	
d <input type="checkbox"/> OSC MeF return fax. (15) Batch Number (16) DLN.	
Preparation Instructions Always select appropriate fax paragraph from (8) through (d).	
Input/Filing Instructions Always input Batch Number in fill-ins 02, 15, and 19. Always input DLN in fill-ins 03, 16, and 20. If inputting (7), you must also input (e). Keep the suspense CAS with the case.	
Batch Number (15)(19) _____ Document Locator Number (16)(20) _____	
Form <b>13975</b> (Rev. 1-2025) Catalog Number 51473Z publish.no.irs.gov Department of Treasury - Internal Revenue Service	

**Edit Action Code "215" on the return after preparing F13975.**

## Exhibit 3.21.3-17 (01-01-2016)

## Copy of Receipt from Casinos in Lieu of Form 1042-S

ACACIA CASINO  
310 Birch Street  
Buffalo, NY 14240  
Federal Tax ID: 003714413

1042-S ID: 009678

1042-S Winnings Statement  
Jessie Glacier  
1745 Severn Way  
Toronto, Ontario M5A 7K5 Canada  
COUNTRY CA - Canada

Gross Winnings  
\$ 2,859.00  
State Tax Withheld  
\$ .00  
Fed Tax Withheld  
\$ 858.00

Net Winnings \$ 2,001.00  
Type of Wager SLOTS  
Date Paid 01/19/2025  
Cashier: HAWK

Transaction #0006725  
Ticket #0031347  
Taxpayer ID #000-00-0000

Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and no other person is entitled to any part of these payments. This is important tax information and is being furnished to the internal revenue service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Jessie Glacier

**Exhibit 3.21.3-18 (01-01-2018)**  
**Letter 4087C Fill-in Paragraphs**

<b><u>Letter 4087C – International Return Incomplete for Processing</u></b>	<b><u>Literal</u></b>
<b>A</b> - Form 1128 required for accounting period change	The tax return you submitted indicates you are changing your accounting period. Send us Form 1128, Application to Adopt, Change, or Retain a Tax Year, a copy of your application, or a statement relating to an application to change your accounting period. We are unable to process your return as submitted without this documentation or IRS authority.
<b>B</b> - IRC 965 Transition Tax Statement (Form 1040 Only)	Internal Revenue Code (IRC) Section 965 Transition Tax Statement was either not attached or was incomplete. Send us a completed, signed IRC Section 965 Transition Tax Statement to support the Section 965 claims on your tax return.
<b>C</b> - Disaster return with unsupported itemized deductions	Schedule A is incomplete or missing from your return. Complete the schedule with information that supports your entry for itemized deductions. If applicable, you must also submit any supporting forms for Schedule A, such as Form 4684.
<b>D</b> - EC 366, Employer and employee addresses in Puerto Rico (MeF)	Send us your Forms W-2, Wage and Tax Statement, used to support the amount of federal withholding on your tax return.
<b>K</b> - Second Correspondence	Thank you for sending us the information we requested on your tax return for the period shown on page 1 of this letter. We still need more information to process your return. Please send us the information we've requested in this letter.



**Exhibit 3.21.3-19 (01-01-2018)****Letter 2894SP and Letter 2894C Fill-in Paragraphs**

<b>Letter 2894SP (Form 1040-PR) – Returns Incomplete for Processing – Form 1040-PR</b> <b>Note:</b> Note: For English translation see Letter 2894C below.	<b>Literal</b>
<b>PD</b> - Form 8959, Line 1 support of Medicare tax withheld	Envíenos los Formularios W-2AS, W-2CM, W-2GU, W-2VI, y 499R-2/W-2PR que documentan su anotación en la línea 1 del Formulario 8959.
<b>PM</b> - EC 094 - Married Filing Separately	Su planilla indicó el estado civil casado que radica por separado. Sin embargo, esta incluye ingreso que pertenece a su cónyuge. Envíenos la planilla contributiva corregida con solo su ingreso. Si desea radicar conjuntamente, ambos cónyuges tienen que firmar.

<b>Letter 2894C (Form 1040-SS) – Returns Incomplete for Processing – Form 1040-SS</b>	<b>Literal</b>
<b>PJ</b> - Form 8959, Line 1 support of Medicare tax withheld	Send us Forms W-2AS, W-2CM, W-2GU, W-2VI, and 499R-2/W-2PR that document your amount for Medicare wages and tips on line 1 of Form 8959.
<b>PL</b> - EC 094 - Married Filing Separately	Your return indicates a married filing separately filing status. However, it includes income belonging to your spouse. Submit a corrected tax return with only your income. If you wish to file jointly, both spouses must sign a joint return.

**Exhibit 3.21.3-20 (10-30-2024)****Glossary**

<b>Term</b>	<b>Definition</b>
Alien	Any person who is not a U.S. citizen or U.S. National. For Income tax purposes, aliens are classified as Residents or Nonresidents.
Bona Fide Residence	A residence established in a foreign country or countries for an uninterrupted period which includes an entire year and part of the tax year of the return.
Competent Authority	The Commissioner, LB&I is the U.S. Competent Authority charged with administering the provisions of tax treaties, interpreting and applying the treaties, and reaching mutual agreement in specific cases. The U.S. competent authority conducts the competent authority process through two offices, Advance Pricing and Mutual Agreement Program (APMA) and the Treaty Assistance and Interpretation Team (TAIT).
Domicile	A fixed or permanent place of living for an indefinite length of time. A domicile can be different from the taxpayer's residence.
Dual-Status	Aliens who are both Residents and Nonresidents of the U.S. within the same tax year.
Economic Impact Payment (EIP)	Advance Recovery Rebate Credit payments.
Effectively Connected Income	Any compensation received for personal services in the U.S. Any earned income derived from an office or fixed place of business in the U.S. Generally applies to nonresidents.
Excludable Income	Any income that can be omitted from taxable income such as Form 2555/Form 2555-EZ (TY 2018 and prior) exclusions, Form 4563 exclusions and exclusions due to tax treaty conventions and IRC exclusions.
Foreign Tax Treaties	Country-specific tax treaties designed to avoid international double taxation and to prevent tax evasion.
Fulbright Grant	A grant under the Mutual Educational and Cultural Exchange Act of 1961. It can be received for teaching and research duties, or by students.
Green Card Test	A taxpayer is a lawful permanent resident of the U.S. at any time during the calendar year if that person has been issued an alien registration card, also known as a green card.

## Exhibit 3.21.3-20 (Cont. 1) (10-30-2024)

## Glossary

Term	Definition
IRC 911	Section of the Internal Revenue Code that allows U.S. citizens and resident aliens to claim an exclusion for certain income earned outside the U.S. and certain housing costs. Taxpayers use Form 2555 to claim this exclusion.
IRC 931	Section of the Internal Revenue Code that allows bona fide residents of American Samoa to exclude income using Form 4563, <b>Exclusion of Income for Bona Fide Residents of American Samoa</b> .
IRC 933	Section of the Internal Revenue Code that allows U.S. citizens who are bona fide residents of Puerto Rico to exclude income from Puerto Rico sources.
Nonresident Alien	An alien who is temporarily residing in the U.S., a resident alien who has abandoned permanent residence in the U.S. or an alien who has never been in the U.S.
Non-Effectively Connected Income	Nonresident aliens' income received from sources within the U.S. which are not connected with a U.S. trade or business.
Physical Presence Test	A rule applied in determining if a taxpayer qualifies for the Foreign Earned Income Exclusion. Generally, the taxpayer must be physically present in a foreign country for a minimum of 330 days during a consecutive 12-month period that includes part of the tax year of the return.
Principal Residence	Usually the home in which a taxpayer resides for the majority of the tax year.
Recovery Rebate Credit (RRC)	TY20 and TY21 refundable credit available to certain taxpayers to assist with economic recovery. All or part of this credit may have been issued in advance as an Economic Impact Payment (EIP).
Resident Alien	Aliens admitted to the U.S. under permanent immigration visas are generally resident aliens and meet the substantial presence test or lawful permanent residency test (green card test).

## Exhibit 3.21.3-20 (Cont. 2) (10-30-2024)

## Glossary

Term	Definition
Substantial Presence Test	<p>A rule applied in determining if an alien is a U.S. Resident for tax purposes. Generally, an individual meets the substantial presence test if the individual was in the United States for at least 31 days during the current calendar year and was present in the United States for at least 183 days during the current year and the two preceding calendar years (when multiplied by the applicable multiplier provided in Section 7701(b)(3)(A)).</p> <p><b>Note:</b> For purposes of the substantial presence test, an individual does not count days of temporary presence in the United States under certain visas.</p>
Tax Home	A taxpayer's principal place of business, employment, station or post of duty, regardless of where the taxpayer maintains his or her residence.
Treaty Trader	Nonresident Alien who has entered the U.S. on an "E-1" visa.
U.S. National	An individual who, although not a U.S. citizen, owes his or her allegiance to the United States. For tax purposes, U.S. national refers to American Samoans and Northern Mariana Islanders who chose to become U.S. Nationals instead of U.S. citizens.
Visa	An endorsement written or stamped on a passport granting entry into a country.
Withholding Agent	Any person (e.g., individual trust, partnership, estate, corporation, government agency, non-profit organization or private organization), whether foreign or domestic, required to withhold income tax on U.S. source income received by a nonresident alien, foreign partnership corporation, and various other organizations. A withholding agent is responsible for submitting the withholding information on Form 1042 and providing the income recipient information on Form 1042-S.

**Exhibit 3.21.3-20 (Cont. 3) (10-30-2024)****Glossary**

<b>Term</b>	<b>Definition</b>
Worldwide Income	<p>Worldwide income is income earned anywhere in the world and is used to determine taxable income.</p> <p>Money that is paid to U.S. citizens or resident aliens as wages, independent contractor payments or unearned income from pensions, rents, royalties and investments may all be subject to tax by the IRS. There are some exceptions for U.S. taxpayers who live abroad.</p>



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**A****Annual Review .....2**

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**B****Business Profit .....341**

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**E****Exhibit**

3.21.3-12

Prior Year Treaty table.....411

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**O****Other Taxes .....243**

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**S****Schedule**

C-EZ .....341

