

**Return by a U.S. Transferor of Property  
 to a Foreign Corporation  
 (under section 367)**

**Part I U.S. Transferor Information** (see instructions)

Name of transferor	Identification number (see instructions)
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Number, street, and room or suite no. (If a P.O. box, see instructions.)

City or town, state, and ZIP code

**1** The following questions apply only if the transferor is a corporation:

- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? . . . . .  **Yes**  **No**
- b** Did the transferor remain in existence after the transfer? . . . . .  **Yes**  **No**  
 If not, list the controlling shareholder(s) and their identification number(s):

Controlling shareholder	Identification number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? . . . . .  **Yes**  **No**  
 If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

**2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership

**Part II Transferee Foreign Corporation Information** (see instructions)

<b>3</b> Name of transferee (foreign corporation)	<b>4</b> Identification number, if any
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**5** Address (including country)

<b>6</b> Place of organization or creation	<b>7</b> Foreign law characterization (see instructions)
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**8** Is the transferee foreign corporation a controlled foreign corporation? . . . . .  **Yes**  **No**

**Part III Information Regarding Transfer of Property** (see instructions)

<b>9</b> Date of transfer	<b>10</b> Type of nonrecognition transaction (see instructions)
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**11** Description of property transferred:

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**12** Did this transfer result from a change in the classification of the transferee to that of a foreign corporation?  **Yes**  **No**

**13** Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)?  **Yes**  **No**

**14a** Was intangible property (within the meaning of section 936(h)(3)(B)) transferred pursuant to the transaction?  **Yes**  **No**

**b** If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

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<b>Please Sign Here</b>	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	_____ Date	▶ _____ Title	
<b>Paid Preparer's Use Only</b>	Preparer's signature ▶ _____	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's social security no. _____
	Firm's name (or yours if self-employed), and address ▶ _____		EIN ▶ _____	: _____
			ZIP code ▶ _____	



# Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment)

OMB No. 1545-0046

Attachment  
Sequence No. **94**

▶ Attach this form to your income tax return.

Name shown on return

Identifying number

## Part I General Information (see instructions)

- 1 Amount excluded is due to (check applicable box(es)):
- a Discharge of indebtedness in a title 11 case.
  - b Discharge of indebtedness to the extent insolvent (not in a title 11 case)
  - c Discharge of qualified farm indebtedness
  - d Discharge of qualified real property business indebtedness.
- 2 Total amount of discharged indebtedness excluded from gross income. 2
- 3 Do you elect to treat all real property described in section 1221(1), relating to property held for sale to customers in the ordinary course of a trade or business, as if it were depreciable property?  Yes  No

## Part II Reduction of Tax Attributes (You must attach a description of any transactions resulting in the reduction in basis under section 1017.)

Enter amount excluded from gross income:

- |   |     |  |
|---|-----|--|
| 4 For a discharge of qualified real property business indebtedness, applied to reduce the basis of depreciable real property . . . . .  | 4   |  |
| 5 That you elect under section 108(b)(5) to apply first to reduce the basis (under section 1017) of depreciable property. . . . .   | 5   |  |
| 6 Applied to reduce any net operating loss that occurred in the tax year of the discharge or carried over to the tax year of the discharge . . . . .                                    | 6   |  |
| 7 Applied to reduce any general business credit carryover to or from the tax year of the discharge  | 7   |  |
| 8 Applied to reduce any minimum tax credit as of the beginning of the tax year immediately after the tax year of the discharge . . . . .  | 8   |  |
| 9 Applied to reduce any net capital loss for the tax year of the discharge including any capital loss carryovers to the tax year of the discharge . . . . .                             | 9   |  |
| 10 Applied to reduce the basis of nondepreciable and depreciable property if not reduced on line 5. <i>DO NOT use in the case of discharge of qualified farm indebtedness</i> . . . . . | 10  |  |
| 11 For a discharge of qualified farm indebtedness, applied to reduce the basis of:  |     |  |
| a Depreciable property used or held for use in a trade or business, or for the production of income, if not reduced on line 5. . . . .  | 11a |  |
| b Land used or held for use in a trade or business of farming . . . . .   | 11b |  |
| c Other property used or held for use in a trade or business, or for the production of income . . . . .   | 11c |  |
| 12 Applied to reduce any passive activity loss and credit carryovers from the tax year of the discharge   | 12  |  |
| 13 Applied to reduce any foreign tax credit carryover to or from the tax year of the discharge . . . . .  | 13  |  |

## Part III Consent of Corporation to Adjustment of Basis of its Property Under Section 1082(a)(2)

The corporation named above has excluded under section 1081(b) of the Internal Revenue Code \$ \_\_\_\_\_ from its gross income for the tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.

Under that section the corporation consents to have the basis of its property adjusted in accordance with the regulations prescribed under section 1082(a)(2) of the Internal Revenue Code in effect at the time of filing its income tax return for that year. The corporation is organized under the laws of \_\_\_\_\_ (State of incorporation)

**Note:** You must attach a description of the transactions resulting in the nonrecognition of gain under section 1081.

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Purpose of Form.** Generally, the amount by which you benefit from the discharge of indebtedness is included in your gross income. However, under certain circumstances described in section 108, you may exclude the amount of discharged indebtedness from your gross income. Unless you check the box on line 1d or make the election on line 5, the amount excluded from gross income reduces certain tax attributes either dollar for dollar or 33 1/3 cents per dollar.

Use **Part I** of Form 982 to indicate why any amount received from the discharge of indebtedness should be excluded from gross income.

Use **Part II** to report your reduction of tax attributes. The reduction must be made in the following order:

- Any net operating loss (NOL) for the tax year of the discharge (and any NOL carryover to that year) (dollar for dollar);
- Any general business credit carryover to or from the tax year of the discharge (33 1/3 cents per dollar);
- Any minimum tax credit as of the beginning of the tax year immediately after the tax year of the discharge (33 1/3 cents per dollar);

- Any net capital loss for the tax year of the discharge (and any capital loss carryover to that tax year) (dollar for dollar);
- Basis of property (dollar for dollar);
- Any passive activity loss (dollar for dollar) and credit (33 1/3 cents per dollar) carryovers from the tax year of the discharge; and
- Any foreign tax credit carryover to or from the tax year of the discharge (33 1/3 cents per dollar).

Use **Part III** to exclude from gross income under section 1081(b) any amounts of income attributable to the transfer of property described in that section.

**Definitions.** A "title 11 case" is a case under title 11 of the United States Code (relating to bankruptcy), but only if you are under the jurisdiction of the court in the case and the discharge of indebtedness is granted by the court or is under a plan approved by the court.

The term "discharge of indebtedness" conveys forgiveness of, or release from, an obligation to repay.

You are "insolvent" to the extent your liabilities exceed the fair market value (FMV) of your assets immediately before the discharge.

For details, get **Pub. 908**, Bankruptcy Tax Guide.

**When To File.** File Form 982 with your timely filed Federal income tax return (including extensions) in a year a discharge of indebtedness is excluded from your income under section 108(a). Also file this form if you elect to reduce the basis of depreciable property under section 108(b)(5) or if you are making the election on line 1d of Part I regarding the discharge of qualified real property indebtedness.

These elections may be revoked only with the consent of the IRS.

## Specific Instructions

### Part I

**Lines 1a through 1c.** If you check any of these boxes you may elect, by completing line 5, to apply all or a part of the debt discharge amount to first reduce the basis of depreciable property (including property you elected on line 3 to treat as depreciable property). Any balance of the debt discharge amount will then be applied to reduce the tax attributes in the order listed on lines 6 through 13. You must attach a statement describing the transactions that resulted in the reduction in basis and identifying the property for which you reduced the basis. If you do not make the election on line 5, complete lines 6 through 13 to reduce your attributes. See section 1017(b)(2) and (c) for limitations of reductions in basis on line 10.

The exclusion relating to insolvency does not apply to a discharge that occurs in a title 11 case. Also, the exclusions relating to qualified farm indebtedness and qualified real property business indebtedness do not apply to a discharge that occurs in a title 11 case or to the extent the taxpayer is insolvent.

"Qualified farm indebtedness" is the amount of indebtedness incurred directly in connection with the trade or business of farming. In addition, 50% or more of your aggregate gross receipts for the 3 tax years preceding the tax year in which the discharge of such indebtedness occurs must be from the trade or business of farming. For more information, see sections 108(g) and 1017(b)(4).

The discharge must have been made by a "qualified person." Generally, a qualified person is an individual, organization, etc., who is actively and regularly engaged in the business of lending money. This person cannot be related to you, be the person from whom you acquired the property, or be a person who receives a fee with respect to your investment in the property. For this purpose, a qualified person includes any Federal, state, or local government or agency or instrumentality thereof.

If you checked line 1c and did not make the election on line 5, the debt discharge amount will be applied to reduce the tax attributes in the order listed on lines 6 through 9. Any remaining amount will be applied to reduce the tax attributes in the order listed on lines 11a through 13.

You cannot exclude more than the total of your: **(a)** tax attributes (determined under section 108(g)(3)(B)); and **(b)** basis of property used or held for use in a trade or business or for the production of income. Any excess is included in income.

**Line 1d.** If you check this box, the discharge of qualified real property business indebtedness is applied to reduce the basis of depreciable real property on line 4.

"Qualified real property business indebtedness" is indebtedness (other than qualified farm indebtedness) that: **(a)** is incurred or assumed in connection with real property used in a trade or business; **(b)** is secured by that real property; and **(c)** with respect to which you have made an election under this provision. This provision does not apply to a corporation (other than an S corporation).

Indebtedness incurred or assumed after 1992 is **not** qualified real property business indebtedness unless it is either: **(a)** debt incurred to refinance qualified real property business indebtedness incurred or assumed before 1993 (but only to the extent the amount of such debt does not exceed the amount of debt being refinanced) or **(b)** qualified acquisition indebtedness.

"Qualified acquisition indebtedness" is debt incurred or assumed to acquire, construct, reconstruct, or substantially improve real property that is secured by such debt, and debt resulting from the refinancing of qualified acquisition indebtedness, to the extent the amount of such debt does not exceed the amount of debt being refinanced.

You cannot exclude more than the excess of the outstanding principal amount of the debt (immediately before the discharge) over the FMV (as of that time) of the property securing the debt, reduced by the outstanding principal amount of other qualified real property business indebtedness secured by that property (as of that time). The amount excluded is further limited to the aggregate adjusted bases (as of the first day of the next tax year or, if earlier, the date of disposition) of depreciable real property (determined after any reductions under sections 108(b) and (g)) you held immediately before the discharge (other than property acquired in contemplation of the discharge). Any excess is included in income.

**Line 2.** Enter the total amount excluded from your gross income due to discharge of indebtedness under section 108. If you checked line 1a, 1b, and/or 1c, this amount will not necessarily equal the total reductions on lines 5 through 13 because the debt discharge amount may exceed the total tax attributes.

See section 382(l)(5) for a special rule regarding a reduction of a corporation's tax attributes after certain ownership changes.

**Line 3.** You may elect under section 1017(b)(3)(E) to treat all real property held primarily for sale to customers in the ordinary course of a trade or business as if it were

depreciable property. This election does not apply to the discharge of qualified real property business indebtedness. To make the election, check the "Yes" box.

### Part II

**Line 7.** If you have a general business credit carryover to or from the tax year of the discharge, you must reduce that carryover by 33½ cents for each dollar excluded from gross income. See **Form 3800**, General Business Credit, for more details on the general business credit, including rules for figuring any carryforward or carryback.

**Line 10.** In the case of a title 11 case or insolvency (except when an election under section 108(b)(5) is made), the reduction in basis is limited to the aggregate of the bases of your property immediately after the discharge over the aggregate of your liabilities immediately after the discharge.

### Part III

**Adjustment to Basis.** Unless it specifically states otherwise, the corporation, by filing this form, agrees to apply the general rule for adjusting the basis of property (as described in Regulations section 1.1082-3(b)).

If the corporation desires to have the basis of its property adjusted in a manner different from the general rule, it must attach a request for variation from the general rule. The request must show the precise method used and the allocation of amounts.

Consent to the request for variation from the general rule will be effective only if it is incorporated in a closing agreement entered into by the corporation and the Commissioner of Internal Revenue under the rules of section 7121. If no agreement is entered into, then the general rule will apply in determining the basis of the corporation's property.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

<b>Recordkeeping</b> . . . . .	5 hr., 16 min.
<b>Learning about the law or the form</b> . . . . .	2 hr., 5 min.
<b>Preparing and sending the form to the IRS</b> . . . . .	2 hr., 16 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.



Name(s) shown on return

# Investment Credit

- ▶ Attach to your return.
- ▶ See separate instructions.

Identifying number

## Part I Current Year Credit

<p><b>1</b> Rehabilitation credit (see instructions for required attachments):</p> <p><b>a</b> Check this box if you are electing under section 47(d)(5) to take your qualified rehabilitation expenditures into account for the tax year in which paid (or, for self-rehabilitated property, when capitalized). See instructions. <b>Note:</b> <i>This election applies to the current tax year and to all later tax years. You may not revoke this election without IRS consent.</i> <span style="float: right;">▶ <input type="checkbox"/></span></p> <p>Enter the amount of qualified rehabilitation expenditures and multiply by the percentage shown:</p> <p><b>b</b> Pre-1936 buildings . . . . . × 10% (.10)</p> <p><b>c</b> Certified historic structures . . . . . × 20% (.20)</p> <p>Enter NPS number assigned or the flow-through entity's identifying number (see instructions) . . . . .</p> <p><b>d</b> Rehabilitation credit from an electing large partnership (Schedule K-1 (Form 1065-B), box 9) . . . . .</p> <p><b>2</b> Energy credit. Enter the basis of energy property placed in service during the tax year (see instructions) . . . . . × 10% (.10)</p> <p><b>3</b> Reforestation credit. Enter the amortizable basis of qualified timber property acquired during the tax year (see instructions for limitations) . . . . . × 10% (.10)</p> <p><b>4</b> Credit from cooperatives. Enter the unused investment credit from cooperatives . . . . .</p> <p><b>5 Total current year investment credit.</b> Add lines 1b through 4 . . . . .</p>	<div style="background-color: #cccccc; height: 100%;"></div>	<div style="background-color: #cccccc; height: 100%;"></div>	
	<b>1b</b>		
	<b>1c</b>		
	<b>1d</b>		
	<b>2</b>		
	<b>3</b>		
	<b>4</b>		
	<b>5</b>		

## Part II Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

<p><b>6</b> Regular tax before credits:</p> <ul style="list-style-type: none"> <li>• Individuals. Enter the amount from Form 1040, line 40 . . . . .</li> <li>• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return . . . . .</li> <li>• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable lines of your return . . . . .</li> </ul> <p><b>7</b> Alternative minimum tax:</p> <ul style="list-style-type: none"> <li>• Individuals. Enter the amount from Form 6251, line 28 . . . . .</li> <li>• Corporations. Enter the amount from Form 4626, line 15 . . . . .</li> <li>• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 39 . . . . .</li> </ul> <p><b>8</b> Add lines 6 and 7 . . . . .</p> <p><b>9a</b> Foreign tax credit . . . . .</p> <p><b>b</b> Credit for child and dependent care expenses (Form 2441, line 9) . . . . .</p> <p><b>c</b> Credit for the elderly or the disabled (Schedule R (Form 1040), line 20) . . . . .</p> <p><b>d</b> Education credits (Form 8863, line 18) . . . . .</p> <p><b>e</b> Child tax credit (Form 1040, line 47) . . . . .</p> <p><b>f</b> Mortgage interest credit (Form 8396, line 11) . . . . .</p> <p><b>g</b> Adoption credit (Form 8839, line 14) . . . . .</p> <p><b>h</b> District of Columbia first-time homebuyer credit (Form 8859, line 11) . . . . .</p> <p><b>i</b> Possessions tax credit (Form 5735, line 17 or 27) . . . . .</p> <p><b>j</b> Credit for fuel from a nonconventional source . . . . .</p> <p><b>k</b> Qualified electric vehicle credit (Form 8834, line 19) . . . . .</p> <p><b>l</b> Add lines 9a through 9k . . . . .</p> <p><b>10</b> Net income tax. Subtract line 9l from line 8 . . . . .</p> <p><b>11</b> Tentative minimum tax (see instructions) . . . . .</p> <p><b>12</b> Net regular tax. Subtract line 9l from line 6. If zero or less, enter -0- . . . . .</p> <p><b>13</b> Enter 25% (.25) of the excess, if any, of line 12 over \$25,000 (see instructions) . . . . .</p> <p><b>14</b> Enter the greater of line 11 or line 13 . . . . .</p> <p><b>15</b> Subtract line 14 from line 10. If zero or less, enter -0- . . . . .</p> <p><b>16 Investment credit allowed for the current year.</b> Enter the <b>smaller</b> of line 5 or line 15 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return . . . . .</p>	<div style="background-color: #cccccc; height: 100%;"></div>	<div style="background-color: #cccccc; height: 100%;"></div>	
	<b>6</b>		
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	<b>16</b>		



# Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts

File in duplicate. Instructions are separate.

All information must be in English. Show all amounts in U.S. dollars. File a separate Form 3520 for each foreign trust.

For calendar year 2000, or tax year beginning \_\_\_\_\_, 2000, ending \_\_\_\_\_, 20

**A** Check appropriate box(es): See Instructions.  Initial return  Final return  Amended return

**B** Check box that applies to U.S. person filing return:  Individual  Partnership  Corporation  Trust  Executor

**Check all applicable boxes:**

- (a) You are a U.S. transferor who, directly or indirectly, transferred money or other property during the current tax year to a foreign trust, or (b) You held an outstanding obligation of a related foreign trust (or a person related to the trust) issued during the current tax year, that you treated as a "qualified obligation" (defined on page 3 of the instructions) during the current tax year. See the instructions for Part I.
- You are a U.S. owner of all or any portion of a foreign trust at any time during the tax year. See the instructions for Part II.
- (a) You are a U.S. person who, during the current tax year, received a distribution from a foreign trust, or (b) A related foreign trust held an outstanding obligation issued by you (or a person related to you) during the current tax year that you treated as a "qualified obligation" (defined on page 3 of the instructions) during the current tax year. See the instructions for Part III.
- You are a U.S. person who, during the current tax year, received certain gifts or bequests from a foreign person. See the instructions for Part IV.

Service Center where U.S. person filing this return files its income tax return ▶

**1a** Name of U.S. person(s) filing return **b** Identification number

**c** Number, street, and room or suite no. (If a P.O. box, see instructions.) **d** Spouse's identification number (see instr.)

**e** City or town **f** State or province **g** ZIP or postal code **h** Country

**2a** Name of foreign trust (if applicable) **b** Identification number (if any) **c** Number, street, and room or suite no.

**d** City or town **e** State or province **f** ZIP or postal code **g** Country

**3** For purposes of section 6048(b), did the foreign trust appoint a U.S. agent (defined on page 4 of the instructions) who can provide the IRS with all relevant trust information?  Yes  No  
If "Yes," complete lines 3a through 3g.

**3a** Name of U.S. agent **b** Identification number (if any) **c** Number, street, and room or suite no.

**d** City or town **e** State or province **f** ZIP or postal code **g** Country

**4a** Name of U.S. decedent (see instr.) **b** Address **c** TIN of decedent

**d** Date of death **e** EIN of estate

**Part I Transfers by U.S. Persons to a Foreign Trust During the Current Tax Year** (See instructions on page 5.)

**5a** Name of trust creator (if different from line 1a) **b** Address **c** Identification number (if any)

**6a** Country code of country where trust was created **b** Country code of country whose law governs the trust **c** Date trust was created

**7a** Will any other person be treated as the owner of the transferred assets after the transfer?  Yes  No

<b>b</b> Name of other foreign trust owners, if any (a)	<b>b</b> Address (b)	<b>c</b> Country of residence (c)	<b>d</b> Identification number, if any (d)	<b>e</b> Relevant code section (e)

Under penalties of perjury, I declare that I have examined this return, including any accompanying reports, schedules, or statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Preparer's signature \_\_\_\_\_ Preparer's SSN or PTIN \_\_\_\_\_ Date \_\_\_\_\_

**Part I** (Continued)

- 8** Was the transfer a completed gift or bequest? If "Yes," see instructions . . . . .  **Yes**  **No**
- 9a** Now or in the future, can any part of the income or corpus of the trust benefit, any U.S. beneficiary? . . . . .  **Yes**  **No**
- b** If "No," could the trust be revised or amended to benefit a U.S. beneficiary? . . . . .  **Yes**  **No**
- 10** Will you continue to be treated as the owner of the transferred asset(s) after the transfer? . . . . .  **Yes**  **No**

**Schedule A—Obligations of a Related Trust** (See instructions on page 5.)

- 11a** During the current tax year, did you transfer property (including cash) to a related foreign trust in exchange for an obligation of the trust or a person related to the trust? See instructions . . . . .  **Yes**  **No**  
If "Yes," complete Schedule A, as applicable. If "No," go to Schedule B.
- b** Was the obligation you received a qualified obligation? . . . . .  **Yes**  **No**  
If "Yes," complete Schedule A with respect to that obligation. If "No," go to Schedule B.

**Note:** The FMV of an obligation (column (d)) is -0- unless it is a qualified obligation.

Date of transfer giving rise to obligation (a)	Maximum term (b)	Yield to maturity (c)	FMV of obligation (d)

- 12** With respect to each obligation you treated as a "qualified obligation" on line 11b: Do you agree to extend the period of assessment of any income or transfer tax attributable to the transfer and any consequential income tax changes for each year that the obligation is outstanding, to a date 3 years after the maturity date of the obligation?  **Yes**  **No**
- Note:** Generally, you must answer "Yes," if you checked "Yes" to question 11b.

**Schedule B—Gratuitous Transfers** (See instructions on page 6.)

- 13** During the current tax year, did you make any transfers (directly or indirectly) to the trust and receive less than FMV, or no consideration at all, for the property transferred? . . . . .  **Yes**  **No**  
If "Yes," complete columns (a) through (i) below and the rest of Schedule B, as applicable.  
If "No," go to Schedule C.

Date of transfer (a)	Description of property transferred (b)	FMV of property transferred (c)	U.S. adj. basis of property transferred (d)	Gain recognized at time of transfer (e)	Excess, if any, of column (c) over the sum of columns (d) and (e) (f)	Description of property received, if any (g)	FMV of property received (h)	Excess of column (c) over column (h) (i)
<b>Totals</b> ▶					\$		\$	

- 14** You are required to attach a copy of each sale or loan document entered into in connection with a transfer reported on line 13. If these documents have been attached to a Form 3520 filed within the previous 3 years, attach only relevant updates.

Have you attached a copy of:	Yes	No	Attached Previously	Year Attached
<b>a</b> Sale document? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<b>b</b> Loan document? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<b>c</b> Subsequent variances to original sale or loan documents? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

**Part I** (Continued)

**Note:** Complete lines 15 through 18 only if you answered "No" to line 3.

<b>15</b>	Name of beneficiary (a)	Address of beneficiary (b)	U.S. beneficiary? (c)		Identification number, if any (d)
			Yes	No	
<b>16</b>	Name of trustee (a)	Address of trustee (b)			Identification number, if any (c)
<b>17</b>	Name of other persons with trust powers (a)	Address of other persons with trust powers (b)	Description of powers (c)	Identification number, if any (d)	

**18** If you checked "No" on line 3 (or did not complete lines 3a through 3g) you are required to attach a copy of all trust documents as indicated below. If these documents have been attached to a Form 3520-A filed within the previous 3 years, attach only relevant updates.

Have you attached a copy of:		Yes	No	Attached Previously	Year Attached
<b>a</b>	Summary of all written and oral agreements and understandings relating to the trust? . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<b>b</b>	The trust instrument? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<b>c</b>	Memoranda or letters of wishes? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<b>d</b>	Subsequent variances to original trust documents? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<b>e</b>	Trust financial statements? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<b>f</b>	Other trust documents? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____



**Part I Schedule C—Qualified Obligations Outstanding in the Current Tax Year** (See instructions on page 6.)

**19** Did you, at any time during the tax year, hold an outstanding obligation of a related foreign trust (or a person related to the trust) that you treated as a "qualified obligation" in the current tax year? . . . . .  **Yes**  **No**  
 If "Yes," complete columns (a) through (e) below.

Date of original obligation (a)	Tax year qualified obligation first reported (b)	Amount of principal payments made during the tax year (c)	Amount of interest payments made during the tax year (d)	Does the obligation still meet the criteria for a qualified obligation? (e)	
				Yes	No

**Part II U.S. Owner of a Foreign Trust** (See instructions on page 6.)

20	Name of other foreign trust owners, if any (a)	Address (b)	Country of residence (c)	Identification number, if any (d)	Relevant code section (e)

21	Country code of country where foreign trust was created (a)	Country code of country whose law governs the foreign trust (b)	Date foreign trust was created (c)

**22** Did the foreign trust file Form 3520-A for the current year? . . . . .  **Yes**  **No**  
 If "Yes," attach the Foreign Grantor Trust Owner Statement you received from the foreign trust. If "No," to the best of your ability, complete and attach a substitute Form 3520-A for the foreign trust. See page 4 of instructions for information on penalties.

**23** Enter the gross value of the portion of the foreign trust that you are treated as owning . . . . . ▶ \$

**Part III Distributions to a U.S. Person From a Foreign Trust During the Current Tax Year** (See instructions on page 7.)

**24** Cash amounts or FMV of property received, directly or indirectly, during the current tax year, from the foreign trust (exclude loans included on line 25).

Date of distribution (a)	Description of property received (b)	FMV of property received (determined on date of distribution) (c)	Description of property transferred, if any (d)	FMV of property transferred (e)	Excess of column (c) over column (e) (f)
<b>Totals</b> . . . . . ▶					\$

Part III (Continued)

25 During the current tax year, did you (or a person related to you) receive a loan from a related foreign trust (including an extension of credit upon the purchase of property from the trust)?

Note: The FMV of an obligation (column (f)) is -0- unless it is a "qualified obligation."

Table with 7 columns: FMV of loans proceeds (a), Date of original loan transaction (b), Maximum term of repayment of obligation (c), Interest rate of obligation (d), Is the obligation a "qualified obligation?" (e) with sub-columns Yes/No, FMV of obligation (f), and Amount treated as distribution from the trust (g). Includes a Total row.

26 With respect to each obligation you treated as a "qualified obligation" on line 25: Do you agree to extend the period of assessment of any income or transfer tax attributable to the transaction, and any consequential income tax changes for each year that the obligation is outstanding, to a date 3 years after the maturity date of the obligation?

Note: Generally, you must answer "Yes" if you checked "Yes" in column (e) of line 25.

27 Total distributions received during the current tax year. Add line 24, column (f), and line 25, column (g)

28 Did the trust, at any time during the tax year, hold an outstanding obligation of yours (or a person related to you) that you treated as a "qualified obligation" in the current tax year?

If "Yes," complete columns (a) through (e) below with respect to each obligation.

Table with 5 columns: Date of original loan transaction (a), Tax year qualified obligation first reported (b), Amount of actual principal payments made during the tax year (c), Amount of actual interest payments made during the tax year (d), and Does the loan still meet the criteria of a qualified obligation? (e) with sub-columns Yes/No.

29 Did you receive a Foreign Grantor Trust Beneficiary Statement from the foreign trust with respect to a distribution? If "Yes," attach the statement and do not complete the remainder of Part III with respect to that distribution.

30 Did you receive a Foreign Nongrantor Trust Beneficiary Statement from the foreign trust with respect to a distribution? If "Yes," attach the statement and complete either Schedule A or Schedule B below (see instructions). If "No," complete Schedule A with respect to that distribution.

Schedule A—Default Calculation of Trust Distributions (See instructions on page 8.)

Table for Schedule A with rows 31-38. Row 31: Enter amount from line 27. Row 32: Number of years the trust has been a nongrantor trust. Row 33: Enter total distributions received from the foreign trust during the 3 preceding tax years. Row 34: Multiply line 33 by 1.25. Row 35: Average distribution. Row 36: Amount treated as ordinary income earned in the current year. Row 37: Amount treated as accumulation distribution. Row 38: Compute applicable number of years of trust.

Schedule B—Actual Calculation of Trust Distributions (See instructions on page 8.)

Table for Schedule B with rows 39-47. Row 39: Enter amount from line 27. Row 40: Amount treated as ordinary income in the current tax year. Row 41: Amount treated as accumulation distribution. Row 42: Amount treated as capital gains in the current tax year. Row 43: Amount treated as distribution from trust corpus. Row 44: Enter any other distributed amount received from the foreign trust not included on lines 40, 41, 42, and 43. Row 45: Amount of foreign trust's aggregate undistributed net income. Row 46: Amount of foreign trust's weighted undistributed net income. Row 47: Compute applicable number of years of trust.

**Part III** (Continued)

**Schedule C—Calculation of Interest Charge** (See instructions on page 9.)

48	Enter accumulation distribution from line 37 or 41, as applicable . . . . .	
49	Enter tax on total accumulation distribution from line 28 of Form 4970 . . . . .	
50	Enter applicable number of years of foreign trust from line 38 or 47, as applicable (round to nearest half-year). ▶	
51	Combined interest rate imposed on the total accumulation distribution. See Table B on page 9 of instructions . . . . .	
52	Interest charge. Multiply the amount on line 49 by the combined interest rate on line 51 . . . . .	
53	Tax attributable to accumulated distributions. Add lines 49 and 52. Enter here and as "additional tax" on your income tax return . . . . .	

**Part IV** U.S. Recipients of Gifts or Bequests Received During the Current Tax Year From Foreign Persons (See instructions on page 9.)

54 During the current tax year, did you receive more than \$100,000 during the tax year that you treated as gifts or bequests from a nonresident alien or a foreign estate? See instructions regarding related donors . . . . .  Yes  No  
If "Yes," complete columns (a) through (c) with respect to each such gift or bequest in excess of \$5,000. If more space is needed, attach schedule.

Date of gift or bequest (a)	Description of property received (b)	FMV of property received (c)
<b>Total</b> . . . . . ▶		\$

55 During the current tax year, did you receive more than \$10,931 that you treated as gifts from a foreign corporation or a foreign partnership? See instructions regarding related donors . . . . .  Yes  No  
If "Yes," complete columns (a) through (g) with respect to each such gift. If more space is needed, attach schedule.

Date of gift (a)	Name of donor (b)	Address of donor (c)	Identification number, if any (d)

Check the box that applies to the foreign donor (e)		Description of property received (f)	FMV of property received (g)
Corporation	Partnership		

56 Do you have any reason to believe that the foreign donor, in making any gift or bequest described in lines 54 and 55, was acting as a nominee or intermediary for any other person? If "Yes," see instructions. . . . .  Yes  No



Annual Information Return of Foreign Trust With a U.S. Owner (Under section 6048(b))

2000

Department of the Treasury Internal Revenue Service

Certain foreign trusts may have to issue a Foreign Grantor Trust Owner Statement(s) or a Foreign Grantor Trust Beneficiary Statement(s) (pages 3 and 4). See separate instructions.

Note: All information must be in English. Show all amounts in U.S. dollars.

For calendar year 2000, or tax year beginning , 20 , and ending , 20 .

Part I General Information (See instructions.)

1a Name of foreign trust b Identification number

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

d City or town e State or province f ZIP or postal code g Country

2 Did the foreign trust appoint a U.S. agent (defined on page 2 of the instructions) who can provide IRS with all relevant trust information? Yes No

If "Yes," skip lines 2a through 2e and go to line 3. If "No," you are required to attach a copy of all trust documents as indicated below. If these documents have been attached to a Form 3520-A filed within the previous 3 years, attach only relevant updates.

Table with columns: Have you attached a copy of, Yes, No, Attached Previously, Year Attached. Rows include Summary of all written and oral agreements, The trust instrument, Memoranda or letters of wishes, Subsequent variances to original trust documents, Other trust documents.

3a Name of U.S. agent b Identification number

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

d City or town e State or province f ZIP or postal code g Country

4a Name of trustee b Identification number, if any

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

d City or town e State or province f ZIP or postal code g Country

5 Did the trust transfer any property (including cash) to another entity during the tax year? If "Yes," attach statement. See instructions. Yes No

Under penalties of perjury, I declare that I have examined this return, including any accompanying reports, schedules, or statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Trustee's Signature Title Date

Preparer's Signature Preparer's SSN or PTIN Date

**Part II Foreign Trust Income Statement.** Totals from books and records of foreign trust. (See instructions.)

<b>Income</b>	<b>1</b> Interest . . . . .		
	<b>2</b> Dividends . . . . .		
	<b>3</b> Gross rents and royalties . . . . .		
	<b>4</b> Income (loss) from partnerships and fiduciaries . . . . .		
	<b>5</b> Capital gains:		
	<b>a</b> Net short-term capital gain (loss) . . . . .		
	<b>b</b> Net long-term capital gain (loss) . . . . .		
	<b>6</b> Ordinary gains (losses) . . . . .		
<b>7</b> Other income (attach schedule) . . . . .			
<b>8</b> Total income (add lines 1 through 7) . . . . .			
<b>Expenses</b>	<b>9</b> Interest expense . . . . .		
	<b>10a</b> Foreign taxes (attach schedule) . . . . .		
	<b>b</b> State and local taxes . . . . .		
	<b>11</b> Amortization and depreciation (depletion) . . . . .		
	<b>12</b> Trustee and advisor fees . . . . .		
	<b>13</b> Charitable contributions . . . . .		
	<b>14</b> Other expenses (attach schedule) . . . . .		
	<b>15</b> Total expenses (add lines 9 through 14) . . . . .		
	<b>16</b> Net income (loss) (subtract line 15 from line 8) . . . . .		
	<b>17a</b> Enter FMV of total distributions from the trust to all persons, whether U.S. or foreign . . . . . ▶		
<b>b</b> Distributions to U.S. owner:			
<b>(a) Name of owner</b>	<b>(b) Identification number</b>	<b>(c) Date of distribution</b>	<b>(d) FMV</b>
<b>c</b> Distributions to U.S. beneficiaries:			
<b>(a) Name of beneficiary</b>	<b>(b) Identification number</b>	<b>(c) Date of distribution</b>	<b>(d) FMV</b>

**Part III Foreign Trust Balance Sheet**

	Beginning of Tax Year		End of Tax Year	
	(a) Amount	(b) Total	(c) Amount	(d) Total
<b>Assets</b>				
<b>1</b> Cash . . . . .				
<b>2</b> Accounts receivable . . . . .				
<b>3</b> Mortgages and notes receivable . . . . .				
<b>4</b> Inventories . . . . .				
<b>5</b> Government obligations . . . . .				
<b>6</b> Other marketable securities . . . . .				
<b>7</b> Other nonmarketable securities . . . . .				
<b>8a</b> Depreciable (depletable) assets . . . . .				
<b>b</b> Less: accumulated depreciation (depletion) . . . . .				
<b>9</b> Real property . . . . .				
<b>10</b> Other assets (attach schedule) . . . . .				
<b>11</b> Total assets . . . . .				
<b>Liabilities</b>				
<b>12</b> Accounts payable . . . . .				
<b>13</b> Contributions, gifts, grants, etc, payable . . . . .				
<b>14</b> Mortgages and notes payable . . . . .				
<b>15</b> Other liabilities (attach schedule) . . . . .				
<b>16</b> Total liabilities . . . . .				
<b>Net Worth</b>				
<b>17</b> Contributions to trust corpus . . . . .				
<b>18</b> Accumulated trust income . . . . .				
<b>19</b> Other (attach schedule) . . . . .				
<b>20</b> Total net worth (add lines 17 through 19) . . . . .				
<b>21</b> Total liabilities and net worth (add lines 16 and 20) . . . . .				

2000 Foreign Grantor Trust Owner Statement

(See instructions.)

Form sections 1a through 9, including fields for Name of foreign trust, Identification number, Address, U.S. agent, Trustee, U.S. owner, and Gross value of the portion of the trust treated as owned by the U.S. owner.

2000 Statement of Foreign Trust Income Attributable to U.S. Owner (See instructions.)

Report each item on the proper form or schedule of your tax return.

Table with 13 rows for Income (Interest, Dividends, Gross rents and royalties, etc.) and 13 rows for Expenses (Interest expenses, Foreign taxes, State and local taxes, etc.).

Under penalties of perjury, I declare that I have examined this return, including any accompanying reports, schedules, or statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Trustee Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

2000 Foreign Grantor Trust Beneficiary Statement

1a Name of foreign trust b Identification number

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

d City or town e State or province f ZIP or postal code g Country

2 Did the foreign trust appoint a U.S. agent... If "Yes," complete lines 3a through 3g. If "No," do you agree that either the IRS or the U.S. beneficiary can inspect and copy the trust's permanent books of account, records, and such other documents that are necessary to establish that the trust should be treated for U.S. tax purposes as owned by another person?

3a Name of U.S. agent b Identification number

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

d City or town e State or province f ZIP or postal code g Country

4a Name of trustee b Identification number (if any)

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

d City or town e State or province f ZIP or postal code g Country

5 The first and last day of the tax year of the foreign trust to which Form 3520-A applies
6a Name of U.S. beneficiary b Identification number

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

d City or town e State or province f ZIP or postal code g Country

7 Description of property (including cash) distributed, or treated as distributed, to the U.S. person during the tax year. (See instructions to Part III of Form 3520 for U.S. tax treatment of these amounts.) Table with columns (a) Description of property and (b) FMV

8 Attach an explanation of the facts and law (including the section of the Internal Revenue Code) that establishes that the foreign trust (or portion of the foreign trust) is treated for U.S. tax principles as owned by another person.

9 Owner of the foreign trust is (check one) Individual Partnership Corporation

Under penalties of perjury, I declare that I have examined this return, including any accompanying reports, schedules, or statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Trustee Signature Title Date



# Recapture of Investment Credit

▶ **Attach to your income tax return.**

Name(s) as shown on return	Identifying number
----------------------------	--------------------

Properties	Type of property—State whether rehabilitation, energy, reforestation, or transition property. (See the Instructions for Form 3468 for the year the investment credit property was placed in service for definitions.) If rehabilitation property, also show type of building. If energy property, show type.
<b>A</b>	
<b>B</b>	
<b>C</b>	
<b>D</b>	

### Original Investment Credit

Computation Steps: (see Specific Instructions)	Properties			
	A	B	C	D
<b>1</b> Original rate of credit . . . . .				
<b>2</b> Cost or other basis . . . . .				
<b>3</b> Original credit. Multiply line 2 by the percentage on line 1 . . . . .				
<b>4</b> Date property was placed in service . . . . .	/ /	/ /	/ /	/ /
<b>5</b> Date property ceased to be qualified investment credit property . . . . .	/ /	/ /	/ /	/ /
<b>6</b> Number of full years between the date on line 4 and the date on line 5 . . . . .				

### Computation of Recapture Tax

<b>7</b> Recapture percentage (see instructions) . . . . .				
<b>8</b> Tentative recapture tax. Multiply line 3 by the percentage on line 7. . . . .				
<b>9</b> Add line 8, columns A through D . . . . .				
<b>10</b> Enter the recapture tax from property for which there was an increase in nonqualified nonrecourse financing (attach separate computation) . . . . .				
<b>11</b> Add lines 9 and 10 . . . . .				
<b>12</b> Portion of original credit (line 3) not used to offset tax in any year, plus any carryback and carryforward of credits you now can apply to the original credit year because you have freed up tax liability in the amount of the tax recaptured. Do not enter more than line 11—see instructions. . . . .				
<b>13</b> Total increase in tax. Subtract line 12 from line 11. Enter here and on the appropriate line of your tax return. See section 29(b)(4) if you claim the nonconventional source fuel credit . . . . .				

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

## Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of

any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

**Recordkeeping** . . . . . 6 hr., 28 min.

**Learning about the law or the form** . . . . . 1 hr., 23 min.

**Preparing, copying, assembling, and sending the form to the IRS** . . . . . 1 hr., 33 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the IRS at the address listed in the instructions for the tax return with which this form is filed.

## Purpose of Form

Use Form 4255 to figure the increase in tax for the recapture of investment credit claimed.

## Who Must Refigure the Investment Credit

Generally, you must refigure the investment credit and may have to recapture all or part of it if:

- You disposed of investment credit property before the end of 5 full years after the property was placed in service (recapture period).
- You changed the use of the property before the end of the recapture period so that it no longer qualifies as investment credit property.
- The business use of the property decreased before the end of the recapture



period so that it no longer qualifies (in whole or in part) as investment credit property.

- Any building to which section 47(d) applies will no longer be a qualified rehabilitated building when placed in service.
- Any property to which section 48(a)(5) applies will no longer qualify as investment credit property when placed in service.
- Before the end of the recapture period, your proportionate interest was reduced by more than one-third in a partnership, S corporation, estate, or trust that allocated the cost or other basis of property to you for which you claimed a credit.
- You returned leased property (on which you claimed a credit) to the lessor before the end of the recapture period.
- A net increase in the amount of nonqualified nonrecourse financing occurred for any property to which section 49(a)(1) applied. For more details, see the instructions for line 10.

**Exceptions to recapture.**—Recapture of the investment credit does not apply to:

- A transfer because of the death of the taxpayer.
- A transfer between spouses or incident to divorce under section 1041. However, a later disposition by the transferee is subject to recapture to the same extent as if the transferor had disposed of the property at the later date.
- A transaction to which section 381(a) applies (relating to certain acquisitions of the assets of one corporation by another corporation).
- A mere change in the form of conducting a trade or business if:
  1. The property is retained as investment credit property in that trade or business, AND
  2. The taxpayer retains a substantial interest in that trade or business.

A mere change in the form of conducting a trade or business includes a corporation that elects to be an S corporation and a corporation whose S election is revoked or terminated.

For more details on the recapture rules, see section 50(a).

**Caution:** See section 46(g)(4) (as in effect on November 4, 1990) to figure the recapture tax if you made a withdrawal from a capital construction fund set up under the Merchant Marine Act of 1936 to pay the principal of any debt incurred in connection with a vessel on which you claimed investment credit.

## Basis Adjustment on Recapture

For property subject to investment credit recapture, increase the property's basis as follows:

- For qualified rehabilitation expenditures, increase the basis by 100% of the recapture tax (or adjustment to carrybacks and carryovers).
  - For energy property or qualified timber property, increase the basis by 50% of the recapture tax (or adjustment to carrybacks and carryovers).
- If you are a partner or S corporation shareholder, the adjusted basis of your interest in the partnership or stock in the S corporation is adjusted to take into account the adjustment made to the basis of property held by the partnership or S corporation.

## Specific Instructions

**Note:** Do not figure the recapture tax on lines 1 through 9 if there is an increase in nonqualified nonrecourse financing related to certain at-risk property. Figure the recapture tax for these properties on separate schedules and enter the recapture tax on line 10. Include any unused credit for these properties on line 12.

**Partnerships, S corporations, estates, and trusts.**—For a partnership, S corporation, estate, or trust that allocated any or all of the investment credit to its partners, shareholders, or beneficiaries, provide the information they need to refigure the credit. See Regulations sections 1.47-4, 1.47-5, and 1.47-6.

**Partners, shareholders, and beneficiaries.**—If your Schedule K-1 shows recapture of investment credit claimed in an earlier year, you will need your copy of the original Form 3468 to complete lines 1 through 6 of this Form 4255.

**Lines A through D.**—Describe the property for which you must refigure the credit.

Complete lines 1 through 8 for each property on which you are refiguring the credit. Use a separate column for each item. If you need more columns, use additional Forms 4255, or other schedules that include all the information shown on Form 4255. Enter the total from the separate sheets on line 9.

**Line 1.**—Enter the rate you used to figure the original credit from the Form 3468 that you filed.

**Line 2.**—Enter the cost or other basis that you used to figure the original credit.

**Line 4.**—Enter the month, day, and year that the property was available for service.

**Line 5.**—Generally, this will be the date you disposed of the property. For more details, see Regulations section 1.47-1(c).

**Line 6.**—Do not enter partial years. If the property was held less than 12 months, enter zero.

**Line 7.**—Enter the recapture percentage from the following table:

If number of full years on line 6 of Form 4255 is:	Then the recapture percentage is:
0	100
1	80
2	60
3	40
4	20
5 or more	0

**Line 9.**—If you have used more than one Form 4255, or separate sheets to list additional items on which you figured an increase in tax, write to the left of the entry space "Tax from attached" and the total tax from the separate sheets. Include the amount in the total for line 9.

**Line 10.**—For certain taxpayers, the basis or cost of property is limited to the amount the taxpayer is at risk for the property at year end. The basis or cost must be reduced by the amount of any "nonqualified nonrecourse financing" related to the property at year end. If there is an increase in nonqualified nonrecourse financing, recapture may be required. See section 49(b) for details. Attach a separate computation schedule to figure the recapture tax and enter the total tax on line 10.

**Line 12.**—If you did not use all the credit you originally figured, either in the year you figured it or in a carryback or carryforward year, you do not have to recapture the amount of the credit you did not use. In refiguring the credit for the original credit year, be sure to include any carryforwards from previous years, plus any carrybacks arising within the 3 tax years after the original credit year that are now allowed because the recapture and recomputation of the original credit made available some additional tax liability in that year. See Regulations section 1.47-1(d) and Rev. Rul. 72-221, 1972-1 C.B. 15, for details.

**Note:** You must also take into account any applicable 35% reduction in credit under section 49(c)(2) (as in effect on November 4, 1990) when computing the amount to enter on line 12.

Figure the unused portion on a separate sheet and enter it on this line. Do not enter more than the recapture tax on line 11.

**Note:** Be sure to adjust your current unused credit to reflect any unused portion of the original credit that was entered on line 12 of this form.



# Depreciation and Amortization

## (Including Information on Listed Property)

▶ See separate instructions. ▶ Attach this form to your return.

Name(s) shown on return	Business or activity to which this form relates	Identifying number
-------------------------	---	--------------------

**Part I Election To Expense Certain Tangible Property (Section 179)**  
**Note:** If you have any "listed property," complete Part V before you complete Part I.

1	Maximum dollar limitation. If an enterprise zone business, see page 2 of the instructions . . . . .	1	\$20,000
2	Total cost of section 179 property placed in service. See page 2 of the instructions . . . . .	2	
3	Threshold cost of section 179 property before reduction in limitation . . . . .	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 2 of the instructions . . . . .	5	
(a) Description of property		(b) Cost (business use only)	(c) Elected cost
6			
7	Listed property. Enter amount from line 27. . . . .	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . . .	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8 . . . . .	9	
10	Carryover of disallowed deduction from 1999. See page 3 of the instructions . . . . .	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 . . . . .	12	
13	Carryover of disallowed deduction to 2001. Add lines 9 and 10, less line 12 ▶	13	

**Note:** Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

**Part II MACRS Depreciation for Assets Placed in Service Only During Your 2000 Tax Year (Do not include listed property.)**

**Section A—General Asset Account Election**

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 3 of the instructions . . . . .

**Section B—General Depreciation System (GDS) (See page 3 of the instructions.)**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
15a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

**Section C—Alternative Depreciation System (ADS) (See page 5 of the instructions.)**

16a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

**Part III Other Depreciation (Do not include listed property.) (See page 5 of the instructions.)**

17	GDS and ADS deductions for assets placed in service in tax years beginning before 2000 . . . . .	17	
18	Property subject to section 168(f)(1) election . . . . .	18	
19	ACRS and other depreciation . . . . .	19	

**Part IV Summary (See page 6 of the instructions.)**

20	Listed property. Enter amount from line 26. . . . .	20	
21	<b>Total.</b> Add deductions from line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	21	
22	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	22	

**Part V Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A—Depreciation and Other Information (Caution: See page 7 of the instructions for limits for passenger automobiles.)**

**23a** Do you have evidence to support the business/investment use claimed?  **Yes**  **No** **23b** If "Yes," is the evidence written?  **Yes**  **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
<b>24</b> Property used more than 50% in a qualified business use (See page 6 of the instructions.):									
		%							
		%							
		%							
<b>25</b> Property used 50% or less in a qualified business use (See page 6 of the instructions.):									
		%				S/L -			
		%				S/L -			
		%				S/L -			
<b>26</b> Add amounts in column (h). Enter the total here and on line 20, page 1. . . . .							<b>26</b>		
<b>27</b> Add amounts in column (i). Enter the total here and on line 7, page 1 . . . . .								<b>27</b>	

**Section B—Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
<b>28</b> Total business/investment miles driven during the year (do not include commuting miles—see page 1 of the instructions) . . . . .												
<b>29</b> Total commuting miles driven during the year . . . . .												
<b>30</b> Total other personal (noncommuting) miles driven . . . . .												
<b>31</b> Total miles driven during the year. Add lines 28 through 30. . . . .												
<b>32</b> Was the vehicle available for personal use during off-duty hours? . . . . .												
<b>33</b> Was the vehicle used primarily by a more than 5% owner or related person? . . . . .												
<b>34</b> Is another vehicle available for personal use? . . . . .												

**Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons. See page 8 of the instructions.

	Yes	No
<b>35</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? . . . . .		
<b>36</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 8 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners . . . . .		
<b>37</b> Do you treat all use of vehicles by employees as personal use? . . . . .		
<b>38</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? . . . . .		
<b>39</b> Do you meet the requirements concerning qualified automobile demonstration use? See page 8 of the instructions . . . . .		

**Note:** If your answer to 35, 36, 37, 38, or 39 is "Yes," do not complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
<b>40</b> Amortization of costs that begins during your 2000 tax year (See page 8 of the instructions.):					
<b>41</b> Amortization of costs that began before 2000 . . . . .					<b>41</b>
<b>42 Total.</b> Add amounts in column (f). See page 9 of the instructions for where to report . . . . .					<b>42</b>



# Casualties and Thefts

Department of the Treasury  
Internal Revenue Service

- ▶ See separate instructions.
- ▶ Attach to your tax return.

**2000**

Attachment  
Sequence No. **26**

▶ Use a separate Form 4684 for each different casualty or theft.

Name(s) shown on tax return

Identifying number

**SECTION A—Personal Use Property** (Use this section to report casualties and thefts of property **not** used in a trade or business or for income-producing purposes.)

1 Description of properties (show type, location, and date acquired for each):

- Property **A** .....
- Property **B** .....
- Property **C** .....
- Property **D** .....

Properties (Use a separate column for each property lost or damaged from one casualty or theft.)				
	A	B	C	D
2 Cost or other basis of each property . . . . .				
3 Insurance or other reimbursement (whether or not you filed a claim). See instructions . . . . .				
<b>Note:</b> If line 2 is <b>more than</b> line 3, skip line 4.				
4 Gain from casualty or theft. If line 3 is <b>more than</b> line 2, enter the difference here and skip lines 5 through 9 for that column. See instructions if line 3 includes insurance or other reimbursement you did not claim, or you received payment for your loss in a later tax year . . . . .				
5 Fair market value <b>before</b> casualty or theft . . . . .				
6 Fair market value <b>after</b> casualty or theft . . . . .				
7 Subtract line 6 from line 5 . . . . .				
8 Enter the <b>smaller</b> of line 2 or line 7 . . . . .				
9 Subtract line 3 from line 8. If zero or less, enter -0- . . . . .				

- 10 Casualty or theft loss. Add the amounts on line 9. Enter the total . . . . . **10**
- 11 Enter the amount from line 10 or \$100, whichever is **smaller** . . . . . **11**
- 12 Subtract line 11 from line 10 . . . . . **12**
- Caution:** Use only one Form 4684 for lines 13 through 18.
- 13 Add the amounts on line 12 of all Forms 4684 . . . . . **13**
- 14 Combine the amounts from line 4 of all Forms 4684 . . . . . **14**
- 15
  - If line 14 is **more than** line 13, enter the difference here and on Schedule D. Do not complete the rest of this section (see instructions).
  - If line 14 is **less than** line 13, enter -0- here and continue with the form.
  - If line 14 is **equal to** line 13, enter -0- here. Do not complete the rest of this section.**15**
- 16 If line 14 is **less than** line 13, enter the difference . . . . . **16**
- 17 Enter 10% of your adjusted gross income (Form 1040, line 34). Estates and trusts, see instructions . . . . . **17**
- 18 Subtract line 17 from line 16. If zero or less, enter -0-. Also enter result on Schedule A (Form 1040), line 19. Estates and trusts, enter on the "Other deductions" line of your tax return . . . . . **18**

Name(s) shown on tax return. Do not enter name and identifying number if shown on other side.

Identifying number

SECTION B—Business and Income-Producing Property

Part I Casualty or Theft Gain or Loss (Use a separate Part I for each casualty or theft.)

19 Description of properties (show type, location, and date acquired for each):

- Property A
Property B
Property C
Property D

Properties (Use a separate column for each property lost or damaged from one casualty or theft.)

Table with columns A, B, C, D and rows 20-28 for property details and calculations.

Part II Summary of Gains and Losses (from separate Parts I)

(a) Identify casualty or theft

(b) Losses from casualties or thefts

(i) Trade, business, rental or royalty property

(ii) Income-producing and employee property

(c) Gains from casualties or thefts includible in income

Casualty or Theft of Property Held One Year or Less

Table for Casualty or Theft of Property Held One Year or Less, rows 29-32.

Casualty or Theft of Property Held More Than One Year

Table for Casualty or Theft of Property Held More Than One Year, rows 33-39.



Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

Department of the Treasury
Internal Revenue Service (99)

Attach to your tax return. See separate instructions.

Name(s) shown on return

Identifying number

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 2000 on Form(s) 1099-S
(or a substitute statement) that you will be including on line 2, 10, or 20 . . . . . 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other
Than Casualty or Theft—Most Property Held More Than 1 Year (See instructions.)

Table with 7 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Gross sales price, (e) Depreciation allowed, (f) Cost or other basis, (g) GAIN or (LOSS). Row 2 is empty.

3 Gain, if any, from Form 4684, line 39 . . . . . 3
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 . . . . . 4
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 . . . . . 5
6 Gain, if any, from line 32, from other than casualty or theft . . . . . 6

7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: . . . . . 7
Partnerships (except electing large partnerships). Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 6. Skip lines 8, 9, 11, and 12 below.
S corporations. Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip lines 8, 9, 11, and 12 below, unless line 7 is a gain and the S corporation is subject to the capital gains tax.
All others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on Schedule D and skip lines 8, 9, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years (see instructions) . . . . . 8

9 Subtract line 8 from line 7. If zero or less, enter -0-. Also enter on the appropriate line as follows (see instructions):
S corporations. Enter any gain from line 9 on Schedule D (Form 1120S), line 14, and skip lines 11 and 12 below.
All others. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below, and enter the gain from line 9 as a long-term capital gain on Schedule D.

Part II Ordinary Gains and Losses

10 Ordinary gains and losses not included on lines 11 through 17 (include property held 1 year or less):

11 Loss, if any, from line 7 . . . . . 11 ( )
12 Gain, if any, from line 7 or amount from line 8, if applicable . . . . . 12
13 Gain, if any, from line 31 . . . . . 13
14 Net gain or (loss) from Form 4684, lines 31 and 38a . . . . . 14
15 Ordinary gain from installment sales from Form 6252, line 25 or 36 . . . . . 15
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824 . . . . . 16

17 Recapture of section 179 expense deduction for partners and S corporation shareholders from property dispositions
by partnerships and S corporations (see instructions) . . . . . 17
18 Combine lines 10 through 17. Enter the gain or (loss) here and on the appropriate line as follows: . . . . . 18

a For all except individual returns: Enter the gain or (loss) from line 18 on the return being filed.
b For individual returns:
(1) If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here.
Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 27, and the part
of the loss from property used as an employee on Schedule A (Form 1040), line 22. Identify as from "Form
4797, line 18b(1)." See instructions . . . . . 18b(1)
(2) Redetermine the gain or (loss) on line 18 excluding the loss, if any, on line 18b(1). Enter here and on Form
1040, line 14 . . . . . 18b(2)

**Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255**

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
				A	B
A					
B					
C					
D					
These columns relate to the properties on lines 19A through 19D. ►		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing)	20			
21	Cost or other basis plus expense of sale	21			
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis. Subtract line 22 from line 21	23			
24	Total gain. Subtract line 23 from line 20	24			
<b>25 If section 1245 property:</b>					
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
<b>26 If section 1250 property:</b> If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975 (see instructions)	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f	26g			
<b>27 If section 1252 property:</b> Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).					
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage (see instructions)	27b			
c	Enter the smaller of line 24 or 27b	27c			
<b>28 If section 1254 property:</b>					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	28a			
b	Enter the smaller of line 24 or 28a	28b			
<b>29 If section 1255 property:</b>					
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a			
b	Enter the smaller of line 24 or 29a (see instructions)	29b			

**Summary of Part III Gains.** Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32

**Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less**  
(See instructions.)

		(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33	
34	Recomputed depreciation. See instructions	34	
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	



Farm Rental Income and Expenses
(Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor))
(Income not subject to self-employment tax)

Department of the Treasury Internal Revenue Service (99)

Attach to Form 1040. See instructions on back.

Name(s) shown on Form 1040

Your social security number
Employer ID number (EIN), if any

A Did you actively participate in the operation of this farm during 2000? See instructions Yes No

Part I Gross Farm Rental Income—Based on Production. Include amounts converted to cash or the equivalent.

Table with 7 main rows and sub-rows (1-7, 2a-2b, 3a-3b, 4a-4c, 5a-5b, 5d, 6, 7) for reporting income from production of livestock, cooperative distributions, agricultural payments, CCC loans, crop insurance, and other income.

Part II Expenses—Farm Rental Property. Do not include personal or living expenses.

Table with 30 rows (8-30) for reporting various expenses such as car and truck, chemicals, conservation, depreciation, employee benefits, feed, fertilizers, freight, gasoline, insurance, interest, labor, pension, rent, repairs, seeds, storage, supplies, taxes, utilities, veterinary, and other expenses.

31 Total expenses. Add lines 8 through 30g

32 Net farm rental income or (loss). Subtract line 31 from line 7. If the result is income, enter it here and on Schedule E, line 39. If the result is a loss, you MUST go on to line 33

33 If line 32 is a loss, you MUST check the box that describes your investment in this activity. See instructions

33a All investment is at risk. 33b Some investment is not at risk.

You may need to complete Form 8582 to determine your deductible loss, regardless of which box you check (see instructions). However, if you checked 33b, you MUST complete Form 6198 before going to Form 8582. In either case, enter the deductible loss here and on Schedule E, line 39

33c



# Information Return of U.S. Persons With Respect To Certain Foreign Corporations

(Rev. January 1999)

Department of the Treasury  
Internal Revenue Service

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning \_\_\_\_\_, and ending \_\_\_\_\_

**File In Duplicate**  
(see **When and Where To File** in the instructions)

▶ See separate instructions.

Name of person filing this return	<b>A</b> Identifying number
Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address)	<b>B</b> Category of filer (See page 2 of the instructions. Check applicable box(es): (1) <input type="checkbox"/> (2) <input type="checkbox"/> (3) <input type="checkbox"/> (4) <input type="checkbox"/> (5) <input type="checkbox"/>
City or town, state, and ZIP code	<b>C</b> Enter the total percentage of voting stock of the foreign corporation you owned at the end of its annual accounting period .....%
Filer's tax year beginning _____, and ending _____	

**D** Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

**Important:** Fill in all applicable lines and schedules. All information **MUST** be in the English language. All amounts **MUST** be stated in U.S. dollars unless otherwise indicated.  
Enter the foreign corporation's functional currency ▶

<b>1a</b> Name and address of foreign corporation		<b>b</b> Employer identification number, if any		
		<b>c</b> Country under whose laws incorporated		
<b>d</b> Date of incorporation	<b>e</b> Principal place of business	<b>f</b> Principal business activity code number (NEW)	<b>g</b> Principal business activity	

**2** Provide the following information for the foreign corporation's accounting period stated above.

<b>a</b> Name, address, and identifying number of branch office or agent (if any) in the United States	<b>b</b> If a U.S. income tax return was filed, please show:	
	(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)
<b>c</b> Name and address of foreign corporation's statutory or resident agent in country of incorporation	<b>d</b> Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different	

**Schedule A Stock of the Foreign Corporation**

**Part I—ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period

**Part II—Additional Information for PREFERRED Stock**

(To be completed **only** by Category (1) filers for foreign personal holding companies)

(a) Description of each class of PREFERRED stock <i>(Note: This description should match the corresponding description entered in Part I, column (a).)</i>	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative

**Schedule B U.S. Shareholders of Foreign Corporation** (See page 4 of the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder <i>(Note: This description should match the corresponding description entered in Schedule A, Part I, column (a).)</i>	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)

**Schedule C Income Statement** (See page 4 of the instructions.)

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
<b>Income</b>	<b>1a</b> Gross receipts or sales . . . . .	<b>1a</b>	
	<b>b</b> Returns and allowances . . . . .	<b>1b</b>	
	<b>c</b> Subtract line 1b from line 1a . . . . .	<b>1c</b>	
	<b>2</b> Cost of goods sold . . . . .	<b>2</b>	
	<b>3</b> Gross profit (subtract line 2 from line 1c) . . . . .	<b>3</b>	
	<b>4</b> Dividends . . . . .	<b>4</b>	
	<b>5</b> Interest . . . . .	<b>5</b>	
	<b>6</b> Gross rents, royalties, and license fees . . . . .	<b>6</b>	
	<b>7</b> Net gain or (loss) on sale of capital assets . . . . .	<b>7</b>	
<b>8</b> Other income (attach schedule) . . . . .	<b>8</b>		
<b>9</b> Total income (add lines 3 through 8) . . . . .	<b>9</b>		
<b>Deductions</b>	<b>10</b> Compensation not deducted elsewhere . . . . .	<b>10</b>	
	<b>11</b> Rents, royalties, and license fees . . . . .	<b>11</b>	
	<b>12</b> Interest . . . . .	<b>12</b>	
	<b>13</b> Depreciation not deducted elsewhere . . . . .	<b>13</b>	
	<b>14</b> Depletion . . . . .	<b>14</b>	
	<b>15</b> Taxes (exclude provision for income, war profits, and excess profits taxes) . . . . .	<b>15</b>	
	<b>16</b> Other deductions (attach schedule—exclude provision for income, war profits, and excess profits taxes) . . . . .	<b>16</b>	
<b>17</b> Total deductions (add lines 10 through 16) . . . . .	<b>17</b>		
<b>Net Income</b>	<b>18</b> Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9) . . . . .	<b>18</b>	
	<b>19</b> Extraordinary items and prior period adjustments (see instructions) . . . . .	<b>19</b>	
	<b>20</b> Provision for income, war profits, and excess profits taxes (see instructions) . . . . .	<b>20</b>	
	<b>21</b> Current year net income or (loss) per books (line 18 plus line 19 minus line 20) . . . . .	<b>21</b>	

**Schedule E** **Income, War Profits, and Excess Profits Taxes Paid or Accrued** (See page 4 of instructions.)

	(a) Name of country or U.S. possession	Amount of tax		
		(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1	U.S.			
2				
3				
4				
5				
6				
7				
8	Total			

**Schedule F** **Balance Sheet**

**Important:** Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	1	
2a	Trade notes and accounts receivable	2a	
b	Less allowance for bad debts	2b ( )	( )
3	Inventories	3	
4	Other current assets (attach schedule)	4	
5	Loans to stockholders and other related persons	5	
6	Investment in subsidiaries (attach schedule)	6	
7	Other investments (attach schedule)	7	
8a	Buildings and other depreciable assets	8a	
b	Less accumulated depreciation	8b ( )	( )
9a	Depletable assets	9a	
b	Less accumulated depletion	9b ( )	( )
10	Land (net of any amortization)	10	
11	Intangible assets:		
a	Goodwill	11a	
b	Organization costs	11b	
c	Patents, trademarks, and other intangible assets	11c	
d	Less accumulated amortization for lines 11a, b, and c	11d ( )	( )
12	Other assets (attach schedule)	12	
13	Total assets	13	
<b>Liabilities and Stockholders' Equity</b>			
14	Accounts payable	14	
15	Other current liabilities (attach schedule)	15	
16	Loans from stockholders and other related persons	16	
17	Other liabilities (attach schedule)	17	
18	Capital stock:		
a	Preferred stock	18a	
b	Common stock	18b	
19	Paid-in or capital surplus (attach reconciliation)	19	
20	Retained earnings	20	
21	Less cost of treasury stock	21 ( )	( )
22	Total liabilities and stockholders' equity	22	

Does the foreign corporation have an interest in a partnership or trust?  Yes  No

**Schedule H** **Current Earnings and Profits** (See page 5 of the instructions.)

**Important:** Enter the amounts on lines 1 through 5c in functional currency.

<b>1</b>	Current year net income or (loss) per foreign books of account . . . . .		<b>1</b>	
<b>2</b>	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):			
		<b>Net Additions</b>	<b>Net Subtractions</b>	
<b>a</b>	Capital gains or losses . . . . .			
<b>b</b>	Depreciation and amortization . . . . .			
<b>c</b>	Depletion . . . . .			
<b>d</b>	Investment or incentive allowance . . . . .			
<b>e</b>	Charges to statutory reserves . . . . .			
<b>f</b>	Inventory adjustments . . . . .			
<b>g</b>	Taxes . . . . .			
<b>h</b>	Other (attach schedule) . . . . .			
<b>3</b>	Total net additions . . . . .			
<b>4</b>	Total net subtractions . . . . .			
<b>5a</b>	Current earnings and profits (line 1 plus line 3 minus line 4) . . . . .		<b>5a</b>	
<b>b</b>	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions) . . . . .		<b>5b</b>	
<b>c</b>	Combine lines 5a and 5b . . . . .		<b>5c</b>	
<b>d</b>	Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions) . . . . .		<b>5d</b>	

Enter exchange rate used for line 5d ►

**Schedule I** **Summary of Shareholder's Income From Foreign Corporation** (See page 5 of the instructions.)

<b>1</b>	Subpart F income (line 40b, Worksheet A in the instructions) . . . . .	<b>1</b>	
<b>2</b>	Earnings invested in U.S. property (line 17, Worksheet B in the instructions) . . . . .	<b>2</b>	
<b>3</b>	Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions) . . . . .	<b>3</b>	
<b>4</b>	Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions) . . . . .	<b>4</b>	
<b>5</b>	Factoring income . . . . .	<b>5</b>	
<b>6</b>	Total of lines 1 through 5. Enter here and on your income tax return . . . . .	<b>6</b>	
<b>7</b>	Dividends received (translated at spot rate on payment date under section 989(b)(1)) . . . . .	<b>7</b>	
<b>8</b>	Exchange gain or (loss) on a distribution of previously taxed income . . . . .	<b>8</b>	

- Was any income of the foreign corporation blocked? . . . . .  Yes  No
  - Did any such income become unblocked during the tax year (see section 964(b))? . . . . .  Yes  No
- If the answer to either question is "Yes," attach an explanation.



Form **5713**

(Rev. October 1999)

Department of the Treasury  
Internal Revenue Service

# International Boycott Report

For tax year beginning ..... , ..... , .....  
and ending ..... , ..... , .....

OMB No. 1545-0216

Attachment  
Sequence No. 123

File in Duplicate  
(See Instructions)

▶ **Controlled groups, see Specific Instructions.**

Name \_\_\_\_\_ Identifying number \_\_\_\_\_

Number, street, and room or suite no. (If a P.O. box, see page 2 of instructions.) \_\_\_\_\_

City or town, state, and ZIP code \_\_\_\_\_

Address of service center where your tax return is filed \_\_\_\_\_

Type of filer (check one):  
 Individual     Partnership     Corporation     Trust     Estate     Other

**1 Individuals**—Enter adjusted gross income from your tax return (see page 2 of instructions)

**2 Partnerships and corporations:**

- a Partnerships—Enter each partner's name and identifying number.
- b Corporations—Enter the name and employer identification number of each member of the controlled group (as defined in section 993(a)(3)). Do not list members included in the consolidated return; instead, attach a copy of Form 851. List all other members of the controlled group not included in the consolidated return.

**If you list any corporations below or if you attach Form 851, you must designate a "common taxable year." Enter on line 4b the name and employer identification number of the corporation whose taxable year is designated.**

Name	Identifying number

If more space is needed, attach additional sheets and check this box

Code	Description

- c Enter principal business activity code and description (see instructions)
- d IC-DISCs—Enter principal product or service code and description (see instructions)

**3 Partnerships**—Each partnership filing Form 5713 must give the following information:

- a Partnership's total assets (see instructions) . . . . .
- b Partnership's ordinary income (see instructions) . . . . .

**4 Corporations**—Each corporation filing Form 5713 must give the following information:

- a Type of form filed (Form 1120, 1120-F, 1120-FSC, 1120-IC-DISC, 1120-L, 1120-PC, etc.) . . . . .
- b Common taxable year election (see page 3 of instructions)
  - (1) Name of corporation ▶ .....
  - (2) Employer identification number . . . . .
  - (3) Common taxable year beginning ..... and ending .....
- c Corporations filing this form enter:
  - (1) Total assets (see instructions) . . . . .
  - (2) Taxable income before net operating loss and special deductions (see instructions) . . . . .

**5 Estates or trusts**—Enter total income (Form 1041, page 1) . . . . .

- 6** Enter the total amount (before reduction for boycott participation or cooperation) of the following tax benefits (see instructions):
  - a Foreign tax credit . . . . .
  - b Deferral of earnings of controlled foreign corporations . . . . .
  - c Deferral of IC-DISC income . . . . .
  - d Exempt FSC income . . . . .

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature \_\_\_\_\_ Date \_\_\_\_\_ Title \_\_\_\_\_

- 7** The following information must be submitted by every person filing Form 5713:
- a** Are you a United States shareholder (as defined in section 951(b)) of any foreign corporation (including a FSC that does not use the administrative pricing rules) that had operations reportable under section 999(a)? . . . .
  - b** If "Yes," is any foreign corporation a controlled foreign corporation (as defined in section 957(a))? . . . .
  - c** Do you own any stock of an IC-DISC? . . . .
  - d** Do you claim any foreign tax credit? . . . .
  - e** Do you control (within the meaning of section 304(c)) any corporation (other than a corporation included in this report) that has operations reportable under section 999(a)? . . . .  
 If "Yes," did that corporation participate in or cooperate with an international boycott at any time during its tax year that ends with or within your tax year? . . . .
  - f** Are you controlled (within the meaning of section 304(c)) by any person (other than a person included in this report) who has operations reportable under section 999(a)? . . . .  
 If "Yes," did that person participate in or cooperate with an international boycott at any time during its tax year that ends with or within your tax year? . . . .
  - g** Are you treated under section 671 as the owner of a trust that has reportable operations under section 999(a)?
  - h** Are you a partner in a partnership that has reportable operations under section 999(a)? . . . .
  - i** Are you a foreign sales corporation (FSC) (as defined in section 922(a))?. . . .

Yes	No

**Part I Operations in or Related to a Boycotting Country** (See page 4 of instructions.)

- 8 Boycott of Israel**—Did you have any operations in or related to any country (or with the government, a company, or a national of that country) associated in carrying out the boycott of Israel which is on the list maintained by the Secretary of the Treasury under section 999(a)(3)? (See **Boycotting Countries** on page 2 of the instructions.)
- If "Yes," enter name of the country, identifying number of person having operations, principal business activity code, a description of the principal business activity; and if you are an IC-DISC, enter the product code. If more space is needed, attach additional sheets using the exact format and check this box

Yes	No

Name of country (1)	Identifying number of person having operations (2)	Principal business activity		IC-DISCs only—Enter product code (5)
		Code (3)	Description (4)	
a				
b				
c				
d				
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				
p				

**9 Nonlisted countries boycotting Israel**—Did you have operations in any nonlisted country which you know or have reason to know requires participation in or cooperation with an international boycott directed against Israel?

<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>

If "Yes," enter the country, identifying number of person having operations, the principal business activity code, a description of the principal business activity, and if you are an IC-DISC, enter the product code. If more space is needed, attach additional sheets using the exact format and check this box

Name of country (1)	Identifying number of person having operations (2)	Principal business activity		IC-DISCs only—Enter product code (5)
		Code (3)	Description (4)	
a				
b				
c				
d				
e				
f				
g				
h				

**10 Boycotts other than the boycott of Israel**—Did you have operations in any other country which you know or have reason to know requires participation in or cooperation with an international boycott other than the boycott of Israel?

<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>

If "Yes," enter the country, identifying number of person having operations, the principal business activity code, a description of the principal business activity, and if you are an IC-DISC, enter the product code. If more space is needed, attach additional sheets using the exact format and check this box

Name of country (1)	Identifying number of person having operations (2)	Principal business activity		IC-DISCs only—Enter product code (5)
		Code (3)	Description (4)	
a				
b				
c				
d				
e				
f				
g				
h				

**11** Were you requested to participate in or cooperate with an international boycott?

<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>

If "Yes," attach a copy (in English) of any and all such requests received during your tax year. If the request was in a form other than a written request, attach a separate sheet explaining the nature and form of any and all such requests. (See page 4 of instructions.)

**12** Did you participate in or cooperate with an international boycott?

<input type="checkbox"/>	<input type="checkbox"/>
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If "Yes," attach a copy (in English) of any and all boycott clauses agreed to, and attach a general statement of the agreement. If the agreement was in a form other than a written agreement, attach a separate sheet explaining the nature and form of any and all such agreements. (See page 4 of instructions.)

**Note:** If the answer to either question 11 or 12 is "Yes," you must complete the rest of Form 5713. If you answered "Yes" to question 12, you must complete Schedules A and C or B and C (Form 5713).

**Part II Requests for and Acts of Participation in or Cooperation With an International Boycott**

Requests		Agreements	
Yes	No	Yes	No

**13a** Did you receive requests to enter into, or did you enter into, any agreement (see page 4 of instructions):

- (1) As a condition of doing business directly or indirectly within a country or with the government, a company, or a national of a country to—
  - (a) Refrain from doing business with or in a country which is the object of an international boycott or with the government, companies, or nationals of that country? . . . . .
  - (b) Refrain from doing business with any United States person engaged in trade in a country which is the object of an international boycott or with the government, companies, or nationals of that country? . . . . .
  - (c) Refrain from doing business with any company whose ownership or management is made up, in whole or in part, of individuals of a particular nationality, race, or religion, or to remove (or refrain from selecting) corporate directors who are individuals of a particular nationality, race, or religion? . . . . .
  - (d) Refrain from employing individuals of a particular nationality, race, or religion? . . . . .
- (2) As a condition of the sale of a product to the government, a company, or a national of a country, to refrain from shipping or insuring products on a carrier owned, leased, or operated by a person who does not participate in or cooperate with an international boycott? . . . . .


**b Requests and agreements**—If the answer to any part of 13a is “Yes,” indicate below the country, the identifying number of the person receiving the request or having the agreement, principal business activity code, description of the principal business activity, the number and the number code indicating the type of participation or cooperation requested or agreed to. Also, if you are an IC-DISC, enter the product code in column (5). (See page 4 of instructions.) If more space is needed, attach additional sheets using the exact format and check this box.

Name of country (1)	Identifying number of person receiving the request or having the agreement (2)	Principal business activity		IC-DISCs only—Enter product code (5)	Type of cooperation or participation			
		Code (3)	Description (4)		Number of requests		Number of agreements	
					Total (6)	Code (7)	Total (8)	Code (9)
a								
b								
c								
d								
e								
f								
g								
h								
i								
j								
k								
l								
m								
n								
o								
p								

