

## IRM PROCEDURAL UPDATE

**DATE: 02/03/2026**

**NUMBER: 26U0170**

**SUBJECT: Start-Up Changes**

**AFFECTED IRM(s)/SUBSECTION(s): 3.12.251**

**CHANGE(s):**

**IRM 3.12.251.3.2(8) - Updated the IRM reference and link for Error Resolution System (ERS) Action Codes to match IRM 3.12.38.**

(8) For more information and applicable Action Codes, see IRM 3.12.38.4.4, Error Resolution System (ERS) Action Codes and the exhibit in IRM 3.12.38-1, Action Codes.

**IRM 3.12.251.5.4(3) c - Updated the prepaid credit lines for Form 1120-PC to match the current form revision.**

**(3) Correction Procedures:**

- a. Correct coding and transcription errors and misplaced entries.
- b. Check the upper right corner of Page 1 of the return for a correct tax period.

<b>If</b>	<b>Then</b>
Final return,	Change the tax period to the month preceding the Received Date.
Tax period is later than the Received Date by four months or more,	<ol style="list-style-type: none"><li>1. SSPND with Action Code "211"</li><li>2. Correspond using Letter 319C, Return Covers Other Than 12-month Accounting Period. and request confirmation of the tax period ending.</li></ol> <p><b>Note:</b> When confirmed, the return will be processed after the end of that tax period.</p>
Tax period is later than the Received Date by less than four months,	SSPND with Action Code "480" and attach Form 4227, Intra-SC Reject or Routing Slip, noting that the return should be held and processed after the end of the tax period.

- c. If account shows there are prepaid credits and/or extensions and the return is for a short period, SSPND with Action Code "351" and attach Form 4227 to have the credits and/or extensions moved to the correct period. The following table shows the placement of prepaid credits on the Form 1120 series.

Form Type	Line Numbers
Form 1120	Page 3, Schedule J, Line 13, 14 or 17 (Line 12, 13, or 16 for 2017-2011)
Form 1120-C	Line 30a, 30b, or 30d (30e for 2023 and prior)
Form 1120-F	Line 5a, 5b, or 5e
Form 1120-H	Line 23a, 23b, 23c
Form 1120-L	Line 27a, 27b, or 27d (27e for 2023) (Lines 28a, 28b, 28c or 28f for 2022 and prior)
Form 1120-PC	Line 16a, 16b, or 16d (Line 15e for 2022 and prior)
Form 1120-REIT	Line 25a, 25b, 25d (25e for 2023)
Form 1120-RIC	Line 28a, 28b, or 28d (Line 28e for 2023) (Lines 29a, 29b, 29c for 2022 and prior)

- d. **52-53 Week Rule.** Corporations may elect to file a 52-53 week year end return under Treasury Regulation 1.441-2T(a).

Examples	
52-53 week tax year that ends on the last Friday of the month can end as much as 6 days before the last day of the month.	Tax year ends August 25, 2025. tax period should be 202508.
52-53 week tax year that ends on the Friday that is nearest to the last day of the month can end as much as 3 days before, or 3 days after, the last day of the month.	Tax year ends June 2, 2025. tax period should be 202505.

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If Tax Period	Then
Covers more than 12 months,	Correspond for clarification. If no reply, follow instructions in IRM 3.12.38, BMF General Instructions.
Does not fall under the 52-53 week rule and does not end on the last day of the month,	Continue processing
Cannot be determined by researching the attachments,	Follow local research procedures to obtain the correct tax period (the latest year without a return).
Can be found through research,	Enter it in Field 01TXP and on the return.

**Note:** If research shows no filing requirement, SSPND with Action Code "320" to Entity Control.

**IRM 3.12.251.7.19(3) b - Updated the correction procedures for Field 03Q17, Form 1120, Schedule K.**

**(3) Correction Procedures:**

- a. Correct coding and transcription errors and misplaced entries.
- b. If only the "Yes" box is checked on Schedule K Question 17, enter a "1" in Field 03Q17. Otherwise, delete the field.

**IRM 3.12.251.17.12(3) b - Updated the correction procedures for Field 14Q7C, Form 1120, Schedule N.**

**(3) Correction Procedures:**

- a. Correct coding and transcription errors and misplaced entries.
- b. If Schedule N, Line 7c is blank and Form 8873, Extraterritorial Income Inclusion, is attached, compute the total amount from line 52 of all Form 8873 and enter the total in Field 14Q7C.

**IRM 3.12.251.23(8) - Added correction procedures for 3 new fields in Section 23. 231LB, 231LF and 231LG were added per UWR 1011614.**

**(8) Correction Procedures -**

- a. Correct coding and transcription errors, and misplaced entries.
- b. Fields 231LB, 231LF and 231LG are valid 202507 and later.

<b>If</b>	<b>And</b>	<b>Then</b>
Fields 231LB, 231LF and/or 231LG have an entry,	The Tax Period is before 202507,	Delete the entry.

**IRM 3.12.251.27.2(2) and (3)c - Updated the invalid conditions and clarified the correction procedures for Field 27DPT, Donated Property Type.**

**(2) Invalid Conditions -** Field 27DPT is invalid if:

- The Tax Period is before 202501.
- The field entry is not 0, 1, A, B, C, D, E, F, G, H, I, J, K, L or blank.

**(3) Correction Procedures:**

- a. Correct coding errors, transcription errors and misplaced entries.
- b. The valid indicators for Field 27DPT are based on the boxes shown in Part I, Line 2:

<b>Box</b>	<b>Indicator</b>	<b>Meaning</b>
None	0	No box checked
2a	A	Art (contribution of \$20,000 or more)
2b	B	Qualified conservation contribution
2b(1)	1	Certified historic structure
2c	C	Art (contribution of less than \$20,000)
2d	D	Other real estate
2e	E	Equipment
2f	F	Securities
2g	G	Collectibles

2h	H	Intellectual property
2l	I	Vehicles
2j	J	Clothing and household items
2k	K	Digital assets
2l	L	Other

c. Correct Field 27DPT as follows:

<b>If</b>	<b>Then</b>
Tax period is before 202501,	Delete the entry in Field 27DPT.
Field 27DPT is blank or invalid,	Enter the correct indicator in Field 27DPT according to the table above.
Line 2 has no boxes marked,	Delete the entry in Field 27DPT.
Line 2 has multiple boxes marked,	Enter "L" in Field 27DPT.

**IRM 3.12.251.27.3(2) and (3)b - Updated the invalid conditions and clarified the correction procedures for Field 273AC, Donated Property Appraised Fair Market Value.**

(2) **Invalid Conditions** - Field 273AC is invalid if:

- The Tax Period is before 202501.
- The field is not numeric or blank.
- The field is negative.

(3) **Correction Procedures:**

- Correct coding errors, transcription errors and misplaced entries
- Correct Field 273AC as follows:

<b>If</b>	<b>Then</b>
The Tax Period is before 202501,	Delete the entry in Field 273AC.
Field 273AC is blank,	Enter the amount from Line 3A(c) in Field 273AC as dollars only.
Line 3A(c) is illegible or invalid,	Delete the entry in Field 273AC.
The entry on Line 3A(c) is negative,	Delete the entry in Field 273AC.

**IRM 3.12.251.27.4(2) and (3)b - Updated the invalid conditions and clarified the correction procedures for Field 273AD, Donated Property Date Acquired by Donor.**

(2) **Invalid Conditions** - Field 273AD is invalid if:

- The Tax Period is before 202501.
- The field is not 6 alpha numeric characters.
- Field entries are not 0, 1, 2, 3, 4, 5, 6, 7, 8, 9, V or blank.
- Field is not in YYYYMM format or not "V."

(3) **Correction Procedures:**

- a. Correct coding errors, transcription errors, and misplaced entries.
- b. Correct Field 273AD as follows:

<b>If</b>	<b>Then</b>
The Tax Period is before 202501,	Delete the entry in Field 273AD.
Field 273AD is blank,	Enter the date from Line 3A(d) in Field 273AD in YYYYMM format.
Multiple dates are present,	Enter a <b>V</b> in Field 273AD.
Field 273AD is "00000V,"	Delete the zeroes in Field 273AD.
Line 3A(d) is illegible or invalid,	Delete the entry in Field 273AD.

**IRM 3.12.251.27.5(2) and (3)b - Updated the invalid conditions and clarified the correction procedures for Field 273AF - Line 3A(f), Donor Property Donor's Cost or Adjusted Basis.**

(2) **Invalid Conditions** - Field 273AF is invalid if:

- The Tax Period is before 202501.
- The field is not numeric or blank.
- The field is negative.

(3) **Correction Procedures:**

- a. Correct coding errors, transcription errors, and misplaced entries.
- b. Correct Field 273AF as follows:

<b>If</b>	<b>Then</b>
The Tax Period is before 202501,	Delete the entry in Field 273AF.
Field 273AF is blank,	Enter the amount from Line 3A(f) in Field 273AF as dollars only.
Line 3A(f) is illegible or invalid,	Delete the entry in Field 273AF.
The entry on Line 3A(f) is negative,	Delete the entry in Field 273AF.

**IRM 3.12.251.27.6(2) and (3)c - Updated the invalid conditions and clarified the correction procedures for Field 27ASI, Appraiser Signature Indicator.**

(2) **Invalid Conditions** - Field 27ASI is invalid if:

- The Tax Period is before 202501.
- The field is not 0,1 or blank.

(3) **Correction Procedures:**

- a. Correct coding errors, transcription errors, and misplaced entries.
- b. The valid Appraiser Signature Indicators are:

Indicator	Meaning
0	No signature provided
1	Signature provided

c. Correct Field 27ASI as follows:

If	Then
Tax Period is before 202501,	Delete the entry in Field 27ASI.
The Appraiser Signature is present in Part IV,	Enter "1" in Field 27ASI.
No Appraiser Signature is present in Part IV,	Enter <b>0</b> in Field 27ASI.

**IRM 3.12.251.27.7(2) and (3)b - Updated the invalid conditions and clarified the correction procedures for Field 27AIN, Appraiser Identifying Number.**

(2) **Invalid Conditions** - Field 27AIN is invalid if:

- The Tax Period is before 202501.
- The field is not 9 numeric characters or blank.

(3) **Correction Procedures:**

- Correct coding errors, transcription errors, and misplaced entries.
- Correct Field 27AIN as follows:

If	Then
Tax Period is before 202501,	Delete the entry in Field 27AIN.
An Appraiser Identifying number present in Part IV,	Enter the Appraiser Identifying number in Field 27AIN.
The Appraiser Identifying number is illegible or not 9 numeric characters,	Delete the entry in Field 27AIN.

**IRM 3.12.251.27.8(2) and (3)b - Updated the invalid conditions and clarified the correction procedures for Field 27QDD, Qualified Organization Property Received Date.**

(2) **Invalid Conditions** - Field 27QDD is invalid if:

- The Tax Period is before 202501.
- The field is not 8 numeric characters or blank.

(3) **Correction Procedures:**

- a. Correct coding errors, transcription errors, and misplaced entries.
- b. Correct field 27QDD as follows:

<b>If</b>	<b>Then</b>
Tax Period is before 202501,	Delete the entry in Field 27QDD.
Field 27QDD is blank,	Enter the date in YYYYMMDD format.
The received date is illegible or invalid,	Delete the entry in Field 27QDD.

**IRM 3.12.251.27.9(2) and (3)b - Updated the invalid conditions and clarified the correction procedures for Field 27COE, Charitable Organization Employer Identification Number.**

(2) **Invalid Conditions** - Field 27COE is invalid if:

- The Tax Period is before 202501.
- The field is not 9 numeric characters or blank.

(3) **Correction Procedures:**

- a. Correct coding errors, transcription errors, and misplaced entries.
- b. Correct Field 27COE as follows:

<b>If</b>	<b>Then</b>
Tax Period is before 202501,	Delete the entry in Field 27COE.
An Employer Identification Number present in Part V,	Enter the Employer Identification Number in Field 27COE.

The Employer Identification Number is illegible or not 9 numeric characters,	Delete the entry in Field 27COE.
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**IRM 3.12.251.27.10(2) and (3)c - Updated the invalid conditions and clarified the correction procedures for Field 27COE, Charitable Organization Employer Identification Number.**

(2) **Invalid Conditions** - Field 27COS is invalid if:

- The Tax Period is before 202501.
- The field is not 0, 1 or blank.

(3) **Correction Procedures:**

- a. Correct coding errors, transcription errors, and misplaced entries.
- b. The valid Charitable Organization Authorized Signature Indicators are:

Indicator	Meaning
0	No signature provided
1	Signature Provided

c. Correct Field 27COS as follows:

If	Then
Tax Period is before 202501,	Delete the entry in Field 27COS.
Field 27COS is blank and a Charitable Organization Authorized Signature is present,	Enter a "1" in Field 27COS.
No authorized signature is present in Part V,	Enter a <b>0</b> in Field 27COS.

**IRM 3.12.251.27.11(2) and (3)b - Updated the invalid conditions and clarified the correction procedures for Field 27MFI, Multiple Form 8283 Attached Indicator.**

(2) **Invalid Conditions** - Field 27MFI is invalid if:

- The Tax Period is before 202501.
- The field is not 0,1 or blank.

(3) **Correction Procedures:**

- a. Correct coding errors, transcription errors, and misplaced entries.
- b. Correct Field 27MFI as follows:

<b>If</b>	<b>Then</b>
Tax Period is before 202501,	Delete the entry in Field 27MFI.
Only one Form 8283 is attached,	Enter <b>0</b> in Field 27MFI.
Multiple Forms 8283 are attached,	Enter "1" in Field 27MFI.

**IRM 3.12.251.32.1(3)b and c - Removed the Statute Returns clearing exception process for BMF returns.**

(3) **Correction Procedures:**

- a. Correct all misplaced entries, coding, and transcription errors.
- b. Do not send the returns in the following table to Statute Control for clearance. Instead, do the following:

Statute Control

<b>If</b>	<b>Then</b>
<ul style="list-style-type: none"> <li>○ Return is prepared by Compliance (e.g., IRC 6020(b)),</li> <li>○ Return is secured by Examination/Collections, including TE/GE or TE/GE Employee Plan (EP) Exam,</li> <li>○ Return has a Transaction Code (TC) 59X,</li> <li>○ Return has "ICS" (Integrated Collection System) notated on the face of the return,</li> </ul>	Enter "W" in Field 01CCC and on the return and continue processing.

<ul style="list-style-type: none"> <li>○ Return is a Substitute for Return prepared by Examination ("SFR" in the margin) with Form 13133, Expedite Processing Cycle, attached,</li> <li>○ Return has a stamp showing a previous clearance by Statute Control within the last 90 days,</li> </ul>	
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- c. Compare the displayed fields with the return and attachments. If incorrect, overlay the screen with the correct information.

Error Code 001 Correction Procedures

<b>If</b>	<b>Then</b>
Field 01RCD is blank,	<ol style="list-style-type: none"> <li>1. Enter the Received Date in Field 01RCD. Use the earliest date if multiple Received Dates are present.</li> <li>2. See IRM 3.12.251.5.5, Field 01RCD - Received Date (XREF EC 007) to determine the Received Date.</li> </ol>
CCC "W" entered incorrectly,	Delete CCC "W" from Field 01CCC.
The return has a stamp that shows a previous clearance by Statute Control within the last 90 days,	<p>Enter CCC "W" in Field 01CCC and on the return.</p> <p><b>Note:</b> Do not send the return to Statute Control.</p>
The return is not stamped by Statute Control within the last 90 days,	<ol style="list-style-type: none"> <li>1. SSPND with Action Code "310."</li> <li>2. Prepare Form 4227, Intra-SC Reject or Routing Slip to route to Statute Control.</li> </ol>

**IRM 3.12.251.32.12(4)i - Updated the IRM reference and link for Short Period - Editing Proof of Entitlement per SERP feedback 36644.**

(4) Acceptable Reasons for filing a short period return include, but are not limited to the following:

- a. National Office Grant Letter attached.
- b. Statement the corporation is changing the tax period under Section 1.442.1 (b) or (c)

- c. Revenue Procedure 82-25 (Special Rule cases)
- d. Statement the corporation is coming out of consolidation or (Parent) is no longer a consolidated group.
- e. Statement changing period "to get in step with" Parent or due to a new affiliation with consolidated group.
- f. Filing under Section 338 Election or attached Form 8023, Election Under Section 338(g) Corporate Qualified Stock Purchase, and tax period begins after the acquisition date.
- g. Short period due to changing to calendar year. "Filed under Section 806 of the Tax Reform Act of 1986" is noted at the top of Page 1.
- h. Statement that change in accounting period has been granted by the IRS.
- i. Approved Form 1128, Application to Adopt, Change, or Retain a Tax Year, is attached. See IRM 3.11.16.7.7, Short Period - Editing Proof of Entitlement.
- j. Notation on Form 1128 shows Filed under Rev. Proc. 2006-45 or 2006-46.
- k. Election Change in taxable year under Section 898 (c) (2)
- l. Section 444 Election Terminated.
- m. Section 1398 Election.
- n. Second Short Year after Section 1398 Election.

Whenever any of the above conditions are present enter a CCC of "Y" into Field 01CCC.

**IRM 3.12.251.32.40(5)i - Form 1120, Error Code 186, added correction procedures when Field 07TTX underprint is zero and there is an amount in Field 08CAM.**

**(1) Fields Displayed**

<b>Field</b>	<b>Field Title</b>
NC	Notice Code
01TXP	Tax Period
01CCC	Computer Condition Code
S03NP	Section 03 Not Present

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07GIT	Gross Income Tax
>>>>	Gross Income Tax Computer Generated
07GVT	Gross Verified Tax
07TTX	Total Tax
>>>>	Total Tax Computer Generated
07MCT	Manually Corrected Tax
S08NP	Section 08 Not Present
08BET	Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts, (Valid 201812 and later)
08AMT	Form 4626, Alternative Minimum Tax - Corporations, (Valid 201811 and prior)
>>>>	Alternative Minimum Tax Computer Generated (201811 and prior)
08CAM	Alternative Minimum Tax Corporation (2023 revision)
08PHC	Form 1120, Schedule PH, U.S. Personal Holding Company (PHC) Tax.
08TRI	Tax on Recomputed Investment Credit (This field is no longer transcribed)
08RLI	Form 8611, Recapture of Low- Income Housing Credit
08GT>	Gross Tax Less Credits Computer Generated
08QZA	Qualified Zone Academy Bond Credit (This field is no longer transcribed)
08RIC	Form 4255, Recapture Investment Credit
08ULB	Form 8697, Interest Computation Under the Look-Back method for Completed Long-Term Contracts, credit
08IFM	Form 8866, Interest Computation Under the Look-Back method for Property Depreciated under the Income Forecast Method, amount
08QSA	Form 8902 Alternative Tax on Qualifying Shipping Activities, amount
08453	IRC 453A Tax
08OTH	Other Taxes Interest Amounts
31RED>	Reduced amount of CVC credit

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**Note:** The literal "Section XX Not Present" displays if there are no entries in a specific section.

(2) **Invalid Conditions** - Error Code 186 generates when:

- Total Tax differs from Total Tax Computer by # [REDACTED] #
- If an adjustment is made to any carryover # [REDACTED] # and no math error notice must be sent, send Letter 3833C, Tax Return Adjustment Explained, explaining the adjustment and stating the corrected carryover amount.

(3) For Tax Period 202201 through 202212, the new Corporate Alternative Minimum Tax (AMT) is claimed in Field 08OTH (Schedule J, Line 9g).

(4) **For Special Instructions for Section 965 Returns, See the following IRM references:**

- IRM 3.12.251.3.24, Section 965 Returns - General Instructions.
- IRM 3.12.251.3.24.1, Section 965 Returns - Tax Period 201712 - 201811.
- IRM 3.12.251.3.24.2, Section 965 - Tax Period 201812 through 202012.

(5) If the Tax Period is after 202012 and the taxpayer has included a Section 965 installment payment in Total Tax, delete the installment payment amount and send TPNC 05.

(6) **Correction Procedures:**

- a. Correct coding and transcription errors, and misplaced entries.
- b. Reminder: ERS MUST enter Action Code "341" and route to ERS/Rejects for the issuance of a manual refund when either of the following conditions are present:
  - The refund amount is # [REDACTED] #, Or
  - The processing date is more than 20 days after the Received Date, or the Return Due Date (whichever is later) and the 45-day interest free period is in jeopardy and the refund amount is # [REDACTED] # or more.
- c. Correction Procedure **Field 07TTX**: Total Tax - Transcription is from Line 31, Form 1120. In terms of return sequence, transcription or taxpayer error lies somewhere between Gross Tax and this field (Field 07TTX) inclusively. Field 07TTX will underprint when it differs by # [REDACTED] #.
- d. If the taxpayer has filed a fiscal return (201801 through 201811) compute Total Tax using the following computation:

**Note:** Use Field 07GVT to override the computers computation.

Step	Action	Amount
Step 1	Figure the corporation's tax for the entire tax year using the tax rate schedule, Schedule O, or the 35 percent rate for Personal Service Corporations.	Line 1 amount _____
Step 2	Figure the corporations tax for the entire tax year using the 21 percent flat tax.	Line 2 amount _____
Step 3	Multiply Line 1 by the number of days in the corporation's tax year before January 1, 2018.	Line 3 amount _____
Step 4	Multiply Line 2 by the number of days in the corporation's tax year after December 31, 2017.	Line 4 amount _____
Step 5	Divide Line 3 by the total number of days in the corporation' tax year.	Line 5 amount _____
Step 6	Divide Line 4 by the total number of days in the corporation' tax year.	Line 6 amount _____
Step 7	Add Lines 5 and 6. This is the corporation' total tax for the fiscal tax year.	Total tax amount _____

- e. If it appears the return is being filed for a bank or savings and loan and has an Audit Code 1, CCC "X" and blocking series 979 or 499, it should be treated in the normal manner. If the return has a refund, do not send TPNC; instead, change the taxpayer's figures to agree with the underprint.
- f. Homeowners Associations may file on Form 1120. When they do so, they are to be taxed at the normal corporate rate. If the taxpayer shows "Sec. 277," or "minimum tax" when no taxable income is present, accept the taxpayer's figures by entering the taxpayers amount in 07MCT.
- g. When a credit is claimed on Form 8912, Credit to Holders of Tax Credit Bonds, and Error Code 182 has not previously generated, enter the credit amount from that form into Field 08SCV along with any other credits that must be verified.
- h. After an amount has been entered in Field 07MCT, the computer will not be able to correctly calculate Statutory Credits or Alternative Minimum Tax. Ignore any erroneous underprints after Field 07MCT has been entered. Correct coding and transcription errors and misplaced entries. Also, check all attachments to ensure that all entries were brought forward correctly.
- i. Follow the procedures below when Field 07TTX is underprinting:

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<b>If</b>	<b>And</b>	<b>Then</b>
Field 07TTX is underprinting,	Taxpayer has no entry on Line 31 or Schedule J,	Bring up the generated amount in Field 07TTX (When EC 194 displays, correct Field 07B/R).
Field 07TTX is underprinting,	There is no entry on Line 31 and the taxpayer has computed tax on Schedule J,	Enter amount from Schedule J, Line 12, Form 1120, in Field 07TTX. When EC 194 displays correct Field 07B/R.
Field 07TTX is underprinting,	And the Tax Period is 202401 and later,	GTSEC 08 and verify the transcription of Field 08TXL, Field 08SEC, Field 08TAJ, Field 08ATX, Field 08CTR, and Field 08OCT. Make any corrections needed.  <b>Note:</b> If Field 08CTR is present with an amount of # [REDACTED] [REDACTED] #, and Form 4255 is missing, then correspond.
Field 07TTX is underprinting,	Taxpayer has entered zero, dash or none,	Send TPNC 05.
Field 07TTX is underprinting,	Return requires manual computation,	Manually compute tax.
Field 07TTX is underprinting,	Taxpayer writes SEC 1294 and amount on Line 11, Schedule J,	See Paragraph (5)b below.
Field 07TTX is underprinting,	The Tax Period is 202401 and later and the difference between 07TTX and the underprint equals the amount shown in Field 08CAM,	Enter the amount shown in 07TTX in Field 07MCT.  <b>Note:</b> Do not send a TPNC.

**(7) Add-on Taxes, Add-on Interest, or Deferred Amounts Causing Underprints to Field 07TTX.**

- a. If Total Tax, Field 07TTX, is underprinting, then check Form 1120, Schedule J for one of the write-in taxes in the table below:

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- b. If the difference between the underprint and the transcribed figure is the write-in amount, enter the taxpayer figures for Total Tax in Field 07MCT.
- c. If the difference between the underprint and the transcribed figure is not equal to the write-in amount, enter the difference between the transcribed amount and the write-in amount and enter in Field 07GVT. Send the correct TPNC if necessary.

<b>Additional Tax, Interest or Deferred Amount</b>	<b>Description</b>	<b>Location per Form 1120 Instructions</b>  <b>Caution: Taxpayer may show elsewhere on schedule J.</b>
For Tax Period 202201 through 202211, the new Corporate Alternative Minimum Tax (AMT) is claimed in Field 08OTH (Schedule J, Line 9g).	If the taxpayer writes <b>CAMT</b> or <b>IRA AMT</b> or indicates the amount is for Corporate AMT, accept the taxpayers amount. If Code and Edit has not edited an action trail indicating P&A has scanned the return for LB&I, give the return to the lead. The lead will: <ol style="list-style-type: none"> <li>1. Notify P&amp;A that a return has been found (P&amp;A will scan the Form 1120, pages 1 through 6 and any attachment with the new AMT calculation and email a copy to an LB&amp;I Point of Contact (POC)),</li> <li>2. Edit an action trail on the return.</li> <li>3. Continue processing.</li> </ol>	Schedule J, Line 9g
Mutual savings bank conducting life insurance business, Section 594.	Taxpayer computes a partial tax on Form 1120, and a partial tax on Form 1120-L. Form 1120-L is attached as a schedule and identified as such by the taxpayer.	Schedule J, Line 2
Deferred tax amount under Section 1291, (PFIC).	Taxpayer writes in "Section 1291"	Schedule J, Line 2
Form 8978, Partner's Additional Reporting Year Tax	Form 8978, Line 14	Schedule J, Line 2

Additional Tax Under Section 197(f)	Taxpayer writes in "Section 197"	Schedule J, Line 2
Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.	Taxpayer writes in "Section 1294." Taxpayer will bracket the amount if it is subtracted from Line 11.	Schedule J, Line 11
Deferred LIFO recapture tax (Section 1363(d))	Taxpayer writes in "Section 1363(d) deferral" Installment payment of tax attributable to LIFO recapture by corporations making a S corporation election, 1987 Act Section 10227(a).	Schedule J, Line 11

**(8) Correction Procedure Field 07MCT and 08PHC:**

- a. Field 07MCT is used when a manual computation return has a math error. This shows that neither the transcribed amount nor the underprinted (generated) amount is correct; or in the case of Computer Condition Code "Y" and the transcribed amount is incorrect.
- b. Enter the correct amount of total tax in Field 07MCT and change Form 1120, Page 1, Line 31 to the corrected amount. When the manually corrected total tax is zero, enter .01 (1 cent) in Field 07MCT.
- c. If all corrections have been made and Error Code 186 is still displayed, assign TPNC 05.
- d. See IRM 3.12.251.33, Manual Computations, for returns requiring manual computation.
- e. Field 08PHC transcription is from Schedule J, Line 8.
- f. Check attachments for a Schedule PH, Personal Holding Company form. If the Schedule PH is not attached and Field 08PHC has an entry of # [REDACTED] # , correspond for the missing Schedule PH.

**(9) Correction Procedures Fields 08RIC and 08RLI:**

- a. **Field 08RIC** transcription is from Schedule J, Line 9a and is edited from Form 4255, Certain Credit Recapture, Excessive Payments, and Penalties.
- b. Current Year Investment Credit may not be used to offset a recaptured tax.

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- c. Check attachments for a schedule of the taxpayer's Prior Year Investment Credit and Recaptured Tax. If not found, do not delete Field 08RIC, send TPNC 05.
- d. **Field 08RLI** transcription is from Schedule J, Line 9b. If multiple Forms 8611 are attached, the Line 14 entries of all Forms 8611 will be totaled and edited to the correct line on Schedule J, Line 9b.
- e. Any corrections to this field must be made in dollars and cents.
- f. If a taxpayer error is creating a math error, send TPNC 33.
- g. If an amount is present on Schedule J, Line 9b, or Form 8611 is attached, enter Computer Condition Code "9" in Field 01CCC.

**(10) Correction Procedure Field 08AMT- Alternative Minimum Tax** (Valid for Tax Periods 201811 and prior):

- a. Transcription is from Form 1120 Schedule J, Line 3. The source is Form 4626, Part II, Line 13.
- b. This field will underprint if the transcribed amount differs from the computer generated amount only if Section 09 is present.
- c. If this field has an entry of # [REDACTED] # and Form 4626 is not attached, correspond. On "no replies" enter Alternative Minimum Tax Taxpayer (Field 08AMT) into Alternative Minimum Tax Verified (Field 09VER). This will remove the underprint in Field 08AMT.
- d. If amounts are present in Field 08AMT **and** Field 09213 and Field 07TTX >>>> is underprinting with the same dollar amount reported in both fields, then remove the entry in Field 08AMT.

**(11) Correction Procedures Field 08GT>**

- a. **Field 08GT> Gross Tax Less Credits - Computer Generated** - The amount in Field 08GT> should be the same as Form 1120 Schedule J, Line 7. This field is the computer's amount for Gross Tax minus Statutory Credits. If the amount in this field differs from the above-mentioned line on the form, there is an error in credits. If these amounts are the same, the error will result in additional taxes.

**(12) Letter 3833C and TPNC Codes:**

- a. See chart for when to send Letter 3833C, Tax Return Adjustment Explained;

<b>If</b>	<b>And</b>	<b>Then</b>
Adjustments to income or deductions are being made,	The total taxable income is a negative figure,	Send Letter 3833C.
Adjusting Field 06NOL by # [REDACTED] # ,	No notice is being issued,	Send Letter 3833C.
Adjusting any tax credits by \$10.00 or more,	No notice is being issued,	Send Letter 3833C.

<b>TPNCLiteral</b>	
05	We found an error when your total income tax was figured.
08	The credit claimed was more than the law allows.
11	Your Foreign Tax Credit was more than the law allows.
12	We found an error in the amount of Investment Credit applied against your tax.
13	We found an error in the amount of Work Incentive (WIN) Credit applied against your tax.
21	We found an error in the amount of your Work Opportunity Credit applied against your tax.
23	We found an error in the computation of Alternative Minimum Tax.
25	We found an error in the computation of the alcohol fuels credit or the Nonconventional Source Fuel Credit.
26	We found an error in the computation of the Research Credit.
30	We found an error in the computation of Total Income Tax for a fiscal year with two tax rates.
33	We found an error in the computation of the Recapture Low-Income Housing Credit on Form 8611.
34	We found an error in the computation of the credit for prior year minimum tax on Form 8827.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.

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90	Fill-in narrative. Used when a return has an error and none of the TPNCs above apply or when more than three TPNCs are necessary.
----	---

- b. The valid Taxpayer Notice Codes for this Error Code are those listed below and any previously assigned TPNC.

**IRM 3.12.251.38.10 - Corrected the title to match the location of the transcribed fields in Section 10, Form 1120-C.**

**Section 10 Data - Schedule G and H**

- (1) Section 10 data is transcribed from Form 1120-C, Page 3, Schedules G and H.  
(2) All fields are transcribed in dollars and cents.

**IRM 3.12.251.39.7.1(1) - Updated the Fields Displayed lines in Section 07 to match the current form revision for Form 1120-F.**

**(1) Fields Displayed**

<b>Field</b>	<b>Field Title</b>
07TTX	Total Tax (Page 1, Line 4a)
0704B (Valid Tax Period 202507 and later)	First installment of Section 1062 applicable net tax liability from Form 1062, line 15
07PYO (Valid for Tax Period 202401 and later)	Preceding Year's Overpayment Credited to the Current Year (Page 1, Line 5a)
07EPA (Valid for Tax Period 202401 and later)	Current Year's Estimated Tax Payments (Page 1, Line 5b)
07CYR (Valid for Tax Period 202401 and later)	Current Year's Refund Applied for on Form 4466 (Page 1, Line 5c)
07EST	Estimated Tax Credit (Page 1, Line 5d for 2023 and prior)  <b>Note:</b> Estimated Tax Credit was removed from 2024 form revision but may still be present on prior form revisions.

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07EXT	Form 7004 Credit (Page 1, Line 5e)
07RIC	Regulated Investment Credit, Form 2439 (Page 1, Line 5f)
07ARC	Current Year Refundable Tax Credit (2010 through 2019 revisions)
07USI	U.S. Income Tax Paid or Withheld at Source (Page 1, Line 5i)
07FIR	Foreign Investors Real Property Tax (FIRPTA)
07EPE (Valid for Tax Period 202301 and later)	Elective Payment Election Amount from Form 3800 (Page 1, Line 5j)
07EPV (Valid for Tax Period 202301 and later)	Elective Payment Election Amount Verified Field
07FRM (Valid Tax Period 202507 and later)	Section 1062 applicable net tax liability from Form 1062, line 14
07ESP	Estimated Tax Penalty (Page 1, Line 6)
07B/R	Balance Due/Overpayment (Page 1, Lines 7 or 8a)
07CTW	Chapter 3 Withholding (Page 1, Line 8b) (Negative ONLY)
07CRE	Credit Elect Amount (Page 1, Line 9a)
07INT	Interest Income (Section II, Line 5)
07RNT	Gross Rents (Section II, Line 6)
07INC	Total Income (Section II, Line 11)
07SAW	Salaries and Wages (Section II, Line 13)
07DED	Total Deductions (Section II, Line 28)
07TIB	Taxable Income Before NOL/Special Deductions (Section II, Line 29)
07BET	Base Erosion Minimum Tax (Schedule J, Line 2a) (Schedule J, Line 3 for 2023 and prior)
07CTR (Valid for Tax Period 202401 and later)	Chapter 1 Tax from Form 4255 (Schedule J, Line 2b)

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07OCT (Valid for Tax Period 202401 and later)	Other Chapter 1 Tax (Schedule J, Line 2c)
07CAM	Corporate Alternative Minimum Tax (Schedule J. Line 3)
07PYM	Form 8827 Prior Year Minimum Tax (Schedule J. Line 5c)
07MCT	Manually Corrected Total Tax
07SW1	Total Chapter 3 Payments (Schedule W, Line 1)
07SW3	Income associated with Sections 1445 and 1446 (Schedule W, Line 3)

**IRM 3.12.251.39.21.21(4)g- Updated the line number for total tax to match the current form revision for Form 1120-F.**

**(4) Correction Procedures:**

- a. ERS MUST enter Action Code "341" and route to ERS/Rejects for the issuance of a manual refund when either of the following conditions are present:
- b. The refund amount is # [REDACTED] # or more, OR
- c. The processing date is more than 20 days after the Received Date or, the Return Due Date (whichever is later) and the 45-day interest free period is in jeopardy and the refund amount is # [REDACTED] # or more.
- d. Correct coding and transcription errors and misplaced entries.

**Caution:** See IRM 3.12.251.39, Form 1120-F Sections and Fields, for FPP review information.

- e. If taxpayers figure for 07INC or 07TTX is a negative, delete Field 07TTX.
- f. **All Forms 1120-F must have the tax math verified if the taxpayer reports an amount for total tax on Line 4a. To arrive at the correct figure for "total tax" compute separately the amounts for Fields 04TXI, 04TII and 04III as described below: Once each applicable section is computed, combine the total of the three and enter that total into Field 07MCT. See IRM 3.12.251.36, Form 1120 - Tax Rates.**

Field 04TXI - Section I, Income from U.S. Sources Not Effectively Connected with the Conduct of a trade or business in the United States	Field 04TII - Section II, Schedule J, Tax Computation	Field 04III - Section III, Branch Profits Tax and Tax on Excess Interest
<ol style="list-style-type: none"> <li>1. Multiply gross amounts shown in Section I, Lines 1-10, Column (b) by the percentage in Column (c).</li> <li>2. The result is the tax liability shown in Column (d).</li> <li>3. Line 11(d) should equal the amount on Page 1, Line 1.</li> </ol>	<ol style="list-style-type: none"> <li>1. Use the amount of taxable income on Page 5, Line 31, to compute income tax. The result is entered on Schedule J, Line 1, Continue manual computation.</li> <li>2. Line 4 - add Lines 1, 2 and 3</li> <li>3. Line 6 - add Lines 5a through 5d</li> <li>4. Line 7 - subtract Line 6 from Line 4</li> <li>5. Line 9 - add Lines 7 and 8</li> <li>6. Line 9 should equal Page 1, Line 2.</li> </ol>	<ol style="list-style-type: none"> <li>1. Multiply the amount on Page 7, Section III, Part I, Line 5 by 30 percent (or lower treaty rate if noted).</li> <li>2. Multiply the amount on Page 7, Section III, Part II, Line 9c by 30 percent (or lower treaty rate if noted).</li> <li>3. The sum of Part I, Line 6 and Part II, Line 10 should equal Page 1, Line 3.</li> </ol>

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- g. Only clear this Error Code if the taxpayer reports zero or no tax on Line 4a, Form 1120-F.
- h. For fiscal filers (Tax periods 201801 through 201811) use the following table to compute a blended rate of tax for Section II (Field 04TII). The tax rate change does not apply to Section I (Field 04TXI) or Section III (Field 04III), compute Fields 04TXI and 04III as normal, see IRM 3.12.251.36, Form 1120 - Tax Rates.

Step	Action	Amount
Step 1	Figure the corporation's tax for the entire tax year using the tax rate schedule, Schedule O, or the 35 percent rate for Personal Service Corporations.	Line 1 amount _____
Step 2	Figure the corporations tax for the entire tax year using the 21 percent flat tax.	Line 2 amount _____
Step 3	Multiply Line 1 by the number of days in the corporation's tax year before January 1, 2018.	Line 3 amount _____
Step 4	Multiply Line 2 by the number of days in the corporation's tax year after December 31, 2017.	Line 4 amount _____
Step 5	Divide Line 3 by the total number of days in the corporation's tax year.	Line 5 amount _____
Step 6	Divide Line 4 by the total number of days in the corporation's tax year.	Line 6 amount _____
Step 7	Add Lines 5 and 6. This is the corporation's total tax for the fiscal tax year.	Total tax amount _____

**Note:** An Excel worksheet has been developed for figuring the blended rate for fiscal filers (201801 through 201811) and can be found at Blended Rate Job Aid. Using this job aid does not override the "Rule of Two."

- i. Field 07CTR, Chapter 1 Tax Recapture from Form 4255, Certain Credit Recapture, Excessive Payments, and Penalties.

If	And	Then
Field 07CTR is present with an amount of # [REDACTED] # ,	The Tax Period is after 202401 and Form 4255 is missing,	Correspond.

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- j. If the taxpayer made a true math error in figuring tax, send the applicable notice code. If it can be determined that the taxpayer did make a math error, however indications are they have additional NOL and/or Special Deductions carryover remaining, send Letter 3833C, Tax Return Adjustment Explained, to explain the adjustment to the taxpayers carryover # [REDACTED] # .

**IRM 3.12.251.39.21.23(5) - Form 1120-F, updated backup withholding line number to match the current taxpayer instructions.**

(5) If the corporation had income tax withheld from any payments it received due to backup withholding, it is to include the amount withheld in the total for Line 5z. They are not to include these amounts on Line 5i. (Line 5i is only for amounts withheld under Chapter 3 of the Code.) They are to enter the amount withheld and the words “Backup Withholding” in the blank space in the right-hand column between Lines 4b and 5z.

**IRM 3.12.251.40.10(1) - Added 3 new fields to Section 23 per UWR 1011614. 231LB, 231LF and 231LG are valid for tax period 202507 and later.**

(1) Section 23 data is transcribed from Form 3800, General Business Credit.

**Note:** Fields 231DB, 231DG, 231DH, 231DI and 231DJ will show on the screen display, but the credits for Form 3468 are not allowed for Form 1120-H and will not be transcribed.

Field	Field Title	Field Length	Location
231BB	Form 7207, Advanced Manufacturing Credit (Registration number)	12	Part III, Line 1b, Column b
231BF	Form 7207 (Credit transfer Election Amount)	15	Part III, Line 1b, Column f
231BG	Form 7207 (Credit allowed after passive activity limit))	15	Part III, Line 1b, Column g
231BH	Form 7207 (Gross Elective Payment Election)	15	Part III, Line 1b, Column h
231BJ	Form 7207 (Net elective payment)	15	Part III, Line 1b, Column j
231FB	F8835, Part II (Registration number)	12	Part III, Line 1f, Column b

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231FF	F8835, Part II (Credit transfer Election Amount)	15	Part III, Line 1f, Column f
231FG	F8835, Part II (Credit allowed after passive activity limit)	15	Part III, Line 1f, Column g
231GB	F7210 (Registration number)	12	Part III, Line 1g, Column b
231GF	F7210 (Credit transfer Election Amount)	15	Part III, Line 1g, Column f
231GG	F7210 (Credit allowed after passive activity limit)	15	Part III, Line 1g, Column g
231GH	F7210 (Gross Elective Payment Election)	15	Part III, Line 1g, Column h
231GJ	F7210 (Net elective payment)	15	Part III, Line 1g, Column j
231LB	F8864 (Registration number) Valid 202507 and later	12	Part III, Line 1l, Column b
231LF	F8864 (Credit transfer Election Amount) Valid 202507 and later	15	Part III, Line 1l, Column f
231LG	F8864 (Credit allowed after passive activity limit) Valid 202507 and later	15	Part III, Line 1l, Column g

**IRM 3.12.251.40.10(3) - Added correction procedures for 3 new fields in Section 23. 231LB, 231LF and 231LG were added per UWR 1011614.**

**(3) Correction Procedures:**

- a. Correct coding and transcription errors, and misplaced entries.
- b. Fields 231LB, 231LF and 231LG are valid 202507 and later.

<b>If</b>	<b>And</b>	<b>Then</b>
Fields 231LB, 231LF and/or 231LG have an entry,	The Tax Period is before 202507,	Delete the entry.

**IRM 3.12.251.40.15.23(5)b - Form 1120-F, Error Code 186, added correction procedures when Fields 06TTX and 06CTR are the same.**

**(5) Correction Procedures:**

- a. Correct coding and transcription errors and misplaced entries.
- b. The taxpayer is instructed to enter their write-in credit for Chapter 1 Recapture from Form 4255, Recapture of Investment Credit, on the dotted portion of Line 22.

<b>If</b>	<b>And</b>	<b>Then</b>
An amount is present on the dotted portion of Line 22,	Form 4255 is attached,	Accept the taxpayer's entry. Ensure that the amount is entered in Field 06CTR.
An amount is present on the dotted portion of Line 22 that is # [REDACTED] # ,	Form 4255 is not attached,	Correspond.
06TTX and 06CTR are the same,	"Recapture" is notated on the dotted portion on line 22 and the taxpayer is not using the amount in their computation for total tax,	Delete the amount in Field 06CTR.

- c. If the taxpayer's figure for Taxable Income or Total Gross Tax is negative, delete Field 06TTX.
- d. GTSEC 03 and compare Field 03TSI to the Timeshare Association box on Line A of the return.

<b>If</b>	<b>Then</b>
If Timeshare Association box on Line A is checked,	Enter "1" in Field 03TSI if the code is not present.
If Timeshare Association box on Line A is <b>not</b> checked,	Delete Field 03TSI if present.

- e. If Form 3800 is attached and a credit is being claimed on Line 4h for Small Business Health Care Tax Credit it may be necessary to enter the credit amount in Field 06TSC. Additionally, if the Error Code regenerates or if other Error Codes generate due to the presence of this credit, it may also be necessary to enter the correct

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amount of manually corrected tax into Field 06MCT. If the correct amount of manually corrected tax is zero, then enter 1 (cent) into Field 06MCT.

- f. If Field 03TSI is correct, and the taxpayer's computation is incorrect, enter the correct TPNC 05 in Field NC.
- g. Valid TPNCs for Error Code 186 are any previously assigned codes and the following:

TPNC	Explanation
04	We found an error in the computation of your taxable income.
05	We found an error in the computation of your total income tax.
16	We found an error in the computation of your gains and losses on Form 4797.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
90	Fill-in narrative. Used when a return has an error and none of the TPNCs above apply or when more than three TPNCs are necessary.

**Exhibit 3.12.251-21 - Updated the 1120-F to match the current form revision, including 2 new fields (0704B and 07FRM).**

**DRAFT** Program Code-11550 MFT-02 01TXP

**1120-F** U.S. Income Tax Return of a Foreign Corporation OMB No. 1545-0123  
 For calendar year 2025, or tax year beginning 01TXB, 2025, and ending \_\_\_\_\_, 20\_\_\_\_  
 Go to [www.irs.gov/Form1120F](http://www.irs.gov/Form1120F) for instructions and the latest information. **2025**

Name: **01NC** Employer identification number: **01EIN**  
 Number and street: If a P.O. box, see instructions. Room or suite number: \_\_\_\_\_  
 City or town: **02CON** State or province: **02FAD** Country: **02ADD** ZIP or foreign postal code: **02ZIP**  
 City or town: **02CTY** State or province: **02ST** Country: \_\_\_\_\_ ZIP or foreign postal code: \_\_\_\_\_

**03COA** Country of incorporation: \_\_\_\_\_  
**B** Foreign country under whose laws the income reported on this return is also subject to tax: \_\_\_\_\_  
**C** Date incorporated: \_\_\_\_\_  
**D** (1) Location of corporation's primary books and records (city, province or state, and country): \_\_\_\_\_  
**03AOC** (2) Principal location of worldwide business: \_\_\_\_\_  
**03USO** (3) If the corporation maintains an office or place of business in the United States, check here:

**E** If the corporation had an agent in the United States at any time during the tax year, enter:  
 (1) Type of agent: \_\_\_\_\_ **01CCC**  
 (2) Name: \_\_\_\_\_  
 (3) Address: \_\_\_\_\_

**F** See the instructions and enter the corporation's principal:  
 (1) Business activity code number: **01NAI**  
 (2) Business activity: \_\_\_\_\_  
 (3) Product or service: \_\_\_\_\_

**G** Check method of accounting: (1)  Cash (2)  Accrual (3)  Other (specify) \_\_\_\_\_

1	Tax from Section I, line 11, page 4	1	<b>04TXI</b>		<b>01RPC</b>
2	Tax from Section II, Schedule J, line 9, page 6	2	<b>04TII</b>		
3	Tax from Section III (add lines 6 and 10 on page 7)	3	<b>04III</b>		
4a	Total tax. Add lines 1 through 3	4a		<b>07TTX</b>	<b>07MCT</b>
4b	First installment of section 1062 applicable net tax liability. Enter amount from Form 1062, line 15	4b		<b>0704B</b>	
5a	Preceding year's overpayment credited to the current year	5a	<b>07PYO</b>		
5b	Current year's estimated tax payments	5b	<b>07EPA</b>		
5c	Current year's refund applied for on Form 4466	5c	<b>07CYR</b>		
5d	Reserved for future use	5d			
5e	Tax deposited with Form 7004	5e	<b>07EXT</b>		
5f	Credit for tax paid on undistributed capital gains (attach Form 2439)	5f	<b>07RIC</b>		
5g	Credit for federal tax paid on fuels (attach Form 4136). See instructions	5g			
5h	Reserved for future use	5h			
5i	U.S. income tax paid or withheld at source (add amount from Section I, line 12 (on page 4) and amounts from Forms 8288-A and 8805 (attach Forms 8288-A and 8805))	5i	<b>07USI</b>		
5j	Elective payment election amount from Form 3900	5j	<b>07EPE</b>		
5k	Section 1062 applicable net tax liability. Enter amount from Form 1062, line 14	5k	<b>07FRM</b>		
5z	Total payments. Combine lines 5a through 5k	5z			
6	Estimated tax penalty (see instructions). Check if Form 2220 is attached	6		<b>07ESP</b>	
7	Amount owed. If line 5z is smaller than the total of lines 4a, 4b, and 6, enter amount owed	7		<b>07B/R+</b>	
8a	Overpayment. If line 5z is larger than the total of lines 4a, 4b, and 6, enter amount overpaid	8a		<b>07B/R-</b>	
8b	Amount of overpayment on line 8a resulting from tax deducted and withheld under Chapters 3 and 4 (from Schedule W, line 7, page 9)	8b		<b>07CTW</b>	
9	Enter portion of line 8a you want: a Credited to 2026 estimated tax <b>07CRE</b> b Refunded	9b			
c	Routing number <b>60RTN</b> d Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings				
e	Account number <b>60DAN</b>				

**Sign Here** Under penalty 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. **01CBI**

Signature of officer: \_\_\_\_\_ Date: \_\_\_\_\_ Title: \_\_\_\_\_  
 Preparer's name: \_\_\_\_\_ Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_ Check  if self-employed **01PSN**  
 Firm's name: \_\_\_\_\_ Firm's EIN: **01PEN**  
 Firm's address: \_\_\_\_\_ Phone no.: **01PTN**

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 114/01 Form 1120-F (2025)

03TPC

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Additional Information (continued from page 1)

	Yes	No
<b>H</b> Did the corporation's method of accounting change from the preceding tax year? . . . . . If "Yes," attach a statement with an explanation.		
<b>I</b> Did the corporation's method of determining income change from the preceding tax year? . . . . . If "Yes," attach a statement with an explanation.		
<b>J</b> Did the corporation file a U.S. income tax return for the preceding tax year? . . . . .		
<b>K</b> (1) At any time during the tax year, was the corporation engaged in a trade or business in the United States? . . . . .		
(2) If the answer to question K(1) is "Yes," is the corporation's trade or business within the United States solely the result of a section 897 (FIRPTA) sale or disposition? . . . . .		
(3) If the answer to question K(1) is "No," was the corporation engaged in the trading of securities or commodities described in section 864(b)(2)(A)(i) or section 864(b)(2)(B)(i)? . . . . .		
If the answer to question K(3) is "Yes," enter the name of the resident broker, commission agent, custodian, or other independent agent who effects transactions in stocks and securities in the United States on the corporation's behalf:		
(4) If the answer to question K(1) is "No," was the corporation engaged in the trading of securities or commodities described in section 864(b)(2)(A)(ii) or section 864(b)(2)(B)(ii)? . . . . .		
If the answer to question K(4) is "Yes," enter the name of any resident broker, commission agent, custodian, or other agent who effects transactions in stocks and securities in the United States on the corporation's behalf:		
If the answer to question K(4) is "Yes," enter the name of any partnership that effects transactions in the United States in securities or commodities (either directly or through an employee, broker, commission agent, custodian, or other agent) in which the corporation is a partner:		
<b>L</b> Did the corporation have a permanent establishment in the United States for purposes of any applicable tax treaty between the United States and a foreign country? . . . . . If "Yes," enter the name of the foreign country:		
<b>M</b> Did the corporation have any transactions with related parties? . . . . . If "Yes," Form 5472 may have to be filed (see instructions). Enter number of Forms 5472 attached		03LMN
<b>N</b> Is the corporation a controlled foreign corporation? (See section 957(a) for definition.) . . . . .		
<b>O</b> Is the corporation a personal service corporation? (See instructions for definition.) . . . . .		
<b>P</b> Enter tax-exempt interest received or accrued during the tax year (see instructions) \$ _____		
<b>Q</b> At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a U.S. corporation? (See section 267(c) for rules of attribution.) . . . . . If "Yes," attach a statement showing (1) name and EIN of such U.S. corporation; (2) percentage owned; and (3) taxable income or (loss) before NOL and special deductions of such U.S. corporation for the tax year ending with or within your tax year.		
<b>R</b> If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here (see instructions) . . . . . <input type="checkbox"/>		
<b>S</b> Enter the available NOL carryover from prior tax years. (Do not reduce it by any deduction on Section II, line 30a, page 5.) \$ _____		
<b>T</b> Is the corporation a subsidiary in a parent-subsidiary controlled group? . . . . . If "Yes," enter the parent corporation's: (1) EIN <u>03PIN</u> (2) Name <u>03PNC</u>		03SFC
<b>U</b> (1) Is the corporation a dealer under section 475? . . . . . (2) Did the corporation mark to market any securities or commodities other than in a dealer capacity? . . . . .		
<b>V</b> At the end of the tax year, did any individual, partnership, corporation, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (See section 267(c) for rules of attribution.) . . . . . If "Yes," attach a statement showing the name and identifying number. (Do not include any information already entered in item T.) Enter percentage owned _____		
<b>W</b> (1) Is the corporation taking a position on this return that a U.S. tax treaty overrules or modifies an Internal Revenue law of the United States, thereby causing a reduction of tax? . . . . . If "Yes," the corporation is generally required to complete and attach Form 8833. See Form 8833 for exceptions. <b>Note:</b> Failure to disclose a treaty-based return position may result in a \$10,000 penalty (see section 6712). (2) Is the corporation claiming treaty benefits pursuant to, or otherwise filing its return pursuant to, a Competent Authority determination or an Advance Pricing Agreement? . . . . . If "Yes," attach a copy of the Competent Authority determination letter or Advance Pricing Agreement to your return.		

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Additional Information (continued from page 2)

	Yes	No
<b>X</b> During the tax year, did the corporation own any entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? . . . . .		
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each such entity.		
<b>Y</b> (1) Did a partnership allocate to the corporation a distributive share of income from a directly owned partnership interest, any of which is ECI or treated as ECI by the partnership or the partner? . . . . .		
If "Yes," attach Schedule P. See instructions.		
(2) During the tax year, did the corporation dispose of an interest in a partnership that directly or indirectly engaged in a trade or business in the United States? . . . . .		
If "Yes," attach Schedule P (Form 1120-F). See instructions.		
(3) During the tax year, did the corporation own, directly or indirectly, at least a 10% interest, in any foreign partnership? . . . . .		
<b>Z</b> (1) Has the corporation engaged in any transactions the results of which are subject to the arm's-length standard under section 482 and its regulations? . . . . .		
(2) Has the corporation recognized any interbranch amounts? . . . . .		
If "Yes," attach statement (see instructions).		
<b>AA</b> Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement (see instructions)? . . . . .		
If "Yes," complete and attach Schedule UTP.		
<b>BB</b> During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code? . . . . .		
<b>CC</b> Is the corporation (including the home office or any branch) a qualified derivatives dealer (QDD)? . . . . .		
(1) If "Yes," attach Schedule Q (Form 1120-F) (see instructions).		
(2) If "Yes," enter the QI-EIN <b>03EIN</b> . . . . .		
<b>DD</b> Does the corporation have gross receipts of at least \$500 million in any of the 3 preceding tax years (see sections 59A(e)(2) and (3))? . . . . .		
If "Yes," complete and attach Form 8991.		
<b>EE</b> During the tax year, did the corporation pay or accrue any interest or royalty for which a deduction is not allowed under section 267A (see instructions)? . . . . .		
If "Yes," enter the total amount of the disallowed deductions . . . . . \$ . . . . .		
<b>FF</b> Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year (see instructions)? . . . . .		
<b>GG</b> Does the corporation satisfy <b>one or more</b> of the following (see instructions)? . . . . .		
(1) The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.		
(2) The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$31 million and the corporation has business interest expense.		
(3) The corporation is a tax shelter and the corporation has business interest expense.		
If "Yes," to any, complete and attach Form 8990.		
<b>HH</b> Does the corporation intend to self-certify as a Qualified Opportunity Fund? . . . . .		
If "Yes," complete and attach Form 8996. Enter the amount (if any) from Form 8996, line 15 \$ <b>03QOF</b> . . . . .		
<b>II</b> Is the corporation a member of a controlled group? . . . . .		
If "Yes," attach Schedule O (Form 1120). See instructions.		
<b>JJ</b> Corporate Alternative Minimum Tax:		
(1) Was the corporation an applicable corporation under section 59(k)(1) in any prior tax year? . . . . .		
If "Yes," go to question JJ(2).		
If "No," skip to question JJ(3).		
(2) Is the corporation an applicable corporation under section 59(k)(1) in the current tax year because the corporation was an applicable corporation in the prior tax year? . . . . .		
If "Yes," complete and attach Form 4626.		
If "No," continue to question JJ(3).		
(3) Does the corporation meet the requirements of the safe harbor method as provided under section 59(k)(3)(A) for the current tax year (see instructions)? . . . . .		
If "Yes," the corporation is not required to file Form 4626.		
If "No," complete and attach Form 4626.		
<b>KK</b> Reserved for future use . . . . .		

SECTION I—Income From U.S. Sources Not Effectively Connected With the Conduct of a Trade or Business in the United States—Do not report items properly withheld and reported on Form 1042-S. See instructions.

Report all gross transportation income subject to 4% tax on line 9. Report other column (a) income items only if not properly withheld and reported on Form 1042-S. The rate of tax on these gross income items is 30% or such lower rate specified by tax treaty. No deductions are allowed against these types of income. Enter treaty rates where applicable. If the corporation is claiming a lower treaty rate, also complete item W on page 2. If multiple treaty rates apply to a type of income (for example, subsidiary and portfolio dividends or dividends received by disregarded entities), attach a statement showing the amounts, tax rates, and withholding for each. For any amounts reported in this Section I, you must attach Form(s) 1042-S to substantiate any withholding claimed on line 5i, page 1, related to these amounts.

Name of treaty country, if any

Table with 5 columns: (a) Class of income, (b) Gross amount, (c) Rate of tax (%), (d) Amount of tax liability, (e) Amount of U.S. income tax paid or withheld at the source. Rows include Interest, Dividends, Dividend equivalents, Rents, Royalties, Annuities, Gains from disposal of timber, coal, or domestic iron ore, Gains from sale or exchange of patents, copyrights, etc., Fiduciary distributions, Gross transportation income (marked with #4), and Other items of income. Total lines 11 and 12 are shaded.

13 Is the corporation fiscally transparent under the laws of the foreign jurisdiction with respect to any item of income listed above? [ ] Yes [ ] No
If "Yes," attach a statement that provides the information requested above with respect to each such item of income.

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SECTION II—Income Effectively Connected With the Conduct of a Trade or Business in the United States (see instructions)

Important: Fill in all applicable lines and schedules. If you need more space, see Assembling the Return in the instructions.

Table with columns for line numbers, descriptions, and codes. Rows include Income (1a-11) and Deductions (12-31). Codes include 04GRL, 07INT, 07RNT, 07INC, 07SAW, 07DED, and 07TIB.

**Schedule C Dividends and Special Deductions** (see instructions)

	(a) Dividends	(b) %	(c) Special deductions: (a) × (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	50	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations (section 246A)	see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities	23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities	26.7	
6	Dividends from less-than-20%-owned foreign corporations	50	
7	Dividends from 20%-or-more-owned foreign corporations	65	
8	<b>Subtotal.</b> Add lines 1 through 7. See instructions for limitation	see instructions	
9	Dividends from foreign corporations not included on line 3, 6, or 7		
10	IC-DISC and former DISC dividends not included on line 1, 2, or 3 (section 246(d))		
11	Other dividends		
12	Deduction for dividends paid on certain preferred stock of public utilities		
13	<b>Total dividends.</b> Add column (a), lines 8 through 11. Enter here and on line 4, page 5		
14	<b>Total special deductions.</b> Add column (c), lines 8 and 12. Enter here and on line 30b, page 5		

**Schedule J Tax Computation** (see instructions)

1	Income tax		1	
2a	Base erosion minimum tax amount (attach Form 8991)		2a	<b>07BET</b>
b	Amount from Form 4255, Part I, line 3, column (q)		2b	<b>07CTR</b>
c	Other chapter 1 tax		2c	<b>07OCT</b>
3	Corporate alternative minimum tax from Form 4626, Part II, line 13 (attach Form 4626)		3	<b>07CAM</b>
4	Add lines 1, 2a, 2b, 2c, and 3		4	
5a	Foreign tax credit (attach Form 1118)	5a		
b	General business credit (see instructions—attach Form 3800)	5b		
c	Credit for prior year minimum tax (attach Form 8827)	5c	<b>07PYM</b>	
d	Bond credits from Form 8912	5d		
6	<b>Total credits.</b> Add lines 5a through 5d		6	
7	Subtract line 6 from line 4		7	
8	Other taxes:			
a	Amount from Form 4255, Part I, line 3, column (r)	8a		
b	Recapture of low-income housing credit (attach Form 8611)	8b		
c	Completed long-term contract look-back interest due (attach Form 8697)	8c		
d	Interest due under the look-back method—income forecast method (attach Form 8866)	8d		
e	Alternative tax on qualifying shipping activities (attach Form 8902)	8e		
f	Other (attach statement)	8f		
z	<b>Total other taxes</b> (add lines 8a through 8f)		8z	
9	<b>Total tax.</b> Add lines 7 and 8z. Enter here and on line 2, page 1		9	

SECTION III—Branch Profits Tax and Tax on Excess Interest

Part I—Branch Profits Tax (see instructions)

Table with 2 columns: Description and Line Number. Rows 1-6 covering Branch Profits Tax calculations.

Part II—Tax on Excess Interest (see instructions for this Part and for Schedule I (Form 1120-F))

Table with 2 columns: Description and Line Number. Rows 7a-10 covering Tax on Excess Interest calculations.

Part III—Additional Information

Table with 3 columns: Description, Yes, No. Rows 11-11c covering additional information questions.

Note: Check if completing on  U.S. basis or  Worldwide basis

**Schedule L Balance Sheets per Books**

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts	( )		( )	
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6a Interbranch current assets*				
b Other current non-U.S. assets*				
c Other current U.S. assets*				
7 Loans to shareholders				
8 Mortgage and real estate loans				
9a Other loans and investments—non-U.S. assets*				
b Other loans and investments—U.S. assets*				
10a Buildings and other depreciable assets				
b Less accumulated depreciation	( )		( )	
11a Depletable assets				
b Less accumulated depletion	( )		( )	
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization	( )		( )	
14 Assets held in trust				
15 Other non-current interbranch assets*				
16a Other non-current non-U.S. assets*				
b Other non-current U.S. assets*				
17 Total assets				<b>04TAE</b>
<b>Liabilities</b>				
18 Accounts payable				
19 Mortgages, notes, bonds payable in less than 1 year:				
a Interbranch liabilities*				
b Third-party liabilities*				
20 Other current liabilities*				
21 Loans from shareholders				
22 Mortgages, notes, bonds payable in 1 year or more:				
a Interbranch liabilities*				
b Third-party liabilities*				
23 Liabilities held in trust				
24a Other interbranch liabilities*				
b Other third-party liabilities*				
<b>Equity</b>				
25 Capital stock: a Preferred stock				
b Common stock				
26 Additional paid-in capital				
27 Retained earnings—Appropriated*				
28 Retained earnings—Unappropriated				
29 Adjustments to shareholders' equity*				
30 Less cost of treasury stock		( )		( )
31 Total liabilities and shareholders' equity				

\* Attach statement—see instructions.

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**Schedule W Overpayment Resulting From Tax Deducted and Withheld Under Chapters 3 and 4**

<b>1</b>	<b>Total Chapter 3 and 4 payments.</b> Enter the amount from page 1, line 5i . . . . .	<b>1</b>	<b>07SW1</b>
<b>2</b>	Enter the tax amount from page 1, line 1 . . . . .	<b>2</b>	
<b>3</b>	Enter the portion of the tax amount shown on page 1, line 2, pertaining to income associated with amounts deducted and withheld under sections 1445 and 1446 (see instructions for general guidelines) . . . . .	<b>3</b>	<b>07SW3</b>
<b>4</b>	<b>Total Chapter 3 and 4 tax.</b> Combine lines 2 and 3 . . . . .	<b>4</b>	
<b>5</b>	<b>Tentative overpayment resulting from tax deducted and withheld under Chapters 3 and 4.</b> Subtract line 4 from line 1 . . . . .	<b>5</b>	
<b>6</b>	Enter the amount from page 1, line 8a . . . . .	<b>6</b>	
<b>7</b>	<b>Overpayment resulting from tax deducted and withheld under Chapters 3 and 4.</b> Enter the smaller of line 5 or line 6. Enter the result here and on page 1, line 8b . . . . .	<b>7</b>	

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