



Note: The form, instructions, or publication you are looking for begins after this coversheet.

Please review the updated information below.

Reporting Excess Deductions on Termination of an Estate or Trust on Forms 1040, 1040-SR, and 1040-NR for Tax Year 2018 and Tax Year 2019

Under [Proposed Regulations 113295-18](#), an excess deduction on termination of an estate or trust allowed in arriving at adjusted gross income (Internal Revenue Code (IRC) section 67(e) expenses) is reported as an adjustment to income on Forms 1040, 1040-SR, and 1040-NR; non-miscellaneous itemized deductions are reported, as applicable, on Schedule A (Form 1040 or 1040-SR) or Schedule A (Form 1040-NR); and miscellaneous itemized deductions are not deductible. Taxpayers may rely on the proposed regulations for tax years of beneficiaries beginning after 2017 and before the final regulations are published.

For tax year 2019, an excess deduction for IRC section 67(e) expenses is reported as a write-in on Schedule 1 (Form 1040 or 1040-SR), Part II, line 22, or Form 1040-NR, line 34. On the dotted line next to line 22 or line 34 (depending on which form is filed), enter the amount of the adjustment and identify it using the code "ED67(e)". Include the amount of the adjustment in the total amount reported on line 22 or line 34.

For tax year 2018, an excess deduction for IRC section 67(e) expenses is reported as a write-in on Schedule 1 (Form 1040), line 36, or Form 1040-NR, line 34. On the dotted line next to line 36 or line 34, (depending on which form is filed), enter the amount of the adjustment and identify it using the code "ED67(e)". Include the amount of the adjustment in the total amount reported on line 36 or line 34.

A Check all that apply:

Decedent's estate
 Simple trust
 Complex trust
 Qualified disability trust
 ESBT (S portion only)
 Grantor type trust
 Bankruptcy estate—Ch. 7
 Bankruptcy estate—Ch. 11
 Pooled income fund

For calendar year 2018 or fiscal year beginning _____, 2018, and ending _____, 20

Name of estate or trust (If a grantor type trust, see the instructions.)

Name and title of fiduciary

Number, street, and room or suite no. (If a P.O. box, see the instructions.)

City or town, state or province, country, and ZIP or foreign postal code

C Employer identification number

D Date entity created

E Nonexempt charitable and split-interest trusts, check applicable box(es), see instructions.
 Described in sec. 4947(a)(1). Check here if not a private foundation . . .
 Described in sec. 4947(a)(2)

B Number of Schedules K-1 attached (see instructions) ▶

F Check applicable boxes:
 Initial return Final return Amended return
 Change in trust's name Change in fiduciary Change in fiduciary's name
 Net operating loss carryback
 Change in fiduciary's address

G Check here if the estate or filing trust made a section 645 election . . . ▶ Trust TIN ▶

Income	1	Interest income	1		
	2a	Total ordinary dividends	2a		
	b	Qualified dividends allocable to: (1) Beneficiaries _____ (2) Estate or trust _____			
	3	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)	3		
	4	Capital gain or (loss). Attach Schedule D (Form 1041)	4		
	5	Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)	5		
	6	Farm income or (loss). Attach Schedule F (Form 1040)	6		
	7	Ordinary gain or (loss). Attach Form 4797	7		
	8	Other income. List type and amount _____	8		
9	Total income. Combine lines 1, 2a, and 3 through 8 ▶	9			
Deductions	10	Interest. Check if Form 4952 is attached ▶ <input type="checkbox"/>	10		
	11	Taxes	11		
	12	Fiduciary fees. If only a portion is deductible under section 67(e), see instructions	12		
	13	Charitable deduction (from Schedule A, line 7)	13		
	14	Attorney, accountant, and return preparer fees. If only a portion is deductible under section 67(e), see instructions	14		
	15a	Other deductions (attach schedule). See instructions for deductions allowable under section 67(e)	15a		
	b	Net operating loss deduction. See instructions	15b		
	16	Add lines 10 through 15b ▶	16		
	17	Adjusted total income or (loss). Subtract line 16 from line 9	17		
	18	Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)	18		
	19	Estate tax deduction including certain generation-skipping taxes (attach computation)	19		
20	Exemption	20			
21	Add lines 18 through 20 ▶	21			
Tax and Payments	22	Taxable income. Subtract line 21 from line 17. If a loss, see instructions	22		
	23	Total tax (from Schedule G, line 7)	23		
	24	2018 net 965 tax liability paid from Form 965-A, Part II, column (k), line 2	24		
	25	Payments: a 2018 estimated tax payments and amount applied from 2017 return	25a		
	b	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	25b		
	c	Subtract line 25b from line 25a	25c		
	d	Tax paid with Form 7004. See instructions	25d		
	e	Federal income tax withheld. If any is from Form(s) 1099, check ▶ <input type="checkbox"/>	25e		
	f	2018 net 965 tax liability from Form 965-A, Part I, column (f), line 2	25f		
		Other payments: g Form 2439 _____; h Form 4136 _____; Total ▶	25i		
26	Total payments. Add lines 25c through 25f, and 25i ▶	26			
27	Estimated tax penalty. See instructions	27			
28	Tax due. If line 26 is smaller than the total of lines 23, 24, and 27, enter amount owed	28			
29	Overpayment. If line 26 is larger than the total of lines 23, 24, and 27, enter amount overpaid	29			
30	Amount of line 29 to be: a Credited to 2019 ▶ _____; b Refunded ▶ _____	30			

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

Signature of fiduciary or officer representing fiduciary _____ Date _____ EIN of fiduciary if a financial institution _____

May the IRS discuss this return with the preparer shown below (see instr.)? Yes No

Paid Preparer Use Only

Print/Type preparer's name _____ Preparer's signature _____ Date _____ Check if self-employed PTIN _____

Firm's name ▶ _____ Firm's EIN ▶ _____

Firm's address ▶ _____ Phone no. _____

Schedule A Charitable Deduction. Don't complete for a simple trust or a pooled income fund.			
1	Amounts paid or permanently set aside for charitable purposes from gross income. See instructions	1	
2	Tax-exempt income allocable to charitable contributions. See instructions	2	
3	Subtract line 2 from line 1	3	
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4	
5	Add lines 3 and 4	5	
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes. See instructions	6	
7	Charitable deduction. Subtract line 6 from line 5. Enter here and on page 1, line 13	7	

Schedule B Income Distribution Deduction			
1	Adjusted total income. See instructions	1	
2	Adjusted tax-exempt interest	2	
3	Total net gain from Schedule D (Form 1041), line 19, column (1). See instructions	3	
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4	
5	Capital gains for the tax year included on Schedule A, line 1. See instructions	5	
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6	
7	Distributable net income. Combine lines 1 through 6. If zero or less, enter -0-	7	
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law	8	
9	Income required to be distributed currently	9	
10	Other amounts paid, credited, or otherwise required to be distributed	10	
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11	
12	Enter the amount of tax-exempt income included on line 11	12	
13	Tentative income distribution deduction. Subtract line 12 from line 11	13	
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14	
15	Income distribution deduction. Enter the smaller of line 13 or line 14 here and on page 1, line 18	15	

Schedule G Tax Computation (see instructions)			
1 Tax: a	Tax on taxable income. See instructions	1a	
b	Tax on lump-sum distributions. Attach Form 4972	1b	
c	Alternative minimum tax (from Schedule I (Form 1041), line 56)	1c	
d Total.	Add lines 1a through 1c	1d	
2a	Foreign tax credit. Attach Form 1116	2a	
b	General business credit. Attach Form 3800	2b	
c	Credit for prior year minimum tax. Attach Form 8801	2c	
d	Bond credits. Attach Form 8912	2d	
e Total credits.	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1d. If zero or less, enter -0-	3	
4	Net investment income tax from Form 8960, line 21	4	
5	Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611	5	
6	Household employment taxes. Attach Schedule H (Form 1040)	6	
7 Total tax.	Add lines 3 through 6. Enter here and on page 1, line 23	7	

Other Information		Yes	No
1	Did the estate or trust receive tax-exempt income? If "Yes," attach a computation of the allocation of expenses. Enter the amount of tax-exempt interest income and exempt-interest dividends ► \$ _____		
2	Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		
3	At any time during calendar year 2018, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ► _____		
4	During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the estate or trust may have to file Form 3520. See instructions		
5	Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If "Yes," see the instructions for required attachment		
6	If this is an estate or a complex trust making the section 663(b) election, check here. See instructions		<input type="checkbox"/>
7	To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here. See instructions		<input type="checkbox"/>
8	If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here		<input type="checkbox"/>
9	Are any present or future trust beneficiaries skip persons? See instructions		
10	Was the trust a specified domestic entity required to file Form 8938 for the tax year (see the Instructions for Form 8938)?		