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This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information as a courtesy. **Do not file draft forms.** Also, do not rely on draft instructions and publications for filing. We generally do not release drafts of forms until we believe we have incorporated all changes. However, in some cases unexpected issues arise, or legislation is passed, necessitating a change to a draft form we have posted on IRS.gov. Also, forms generally are subject to OMB approval before they are officially released. Drafts of instructions and publications are usually subject to at least some changes before being officially released.

All early releases of draft forms, instructions, and publications are available at www.IRS.gov/draftforms. All information about forms, instructions, and publications is accessible from www.IRS.gov/formspubs.

If you have any comments on this draft, you can submit them to us on our IRS.gov page titled Comment on Forms and Publications, where you may make comments anonymously if you wish. You can also email us at taxforms@irs.gov. Please include the form or publication number in the subject. We cannot respond to all comments due to the high volume we receive, but we will carefully consider each suggestion. Please note that we may not be able to consider many suggestions until the subsequent revision of the product.

Form **1041-A**

(Rev. February 2012)
Department of the Treasury
Internal Revenue Service

U.S. Information Return
Trust Accumulation of Charitable Amounts

For calendar year 20 _____

OMB No. 1545-0094

Name of trust

Employer identification number

Name of trustee

Number, street, and room or suite no. (or P.O. box)

City or town, state, and ZIP code

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Part I **Income and Deductions (See the instructions for Form 1041 or Form 5227.) If total income is $25,000 or less, skip lines 1–8 and enter total income on line 9.**

Income	1	Interest income	1	
	2	Dividends	2	
	3	Business income or (loss) (attach Schedule C or C-EZ (Form 1040))	3	
	4	Capital gain or (loss) (attach Schedule D (Form 1041))	4	
	5	Rents, royalties, partnerships, other estates and trusts, etc. (attach Schedule E (Form 1040))	5	
	6	Farm income or (loss) (attach Schedule F (Form 1040))	6	
	7	Ordinary gain or (loss) (attach Form 4797)	7	
	8	Other income (state type of income)	8	
	9	**Total** income (combine lines 1 through 8)	9	
Deductions	10	Interest	10	
	11	Taxes	11	
	12	Charitable deduction (itemize by charitable purpose; include payee's name and address)	12	
	13	Trustee fees	13	
	14	Attorney, accountant, and return preparer fees	14	
	15	Other deductions (attach schedule)	15	

Part II **Distributions of Income Set Aside for Charitable Purposes (see instructions)**

16	Accumulated income set aside in prior tax years for which a deduction was claimed under section 642(c)		16	
17	Income set aside in prior tax years for which a deduction was claimed under section 642(c) and which was distributed during the current tax year (itemize by charitable purpose; include payee's name and address)			
a		17a		
b		17b		
c		17c		
d		17d		
e		17e		
18	Total (add lines 17a through 17e)		18	
19	Balance (subtract line 18 from line 16)		19	
20	Income set aside during the current tax year for which a deduction was claimed under section 642(c) (included in Part I, line 12)		20	
21	Carryover (add lines 19 and 20)		21	

Part III **Distributions of Principal for Charitable Purposes (see instructions)**

22	Principal distributed in prior tax years for charitable purposes		22	
23	Principal distributed during the current tax year for charitable purposes (itemize by charitable purpose; include payee's name and address)			
a		23a		
b		23b		
c		23c		
d		23d		
e		23e		
24	**Total** (add lines 23a through 23e)		24	

Part IV **Balance Sheets (see instructions). If line 9, page 1, is $25,000 or less, complete only lines 38, 42, and 45 (see instructions).**

	Assets				(a) Beginning-of-Year Book Value	(b) End-of-Year Book Value
25	Cash—non-interest bearing			25		
26	Savings and temporary cash investments			26		
27a	Accounts receivable	27a				
b	Less: allowance for doubtful accounts	27b				
28a	Notes and loans receivable	28a				
b	Less: allowance for doubtful accounts	28b				
29	Inventories for sale or use			29		
30	Prepaid expenses and deferred charges			30		
31	Investments—U.S. and state government obligations (attach schedule)			31		
32	Investments—corporate stock (attach schedule)			32		
33	Investments—corporate bonds (attach schedule)			33		
34a	Investments—land, buildings, and equipment: basis	34a				
b	Less: accumulated depreciation	34b				
35	Investments—other (attach schedule)			35		
36a	Land, buildings, and equipment: basis	36a				
b	Less: accumulated depreciation	36b				
37	Other assets (describe ▶)			37		
38	**Total assets** (add lines 25 through 37)			38		
	Liabilities					
39	Accounts payable and accrued expenses			39		
40	Mortgages and other notes payable (attach schedule)			40		
41	Other liabilities (describe ▶)			41		
42	**Total liabilities** (add lines 39 through 41)			42		
	Net Assets					
43	Trust principal or corpus			43		
44	Undistributed income and profits			44		
45	Total net assets (add lines 43 and 44)			45		
46	**Total liabilities and net assets** (add lines 42 and 45)			46		

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Sign Here

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

▶ Signature of trustee or officer representing trustee ▶ Date

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self- employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

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What's New

Future developments. The IRS has created a page on IRS.gov for information about Form 1041-A and its instructions, at *www.irs.gov/form1041*. Information about any future developments affecting Form 1041-A (such as legislation enacted after we release these instructions) will be posted on that page.

Reminder

Split-interest trusts as described in section 4947(a)(2) do not file Form 1041-A. These types of trusts file Form 5227, Split-Interest Trust Information Return, which meets the section 6034 filing requirements.

General Instructions

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

Purpose of Form

Use Form 1041-A to report the charitable information required by section 6034 and the related regulations.

Who Must File

The trustee must file Form 1041-A for a trust that claims a charitable or other deduction under section 642(c) unless an exception applies.

Exceptions. The trustee does not file Form 1041-A for:

- A trust that is required to distribute currently to the beneficiaries all the income for the tax year determined under section 643(b) and related regulations,
- A charitable trust described in section 4947(a)(1), or
- For tax years beginning after 2006, a split-interest trust described in section 4947(a)(2).

When To File

File Form 1041-A by April 15 following the close of the calendar year. If the due date falls on a Saturday, Sunday, or legal holiday, file on the next business day.

Extension of Time To File

The trustee may obtain an automatic 3-month extension of time to file Form 1041-A by filing Form 8868, Application for Extension of Time to File an Exempt Organization Return. To receive the automatic 3-month extension, the trustee must file Form 8868 on or before the original due date of Form 1041-A.

If more time is needed after the automatic extension, file a second Form 8868 to request an additional (not automatic) 3-month extension. This will be granted only if you can show reasonable cause as to why the return cannot be filed by the already extended due date.

Amended Return

If you are filing an amended Form 1041-A, you must complete the entire return, not just the new or corrected information. Enter "Amended Return" across the top of the amended Form 1041-A.

The trustee may file an amended return at any time to change or add to the information reported on a previously filed return for the same period.

Where To File

File Form 1041-A at the following address:

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0027

Penalties

Section 6652(c)(2) provides for separate penalties of $10 a day, up to a maximum of $5,000, against both the trust and the trustee for not filing Form 1041-A on time, unless there is reasonable cause. The law also provides penalties for filing a false or fraudulent return.

Rounding Off to Whole Dollars

You may show the money items on the return and accompanying schedules as whole-dollar amounts. To do so, drop amounts less than 50 cents and increase any amounts from 50 to 99 cents to the next dollar.

Attachments

If you need more space, attach separate sheets showing the same information in the same order as on the printed forms. Show the totals on the printed forms.

Enter the trust's employer identification number (EIN) on each sheet. Also, use sheets that are the same size as the forms and indicate clearly the line of the printed form to which the information relates.

Public Inspection

See Regulations section 301.6104(b)–1(d) for the procedures to request public inspection of this form.

Specific Instructions

Part II. Distributions of Income Set Aside For Charitable Purposes

Lines 17a–17e. Provide a listing in sufficient detail for each class of activity for which a disbursement was made, and a charitable deduction under section 642(c) was taken.

Such amounts permanently set aside must be earned from amounts transferred to the trust before October 9, 1969.

Do not merely enter the category (that is, religious, charitable, scientific, literary, or educational), but also enter the purpose of the deduction. For example, "payments of $4,000 to indigent persons for medical purposes," or a "grant of $25,000 to equip the chemistry lab at a university."

Part III. Distributions of Principal for Charitable Purposes

Lines 23a–23e. Provide a listing in sufficient detail, similar to the examples provided above, for each class of activity for amounts paid out of principal for charitable purposes.

See the instructions for Form 1041, U.S. Income Tax Return for Estates and Trusts, for more information regarding the allowance of deductions for amounts permanently set aside for a charitable purpose.

Part IV. Balance Sheets

Complete the balance sheets using the accounting method the trust uses in keeping its books and records. All filers must complete columns (a) and (b).

Assets

When space is provided to the left of column (a) for reporting receivables and the related allowance for doubtful accounts or depreciable assets and accumulated depreciation, enter the end-of-year figures.

Line 25. Cash—non-interest bearing. Enter the amount of cash on deposit in checking accounts, deposits in transit, change funds, petty cash funds, or any other non-interest bearing accounts. Do not include advances to employees or officers or refundable deposits paid to suppliers or others.

Line 26. Savings and temporary cash investments. Enter the total of cash in savings or other interest-bearing accounts and temporary cash investments, such as money market funds, commercial paper, certificates of deposit, and U.S. Treasury bills or other governmental obligations that mature in less than 1 year.

Line 27. Accounts receivable. Enter the total accounts receivable (reduced by the corresponding allowance for doubtful accounts) that arose from the sale of goods and/or the performance of services. Claims against vendors or refundable deposits with suppliers or others may be reported here if not significant in amount. If significant in amount, report them (with any advances to employees or officers) on line 37, Other assets.

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Line 28. Notes and loans receivable. Enter the combined total of notes receivable and net loans receivable (including receivables due from officers, directors, trustees, and other disqualified persons). In an attached schedule, show the following information (preferably in columnar format):

- Borrower's name and title,
- Original amount,
- Balance due,
- Date of note,
- Maturity date,
- Repayment terms,
- Interest rate,
- Security provided by the borrower,
- Purpose of the loan, and
- Description and fair market value of the consideration furnished by the lender.

Line 29. Inventories for sale or use. Enter the amount of materials, goods, and supplies purchased or manufactured by the trust and held for sale or use in some future period.

Line 30. Prepaid expenses and deferred charges. Enter the amount of short-term and long-term prepayments of future expenses attributable to one or more future accounting periods. Examples include prepayments of rent, insurance, and pension costs.

Lines 31, 32, and 33. Investments—government obligations, corporate stocks, and corporate bonds. Enter the book value (which may be market value) of these investments. Attach a schedule that lists each security held at the end of the year and shows whether the security is listed at cost (including the value recorded at the time of receipt in the case of donated securities) or end-of-year market value. Do not include amounts on line 26. Government obligations reported on line 31 are those that mature in 1 year or more. Debt securities of the U.S. government may be reported as a single total rather than itemized. Obligations of state and municipal governments may also be reported as a lump-sum total. Do not combine U.S. government obligations with state and municipal obligations on the attached schedule.

Line 34. Investments—land, buildings, and equipment. Attach a schedule of all land, buildings, and equipment that are held for investment purposes, such as rental properties. List the cost or other basis of these assets, accumulated depreciation, and end-of-year book value.

Line 35. Investments—other. Enter the amount of all other investment holdings not reported on lines 31 through 34. Attach a schedule describing each of these investments held at the end of the year. List the cost, or other basis, and the end-of-year book value.

Line 36. Land, buildings, and equipment. Attach a schedule of all land, buildings, and equipment that are **not** held for investment purposes, such as the trust's offices. List the cost or other basis of these assets, accumulated depreciation, and end-of-year book value.

Line 37. Other assets. Enter the book value of any trust assets that have not been reported on lines 25 through 36. If more space is needed, attach a separate schedule with a description of the asset, date acquired, and end-of-year book value.

Liabilities

Line 39. Accounts payable and accrued expenses. Enter the total accounts payable to suppliers and others, and accrued expenses such as salaries payable, accrued payroll taxes, and interest payable.

Line 40. Mortgages and other notes payable. Attach a schedule showing, as of the end of the year, the total amount of all mortgages payable, and for each nonmortgage note payable, the lender's name and the other information specified in the line 28 instructions.

Line 41. Other liabilities. Enter the book value of any trust liabilities that have not been reported on lines 39 or 40. If more space is needed, attach a separate schedule with a description of the liability and amount.

Signature

Form 1041-A must be signed by the trustee or by an authorized representative.

If you, as trustee (or an employee or officer of the trust), fill in Form 1041-A, the Paid Preparer space should be left blank. If someone prepares this return without charge, that person should not sign the return.

Generally, anyone who is paid to prepare a tax return must sign the return and fill in the other blanks in the *Paid Preparer Use Only* area of the return.

If you have questions about whether a preparer is required to sign the return, please contact an IRS office.

The person signing the return as the preparer should complete the requested preparer information and:

- Sign it in the space provided for the preparer's signature. (A facsimile signature is acceptable.)
- Give the trustee a copy of the return in addition to the copy to be filed with the IRS.

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 Code section 6103.

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

Recordkeeping	24 hr., 52 min.
Learning about the law or the form	2 hr., 37 min.
Preparing the form	7 hr., 48 min.
Copying, assembling, and sending the form to the IRS	1 hr., 20 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 Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, IR-6526, 1111 Constitution Ave. NW, Washington, DC 20224. Do not send the tax form to this address. Instead, see *Where To File* earlier.