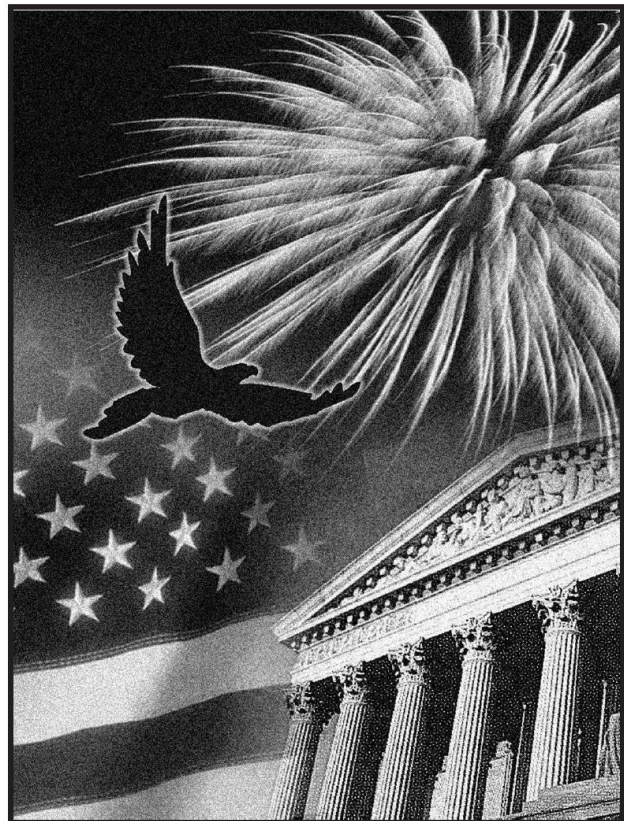


Publication 542

Corporations

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Volume 2 of 2



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Carryover of excess contributions. You can carry over, within certain limits, to each of the subsequent 5 years any charitable contributions made during the current year that exceed the 10% limit. You lose any excess not used within that period. Do not deduct a carryover of excess contributions in the carryover year until after you deduct contributions made in that year (subject to the 10% limit). You cannot deduct a carryover of excess contributions to the extent it increases a net operating loss carryover.

Farmers, ranchers, or Native Corporations. Corporations that are farmers, ranchers, or Native Corporations, see section 170(b)(2) of the Internal Revenue Code for special rules that may affect the deduction limit.

Cash contributions. A corporation must maintain a record of any contribution of cash, check, or other monetary contribution,

regardless of the amount. The record can be a bank record, receipt, letter, or other written communication from the donee indicating the name of the organization, the date of the contribution, and the amount of the contribution. Keep the record of the contribution with the other corporate records. Do not attach the records to the corporation's return. For more information on cash contributions, see Pub. 526.

Gifts of \$250 or more. Generally, no deduction is allowed for any contribution of \$250 or more unless the corporation gets a written acknowledgement from the donee organization. The acknowledgement should show the amount of cash contributed, a description of the property contributed (but not its value), and either gives a description and a good faith estimate of the value of any goods or services provided in return for the contribution or states that no goods or services were provided in return for the

contribution. The acknowledgement must be obtained by the due date (including extensions) of the return, or, if earlier, the date the return was filed. Keep the acknowledgement with other corporate records. Do not attach the acknowledgement to the return.

Contributions of property other than cash. If a corporation (other than a closely held or a personal service corporation) claims a deduction of more than \$500 for contributions of property other than cash, a schedule describing the property and the method used to determine its fair market value must be attached to the corporation's return. In addition, the corporation should keep a record of:

- The approximate date and manner of acquisition of the donated property, and
- The cost or other basis of the donated property held by the donor for less than 12 months prior to contribution.

Closely held and personal service corporations must complete and attach Form 8283, Noncash Charitable Contributions, to their returns if they claim a deduction of more than \$500 for noncash contributions. For all other corporations, if the deduction claimed for

donated property exceeds \$5,000, complete Form 8283 and attach it to the corporation's return.

A corporation must obtain a qualified appraisal for all deductions of property claimed in excess of \$5,000. A qualified appraisal is not required for the donation of cash, publicly traded securities, inventory, and any qualified vehicles sold by a donee organization without any significant intervening use or material improvement. The appraisal should be maintained with other corporate records and only attached to the corporation's return when the deduction claimed exceeds \$500,000 (\$20,000 for donated art work).

See Form 8283 for more information.

Qualified conservation contributions. If a corporation makes a qualified conservation contribution, the corporation must provide information regarding the legal interest being donated, the fair market value of the

underlying property before and after the donation, and a description of the conservation purpose for which the property will be used. For more information, see section 170(h) of the Internal Revenue Code.

Contributions of used vehicles. A corporation is allowed a deduction for the contribution of used motor vehicles, boats, and airplanes. The deduction is limited, and other special rules apply. For more information, see Pub. 526.

Reduction for contributions of certain property. For a charitable contribution of property, the corporation must reduce the contribution by the sum of:

- The ordinary income and short-term capital gain that would have resulted if the property were sold at its fair market value; and
- For certain contributions, the long-term capital gain that would have

resulted if the property were sold at its fair market value.

The reduction for the long-term capital gain applies to:

- Contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption;
- Contributions of any property to or for the use of certain private foundations except for stock for which market quotations are readily available; and
- Contributions of any patent, certain copyrights, trademark, trade name, trade secret, know-how, software (that is a section 197 intangible), or similar property, or applications or registrations of such property.

Larger deduction. A corporation (other than an S corporation) may be able to claim a

deduction equal to the lesser of (a) the basis of the donated inventory or property plus half of the inventory's or property's appreciation (gain if the donated inventory or property was sold at fair market value on the date of the donation), or (b) two times basis of the donated inventory or property. This deduction may be allowed for certain contributions of the following.

- Certain inventory and other property made to a donee organization and used solely for the care of the ill, the needy, and infants. Special rules apply to qualified contributions of "apparently wholesome food" (see section 170(e)(3)(C) of the Internal Revenue Code).
- Scientific property constructed by the corporation (other than an S corporation, personal holding company, or personal service corporation) and donated no later than

2 years after substantial completion of the construction. The property must be donated to a qualified organization and its original use must be by the donee for research, experimentation, or research training within the United States in the area of physical or biological science.

Contributions to organizations conducting lobbying activities.

Contributions made to an organization that conducts lobbying activities are not deductible if:

- The lobbying activities relate to matters of direct financial interest to the donor's trade or business, and
- The principal purpose of the contribution was to avoid federal income tax by obtaining a deduction for activities that would have been nondeductible under the lobbying

expense rules if conducted directly by the donor.

More information. For more information on charitable contributions, including substantiation and recordkeeping requirements, see section 170 of the Internal Revenue Code, the related regulations, and Pub. 526.

Capital Losses

A corporation can deduct capital losses only up to the amount of its capital gains. In other words, if a corporation has an excess capital loss, it cannot deduct the loss in the current tax year. Instead, it carries the loss to other tax years and deducts it from any net capital gains that occur in those years.

A capital loss is carried to other years in the following order.

1. 3 years prior to the loss year.
2. 2 years prior to the loss year.

3. 1 year prior to the loss year.
4. Any loss remaining is carried forward for 5 years.

When you carry a net capital loss to another tax year, treat it as a short-term loss. It does not retain its original identity as long term or short term.

Example. A calendar year corporation has a net short-term capital gain of \$3,000 and a net long-term capital loss of \$9,000. The short-term gain offsets some of the long-term loss, leaving a net capital loss of \$6,000. The corporation treats this \$6,000 as a short-term loss when carried back or forward.

The corporation carries the \$6,000 short-term loss back 3 years. In year 1, the corporation had a net short-term capital gain of \$8,000 and a net long-term capital gain of \$5,000. It subtracts the \$6,000 short-term loss first from the net short-term gain. This results in a net capital gain for year 1 of \$7,000. This

consists of a net short-term capital gain of \$2,000 (\$8,000 – \$6,000) and a net long-term capital gain of \$5,000.

S corporation status. A corporation may not carry a capital loss from, or to, a year for which it is an S corporation.

Rules for carryover and carryback. When carrying a capital loss from 1 year to another, the following rules apply.

- When figuring the current year's net capital loss, you cannot combine it with a capital loss carried from another year. In other words, you can carry capital losses only to years that would otherwise have a total net capital gain.
- If you carry capital losses from 2 or more years to the same year, deduct the loss from the earliest year first.
- You cannot use a capital loss carried from another year to produce or

increase a net operating loss in the year to which you carry it back.

Refunds. When you carry back a capital loss to an earlier tax year, refigure your tax for that year. If your corrected tax is less than the tax you originally owed, use either Form 1139, Corporate Application for Tentative Refund, or Form 1120X, Amended U.S. Corporation Income Tax Return, to apply for a refund.

Form 1139. A corporation can get a refund faster by using Form 1139. It cannot file Form 1139 before filing the return for the corporation's capital loss year, but it must file Form 1139 no later than 1 year after the year it sustains the capital loss.

Form 1120X. If the corporation does not file Form 1139, it must file Form 1120X to apply for a refund. The corporation must file the Form 1120X within 3 years of the due date, including extensions, for filing the return for the year in which it sustains the capital loss.

Net Operating Losses

A corporation generally figures and deducts a net operating loss (NOL) the same way an individual, estate, or trust does. For more information on these general rules, including the sequencing rule for when the corporation carries two or more NOLs to the same year, see Pub. 536, Net Operating Losses (NOLs) for Individuals, Estates, and Trusts.

A corporation's NOL generally differs from individual, estate, and trust NOLs in the following ways.

1. A corporation can take different deductions when figuring an NOL.
2. A corporation must make different modifications to its taxable income in the carryback or carryforward year when figuring how much of the NOL is used and how much is carried over to the next year.

3. A corporation uses different forms when claiming an NOL deduction.
4. A corporation is not subject to section 461, which limits the amount of losses from the trades or businesses of noncorporate taxpayers.

For more information, including how to figure the NOL deduction for the current tax year and any carryback or carryforward, see the Instructions for Form 1139, and the instructions for the corporation's tax return.

At-Risk Limits

The at-risk rules limit your losses from most activities to your amount at risk in the activity. The at-risk limits apply to certain closely held corporations (other than S corporations).

The amount at risk generally equals:

- The money and the adjusted basis of property contributed by the taxpayer to the activity, and
- The money borrowed for the activity.

Closely held corporation. For the at-risk rules, a corporation is a closely held corporation if, at any time during the last half of the tax year, more than 50% in value of its outstanding stock is owned directly or indirectly by, or for, five or fewer individuals.

To figure if more than 50% in value of the stock is owned by five or fewer individuals, apply the following rules.

1. Stock owned, directly or indirectly, by or for a corporation, partnership, estate, or trust is considered owned proportionately by its shareholders, partners, or beneficiaries.
2. An individual is considered to own the stock owned, directly or indirectly, by or for their family. Family includes only

brothers and sisters (including half brothers and half sisters), a spouse, ancestors, and lineal descendants.

3. If a person holds an option to buy stock, they are considered to be the owner of that stock.
4. When applying (1) or (2) above, stock considered owned by a person under (1) or (3) above is treated as actually owned by that person. Stock considered owned by an individual under (2) is not treated as owned by the individual for again applying (2) to consider another the owner of that stock.
5. Stock that may be considered owned by an individual under either (2) or (3) above is considered owned by the individual under (3).

More information. For more information on the at-risk limits, see Pub. 925, Passive Activity and At-Risk Rules.

Passive Activity Limits

The passive activity rules generally limit your losses from passive activities to your passive activity income. Generally, you are in a passive activity if you have a trade or business activity in which you do not materially participate during the tax year, or you have a rental activity.

The passive activity rules apply to personal service corporations and closely held corporations other than S corporations.

Corporations subject to the passive activity limitations must complete Form 8810. For more information on the passive activity limits, see the Instructions for Form 8810 and Pub. 925.

Figuring Tax

After you figure a corporation's taxable income, you figure its tax. This section discusses the tax rates, credits, and recapture taxes.

Tax Rates

Corporations, including qualified personal service corporations, figure their tax by multiplying taxable income by 21% (0.21). If the corporation is a member of a controlled group, the corporation must also complete Schedule O (Form 1120), Consent Plan and Apportionment Schedule for a Controlled Group, to report the apportionment of certain tax benefits between the members of the group. See Schedule O (Form 1120) and the Instructions for Schedule O (Form 1120) for more information.

Base Erosion Minimum Tax

If a corporation has gross receipts of at least \$500 million in any 1 of the 3 tax years preceding the current tax year, a tax equal to the base erosion minimum tax amount for the tax year may be imposed. This tax is reported using Form 8991. See the Instructions for Form 8991 for additional information.

Corporate Alternative Minimum Tax (CAMT)

For tax years beginning after 2022, section 55 of the Internal Revenue Code imposes a new corporate alternative minimum tax (CAMT) based on the adjusted financial statement income of an applicable corporation. Unless a filing exclusion applies, a corporation must use Form 4626, Alternative Minimum Tax—Corporations, to determine whether it is an applicable corporation, and if classified as an applicable corporation, to calculate CAMT. See Form 4626 and the Instructions for Form

4626. Also, see the Instructions for Form 1120 or the instructions for the applicable corporation's tax return.

Note. For tax year 2023 for purposes of figuring any penalty for underpayment of tax, applicable corporations may exclude the CAMT tax liability when calculating the required annual tax payment on Form 2220. See the instructions for the 2023 Form 2220.

Credits

A corporation's tax liability is reduced by allowable credits. The following list includes some of the credits available to corporations.

- Foreign tax credit (see Form 1118).
- Any qualified electric vehicle passive activity credit from prior years allowed for the current year from Form 8834. See Form 8810, Corporate Passive Activity Loss and Credit Limitations, to see if a credit is allowed for the

current year for personal service corporations and closely held corporations.

- General business credit (see Form 3800 and the Instructions for Form 3800).
- Credit for prior year minimum tax, if applicable (see Form 8827).
- Bond credits (see Form 8912). • Refundable credits. See the instructions for the corporation's income tax return for a list of refundable credits that may be allowed for the current tax year.

Recapture Taxes

A corporation's tax liability is increased if it recaptures credits it has taken in prior years. The following list includes some credits a corporation may need to recapture.

- Investment credit (see the Instructions for Form 4255).
- Low-income housing credit (see the Instructions for Form 8611).
- New markets credit (see the Instructions for Form 8874).
- Employer-provided childcare facilities and services credit (see the Instructions for Form 8882).
- Indian employment credit (see the Instructions for Form 8845).

See the Instructions for Form 3800 for additional credits that may be subject to recapture. Also see the instructions for the corporation's tax return.

Accumulated Earnings Tax

A corporation can accumulate its earnings for a possible expansion or other bona fide business reasons. However, if a corporation allows earnings to accumulate beyond the reasonable needs of the business, it may be subject to an accumulated earnings tax of 20%. If the accumulated earnings tax applies, interest applies to the tax from the date the corporate return was originally due, without extensions.

To determine if the corporation is subject to this tax, first treat an accumulation of \$250,000 or less generally as within the reasonable needs of most businesses. Treat an accumulation of \$150,000 or less as within the reasonable needs of a business whose principal function is performing services in the fields of accounting, actuarial science, architecture, consulting, engineering, health (including veterinary services), law, and the performing arts.

In determining if the corporation has accumulated earnings and profits beyond its reasonable needs, value the listed and readily marketable securities owned by the corporation and purchased with its earnings and profits at net liquidation value, not at cost.

Reasonable needs of the business include the following.

- Specific, definite, and feasible plans for use of the earnings accumulation in the business.
- The amount necessary to redeem the corporation's stock included in a deceased shareholder's gross estate, if the amount does not exceed the reasonably anticipated total estate and inheritance taxes and funeral and administration expenses incurred by the shareholder's estate.

The absence of a bona fide business reason for a corporation's accumulated earnings may be indicated by many different circumstances, such as a lack of regular distributions to its shareholders or withdrawals by the shareholders classified as personal loans. However, actual moves to expand the business generally qualify as a bona fide use of the accumulations.

The fact that a corporation has an unreasonable accumulation of earnings is sufficient to establish liability for the accumulated earnings tax unless the corporation can show the earnings were not accumulated to allow its individual shareholders to avoid income tax.

Distributions to Shareholders

This section discusses corporate distributions of money, stock, or other property to a shareholder with respect to the shareholder's ownership of stock. However, this section does not discuss the special rules that apply to the following distributions. See the applicable sections of the Internal Revenue Code.

- Distributions in redemption of stock (section 302).
- Distributions in complete liquidation of the corporation (sections 331 through 346).
- Distributions in corporate organizations (section 351). Also, see *Property Exchanged for Stock*, earlier.
- Distributions in corporate reorganizations (sections 354 through 368).

- Certain distributions to 20% corporate shareholders (section 301(e)).

Money or Property Distributions

Most distributions are in money, but they may also be in stock or other property. For this purpose, “property” generally does not include stock in the corporation or rights to acquire this stock. However, see Distributions of Stock or Stock Rights, later.

A corporation generally does not recognize a gain or loss on the distributions covered by the rules in this section. However, see Gain from property distributions, later.

Amount distributed. The amount of a distribution is generally the amount of any money paid to the shareholder plus the fair market value (FMV) of any property transferred to the shareholder. However, this amount is reduced (but not below zero) by the following liabilities.

- Any liability of the corporation the shareholder assumes in connection with the distribution.
- Any liability to which the property is subject immediately before, and immediately after, the distribution.

The FMV of any property distributed to a shareholder becomes the shareholder's basis in that property.

Gain from property distributions. A corporation will recognize a gain on the distribution of property to a shareholder if the FMV of the property is more than its adjusted basis. This is generally the same treatment the corporation would receive if the property were sold. However, for this purpose, the FMV of the property is the greater of the following amounts.

- The actual FMV.

- The amount of any liabilities the shareholder assumed in connection with the distribution of the property.

If the property was depreciable or amortizable, the corporation may have to treat all or part of the gain as ordinary income from depreciation recapture. For more information on depreciation recapture and the sale of business property, see Pub. 544.

Distributions of Stock or Stock Rights

Distributions by a corporation of its own stock are commonly known as “stock dividends.” Stock rights (also known as “stock options”) are distributions by a corporation of rights to acquire its stock. Distributions of stock dividends and stock rights are generally tax free to shareholders. However, if any of the following apply to their distribution, stock and stock rights are treated as property, as

discussed under Money or Property Distributions, earlier.

1. Any shareholder has the choice to receive cash or other property instead of stock or stock rights.
2. The distribution gives cash or other property to some shareholders and an increase in the percentage interest in the corporation's assets or earnings and profits to other shareholders.
3. The distribution is in convertible preferred stock and has the same result as in (2).
4. The distribution gives preferred stock to some common stock shareholders and gives common stock to other common stock shareholders.
5. The distribution is on preferred stock. (An increase in the conversion ratio of convertible preferred stock made solely to take into account a stock

dividend, stock split, or similar event that would otherwise result in reducing the conversion right is not a distribution on preferred stock.)

The term “stock” includes rights to acquire stock and the term “shareholder” includes a holder of rights or convertible securities.

Constructive stock distributions. You must treat certain transactions that increase a shareholder's proportionate interest in the earnings and profits or assets of a corporation as if they were distributions of stock or stock rights. These constructive distributions are treated as property if they have the same result as a distribution described in (2), (3), (4), or (5) above. Constructive distributions are described later.

This treatment applies to a change in your stock's conversion ratio or redemption price, a difference between your stock's redemption price and issue price, a redemption that is not treated as a sale or exchange of your stock,

and any other transaction having a similar effect on a shareholder's interest in the corporation.

Expenses of issuing a stock dividend. You cannot deduct the expenses of issuing a stock dividend. These expenses include printing, postage, cost of advice sheets, fees paid to transfer agents, and fees for listing on stock exchanges. The corporation must capitalize these costs.

Constructive Distributions

The following sections discuss transactions that may be treated as distributions.

Below-market loans. If a corporation gives a shareholder a loan on which no interest is charged or on which interest is charged at a rate below the applicable federal rate, the interest not charged may be treated as a distribution to the shareholder. For more information, see *Below-Market Loans*, earlier.

Corporation cancels shareholder's debt.

If a corporation cancels a shareholder's debt without repayment by the shareholder, the amount canceled is treated as a distribution to the shareholder.

Transfers of property to shareholders for less than FMV.

A sale or exchange of property by a corporation to a shareholder may be treated as a distribution to the shareholder. For a shareholder who is not a corporation, if the FMV of the property on the date of the sale or exchange exceeds the price paid by the shareholder, the excess is treated as a distribution to the shareholder.

Unreasonable rents. If a corporation rents property from a shareholder and the rent is unreasonably more than the shareholder would charge to a stranger for use of the same property, the excessive part of the rent may be treated as a distribution to the shareholder.

Unreasonable salaries. If a corporation pays an employee who is also a shareholder a salary that is unreasonably high considering the services actually performed by the shareholder-employee, the excessive part of the salary may be treated as a distribution to the shareholder-employee.

Reporting Dividends and Other Distributions

A corporate distribution to a shareholder is generally treated as a distribution of earnings and profits. Any part of a distribution from either current or accumulated earnings and profits is reported to the shareholder as a dividend. Any part of a distribution that is not from earnings and profits is applied against and reduces the adjusted basis of the stock in the hands of the shareholder. To the extent the balance is more than the adjusted basis of the stock, the shareholder has a gain (usually a capital gain) from the sale or exchange of property.

For information on shareholder reporting of corporate distributions, see Pub. 550.

Form 1099-DIV. File Form 1099-DIV, Dividends and Distributions, with the IRS for each shareholder to whom the corporation has paid dividends and other distributions on stock of \$10 or more during a calendar year. A corporation must generally send Forms 1099-DIV to the IRS with Form 1096, Annual Summary and Transmittal of U.S. Information Returns, by February 28 (March 31 if filing electronically) of the year following the year of the distribution. For more information, see the General Instructions for Certain Information Returns (Forms 1096, 1097, 1098, 1099, 3921, 3922, 5498, and W-2G).

Generally, the corporation must furnish Forms 1099-DIV to shareholders by January 31 of the year following the close of the calendar year during which it made the distributions. However, the corporation may furnish the Form 1099-DIV to shareholders after

November 30 of the year of the distributions if it has made its final distributions for the year. The corporation may furnish the Form 1099-DIV to shareholders anytime after April 30 of the year of the distributions if it gives the Form 1099-DIV with the final distributions for the calendar year.

If any regular due date falls on a Saturday, Sunday, or legal holiday, file by the next business day. A business day is any day that is not a Saturday, Sunday, or legal holiday.

Backup withholding. Dividends may be subject to backup withholding. For more information on backup withholding, see the General Instructions for Certain Information Returns.

Form 5452. File Form 5452, Corporate Report of Nondividend Distributions, if nondividend distributions were made to shareholders.

A calendar tax year corporation must file Form 5452 with its income tax return for the tax year in which the nondividend distributions were made. A fiscal tax year corporation must file Form 5452 with its income tax return due for the first fiscal year ending after the calendar year in which the nondividend distributions were made.

Current year earnings and profits. If a corporation's earnings and profits for the year (figured as of the close of the year without reduction for any distributions made during the year) are more than the total amount of distributions made during the year, all distributions made during the year are treated as distributions of current year earnings and profits. If the total amount of distributions is more than the earnings and profits for the year, see Accumulated earnings and profits, later.

Example. You are the only shareholder of a corporation that uses the calendar year as its

tax year. In January, you use the worksheet in the Form 5452 instructions to figure your corporation's current year earnings and profits for the previous year. During the year, the corporation made four \$1,000 distributions to you. At the end of the year (before subtracting distributions made during the year), the corporation had \$10,000 of current year earnings and profits.

Since the corporation's current year earnings and profits (\$10,000) were more than the amount of the distributions it made during the year (\$4,000), all of the distributions are treated as distributions of current year earnings and profits.

The corporation must issue a Form 1099-DIV to you to report the \$4,000 distributed to you during the previous year as dividends. The corporation must use Form 1096 to report this information to the IRS. The corporation does not deduct these dividends on its income tax return.

Accumulated earnings and profits. If a corporation's current year earnings and profits (figured as of the close of the year without reduction for any distributions made during the year) are less than the total distributions made during the year, part or all of each distribution is treated as a distribution of accumulated earnings and profits. Accumulated earnings and profits are earnings and profits the corporation accumulated before the current year.

If the total amount of distributions is less than current year earnings and profits, see *Current year earnings and profits* above.

Used with current year earnings and profits. If the corporation has current year earnings and profits, figure the use of accumulated and current earnings and profits as follows.

1. Divide the current year earnings and profits by the total distributions made during the year.

2. Multiply each distribution by the percentage figured in (1) to get the amount treated as a distribution of current year earnings and profits.
3. Start with the first distribution and treat the part of each distribution greater than the allocated current year earnings and profits figured in (2) as a distribution of accumulated earnings and profits.
4. If accumulated earnings and profits are reduced to zero, the remaining part of each distribution is applied against and reduces the adjusted basis of the stock in the hands of the shareholders. To the extent that the balance is more than the adjusted basis of the stock, it is treated as a gain from the sale or exchange of property.

Example. You are the only shareholder of a corporation that uses the calendar year as its

tax year. In January, you use the worksheet in the Form 5452 instructions to figure your corporation's current year earnings and profits for the previous year. At the beginning of the year, the corporation's accumulated earnings and profits balance was \$20,000. During the year, the corporation made four \$4,000 distributions to you ($\$4,000 \times 4 = \$16,000$). At the end of the year (before subtracting distributions made during the year), the corporation had \$10,000 of current year earnings and profits.

Since the corporation's current year earnings and profits (\$10,000) were less than the distributions it made during the year (\$16,000), part of each distribution is treated as a distribution of accumulated earnings and profits. Treat the distributions as follows.

1. Divide the current year earnings and profits (\$10,000) by the total amount of distributions made during the year (\$16,000). The result is 0.625.

2. Multiply each \$4,000 distribution by the 0.625 figured in (1) to get the amount (\$2,500) of each distribution treated as a distribution of current year earnings and profits.
3. The remaining \$1,500 of each distribution is treated as a distribution from accumulated earnings and profits. The corporation distributed \$6,000 ($\$1,500 \times 4$) of accumulated earnings and profits.

The remaining \$14,000 ($\$20,000 - \$6,000$) of accumulated earnings and profits is available for use in the following year.

The corporation must issue a Form 1099-DIV to you to report the \$16,000 distributed to you during the previous year as dividends. The corporation must use Form 1096 to report this information to the IRS. The corporation does not deduct these dividends on its income tax return.

Used without current year earnings and profits. If the corporation has no current year earnings and profits, figure the use of accumulated earnings and profits as follows.

1. If the current year earnings and profits balance is negative, prorate the negative balance to the date of each distribution made during the year.
2. Figure the available accumulated earnings and profits balance on the date of each distribution by subtracting the prorated amount of current year earnings and profits from the accumulated balance.
3. Treat each distribution as a distribution of these adjusted accumulated earnings and profits.
4. If adjusted accumulated earnings and profits are reduced to zero, the remaining distributions are applied against and reduce the adjusted basis

of the stock in the hands of the shareholders. To the extent that the balance is more than the adjusted basis of the stock, it is treated as a gain from the sale or exchange of property.

Example. You are the only shareholder of a corporation that uses the calendar year as its tax year. In January, you use the worksheet in the Form 5452 instructions to figure your corporation's current year earnings and profits for the previous year. At the beginning of the year, the corporation's accumulated earnings and profits balance was \$20,000. During the year, the corporation made four \$4,000 distributions to you on March 31, June 30, September 30, and December 31. At the end of the year (before subtracting distributions made during the year), the corporation had a negative \$10,000 current year earnings and profits balance.

Since the corporation had no current year earnings and profits, all of the distributions are treated as distributions of accumulated earnings and profits. Treat the distributions as follows.

1. Prorate the negative current year earnings and profits balance to the date of each distribution made during the year. The negative \$10,000 can be spread evenly by prorating a negative \$2,500 to each distribution.
2. The following table shows how to figure the available accumulated earnings and profits balance on the date of each distribution.

March 31 Distribution

Accumulated earnings and profits	\$20,000
Prorated current year earnings and profits	(\$2,500)
Accumulated earnings and profits available	\$17,500
Amount of distribution treated as a dividend	(\$4,000)

June 30 Distribution

Accumulated earnings and profits	\$13,500
Prorated current year earnings and profits	(\$2,500)
Accumulated earnings and profits available	\$11,000
Amount of distribution treated as a dividend	(\$4,000)

September 30 Distribution

Accumulated earnings and profits	\$7,000
Prorated current year earnings and profits	(\$2,500)
Accumulated earnings and profits available	\$4,500
Amount of distribution treated as a dividend	(\$4,000)

December 31 Distribution

Accumulated earnings and profits	\$500
Prorated current year earnings and profits	(\$2,500)
Accumulated earnings and profits available	(\$2,000)
Amount of distribution treated as a dividend	\$0
Nondividend amount (reduction of stock basis or gain from sale/exchange of property)	\$4,000
Year-end accumulated earnings and profits	(\$2,000)

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The corporation must issue a Form 1099-DIV to you to report \$12,000 of the \$16,000 distributed to you during the previous year as dividends. The corporation must use Form 1096 to report this information to the IRS. The corporation does not deduct these dividends on its income tax return. However, the corporation must attach Form 5452 to this return to report the nondividend distribution.



For more information about figuring earnings and profits, see the Worksheet for Figuring Current Year Earnings and Profits in the Form 5452 instructions.

How To Get Tax Help

If you have questions about a tax issue; need help preparing your tax return; or want to download free publications, forms, or instructions, go to [IRS.gov](https://www.irs.gov) to find resources that can help you right away.

Using online tools to help prepare your return. Go to [IRS.gov/Tools](https://www.irs.gov/Tools) for the following.

- The [Online EIN Application \(IRS.gov/EIN\)](https://www.irs.gov/EIN) helps you get an employer identification number (EIN) at no cost.
- The [Tax Calendar \(TAX.gov/calendar\)](https://www.irs.gov/calendar) helps you track important business tax dates and deadlines right from your desktop.
- The [FATCA FFI List Search and Download Tool \(IRS.gov/fatca-ffilist\)](https://www.irs.gov/fatca-ffilist) makes it easier to find out if a Foreign

Financial Institution has registered with FATCA.

- The [*Electronic Federal Tax Payment System*](#) ([*IRS.gov/ EFTPS*](#)) is a free tax payment system that allows you to pay your federal taxes online or by phone with EFTPS.



Getting answers to your tax questions. On IRS.gov, you can get up-to-date information on current events and changes in tax law.

- [*IRS.gov/Help*](#): A variety of tools to help you get answers to some of the most common tax questions.
- [*IRS.gov/ITA*](#): The Interactive Tax Assistant, a tool that will ask you questions and, based on your input, provide answers on a number of tax law topics.
- [*IRS.gov/Forms*](#): Find forms, instructions, and publications. You will

find details on the most recent tax changes and hundreds of interactive links to help you find answers to your questions.

- You may also be able to access tax information in your e-filing software.

Need someone to prepare your tax return? There are various types of tax return preparers, including tax preparers, enrolled agents, certified public accountants (CPAs), attorneys, and many others who don't have professional credentials. If you choose to have someone prepare your tax return, choose that preparer wisely. A paid tax preparer is:

- Primarily responsible for the overall substantive accuracy of your return,
- Required to sign the return, and
- Required to include their preparer tax identification number (PTIN).



Although the tax preparer always signs the return, you're ultimately responsible for providing all the information required for the preparer to accurately prepare your return. Anyone paid to prepare tax returns for others should have a thorough understanding of tax matters. For more information on how to choose a tax preparer, go to [Tips for Choosing a Tax Preparer](#) on IRS.gov.

Employers can register to use Business Services Online. The Social Security Administration (SSA) offers online service at [SSA.gov/employer](https://ssa.gov/employer) for fast, free, and secure online W-2 filing options to CPAs, accountants, enrolled agents, and individuals who process Form W-2, Wage and Tax Statement, and Form W-2c, Corrected Wage and Tax Statement.

IRS social media. Go to [IRS.gov/SocialMedia](https://irs.gov/SocialMedia) to see the various social media tools the IRS uses to share the latest

information on tax changes, scam alerts, initiatives, products, and services. At the IRS, privacy and security are our highest priority. We use these tools to share public information with you. **Don't** post your taxpayer identification number (TIN) or other confidential information on social media sites. Always protect your identity when using any social networking site.

The following IRS YouTube channels provide short, informative videos on various tax-related topics in English, Spanish, and ASL.

- [Youtube.com/irsvideos](https://www.youtube.com/irsvideos).
- [Youtube.com/irsvideomultilingua](https://www.youtube.com/irsvideomultilingua).
- [Youtube.com/irsvideosASL](https://www.youtube.com/irsvideosASL).

Watching IRS videos. The IRS Video portal ([IRSVideos.gov](https://www.irs.gov/irs/videos)) contains video and audio presentations for individuals, small businesses, and tax professionals.

Online tax information in other languages. You can find information on [IRS.gov/MyLanguage](https://www.irs.gov/MyLanguage) if English isn't your native language.

Free Over-the-Phone Interpreter (OPI) Service. The IRS is committed to serving taxpayers with limited-English proficiency (LEP) by offering OPI services. The OPI Service is a federally funded program and is available at Taxpayer Assistance Centers (TACs), most IRS offices, and every VITA/TCE return site. OPI Service is accessible in more than 350 languages.

Accessibility Helpline available for taxpayers with disabilities. Taxpayers who need information about accessibility services can call 833-690-0598. The Accessibility Helpline can answer questions related to current and future accessibility products and services available in alternative media formats (for example, braille, large print, audio, etc.). The Accessibility Helpline does

not have access to your IRS account. For help with tax law, refunds, or account-related issues, go to [IRS.gov/LetUsHelp](https://www.irs.gov/LetUsHelp).

Note. Form 9000, Alternative Media Preference, or Form 9000(SP) allows you to elect to receive certain types of written correspondence in the following formats.

- Standard Print.
- Large Print.
- Braille.
- Audio (MP3).
- Plain Text File (TXT).
- Braille Ready File (BRF).

Disasters. Go to [IRS.gov/DisasterRelief](https://www.irs.gov/DisasterRelief) to review the available disaster tax relief.

Getting tax forms and publications. Go to [IRS.gov/ Forms](https://www.irs.gov/Forms) to view, download, or print all of the forms, instructions, and publications

you may need. Or, you can go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to place an order.

Getting tax publications and instructions in eBook format. You can also download and view popular tax publications and instructions on mobile devices as eBooks at [IRS.gov/eBooks](https://www.irs.gov/eBooks).

IRS eBooks have been tested using Apple's iBooks for iPad. Our eBooks haven't been tested on other dedicated eBook readers, and eBook functionality may not operate as intended.

Reporting and resolving your tax-related identity theft issues.

- Tax-related identity theft happens when someone steals your personal information to commit tax fraud. Your taxes can be affected if your TIN is used to file a fraudulent return or to claim a refund or credit.

- The IRS doesn't initiate contact with taxpayers by email, text messages, telephone calls, or social media channels to request personal or financial information. This includes requests for personal identification numbers (PINs), passwords, or similar information for credit cards, banks, or other financial accounts.
- Go to [IRS.gov/IdentityTheft](https://www.irs.gov/IdentityTheft), the IRS Identity Theft Central webpage, for information on identity theft and data security protection for taxpayers, tax professionals, and businesses. If your TIN has been lost or stolen or you suspect you're a victim of tax-related identity theft, you can learn what steps you should take.

Making a tax payment. Payments of U.S. tax must be remitted to the IRS in U.S. dollars. [Digital assets](#) are **not** accepted. Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for information on how to

make a payment using any of the following options.

- [IRS Direct Pay](#): Pay your tax bill or estimated tax payment directly from your checking or savings account at no cost to you.
- [Debit or Credit Card, or Digital Wallet](#): Choose an approved payment processor to pay online or by phone.
- [Electronic Funds Withdrawal](#): Schedule a payment when filing your federal taxes using tax return preparation software or through a tax professional.
- [Electronic Federal Tax Payment System](#): Best option for businesses. Enrollment is required.
- [Check or Money Order](#): Mail your payment to the address listed on the notice or instructions.

- [Cash](#): You may be able to pay your taxes with cash at a participating retail store.
- [Same-Day Wire](#): You may be able to do same-day wire from your financial institution. Contact your financial institution for availability, cost, and time frames.

Note. The IRS uses the latest encryption technology to ensure that the electronic payments you make online, by phone, or from a mobile device using the IRS2Go app are safe and secure. Paying electronically is quick, easy, and faster than mailing in a check or money order.

What if I can't pay now? Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for more information about your options.

- Apply for an [online payment agreement](#) ([IRS.gov/ OPA](https://www.irs.gov/OPA)) to meet your tax obligation in monthly

installments if you can't pay your taxes in full today. Once you complete the online process, you will receive immediate notification of whether your agreement has been approved.

- Use the [Offer in Compromise Pre-Qualifier](#) to see if you can settle your tax debt for less than the full amount you owe. For more information on the Offer in Compromise program, go to [IRS.gov/OIC](#).

Understanding an IRS notice or letter you've received. Go to [IRS.gov/Notices](#) to find additional information about responding to an IRS notice or letter.

Contacting your local IRS office. Keep in mind, many questions can be answered on IRS.gov without visiting an IRS TAC. Go to [IRS.gov/LetUsHelp](#) for the topics people ask about most. If you still need help, IRS TACs provide tax help when a tax issue can't be handled online or by phone. All TACs now

provide service by appointment, so you'll know in advance that you can get the service you need without long wait times. Before you visit, go to [IRS.gov/TACLocator](https://www.irs.gov/TACLocator) to find the nearest TAC and to check hours, available services, and appointment options. Or, on the IRS2Go app, under the Stay Connected tab, choose the Contact Us option and click on "Local Offices."

The Taxpayer Advocate Service (TAS) Is Here To Help You What Is TAS?

TAS is an ***independent*** organization within the IRS that helps taxpayers and protects taxpayer rights. Their job is to ensure that every taxpayer is treated fairly and that you know and understand your rights under the [*Taxpayer Bill of Rights*](#).

How Can You Learn About Your Taxpayer Rights?

The Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. Go to

[TaxpayerAdvocate.IRS.gov](https://taxpayeradvocate.irs.gov) to help you understand what these rights mean to you and how they apply. These are ***your*** rights. Know them. Use them.

What Can TAS Do for You?

TAS can help you resolve problems that you can't resolve with the IRS. And their service is free. If you qualify for their assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue.

TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business;

- You face (or your business is facing) an immediate threat of adverse action; or
- You've tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

How Can You Reach TAS?

TAS has offices [in every state, the District of Columbia, and Puerto Rico.](#) To find your advocate's number:

- Go to TaxpayerAdvocate.IRS.gov/Contact-Us;
- Download Pub. 1546, The Taxpayer Advocate Service Is Your Voice at the IRS, available at IRS.gov/pub/irspdf/p1546.pdf;
- Call the IRS toll free at 800-TAX-FORM

- (800-829-3676) to order a copy of Pub. 1546;
- Check your local directory; or
- Call TAS toll free at 877-777-4778.

How Else Does TAS Help Taxpayers?

TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, report it to them at [IRS.gov/SAMS](https://www.irs.gov/SAMS).

Low Income Taxpayer Clinics (LITCs)

LITCs are independent from the IRS. LITCs represent individuals whose income is below a certain level and need to resolve tax problems with the IRS, such as audits, appeals, and tax collection disputes. In addition, LITCs can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language. Services are offered for free or a

small fee for eligible taxpayers. To find an LITC near you, go to TaxpayerAdvocate.IRS.gov/about-us/Low-IncomeTaxpayer-Clinics-LITC or see IRS Pub. 4134, [Low Income Taxpayer Clinic List](#).

Other Useful Forms for Corporations

Other Useful Forms	
Form	Use this form to—
W-2 and W-3 —Wage and Tax Statement; and Transmittal of Wage and Tax Statements	Report wages, tips, and other compensation, and withheld income, social security, and Medicare taxes for employees.
W-2G —Certain Gambling Winnings	Report gambling winnings from horse racing, dog racing, jai alai, lotteries, keno, bingo, slot machines, sweepstakes, wagering pools, etc.
926 —Return by a U.S. Transferor of Property to a Foreign Corporation	Report certain transfers to foreign corporations under section 6038B.
940 —Employer's Annual Federal Unemployment (FUTA) Tax Return	Report and pay FUTA tax if the corporation either: 1. Paid wages of \$1,500 or more in any calendar quarter during the calendar year (or the preceding calendar year), or 2. Had one or more employees working for the corporation for at least some part of a day in any 20 different weeks during the calendar year (or the preceding calendar year).
941 —Employer's QUARTERLY Federal Tax Return	Report quarterly income tax withheld on wages and employer and employee social security and Medicare taxes.
943 —Employer's Annual Federal Tax Return for Agricultural Employees	Report income tax withheld and employer and employee social security and Medicare tax on farmworkers.
944 —Employer's ANNUAL Federal Tax Return	File annual Form 944 instead of filing quarterly Forms 941, if the IRS notified you in writing.
945 —Annual Return of Withheld Federal Income Tax	Report income tax withheld from nonpayroll payments, including pensions, annuities, individual retirement arrangements (IRAs), gambling winnings, and backup withholding.
952 —Consent To Extend the Time To Assess Tax Under Section 332(b)	Extend the period of assessment of all income taxes of the receiving corporation on the complete liquidation of a subsidiary under section 332.
965-B —Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts	This form must be completed by a taxpayer for every tax year for which the taxpayer has any net 965 tax liability outstanding and not fully paid at any point during the tax year. See the Instructions for Form 965-B.
966 —Corporate Dissolution or Liquidation	Report the adoption of a resolution or plan to dissolve the corporation or liquidate any of its stock.
1042 and 1042-S —Annual Withholding Tax Return for U.S. Source Income of Foreign Persons; and Foreign Person's U.S. Source Income Subject to Withholding	Report withheld tax on payments or distributions made to nonresident alien individuals, foreign partnerships, or foreign corporations to the extent these payments or distributions constitute gross income from sources within the United States that is not effectively connected with a U.S. trade or business. In addition, a publicly traded partnership is required to withhold on distributions of effectively connected income to its foreign partners. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.
1042-T —Annual Summary and Transmittal of Forms 1042-S	Transmit paper Forms 1042-S to the IRS.
1096 —Annual Summary and Transmittal of U.S. Information Returns	Transmit paper Forms 1098, 1099, 5498, and W-2G to the IRS.

Other Useful Forms	
Form	Use this form to—
<p>1097-BTC, 1098, 1098-C, 1098-E, 1098-F, 1098-T, 1099-A, B, C, CAP, G, H, DIV, INT, K, LTC, MISC, NEC, OID, PATR, Q, R, S, SA, 3921, and 3922.</p> <p>Important: <i>Every corporation must file Forms 1099-MISC (or 1099-NEC for nonemployee compensation) if, in the course of its trade or business, it makes payments of rents, services, commissions, or other fixed or determinable income (see section 6041) totaling \$600 or more to any one person during the calendar year.</i></p> <p>Also use these returns to report amounts received as a nominee for another person. For more details, see the General Instructions for Certain Information Returns (1097, 1098, 1099, 3921, 3922, 5498, and W-2G).</p>	<p>Report the following:</p> <ul style="list-style-type: none"> • Tax credits to bond holders; • Mortgage interest; • Contributions of certain motor vehicles, boats, and airplanes; • Student loan interest; • Fines, penalties, and other amounts; • Certain tuition payments; • Acquisitions or abandonments of secured property; • Proceeds from broker and barter exchange transactions; • Cancellation of debts; • Changes in corporate control and capital structure; • Certain government payments; • Advance payments of health coverage insurance premiums; • Dividends and distributions; • Interest payments; • Merchant card and third-party network payments; • Payments of long-term care and accelerated death benefits; • Miscellaneous income payments to certain fishing boat crew members, to providers of health and medical services, of rent or royalties, of nonemployee compensation, etc.; • Original issue discount; • Distributions received from cooperatives; • Distributions from certain qualified education programs; • Distributions from pensions, annuities, retirement or profit-sharing plans, IRAs, insurance contracts, etc.; • Proceeds from real estate transactions; • Distributions from an HSA, Archer MSA, or Medicare Advantage MSA; • Exercise of incentive stock options; and • Transfer of stock acquired through employee stock purchase plans.
1122 —Authorization and Consent of Subsidiary Corporation To Be Included in a Consolidated Income Tax Return	Include a subsidiary in a consolidated return. Attach this form to the parent's consolidated return. Attach a separate Form 1122 for each subsidiary being included in the consolidated return.
1138 —Extension of Time for Payment of Taxes by a Corporation Expecting a Net Loss Carryback	Request an extension of time for payment of tax for the immediately preceding tax year if the corporation expects a net operating loss for the current year.
3520 —Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts	Report ownership of and certain transactions with foreign trusts, including receipt of certain large gifts. See Schedule N (Form 1120), Question 5.
3520-A —Annual Information Return of Foreign Trust With a U.S. Owner	Report information about the foreign trust, its U.S. beneficiaries, and any U.S. person who is treated as an owner of any portion of the foreign trust.
5471 —Information Return of U.S. Persons With Respect to Certain Foreign Corporations	Satisfy the reporting requirements of sections 6038 and 6046, and the related regulations, as well as report amounts related to section 965. Form 5471 and the related schedules are used by certain U.S. persons who are officers, directors, or shareholders in certain foreign corporations. See the Instructions for Form 5471.
5498 —IRA Contribution Information	Report contributions (including rollover contributions) to any IRA, including a SEP, SIMPLE, or Roth IRA, and to report Roth IRA conversions, IRA recharacterizations, and the fair market value (FMV) of the account.
5498-ESA —Coverdell ESA Contribution Information	Report contributions (including rollover contributions) to a Coverdell education savings account (ESA).
5498-SA —HSA, Archer MSA, or Medicare Advantage MSA Information	Report contributions and rollovers to an HSA or Archer MSA and the FMV of an HSA, Archer MSA, or Medicare Advantage MSA. For more information, see the general and specific instructions for Forms 1098, 1099, 5498, and W-2G.
5713 —International Boycott Report	Report operations in, or related to, a “boycotting” country, government, company, or national of a country and to figure the loss of certain tax benefits.

Other Useful Forms	
Form	Use this form to—
8023 —Elections Under Section 338 for Corporations Making Qualified Stock Purchases	Make elections under section 338 for a “target” corporation if the purchasing corporation has made a qualified stock purchase of the target corporation.
8027 —Employer's Annual Information Return of Tip Income and Allocated Tips	Report receipts from large food or beverage operations, tips reported by employees, and allocated tips.
8275 —Disclosure Statement	Disclose items or positions, except those contrary to a regulation, that are not otherwise adequately disclosed on a tax return. The disclosure is made to avoid the parts of the accuracy-related penalty imposed for disregard of rules or substantial understatement of tax. Also use Form 8275 for disclosures relating to preparer penalties for understatements due to unrealistic positions or disregard of rules.
8275-R —Regulation Disclosure Statement	Disclose any item on a tax return for which a position has been taken that is contrary to Treasury regulations.
8281 —Information Return for Publicly Offered Original Issue Discount Instruments	Report the issuance of public offerings of debt instruments (obligations).
8300 —Report of Cash Payments Over \$10,000 Received in a Trade or Business	Report the receipt, in the course of a trade or business, of more than \$10,000 in cash or foreign currency in one transaction or a series of related transactions.
8594 —Asset Acquisition Statement Under Section 1060	Report a sale of assets that make up a trade or business if goodwill or going concern value attaches, or could attach, to such assets and if the buyer's basis is determined only by the amount paid for the assets. Both the seller and buyer must use this form.
8806 —Information Return for Acquisition of Control or Substantial Change in Capital Structure	Report an acquisition of control or a substantial change in the capital structure of a domestic corporation.
8842 —Election To Use Different Annualization Periods for Corporate Estimated Tax	Elect one of the annualization periods in section 6655(e)(2) for figuring estimated tax payments under the annualized income installment method.
8849 —Claim for Refund of Excise Taxes	Claim a refund of certain excise taxes.
8858 —Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs)	Satisfy reporting requirements that apply if the corporation directly or indirectly owns a foreign disregarded entity or a foreign branch. A separate Form 8858 is required for each foreign branch or foreign disregarded entity. See the Instructions for Form 8858.

Other Useful Forms	
Form	Use this form to—
8865 —Return of U.S. Person With Respect to Certain Foreign Partnerships	<p>Report an interest in a foreign partnership. A domestic corporation may have to file Form 8865 if it:</p> <ol style="list-style-type: none">Controlled a foreign partnership (owned more than a 50% direct or indirect interest in the partnership).Owned at least a 10% direct or indirect interest in a foreign partnership while U.S. persons controlled that partnership.Had an acquisition, disposition, or change in proportional interest of a foreign partnership that:<ol style="list-style-type: none">Increased its direct interest to at least 10% or reduced its direct interest of at least 10% to less than 10%, orChanged its direct interest by at least a 10% interest.Contributed property to a foreign partnership in exchange for a partnership interest if:<ol style="list-style-type: none">Immediately after the contribution, the corporation directly or indirectly owned at least a 10% interest in the foreign partnership, orThe FMV of the property the corporation contributed to the foreign partnership in exchange for a partnership interest exceeds \$100,000 when added to other contributions of property made to the foreign partnership during the preceding 12-month period. <p>The domestic corporation may also have to file Form 8865 to report certain dispositions by a foreign partnership of property it previously contributed to that partnership if it was a partner at the time of the disposition. For more details, including penalties for failing to file Form 8865, see the Instructions for Form 8865.</p>
8873 —Extraterritorial Income Exclusion	Figure the amount of extraterritorial income excluded from gross income for the tax year (generally repealed for post-2004 income). See the Instructions for Form 8873.
8876 —Excise Tax on Structured Settlement Factoring Transactions	Report and pay the 40% excise tax imposed under section 5891.
8883 —Asset Allocation Statement Under Section 338	Report information about transactions involving the deemed sale of corporate assets under section 338.
8886 —Reportable Transaction Disclosure Statement	Disclose information for each reportable transaction in which the corporation participated. Attach Form 8886 to the corporation's income tax return for each tax year in which it participated in a reportable transaction. The corporation may have to pay a penalty if it is required to file Form 8886 and does not do so. Other penalties may also apply. For more details, see the Instructions for Form 8886.
8918 —Material Advisor Disclosure Statement	Disclose certain information about a reportable transaction to the IRS. Material advisors who file Form 8918 will receive a reportable transaction number from the IRS. This number must be provided to all taxpayers and material advisors for whom the material advisor acts as a material advisor. Other reporting requirements apply. See the Instructions for Form 8918.
8990 —Limitation on Business Interest Expense Under Section 163(j)	Figure the amount of business interest expense the corporation can deduct and the amount to carry forward to the next year. See the Instructions for Form 8990.
8991 —Tax on Base Erosion Payments of Taxpayers With Substantial Gross Receipts	Determine an applicable taxpayer's base erosion minimum tax amount for the year. See the Instructions for Form 8991.
8992 —U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)	Figure a U.S. shareholder's GILTI inclusion for years in which they are U.S. shareholders of controlled foreign corporations (CFCs). See the Instructions for Form 8992.
8993 —Section 250 Deduction for Foreign-Derived Intangible Income (FDII) and Global Intangible Low-Taxed Income (GILTI)	Figure the amount of the eligible deduction for FDII and GILTI under section 250.

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To help us develop a more useful index, please let us know if you have ideas for index entries. See “Comments and Suggestions” in the “Introduction” for the ways you can reach us.

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