



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

3.11.16

NOVEMBER 28, 2023

EFFECTIVE DATE

(01-01-2024)

PURPOSE

- (1) This transmits revised IRM 3.11.16, Returns and Documents Analysis - Corporate Income Tax Returns.

MATERIAL CHANGES

- (1) IRM 3.11.16.2.11(1) - Business Master File (BMF) Identity (ID) Theft - Changed "Identification" to "Identity" in the title and removed "identification" from paragraph (1) per Information Processing Services Organization (IPSO) feedback.
- (2) IRM 3.11.16.2.13 - Deemed Payment Election and Credit Transfers - Added section per Inflation Reduction Act of 2022 (IRA) and CHIPS and Science Act of 2022 (IPU 23U0523 issued 04-20-2023).
- (3) IRM 3.11.16.3.1(5) - Action Codes - Deleted Temporary Guidance due to pandemic.
- (4) IRM 3.11.16.3.4.2(3) - Issuing Correspondence - Added forms to exception list.
- (5) IRM 3.11.16.3.7- Statute Returns - Updated Statute exception process for BMF per MOU signed by Submission Processing and Accounts Management (IPU 22U1128 issued 11-29-2022) (IPU 23U0112 issued 01-17-2023).
- (6) IRM 3.11.16.7.4(2) - Short Period - Editing Proof of Entitlement - Added revision clarifications per form changes.
- (7) IRM 3.11.16.7.9(1)a - Short Period Returns - With Prepaid Credits - Changed line numbers per form revision changes.
- (8) IRM 3.11.16.9.1.5(1)(2) - CCC "E" - Potential Identity Theft Filing - Added tolerance per Return Information Control System (RIC)s.
- (9) IRM 3.11.16.9.1.15(1) - Changed line numbers per form revision changes.
- (10) IRM 3.11.16.9.1.34(1) - CCC "9" - Low-Income Housing Credit - Added revision clarifications per form changes. Deleted reference to Form 8693, Low Income Housing Credit Disposition Bond - Deleted per Chief Council (CC) (Congress repealed the surety bond requirement in IRC 42(j)(6) as of July 30, 2008).
- (11) IRM 3.11.16.9.2(4) - Return Processing Code (RPC) - Added RPC "J", "K", "L" and "M" for Elective or Deemed Payment Election and Credit Transfers per IRA 2022 (IPU 23U0523 issued 04-20-2023).
- (12) IRM 3.11.16.9.2(4) - Return Processing Code (RPC) - Added RPC "N" per IRA 2022.
- (13) IRM 3.11.16.9.3.1(2) - Schedule M-3 Checkbox - Added Audit Code "2" to instructions per feedback from OSPC (IPU 23U0082 issued 01-12-2023).
- (14) IRM 3.11.16.10.1(1)(5)(10) - Audit Codes - Added Audit Code "C" per Secure 2.0 legislation. Deleted criteria to edit Audit Code "3" on Form 8283.
- (15) IRM 3.11.16.11.1(1)(2)(3) - Sequence - Form 1120 - Added the following forms Form 4626 (2023 revision) to the sequence order and changed sequence order to follow section order.

- Form 4626, Alternative Minimum Tax
 - Form 8936, Schedule A, Clean Vehicle Credit Amount
- (16) IRM 3.11.16.11.5.14(1)(2)(4) - Line 25 - Energy Efficient Commercial Buildings Deduction - Added instruction for Form 7205, Energy Efficient Commercial Buildings Deduction.
- (17) IRM 3.11.16.11.12(1) - Schedule J, Line 2 - Base Erosion Tax or Alternative Minimum Tax (prior year) - Form revision changes.
- (18) IRM 3.11.16.11.13(1) - Schedule J, Line 3 - Corporate Alternative Minimum Tax (CAMT)(tax period 202301 and later) - Added new instructions for Corporate AMT per PL 117-169, Inflation Reduction Act.
- (19) IRM 3.11.16.11.15(4) - Schedule J, Line 5c - General Business Credit - Added new forms developed per PL 117-169, Inflation Reduction Act (IPU 23U0082 issued 01-12-2023):
- Form 7207, Advanced Manufacturing Production Credit
 - Form 8936-A, Qualified Commercial Clean Vehicle Credit
- (20) IRM 3.11.16.11.15(1) through (9) - Schedule J, Line 5c - General Business Credit - Added new instructions per Form 3800 revision.
- (21) Deleted subsection 3.11.16.15.1 - duplicate information, added “see also” for CCC “9.”
- (22) IRM 3.11.16.11.15.1(5) - Form 8844, Empowerment Zone Employment Credit - updated instructions per PL 117-169, Inflation Reduction Act.
- (23) IRM 3.11.16.11.15.2(2) - Form 8941, Credit for Small Employer Health Insurance Premiums - updated instructions per PL 117-169, Inflation Reduction Act.
- (24) Deleted subsection 3.11.16.15.3 - duplicate information added “see also” for RPC “4.”
- (25) IRM 3.11.16.11.18.2(2) - Schedule J, Line 9b - Recapture of Low-Income Housing Credit (Form 8611) - Deleted per Chief Council (CC) (Congress repealed the surety bond requirement in IRC 42(j)(6) as of July 30, 2008).
- (26) IRM 3.11.16.11.18.7 - Schedule J, Line 9g - Other - Added instructions to scan Form 1120 and email to LB&I per PL 117-169, Inflation Reduction Act, Section 10101 (IPU 23U0082 issued 01-12-2023).
- (27) IRM 3.11.16.11.18.7 - Schedule J, Line 9g - Other - Added instructions for returns with tax periods after 202212 per PL 117-169, Inflation Reduction Act.
- (28) IRM 3.11.16.11.21.9 - Schedule J, Part III, Line 20d - Other - Added instructions for Elective or Deemed Payment Election per IRA 2022 (IPU 23U0523 issued 04-20-2023).
- (29) Changed Part III to Part II in the following subsections:
- IRM 3.11.16.11.21 - Schedule J, Part II, (Part III for 2022-2018) Lines 13 - 23
 - IRM 3.11.16.11.21.1- Schedule J, Part II, (Part III for 2022-2018) Line 14 - Estimated Tax Payments
 - IRM 3.11.16.11.21.2 - Schedule J, Part II, (Part III for 2022-2018) Line 16 - Payments
 - IRM 3.11.16.11.21.3 - Schedule J, Part II, (Part III for 2022-2018) Line 17 - Tax Deposited with Form 7004
 - IRM 3.11.16.11.21.4 - Schedule J, Part II, (Part III for 2022-2018) Line 18 - Withholding
 - IRM 3.11.16.11.21.5 - Schedule J, Part II, (Part III for 2022-2018) Line 19 - Total Payments
 - IRM 3.11.16.11.21.6 - Schedule J, Part II, (Part III for 2022-2018) Line 20a - Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains

- IRM 3.11.16.11.21.7 - Schedule J, Part II, (Part III for 2022-2018) Line 20b - Fuel Tax Credit, Form 4136
 - IRM 3.11.16.11.21.8 - Schedule J, Part II, (Part III for 2022-2018) Line 20c - Reserved for Future Use
 - IRM 3.11.16.11.21.9 - Schedule J, Part II, (Part III for 2022-2018) Line 20d - Other
 - IRM 3.11.16.11.21.12 - Schedule J, Part II, (Part III for 2022-2018) Line 23 - Total Payments and Credits
- (30) IRM 3.11.16.11.21.10 - Schedule J, Part II, Line 22 - Elective or Deemed Payment - Added instructions for Elective or Deemed Payment Election per IRA 2022.
- (31) IRM 3.11.16.11.23(4) - Schedule K, Line 2a - NAICS Code - Clarified NAICS Code instructions per NAICS code review.
- (32) IRM 3.11.16.11.32(1)(2) - Schedule K, Question 27 (Digital Assets) - New Question to address digital assets.
- (33) IRM 3.11.16.11.33 - Schedule K, Lines 29a, 29b and 29c (Corporate AMT) - New questions for new corporate AMT per PL 117-169, Inflation Reduction Act, Section 10101.
- (34) IRM 3.11.16.11.34 - Schedule K, Lines 30a, 30b and 30c (Stock Buy Back) - New questions for new stock buy-back per PL 117-169, Inflation Reduction Act, Section 10201.
- (35) IRM 3.11.16.11.35 - Schedule K, Line 31 (Parent of Consolidated Group) - New questions for new corporate AMT per PL 117-169, Inflation Reduction Act, Section 10201.
- (36) IRM 3.11.16.11.36.2(4)(5)a - Editing a Balance Sheet with Significant Entries - Added balance sheet entries per CHIPS and Science Act of 2022.
- (37) IRM 3.11.16.11.37.10(2)b(4) - Schedule N, Line 8 - Form 8938, Statement of Specified Foreign Financial Assets - Corrected instructions per Ogden Submission Processing Center (OSPC) Course Development feedback.
- (38) IRM 3.11.16.13(1)(2)(3) - Form 4626 - Corporate Alternative Minimum Tax (CAMT) (Tax Period 202301 and later) - New Form 4626 instructions per PL 117-169, Inflation Reduction Act, Section 10101.
- (39) IRM 3.11.16.13.1(1)(2)(3) - Form 4626 - Alternative Minimum Tax (Tax Period 201811 and prior) - Moved old section to accommodate new section.
- (40) IRM 3.11.16.19(1) - Form 4136 - Credit for Federal Tax Paid on Fuels - Changed line numbers per parent form changes.
- (41) IRM 3.11.16.24(3)(4) - Form 3800 - General Business Credit - Updated instructions per PL 117-169, Inflation Reduction Act.
- (42) IRM 3.11.16.27 - Form 8936, Schedule A, Clean Vehicle Credit Amount- Added subsection per PL 117-169, Inflation Reduction Act.
- (43) IRM 3.11.16.32.2(1)(2)(3) - Sequence - Form 1120-C - Added Form 4626 2023 revision and Form 8936 , Schedule A , Clean Vehicle Credit Amount to the sequence order.
- (44) IRM 3.11.16.32.8(3) - Return Processing Code (RPC) - Added RPC “J”, “K”, “L” and “M” for Elective or Deemed Payment Election and Credit Transfers per IRA 2022 (IPU 23U0523 issued 04-20-2023).
- (45) IRM 3.11.16.32.8(3) - Return Processing Code (RPC) - Added RPC “N” per IRA 2022.
- (46) IRM 3.11.16.32.13.2(2) - Audit Codes - Added Audit Code “C” per Secure 2.0 legislation.

- (47) IRM 3.11.16.32.16(7)(8)(11)(14) - Tax and Payments - Lines 27 through 34 - Added instructions for Elective or Deemed Payment Election per IRA (IPU 23U0523 issued 04-20-2023).
- (48) IRM 3.11.16.32.16(11) - Tax and Payments - Lines 27 through 34 - Added instructions for Elective or Deemed Payment Election per IRA for PY2024.
- (49) IRM 3.11.16.32.21(7) - Schedule J, Lines 2 through 8 - Added instructions for Form 1120-C per PL 117-169, Inflation Reduction Act, Section 10101 (IPU 23U0082 issued 01-12-2023).
- (50) IRM 3.11.16.32.21(1)(2)(3)(4)(9)(10)(11)(12) - Schedule J, Lines 2 through 8 - Line number changes due to form revision.
- (51) IRM 3.11.16.32.22(4) - Schedule K, Line 2 - NAICS Code - Clarified NAICS Code instructions per NAICS code review.
- (52) IRM 3.11.16.32.25(1)(2) - Schedule K, Lines 20a, 20b and 20c (Corporate AMT) - New questions for new corporate AMT per PL 117-169, Inflation Reduction Act, Section 10101.
- (53) IRM 3.11.16.32.29(1)(2)(3) - Form 4626 - Corporate Alternative Minimum Tax (Tax Periods 202301 and later) - New Form 4626 instructions per PL 117-169, Inflation Reduction Act, Section 10101.
- (54) IRM 3.11.16.32.29.1(1)(2)(3) - Form 4626 - Alternative Minimum Tax (Tax Period 201811 and prior) - Moved old section to accommodate new section.
- (55) IRM 3.11.16.32.34(3)(4) - Form 3800 - General Business Credit - Updated instructions per PL 117-169, Inflation Reduction Act.
- (56) IRM 3.11.16.32.35 - Form 8936, Schedule A, Clean Vehicle Credit Amount - Added subsection per PL 117-169, Inflation Reduction Act.
- (57) IRM 3.11.16.33(5) - Return Processing - Form 1120-F (OSPC Only) - Added information for processing Form 1042-S per LB&I (IPU 23U0240 issued 02-06-2023).
- (58) IRM 3.11.16.33.2(1)(2)(3) - Sequence - Form 1120-F - Added Form 4626 (2023 revision) to the sequence order.
- (59) IRM 3.11.16.33.8(1) - Page 1, Line A - Country of Incorporation - Revised instructions per OSPC feedback.
- (60) IRM 3.11.16.33.11(3) - Return Processing Code (RPC) - Added RPC "J", "K", "L" and "M" for Elective or Deemed Payment Election and Credit Transfers per IRA 2022 (IPU 23U0523 issued 04-20-2023).
- (61) IRM 3.11.16.33.11(3) - Return Processing Code (RPC) - Added RPC "N" per IRA 2022.
- (62) IRM 3.11.16.33.13(4) - NAICS Code - Clarified NAICS Code instructions per NAICS code review.
- (63) IRM 3.11.16.33.14.1(1) - Form 8844 Indicator - Referred tax examiners to Form 1120 instructions for consistency.
- (64) IRM 3.11.16.33.14.2(5) - Audit Codes - Added Audit Code "C" per Secure 2.0 legislation.
- (65) IRM 3.11.16.33.15(11) - Lines 1 through 5h - Computation of Tax Due or Overpayment - Added instructions for Elective or Deemed Payment Election per IRA (IPU 23U0523 issued 04-20-2023).
- (66) IRM 3.11.16.33.17 - Line 5j - Elective Payment Election - Added new section for Line 5j.
- (67) IRM 3.11.16.33.18(2)c(5) - Change tolerance for Foreign Payment Practice (FPP) Review per LB&I (IPU 23U0217 issued 02-02-2023).

-
- (68) IRM 3.11.16.33.24 Page 3, Question HH (Question II for 2022 and prior) (Form 8996 - Qualified Opportunity Fund) - Form line revision changes.
 - (69) IRM 3.11.16.33.25(1)(2) - Page 3, Question JJ (Corporate AMT) - New questions for new corporate AMT per PL 117-169, Inflation Reduction Act, Section 10101.
 - (70) IRM 3.11.16.33.27(2) - Page 5, Schedule J - Tax Computation Tax Preference Code - Added instructions to scan Form 1120-F and e-mail to LB&I per PL 117-169, Inflation Reduction Act, Section 10101 (IPU 23U0082 issued 01-12-2023).
 - (71) IRM 3.11.16.32.29(1)(2)(3) - Form 4626 - Corporate Alternative Minimum Tax (Tax Period 202301 and later) - New Form 4626 instructions per PL 117-169, Inflation Reduction Act, Section 10101.
 - (72) IRM 3.11.16.33.37(3)(4) - Form 3800 - General Business Credit - Updated instructions per PL 117-169, Inflation Reduction Act.
 - (73) IRM 3.11.16.33.39(1)a)b) - Change tolerance for Foreign Payment Practice (FPP) Review per LB&I (IPU 23U0217 issued 02-02-2023).
 - (74) IRM 3.11.16.34.8(5) - NAICS Code - Page 2, Schedule A, Additional Information, Line 1(a) - Clarified NAICS Code instructions per NAICS code review.
 - (75) IRM 3.11.16.35.1(1)(2)(3) - Sequence - Form 1120-H - Added Form 3800 (2023 revision) to the sequence order.
 - (76) IRM 3.11.16.35.7(3) - Return Processing Code (RPC) - Added RPC "J", "K", "L" and "M" for Elective or Deemed Payment Election and Credit Transfers per IRA 2022 (IPU 23U0523 issued 04-20-2023).
 - (77) IRM 3.11.16.35.8.1(1)(2) - Audit Codes - Added Audit Code "C" per Secure 2.0 legislation.
 - (78) IRM 3.11.16.35.12(5) - Tax and Payments - Lines 21 through 26 - Added instructions for Elective or Deemed Payment Election per IRA.
 - (79) IRM 3.11.16.35.12(8) - Tax and Payments - Lines 21 through 26 - Added new line for Elective or Deemed Payment Election per IRA.
 - (80) IRM 3.11.16.35.12(3) through (11) - Tax and Payments - Lines 21 through 26 - Line changes per form revision.
 - (81) IRM 3.11.16.35.17(1)(2) - Form 3800 - General Business Credit - New subsection per PL 117-169, Inflation Reduction Act.
 - (82) IRM 3.11.16.36.1(1)(2)(3) - Sequence - Form 1120-L - Added Form 4626 2023 revision to the sequence order.
 - (83) IRM 3.11.16.36.7(3) - Return Processing Code (RPC) - Added RPC "J", "K", "L" and "M" for Elective or Deemed Payment Election and Credit Transfers per IRA 2022 (IPU 23U0523 issued 04-20-2023).
 - (84) IRM 3.11.16.36.7(3) - Return Processing Code (RPC) - Added RPC "N" per IRA 2022.
 - (85) IRM 3.11.16.36.11.1(1) - Form 8844 Indicator - Referred tax examiners to Form 1120 instructions for consistency.
 - (86) IRM 3.11.16.36.11.2(2) - Audit Codes - Added Audit Code "C" per Secure 2.0 legislation.
 - (87) IRM 3.11.16.36.14(8) - Tax and Payments - Added instructions for Elective or Deemed Payment Election per IRA 2022 (IPU 23U0523 issued 04-23-2023).

- (88) IRM 3.11.16.36.14(12)a) - Tax and Payments - Added instructions for Elective Payment Election per IRA 2022 (IPU 23U0523 issued 04-20-2023).
- (89) IRM 3.11.16.36.14(2) through (13) - Tax and Payments - Changed line numbers per new form revision.
- (90) IRM 3.11.16.36.14.1(1)(2)(3)(4) - Tax and Payment - Prior Year Line Instructions - Added new subsection for prior year instructions.
- (91) IRM 3.11.16.36.18 - Schedule K, Line 3 - Corporate Alternative Minimum Tax (CAMT) - Changed subsection for Alternative Minimum Tax to Corporate Alternative Minimum Tax (CAMT).
- (92) IRM 3.11.16.36.18.1 - Schedule K, Line 3 - Tax Preference Code - Added subsection for Tax Preference Code (prior year instructions).
- (93) IRM 3.11.16.36.19(4) - Schedule K, Lines 5a through 9 - Added Line 5d per PL 117-169, Inflation Reduction Act, Section 10101.
- (94) IRM 3.11.16.36.19(6)(7) - Schedule K, Lines 5a through 9 - Added instructions to scan Form 1120-L and e-mail to LB&I per PL 117-169, Inflation Reduction Act, Section 10101 (IPU 23U0082 issued 03-12-2023).
- (95) IRM 3.11.16.36.22(1)(2) - Schedule M, Question 19a, 19b, and 19c (Corporate AMT) - New questions for new corporate AMT per PL 117-169, Inflation Reduction Act, Section 10101.
- (96) IRM 3.11.16.36.23 - Form 4626 - Corporate Alternative Minimum Tax (Tax Period 202212 and later) - New Form 4626 instructions per PL 117-169, Inflation Reduction Act, Section 10101.
- (97) IRM 3.11.16.36.30(3)(4) - Form 3800 - General Business Credit - Updated instructions per PL 117-169, Inflation Reduction Act.
- (98) IRM 3.11.16.38.1(1)(2)(3) - Sequence - Form 1120-PC - Added Form 4626 2023 revision to the sequence order.
- (99) IRM 3.11.16.38.8(3) - Return Processing Code (RPC) - Added RPC "J", "K", "L" and "M" for Elective or Deemed Payment Election and Credit Transfers per IRA 2022. (IPU 23U0523 issued 04-20-2023).
- (100) IRM 3.11.16.38.8(3) - Return Processing Code (RPC) - Added RPC "N" per IRA 2022.
- (101) IRM 3.11.16.38.12.1(1) - Form 8844 Indicator - Referred tax examiners to Form 1120 instructions for consistency.
- (102) IRM 3.11.16.38.12.2(2) - Audit Codes - Added Audit Code "C" per Secure 2.0 legislation.
- (103) IRM 3.11.16.38.14(1)(2) - Line 6 - Corporate Alternative Minimum Tax (CAMT) - Added instructions for Corporate Alternative Minimum Tax (CAMT) per IRA 2022.
- (104) IRM 3.11.16.38.15(1)a,b - Line 6 - Tax Preference Code (201811 and prior) - Added subsection for Tax Preference Code (prior year instructions).
- (105) IRM 3.11.16.38.16(5)(7) - Lines 8a through 12 - Added instructions for Form 1120-PC per PL 117-169, Inflation Reduction Act, Section 10101 (IPU 23U0082 issued 03-12-2023).
- (106) IRM 3.11.16.38.16(4) - Lines 8a through 12 - Added instructions for Form 8827 per PL 117-169, Inflation Reduction Act, Section 10101.
- (107) IRM 3.11.16.38.17(9) - Lines 14 through 19 - Tax Computation and Payments - Added instructions for Elective or Deemed Payment Election per IRA (IPU 23U0523 issued 04-20-2023).

- (108) IRM 3.11.16.38.17(9) - Lines 14 through 19 - Tax Computation and Payments - Added instructions for Elective Payment Election per IRA.
- (109) IRM 3.11.16.38.17(1) through (19) - Lines 14 through 19 - Tax Computation and Payments - Changed line numbers per form revision.
- (110) IRM 3.11.16.38.17.1(1)(2)(3)(4) - Tax and Payment - Prior Year Line Instructions - Added new subsection for prior year instructions.
- (111) IRM 3.11.16.38.19(5) - Schedule A, Page 2 - Added Line 16 to Page 2, Schedule A as a transcription line per review of Form 1120-PC.
- (112) IRM 3.11.16.38.24(1)(2) - Schedule I, Lines 20a, 20b, and 20c - New questions for new corporate AMT per PL 117-169, Inflation Reduction Act, Section 10101.
- (113) IRM 3.11.16.38.27 - Form 4626 - Corporate Alternative Minimum Tax (Tax Period 202212 and later) - New Form 4626 instructions per PL 117-169, Inflation Reduction Act, Section 10101.
- (114) IRM 3.11.16.38.34(3)(4) - Form 3800 - General Business Credit - Updated instructions per PL 117-169, Inflation Reduction Act.
- (115) IRM 3.11.16.39.1(2)(3) - Sequence - Form 1120-REIT - Added instructions per OSPC Course Development.
- (116) IRM 3.11.16.39.8(3) - Return Processing Code (RPC) - Added RPC “J”, “K”, “L” and “M” for Elective or Deemed Payment Election and Credit Transfers per IRA 2022 (IPU 23U0523 issued 04-20-2023).
- (117) IRM 3.11.16.39.11.1 (1) - Form 8844 Indicator - Referred tax examiners to Form 1120 instructions for consistency.
- (118) IRM 3.11.16.39.11.2(2) - Audit Codes - Added Audit Code “C” per Secure 2.0 legislation.
- (119) IRM 3.11.16.39.14(10) through (15) - Page 1 - Deduction Items, Lines 9 through 21 - Added Line 18, Energy Efficient Commercial Buildings Deduction and changed line numbers accordingly.
- (120) IRM 3.11.16.39.15(6) - Tax Computation - Lines 23 through 28 - Added instructions for Elective or Deemed Payment Election per IRA.
- (121) IRM 3.11.16.39.15(1) through (11) - Tax Computation - Lines 23 through 28 - Changed line numbers per form revision.
- (122) IRM 3.11.16.39.15.1(1)(2)(3) - Tax and Payment - Prior Year Line Instructions - Added new subsection for prior year instructions.
- (123) IRM 3.11.16.39.18(5)(6) - Schedule J, Lines 2b through 2g - Taxes - Changed instructions per form revision.
- (124) IRM 3.11.16.39.23(1)(2) - Schedule J, Lines 6 and 7 - Interest on Deferred Tax Liability - Changed instructions per form revision.
- (125) IRM 3.11.16.39.24(1)(2) - Schedule J, Lines 8 and 9 - Interest on Deferred Tax Liability - Changed instructions per form revision.
- (126) IRM 3.11.16.39.41(3)(4) - Form 3800 - General Business Credit - Updated instructions per PL 117-169, Inflation Reduction Act.
- (127) IRM 3.11.16.40.1(2)(3) - Sequence - Form 1120-RIC - Added instructions per OSPC Course Development.

- (128) IRM 3.11.16.40.8(3) - Return Processing Code (RPC) - Added RPC "J", "K", "L" and "M" for Elective or Deemed Payment Election and Credit Transfers per IRA 2022 (IPU 23U0523 issued 04-20-2023).
- (129) IRM 3.11.16.40.11.1(1) - Form 8844 Indicator - Referred tax examiners to Form 1120 instructions for consistency.
- (130) IRM 3.11.16.40.11.2(2) - Audit Codes - Added Audit Code "C" per Secure 2.0 legislation.
- (131) IRM 3.11.16.40.14(7) - Page 1 - Deduction Items, Lines 9 through 25 - Changed line numbers per form revision.
- (132) IRM 3.11.16.40.16(6) - Page 2 - Tax and Payments, Lines 27 through 33 - Added instructions for Elective or Deemed Payment Election per IRA.
- (133) IRM 3.11.16.40.16(2) through (12) - Page 2 - Tax and Payments, Lines 27 through 33 - Changed line numbers per form revision.
- (134) IRM 3.11.16.40.16.1(1)(2)(3) - Tax and Payment - Prior Year Line Instructions - Added new subsection for prior year instructions.
- (135) IRM 3.11.16.40.18(3)(5) - Schedule J - Lines 2b through 2d - Changed instructions per form revision.
- (136) IRM 3.11.16.40.24(1)(2) - Schedule J. Lines 6 and 7 - Interest on Deferred Tax Liability - Changed line numbers per form revision.
- (137) IRM 3.11.16.40.25(1)a - Schedule J, Line 8 - Form 4255 - Changed instructions per form revision.
- (138) IRM 3.11.16.40.26(1)(2)(3) - Line 9 - Other Taxes - Changed instructions per form revision.
- (139) IRM 3.11.16.40.40(3)(4) - Form 3800 - General Business Credit - Updated instructions per PL 117-169, Inflation Reduction Act.
- (140) IRM 3.11.16.42.7(1)(2) - Form 4876-A Files - Rewrote section per feedback from Kansas City Submission Processing Center (KCSPC) feedback.
- (141) IRM 3.11.16.42.9(1)(2)(3) - Form 4876-A File Review - Added new section to distinguish the files from file review per feedback from KCSPC.
- (142) IRM 3.11.16.43.2(9)a - Eligibility Determination - Added instruction for certified mail receipts per KCSPC feedback (IPU 23U0082 issued 01-12-2023).
- (143) IRM 3.11.16.44(4)c - Form 8404, Interest Charge on DISC-Related Deferred Tax Liability - Added T-Bill Rate for 2022.
- (144) Exhibit 3.11.16-3 - Form 1120 - Prior Year Conversion Chart - Added conversion instructions per form changes.
- (145) Exhibit 3.11.16-4 - Form 1120-C - Prior Year Conversion Chart - Added conversion instructions per form changes.
- (146) Exhibit 3.11.16-5 - Form 1120-F - Prior Year Conversion Chart - Added conversion instructions per form changes.
- (147) Exhibit 3.11.16-7 - Form 1120-H - Prior Year Conversion Chart - Added conversion instructions per form changes.
- (148) Exhibit 3.11.16-8 - Form 1120-L - Prior Year Conversion Chart - Added conversion instructions per form changes.

- (149) Exhibit 3.11.16-9 - Form 1120-PC - Prior Year Conversion Chart - Added conversion instructions per form changes.
- (150) Exhibit 3.11.16-10- Form 1120-REIT- Prior Year Conversion Chart -Added conversion instructions per form changes.
- (151) Exhibit 3.11.16-11 - Form 1120-RIC - Prior Year Conversion Chart - Added conversion instructions per form changes.
- (152) Exhibit 3.11.16-17 - Routing Guide for Attachments:
- Other Tax Returns - Added Subsidiary to clarify instructions per OSPC Course Development.
 - Form 1139, Corporation Application for Tentative Refund - Added Note per OSPC feedback.
 - Form 4626, Alternative Minimum Tax (Revision 2023) - Revised form to capture Corporate Alternative Minimum Tax (AMT).
 - Form 5884-A- Deleted “see also ”instructions per PL 117-169, Inflation Reduction Act.
 - Form 7204, Consent To Extend the Time To Assess Tax Related To Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement - New form developed per PL 117-169, Inflation Reduction Act (IPU 23U0523 issued 04-20-2023).
 - Form 7205, Energy Efficient Commercial Buildings Deduction, - New form developed per PL 117-169, Inflation Reduction Act (IPU 23U0523 issued 04-20-2023).
 - Form 7207, Advanced Manufacturing Production Credit. - New form developed per PL 117-169, Inflation Reduction Act, Section 13502 (IPU 23U0082 issued 01-12-2023).
 - Form 7208, Excise Tax on Recapture of Corporate Stock - New form developed per PL 117-169, Inflation Reduction Act.
 - Form 8283, Non-Cash Charitable Contribution - Changed Audit Code instructions per Secure 2.0.
 - Form 8693, Low Income Housing Credit Disposition Bond - Deleted per Chief Council (CC) (Congress repealed the surety bond requirement in IRC 42(j)(6) as of July 30, 2008)
 - Form 8845- Deleted “see also” instructions per PL 117-169, Inflation Reduction Act.
 - Form 8907- Deleted “see also” instructions per PL 117-169, Inflation Reduction Act.
 - Form 8909- Deleted “see also” instructions per PL 117-169, Inflation Reduction Act.
 - Form 8923- Deleted “see also” instructions per PL 117-169, Inflation Reduction Act.
 - Form 8931- Deleted “see also” instructions per PL 117-169, Inflation Reduction Act.
 - Form 8936-A, Clean Vehicle Credit Amount - New form developed per PL 117-169, Inflation Reduction Act, Section 13502 (IPU 23U0082 issued 01-12-2023).
 - Form 8936, Schedule A, - Clean Vehicle Credit Amount - New form developed per PL 117-169, Inflation Reduction Act.
- (153) Editorial changes made throughout the IRM include:
- Corrected spelling and grammatical errors
 - Corrected references, citations and links
 - Corrected names of forms, IRMs and systems,
 - Updated figures and exhibits
 - Updated dates throughout
 - Deleted old line numbers throughout
 - Used simpler words
 - Deleted unnecessary words
 - Created tables
 - Created smaller sentences

EFFECT ON OTHER DOCUMENTS

IRM 3.11.16 dated November 15, 2022 (effective January 1, 2023) is superseded. The following IRM Procedural Updates (IPUs), issued from January 12, 2023 through April 20, 2023, are incorporated into this IRM: IPU 23U0082, IPU 23U0112, IPU 23U0217, IPU 23U0240 and IPU 230523.

AUDIENCE

This IRM is intended for use by Wage and Investment (W&I) personnel in the Submission Processing Campuses.

James L. Fish
Director, Submission Processing
Wage and Investment Division

3.11.16

Corporate Income Tax Returns

Table of Contents

3.11.16.1 Program Scope and Objectives

- 3.11.16.1.1 Background
- 3.11.16.1.2 Authority
- 3.11.16.1.3 Responsibilities
- 3.11.16.1.4 Program Management and Reviews
- 3.11.16.1.5 Program Controls
- 3.11.16.1.6 Terms/Definitions/ Acronyms
- 3.11.16.1.7 Related Resources

3.11.16.2 General Information

- 3.11.16.2.1 ♦IRS Employee Contacts♦
- 3.11.16.2.2 ♦BMF Consistency♦
- 3.11.16.2.3 ♦IRM Deviation Procedures♦
- 3.11.16.2.4 ♦Taxpayer Advocate Service (TAS)♦
 - 3.11.16.2.4.1 ♦TAS Service Level Agreements (SLAs)♦
- 3.11.16.2.5 ♦Edit Marks♦
- 3.11.16.2.6 ♦Frivolous Arguments♦
- 3.11.16.2.7 ♦Foreign Currency♦
- 3.11.16.2.8 ♦Protective Claims♦
- 3.11.16.2.9 ♦Criminal Investigation (CI) Referral♦
- 3.11.16.2.10 ♦Examination (Exam) Funny Box♦
- 3.11.16.2.11 ♦Business Master File (BMF) Identity (ID) Theft♦
- 3.11.16.2.12 Section 965 Returns (201712 through 202012)
- 3.11.16.2.13 Elective or Deemed Payment Election (DPE) and Credit Transfers (202201 to 202212)

3.11.16.3 Unprocessable Documents - Error Resolution System

- 3.11.16.3.1 ♦Action Codes♦
- 3.11.16.3.2 Unprocessable Conditions and Rejection of Tax Returns
- 3.11.16.3.3 Treatment of All Unprocessable Tax Returns
- 3.11.16.3.4 ♦Correspondence♦
 - 3.11.16.3.4.1 ♦Definition of Correspondence from Taxpayers♦
 - 3.11.16.3.4.2 ♦Issuing Correspondence♦
 - 3.11.16.3.4.3 ♦Correspondence Imaging Inventory (CII) Returns♦
 - 3.11.16.3.4.4 ♦Use of Fax for Taxpayer Submissions♦
- 3.11.16.3.5 C/SC Letters
- 3.11.16.3.6 ♦Compliance Secured/Prepared Returns♦
 - 3.11.16.3.6.1 ♦IRC 6020(b) - Prepared by Collections♦

- 3.11.16.3.6.2 ♦Collection Secured♦
- 3.11.16.3.6.3 ♦Examination Prepared Returns♦
- 3.11.16.3.6.4 ♦Examination Secured♦
- 3.11.16.3.7 ♦Statute Returns♦
- 3.11.16.3.8 ♦Re-Entry Document Procedures♦
 - 3.11.16.3.8.1 ♦Form 3893 - Re-Entry Document Control♦
 - 3.11.16.3.8.2 ♦Form 13596 - Reprocessing Returns♦
- 3.11.16.3.9 ♦Amended Returns♦
- 3.11.16.3.10 IRC 847 Deduction
- 3.11.16.3.11 Prompt Assessment (Form 4810) / Prompt Determination
- 3.11.16.4 ♦Refund Returns (45-Day Jeopardy and High Dollar Refunds)♦
- 3.11.16.5 Examination of Tax Data
 - 3.11.16.5.1 Non-Standard or Prior Year Format
 - 3.11.16.5.2 Conversion of Form 1120-S to Form 1120
 - 3.11.16.5.3 Significant Entries
 - 3.11.16.5.4 Incomplete Return
 - 3.11.16.5.5 Minimum Edit
 - 3.11.16.5.6 Editing Dollars and Cents
 - 3.11.16.5.7 Negative Entries
- 3.11.16.6 ♦Entity Perfection - General♦
 - 3.11.16.6.1 ♦Bankruptcy♦
 - 3.11.16.6.2 ♦Entity Perfection - Employer Identification Number (EIN)♦
 - 3.11.16.6.3 ♦Entity Perfection - Name Control♦
 - 3.11.16.6.4 ♦Entity Perfection - "In-Care-Of" Name♦
 - 3.11.16.6.5 ♦Entity Perfection - Domestic Addresses♦
 - 3.11.16.6.6 ♦Entity Perfection - Foreign Address (OSPC)♦
 - 3.11.16.6.6.1 ♦Country Code - Canada♦
- 3.11.16.7 Tax Period
 - 3.11.16.7.1 Tax Period - Ending
 - 3.11.16.7.2 Tax Period Beginning - Initial, Final, or Short Period
 - 3.11.16.7.3 Early Filed Returns - Full Year and Short Period
 - 3.11.16.7.4 Short Period - Editing Proof of Entitlement
 - 3.11.16.7.4.1 Short Period Returns - 26 CFR 1.1502-76
 - 3.11.16.7.5 Short Period Returns - Missing Proof of Entitlement
 - 3.11.16.7.6 Short Period Returns - Editing a Disapproved Application (Form 1128)
 - 3.11.16.7.7 Short Period Returns - Editing Form 1128 with No Indication of Approval or Disapproval
 - 3.11.16.7.8 Short Period Returns - Editing Returning Correspondence
 - 3.11.16.7.9 Short Period Returns - With Prepaid Credits
- 3.11.16.8 ♦Received Date♦

3.11.16.9 Special Processing Codes

3.11.16.9.1 Computer Condition Codes

- 3.11.16.9.1.1 CCC "A" - Form 2220
- 3.11.16.9.1.2 CCC "B" - Schedule M-3
- 3.11.16.9.1.3 CCC "C" - Qualified Derivatives Dealers (Form 1120-F) or Partner's Additional Reporting Year Tax (Forms 1120-FSC, 1120-ND or 1120-SF)
- 3.11.16.9.1.4 ♦CCC "D" - Reasonable Cause for Failing to Pay Timely♦
- 3.11.16.9.1.5 CCC "E" - Potential Identity Theft Filing
- 3.11.16.9.1.6 CCC "F" - Final Return
- 3.11.16.9.1.7 ♦CCC "G" - Amended Return♦
- 3.11.16.9.1.8 CCC "H" - Form 1042-S Attached to Form 1120-F
- 3.11.16.9.1.9 CCC "I" - Form 6781, Gains and Losses from Section 1256 Contracts and Straddles
- 3.11.16.9.1.10 CCC "J" - Section 965
- 3.11.16.9.1.11 CCC "K" - Form 8697
- 3.11.16.9.1.12 CCC "L" - Treaty Based Positions
- 3.11.16.9.1.13 CCC "M" - Opportunity Zones
- 3.11.16.9.1.14 CCC "N" - Joint Committee Case
- 3.11.16.9.1.15 CCC "O" - Module Freeze
- 3.11.16.9.1.16 CCC "P" - Form 1118 - Foreign Tax Credit (Corporations)
- 3.11.16.9.1.17 ♦CCC "Q"♦
- 3.11.16.9.1.18 ♦CCC "R" - Reasonable Cause for Failing to File a Timely Return♦
- 3.11.16.9.1.19 CCC "S" - Form 8883, Asset Allocation Statement
- 3.11.16.9.1.20 CCC "T" - Form 8886, Reportable Transaction Disclosure Statement
- 3.11.16.9.1.21 CCC "U" - Unprocessable Document
- 3.11.16.9.1.22 CCC "V" - Qualifying Therapeutic Discovery Project Credit
- 3.11.16.9.1.23 ♦CCC "W" - Return Cleared by Statute Control♦
- 3.11.16.9.1.24 CCC "X" - Refund/Settlement Freeze
- 3.11.16.9.1.25 CCC "Y" - Short Period Return for Change of Accounting Period
- 3.11.16.9.1.26 CCC "Z" - Schedule UTP (Form 1120), Uncertain Tax Position Statement
- 3.11.16.9.1.27 CCC "1" - Like-Kind Exchanges (and section 1043 conflict-of-Interest sales)
- 3.11.16.9.1.28 CCC "2" - Statement of Specified Foreign Financial Assets
- 3.11.16.9.1.29 ♦CCC "3" - "No Reply" to Correspondence♦
- 3.11.16.9.1.30 CCC "4" - IRC 6020(b) Return
- 3.11.16.9.1.31 CCC "5" - Bank Holding Company Tax Act
- 3.11.16.9.1.32 CCC "6" - Section 847 Deductions
- 3.11.16.9.1.33 CCC "8" - Waiver of Estimated Tax Penalty
- 3.11.16.9.1.34 CCC "9" - Low-Income Housing Credit

3.11.16.9.2 Return Processing Code (RPC)

3.11.16.9.3 ABLM Code and Schedule M-3 Checkbox

- 3.11.16.9.3.1 Schedule M-3 Checkbox
- 3.11.16.9.4 Initial Return Code
- 3.11.16.10 Additional Return Perfection
 - 3.11.16.10.1 Audit Codes
 - 3.11.16.10.2 Penalty and Interest Code
 - 3.11.16.10.3 Reserve Code
 - 3.11.16.10.4 Installment Sale Indicator (Form 6252)
 - 3.11.16.10.5 Form 1120-F Indicator
- 3.11.16.11 Return Processing - Form 1120
 - 3.11.16.11.1 Sequence - Form 1120
 - 3.11.16.11.2 Negative Figures
 - 3.11.16.11.3 Total Assets - Box D
 - 3.11.16.11.4 Form 1120, Total Income - Lines 1 through 11
 - 3.11.16.11.4.1 Line 1 - Gross Receipts or Sales
 - 3.11.16.11.4.2 Line 2 - Cost of Goods Sold
 - 3.11.16.11.4.3 Line 4 - Dividends and Inclusions
 - 3.11.16.11.4.4 Line 5 - Interest
 - 3.11.16.11.4.5 Line 6 - Gross Rents
 - 3.11.16.11.4.6 Line 7 - Gross Royalties
 - 3.11.16.11.4.7 Line 8 - Capital Gain
 - 3.11.16.11.4.8 Line 9 - Net Gain or Loss from Form 4797
 - 3.11.16.11.4.9 Line 10 - Other Income
 - 3.11.16.11.4.10 Line 11 - Total Income
 - 3.11.16.11.5 Form 1120, Deduction Items - Lines 12 through 29
 - 3.11.16.11.5.1 Line 12 - Compensation of Officers
 - 3.11.16.11.5.2 Line 13 - Salaries and Wages (less employment credits)
 - 3.11.16.11.5.3 Line 14 - Repairs and Maintenance
 - 3.11.16.11.5.4 Line 15 - Bad Debts
 - 3.11.16.11.5.5 Line 16 - Rents
 - 3.11.16.11.5.6 Line 17 - Taxes and Licenses
 - 3.11.16.11.5.7 Line 18 - Interest
 - 3.11.16.11.5.8 Line 19 - Charitable Contributions
 - 3.11.16.11.5.9 Line 20 - Depreciation
 - 3.11.16.11.5.10 Line 21 - Depletion
 - 3.11.16.11.5.11 Line 22 - Advertising
 - 3.11.16.11.5.12 Line 23 - Pension, Profit-sharing, etc. Plans
 - 3.11.16.11.5.13 Line 24 - Employee Benefit Programs
 - 3.11.16.11.5.14 Line 25 - Energy Efficient Commercial Buildings Deduction (Form 7205) (202301 and later)

- 3.11.16.11.5.15 Line 26 - Other Deductions
- 3.11.16.11.5.16 Line 27 - Total Deductions
- 3.11.16.11.5.17 Lines 29a and 29b - Net Operating Loss and Special Deductions
- 3.11.16.11.6 Tax Computation and Settlement - Lines 31 through 37
 - 3.11.16.11.6.1 Line 31 - Total Tax
 - 3.11.16.11.6.2 Line 32 - Reserved
 - 3.11.16.11.6.3 Line 33 - Total Payments and Credits (Schedule J, Part III, Line 23)
 - 3.11.16.11.6.4 Backup Withholding
 - 3.11.16.11.6.5 FIRPTA, Form 1042-S, Form 8805 and Form 8288-A Credits
 - 3.11.16.11.6.6 Line 34 - Estimated Tax Penalty
 - 3.11.16.11.6.7 Lines 35 and 36 - Amount Owed/Overpayment
 - 3.11.16.11.6.8 Line 37 - Credit to Estimated Tax
- 3.11.16.11.7 ♦Signature♦
- 3.11.16.11.8 ♦Paid Preparer Checkbox Indicator♦
- 3.11.16.11.9 ♦Paid Preparer Section♦
 - 3.11.16.11.9.1 ♦Paid Preparer Tax Identification Number (PTIN)♦
 - 3.11.16.11.9.2 ♦Paid Preparer EIN♦
 - 3.11.16.11.9.3 ♦Paid Preparer Phone Number♦
- 3.11.16.11.10 Schedule C, Page 2 - Dividends, Inclusions and Special Deductions
- 3.11.16.11.11 Schedule J, Page 3 - Controlled Group Code / Personal Service Corporation Code / Tax Computation (201811 and prior)
- 3.11.16.11.12 Schedule J, Line 2 - Base Erosion Tax or Alternative Minimum Tax (prior year)
- 3.11.16.11.13 Schedule J, Line 3 - Corporate Alternative Minimum Tax (CAMT) (tax period 202301 and later)
- 3.11.16.11.14 Schedule J, Lines 5a and 5b - Credits
 - 3.11.16.11.14.1 Schedule J, Line 5a - Form 1118, Foreign Tax Credit
 - 3.11.16.11.14.2 Schedule J, Line 5b - Form 8834 Credit and Form 5735
- 3.11.16.11.15 Schedule J, Line 5c - General Business Credit (202301 and later)
 - 3.11.16.11.15.1 Form 8844, Empowerment Zone Employment Credit
 - 3.11.16.11.15.2 Form 8941, Credit for Small Employer Health Insurance Premiums
 - 3.11.16.11.15.3 Schedule J, Line 5d - Form 8827, Credit for Prior Year Minimum Tax - Corporations
 - 3.11.16.11.15.4 Schedule J, Line 5e - Form 8912, Credit to Holders of Tax Credit Bonds
- 3.11.16.11.16 Schedule J, Line 6 - Total Credits
- 3.11.16.11.17 Schedule J, Line 8 - Personal Holding Company Tax
- 3.11.16.11.18 Schedule J, Line 9a through 9z - Other Taxes
 - 3.11.16.11.18.1 Schedule J, Line 9za - Recapture of Investment Credit (Form 4255)
 - 3.11.16.11.18.2 Schedule J, Line 9b - Recapture of Low-Income Housing Credit (Form 8611)
 - 3.11.16.11.18.3 Schedule J, Line 9c - Interest Computation Under the Look-Back Method for Completed Long-Term Contracts (Form 8697)

-
- 3.11.16.11.18.4 Schedule J, Line 9d - Interest due under the look-back method (Form 8866)
 - 3.11.16.11.18.5 Schedule J, Line 9e - Alternative Tax on Qualifying Shipping Activities (Form 8902)
 - 3.11.16.11.18.6 Schedule J, Line 9f - IRC 453A Tax
 - 3.11.16.11.18.7 Schedule J, Line 9g - Other
 - 3.11.16.11.19 Schedule J, Line 11 - Total Tax
 - 3.11.16.11.20 Schedule J, Line 12 - Reserved
 - 3.11.16.11.21 Schedule J, Part II, (Part III for 2022-2018) Lines 13 - 23
 - 3.11.16.11.21.1 Schedule J, Part II, (Part III for 2022-2018) Line 14 - Estimated Tax Payments
 - 3.11.16.11.21.2 Schedule J, Part II, (Part III for 2022-2018) Line 16 - Payments
 - 3.11.16.11.21.3 Schedule J, Part II, (Part III for 2022-2018) Line 17 - Tax Deposited with Form 7004
 - 3.11.16.11.21.4 Schedule J, Part II, (Part III for 2022-2018) Line 18 - Withholding
 - 3.11.16.11.21.5 Schedule J, Part II, (Part III for 2022-2018) Line 19 - Total Payments
 - 3.11.16.11.21.6 Schedule J, Part II, (Part III for 2022-2018) Line 20a - Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains
 - 3.11.16.11.21.7 Schedule J, Part II, (Part III for 2022-2018) Line 20b - Fuel Tax Credit, Form 4136
 - 3.11.16.11.21.8 Schedule J, Part II, (Part III for 2022-2018) Line 20c - Reserved for Future Use
 - 3.11.16.11.21.9 Schedule J, Part II, Line 20d - Other (Part III for 2022-2018)
 - 3.11.16.11.21.10 Schedule J, Part II, Line 22 - Elective Payment Election
 - 3.11.16.11.21.11 Schedule J, Part III (202012-201712) - Line 22 - Net 965 Tax Liability.
 - 3.11.16.11.21.12 Schedule J, Part II, (Part III for 2022-2018) Line 23 - Total Payments and Credits
 - 3.11.16.11.22 Accounting Method Code
 - 3.11.16.11.23 Schedule K, Line 2a - NAICS Code
 - 3.11.16.11.24 Schedule K, Question 3
 - 3.11.16.11.25 Schedule K, Line 7c - Number of Form 5472
 - 3.11.16.11.26 Schedule K, Line 12 - NOL Carryover
 - 3.11.16.11.27 Schedule K, Question 13
 - 3.11.16.11.28 Schedule K, Question 16
 - 3.11.16.11.29 Schedule K, Question 17
 - 3.11.16.11.30 Schedule K, Question 18
 - 3.11.16.11.31 Schedule K, Question 25 (Form 8996 - Qualified Opportunity Fund)
 - 3.11.16.11.32 Schedule K, Question 27 (Digital Assets)
 - 3.11.16.11.33 Schedule K, Lines 29a, 29b and 29c (Corporate AMT)
 - 3.11.16.11.34 Schedule K, Lines 30a, 30b and 30c (Stock Buy Back)
 - 3.11.16.11.35 Schedule K, Line 31 (Parent of Consolidated Group)
 - 3.11.16.11.36 Schedule L, Balance Sheet
 - 3.11.16.11.36.1 Blank or Missing Schedule L
 - 3.11.16.11.36.2 Editing a Balance Sheet with Significant Entries
 - 3.11.16.11.37 Schedule N (Form 1120) - Foreign Operations of U.S. Corporations
 - 3.11.16.11.37.1 Schedule N, Line 1 - Form 8858, Foreign Disregarded Entities

-
- 3.11.16.11.37.2 Schedule N, Line 2 - Number of Forms 8865
 - 3.11.16.11.37.3 Schedule N, Line 3 - Form 8865 Question
 - 3.11.16.11.37.4 Schedule N, Lines 4a and 4b- Form 5471, Controlled Foreign Corporation
 - 3.11.16.11.37.5 Schedule N, Line 5 - Form 3520 Question
 - 3.11.16.11.37.6 Schedule N, Line 6b - Foreign Country Code
 - 3.11.16.11.37.7 Schedule N, Line 7a - Form 8873 Question
 - 3.11.16.11.37.8 Schedule N, Line 7b - Number of Forms 8873
 - 3.11.16.11.37.9 Schedule N, Line 7c - Total Extraterritorial Income Exclusion
 - 3.11.16.11.37.10 Schedule N, Line 8 - Form 8938, Statement of Specified Foreign Financial Assets
 - 3.11.16.11.38 Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for a Controlled Group
 - 3.11.16.11.38.1 Schedule O, Part II, Line 1 - Taxable Income Apportionment
 - 3.11.16.11.38.2 Schedule O, Part III, Line 1 - Income Tax Apportionment
 - 3.11.16.12 Form 8873 - Extraterritorial Income Exclusion
 - 3.11.16.12.1 Part I, Line 1 - IRC 942(a)(3) Election
 - 3.11.16.12.2 Part I, Line 2 - Extraterritorial Income Exclusion in lieu of Election
 - 3.11.16.12.3 Part I, Line 3 - Domestication Election
 - 3.11.16.13 Form 4626 - Corporate Alternative Minimum Tax (CAMT) (Tax Period 202301 and later)
 - 3.11.16.13.1 Form 4626 - Alternative Minimum Tax (Tax Period 201811 and prior)
 - 3.11.16.14 Schedule D - Capital Gains and Losses
 - 3.11.16.15 Form 4797 - Sales of Business Property (Form 1120 Only)
 - 3.11.16.16 Form 8949 - Sales and Other Dispositions of Capital Assets
 - 3.11.16.17 Form 8996 - Qualified Opportunity Fund
 - 3.11.16.18 Form 1125-A - Cost of Goods Sold
 - 3.11.16.19 Form 4136 - Credit for Federal Tax Paid on Fuels
 - 3.11.16.20 Form 8978 and Form 8978, Schedule A
 - 3.11.16.21 Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
 - 3.11.16.22 Form 8941 - Credit for Small Employer Health Insurance Premiums
 - 3.11.16.23 Form 5884-B - New Hire Retention Credit
 - 3.11.16.24 Form 3800 - General Business Credit
 - 3.11.16.25 Form 6252 - Installment Sale Income (Form 1120 Only)
 - 3.11.16.26 Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments
 - 3.11.16.27 Form 8936, Schedule A, Clean Vehicle Credit Amount
 - 3.11.16.28 Consolidated Returns
 - 3.11.16.28.1 Consolidated Return - Mixed Components
 - 3.11.16.28.2 Consolidated Returns - Required Information
 - 3.11.16.28.3 Form 851 - Affiliations Schedule
 - 3.11.16.28.4 Form 1122 - Authorization and Consent of Subsidiary Corporation to be Included in a Consolidated Income Tax Return

-
- 3.11.16.29 Form 1120-POL Filed on Form 1120
 - 3.11.16.30 Form 1120-H Filed on Form 1120 (IRC 528)
 - 3.11.16.31 Return Processing - Form 1120-A
 - 3.11.16.32 Return Processing - Form 1120-C (OSPC only)
 - 3.11.16.32.1 Form 1120-C- General Instructions
 - 3.11.16.32.2 Sequence - Form 1120-C
 - 3.11.16.32.3 EIN
 - 3.11.16.32.4 Name and Address
 - 3.11.16.32.5 Tax Period
 - 3.11.16.32.6 Received Date
 - 3.11.16.32.7 Computer Condition Codes
 - 3.11.16.32.8 Return Processing Code (RPC)
 - 3.11.16.32.9 Consolidated Return
 - 3.11.16.32.10 ABLM Code
 - 3.11.16.32.11 Schedule M-3 Checkbox - Item A2
 - 3.11.16.32.12 Form 1120-C - Box C
 - 3.11.16.32.12.1 Type of Cooperative Code
 - 3.11.16.32.12.2 Type of Organization Code
 - 3.11.16.32.13 Additional Form 1120-C Perfection
 - 3.11.16.32.13.1 Form 8844 Indicator
 - 3.11.16.32.13.2 Audit Codes
 - 3.11.16.32.13.3 Penalty and Interest Code
 - 3.11.16.32.13.4 Reserve Code
 - 3.11.16.32.13.5 Installment Sale Indicator (Form 6252)
 - 3.11.16.32.14 Income - Lines 1a through 10
 - 3.11.16.32.15 Deductions - Lines 11 through 26c
 - 3.11.16.32.16 Tax and Payments - Lines 27 through 34
 - 3.11.16.32.17 Paid Preparer Information
 - 3.11.16.32.18 Schedule G - Allocation of Patronage and Nonpatronage Income and Deductions
 - 3.11.16.32.19 Schedule H - Deductions and Adjustments Under IRC 1382
 - 3.11.16.32.20 Schedule J, Line 1 - Controlled Group Code
 - 3.11.16.32.21 Schedule J, Tax Computation
 - 3.11.16.32.22 Schedule K, Line 2 - NAICS Code
 - 3.11.16.32.23 Schedule K, Question 5 - Is the Cooperative a Subsidiary in an Affiliated Group/Controlled Group
 - 3.11.16.32.24 Schedule K, Line 8c - Number Form 5472(s)
 - 3.11.16.32.25 Schedule K, Lines 20a, 20b and 20c (Corporate AMT)
 - 3.11.16.32.26 Schedule L - Balance Sheet
 - 3.11.16.32.27 Schedule N (Form 1120) - Foreign Operations of U.S. Corporations

-
- 3.11.16.32.28 Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for Controlled Groups
 - 3.11.16.32.28.1 Taxable Income Apportionment - Part II, Line 1
 - 3.11.16.32.28.2 Income Tax Apportionment - Schedule O, Part III, Line 1
 - 3.11.16.32.29 Form 4626 - Corporate Alternative Minimum Tax (CAMT) (Tax Periods 202301 and later)
 - 3.11.16.32.29.1 Form 4626 - Alternative Minimum Tax (Tax Periods 201811 and prior)
 - 3.11.16.32.30 Form 4136 - Credit for Federal Tax Paid on Fuel
 - 3.11.16.32.31 Form 8978 and Form 8978, Schedule A
 - 3.11.16.32.32 Form 8941 - Credit for Small Employer Health Insurance Premiums
 - 3.11.16.32.33 Form 5884-B - New Hire Retention Credit
 - 3.11.16.32.34 Form 3800 - General Business Credit
 - 3.11.16.32.35 Form 8936, Schedule A, Clean Vehicle Credit Amount
 - 3.11.16.33 Return Processing - Form 1120-F (OSPC Only)
 - 3.11.16.33.1 Foreign Payments Practice (FPP) Review
 - 3.11.16.33.2 Sequence - Form 1120-F
 - 3.11.16.33.3 EIN
 - 3.11.16.33.4 Name Control
 - 3.11.16.33.5 Address
 - 3.11.16.33.6 Tax Period
 - 3.11.16.33.7 Received Date
 - 3.11.16.33.8 Page 1, Line A - Country of Incorporation
 - 3.11.16.33.9 Page 1, Question D(1) - Location of Books and Records and Page 1, Question D(3) - Office or Place of Business
 - 3.11.16.33.10 Computer Condition Codes
 - 3.11.16.33.11 Return Processing Code (RPC)
 - 3.11.16.33.12 Schedule M-3 Checkbox
 - 3.11.16.33.13 NAICS Code
 - 3.11.16.33.14 Additional Form 1120-F Perfection
 - 3.11.16.33.14.1 Form 8844 Indicator
 - 3.11.16.33.14.2 Audit Codes
 - 3.11.16.33.14.3 Penalty and Interest Code
 - 3.11.16.33.14.4 Reserve Code
 - 3.11.16.33.14.5 Installment Sale Indicator Code (Form 6252)
 - 3.11.16.33.14.6 Form 1120-F Indicator Code
 - 3.11.16.33.15 Lines 1 through 5h - Computation of Tax Due or Overpayment
 - 3.11.16.33.16 Line 5i - U.S. Income Tax Paid or Withheld at Source
 - 3.11.16.33.17 Line 5j - Elective Payment Election
 - 3.11.16.33.18 Lines 6 through 9 - Computation of Tax Due or Overpayment
 - 3.11.16.33.19 Total Assets - Ending
 - 3.11.16.33.20 Paid Preparer Information

-
- 3.11.16.33.21 Page 2, Line M - Number of Forms 5472
 - 3.11.16.33.22 Page 2, Question T - Name of Common Parent
 - 3.11.16.33.23 Question CC (Qualified Derivatives Dealer)
 - 3.11.16.33.24 Question HH (Question II for 2022 and prior) (Form 8996 - Qualified Opportunity Fund)
 - 3.11.16.33.25 Question JJ(1), JJ(2), and JJ(3) (Corporate AMT)
 - 3.11.16.33.26 Section II - Income and Deductions
 - 3.11.16.33.27 Schedule J - Tax Computation
 - 3.11.16.33.28 Schedule W - Overpayment Resulting from Tax Deducted and Withheld Under Chapter 3
 - 3.11.16.33.29 Form 4626 - Corporate Alternative Minimum Tax (CAMT) (Tax Period 202301 and later)
 - 3.11.16.33.30 Form 1120 - Schedule D
 - 3.11.16.33.31 Form 8949 - Sales and Other Dispositions of Capital Assets
 - 3.11.16.33.32 Form 8996 - Qualified Opportunity Fund
 - 3.11.16.33.33 Form 4136 - Credits for Federal Tax Paid on Fuel
 - 3.11.16.33.34 Form 8978 and Form 8978, Schedule A
 - 3.11.16.33.35 Form 8941 - Credit for Small Employer Health Insurance Premiums
 - 3.11.16.33.36 Form 5884-B - New Hire Retention Credit
 - 3.11.16.33.37 Form 3800 - General Business Credit
 - 3.11.16.33.38 Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments
 - 3.11.16.33.39 Form 1120-F - Refund and Credit Elect Returns
 - 3.11.16.34 Return Processing - Form 1120-FSC (OSPC only)
 - 3.11.16.34.1 Sequence - Form 1120-FSC
 - 3.11.16.34.2 EIN
 - 3.11.16.34.3 Entity Perfection - Name Control and "In-Care-Of" Name
 - 3.11.16.34.4 Address
 - 3.11.16.34.5 Tax Period
 - 3.11.16.34.6 Received Date
 - 3.11.16.34.7 Computer Condition Codes
 - 3.11.16.34.8 NAICS Code - Page 2, Schedule A, Additional Information, Line 1(a)
 - 3.11.16.34.9 Foreign Country/U.S. Possession - Box A
 - 3.11.16.34.10 Type of Election - Box B
 - 3.11.16.34.11 Name/Principal Shareholder - Line 1a and Name/Parent-subsidary Controlled Group - Line 2a
 - 3.11.16.34.12 EIN/Principal Shareholder - Line 1b and Name/Parent-subsidary Controlled Group - Line 2b
 - 3.11.16.34.13 Parent-Subsidiary Controlled Group - Question 2, Page 1
 - 3.11.16.34.14 Total Assets (Corporations Only) - Box 1d and Total Assets (Consolidated) - Box 2d
 - 3.11.16.34.15 Paid Preparer Information
 - 3.11.16.34.16 Additional Form 1120-FSC Perfection
 - 3.11.16.34.16.1 Audit Codes
 - 3.11.16.34.16.2 Penalty and Interest Code

-
- 3.11.16.34.16.3 Reserve Code
 - 3.11.16.34.16.4 Installment Sale Indicator (Form 6252)
 - 3.11.16.34.17 Total Assets - Box E
 - 3.11.16.34.18 Tax Data Perfection, Page 1 - Tax and Payments
 - 3.11.16.34.19 Schedule B, Page 3, Line 18 - Taxable Income or (Loss)
 - 3.11.16.34.20 Schedule G, Page 5, Line 4 - Depreciation from Form 4562
 - 3.11.16.34.21 Schedule J, Page 5, Tax Preference Code and Foreign Tax Credit
 - 3.11.16.34.22 Form 4136 - Credit for Federal Tax Paid on Fuels
 - 3.11.16.35 Return Processing - Form 1120-H
 - 3.11.16.35.1 Sequence - Form 1120-H
 - 3.11.16.35.2 EIN
 - 3.11.16.35.3 Name Control and Address
 - 3.11.16.35.4 Tax Period
 - 3.11.16.35.5 Received Date
 - 3.11.16.35.6 Computer Condition Codes
 - 3.11.16.35.7 Return Processing Code (RPC)
 - 3.11.16.35.8 Additional Form 1120-H Perfection
 - 3.11.16.35.8.1 Audit Codes
 - 3.11.16.35.8.2 Penalty and Interest Code
 - 3.11.16.35.8.3 Reserve Code
 - 3.11.16.35.9 Timeshare Association Indicator
 - 3.11.16.35.10 Gross Income Items - Lines 1 through 8
 - 3.11.16.35.11 Deduction Items - Lines 9 through 17
 - 3.11.16.35.12 Tax and Payments - Lines 21 through 26
 - 3.11.16.35.13 Paid Preparer Information
 - 3.11.16.35.14 Form 4136 - Credit for Federal Tax Paid on Fuels
 - 3.11.16.35.15 Form 8978 and Form 8978, Schedule A
 - 3.11.16.35.16 Form 8941 - Credit for Small Employer Health Insurance Premiums
 - 3.11.16.35.17 Form 3800 - General Business Credit
 - 3.11.16.35.18 Amended Returns
 - 3.11.16.36 Return Processing - Form 1120-L (OSPC only)
 - 3.11.16.36.1 Sequence - Form 1120-L
 - 3.11.16.36.2 EIN
 - 3.11.16.36.3 Name Control and Address
 - 3.11.16.36.4 Tax Period
 - 3.11.16.36.5 Received Date
 - 3.11.16.36.6 Computer Condition Codes
 - 3.11.16.36.7 Return Processing Code (RPC)
 - 3.11.16.36.8 ABLM Code

-
- 3.11.16.36.9 Schedule M-3 Checkbox
 - 3.11.16.36.10 Consolidated Returns
 - 3.11.16.36.11 Additional Form 1120-L Perfection
 - 3.11.16.36.11.1 Form 8844 Indicator
 - 3.11.16.36.11.2 Audit Codes
 - 3.11.16.36.11.3 Penalty and Interest Code
 - 3.11.16.36.11.4 Reserve Code
 - 3.11.16.36.12 Income Section
 - 3.11.16.36.13 Line 25 - Total Taxable Income
 - 3.11.16.36.14 Tax and Payments
 - 3.11.16.36.14.1 Tax and Payment - Prior Year Line Instructions
 - 3.11.16.36.15 Paid Preparer Information
 - 3.11.16.36.16 Schedule B
 - 3.11.16.36.17 Schedule F, Line 9c - Total Tax Exempt Interest and Increase in Policy Cash Value
 - 3.11.16.36.18 Schedule K, Line 3 - Corporate Alternative Minimum Tax (CAMT) (202301 and later)
 - 3.11.16.36.18.1 Schedule K, Line 3 - Tax Preference Code (201811 and prior)
 - 3.11.16.36.19 Schedule K, Lines 5a through 9
 - 3.11.16.36.20 Schedule L, Part I, Line 5 - Total Assets Ending
 - 3.11.16.36.21 Schedule M, Question 6, 8 and 8c
 - 3.11.16.36.22 Schedule M, Question 19a, 19b, and 19c (Corporate AMT)
 - 3.11.16.36.23 Form 4626 - Corporate Alternative Minimum Tax (CAMT) (Tax Period 202301 and later)
 - 3.11.16.36.24 Schedule N (Form 1120) - Foreign Operations of U.S. Corporations
 - 3.11.16.36.25 Form 4136 - Credit for Federal Tax Paid on Fuels
 - 3.11.16.36.26 Form 8978 and Form 8978, Schedule A
 - 3.11.16.36.27 Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
 - 3.11.16.36.28 Form 8941 - Credit for Small Employer Health Insurance Premiums
 - 3.11.16.36.29 Form 5884-B - New Hire Retention Credit
 - 3.11.16.36.30 Form 3800 - General Business Credit
 - 3.11.16.36.31 Annual Statement - Form 1120-L
 - 3.11.16.37 Return Processing - Form 1120-ND (OSPC only)
 - 3.11.16.37.1 Sequence - Form 1120-ND
 - 3.11.16.37.2 EIN
 - 3.11.16.37.3 Name Control
 - 3.11.16.37.4 "In-Care-Of" Name
 - 3.11.16.37.5 Address
 - 3.11.16.37.6 Tax Period
 - 3.11.16.37.7 Received Date
 - 3.11.16.37.8 Computer Condition Codes

- 3.11.16.37.9 Additional Form 1120-ND Perfection
 - 3.11.16.37.9.1 Audit Codes
 - 3.11.16.37.9.2 Penalty and Interest Code
 - 3.11.16.37.9.3 Reserve Code
- 3.11.16.37.10 Total Assets Ending
- 3.11.16.37.11 Tax Data Perfection - Page 1
- 3.11.16.37.12 Paid Preparer Information
- 3.11.16.37.13 Special Return Conditions
- 3.11.16.38 Return Processing - Form 1120-PC (OSPC only)
 - 3.11.16.38.1 Sequence - Form 1120-PC
 - 3.11.16.38.2 EIN
 - 3.11.16.38.3 Name Control/"In-Care-Of" Name
 - 3.11.16.38.4 Address
 - 3.11.16.38.5 Tax Period
 - 3.11.16.38.6 Received Date
 - 3.11.16.38.7 Computer Condition Codes
 - 3.11.16.38.8 Return Processing Code (RPC)
 - 3.11.16.38.9 ABLM Code
 - 3.11.16.38.10 Schedule M-3 Checkbox
 - 3.11.16.38.11 Consolidated Returns
 - 3.11.16.38.12 Additional Form 1120-PC Perfection
 - 3.11.16.38.12.1 Form 8844 Indicator
 - 3.11.16.38.12.2 Audit Codes
 - 3.11.16.38.12.3 Penalty and Interest Code
 - 3.11.16.38.12.4 Reserve Code
 - 3.11.16.38.13 Line 1 - Taxable Income
 - 3.11.16.38.14 Line 6 - Corporate Alternative Minimum Tax (CAMT) (202301 and later)
 - 3.11.16.38.15 Line 6 - Tax Preference Code (201811 and prior)
 - 3.11.16.38.16 Lines 8a through 12z
 - 3.11.16.38.17 Lines 14 through 19 - Tax Computation and Payments
 - 3.11.16.38.17.1 Tax and Payments - Prior Year Returns
 - 3.11.16.38.18 Paid Preparer Information
 - 3.11.16.38.19 Schedule A, Page 2
 - 3.11.16.38.20 Schedule C, Page 4 - Dividends, Inclusions, Dividends-Received Deduction, and Other Special Deductions
 - 3.11.16.38.21 Schedule I, Page 7, Boxes 2a and 2b - Kind of Company Code
 - 3.11.16.38.22 Schedule I, Page 7, Question 4 - Name and EIN of Common Parent
 - 3.11.16.38.23 Schedule I, Line 6c - Number of Forms 5472
 - 3.11.16.38.24 Schedule I, Lines 20a, 20b, and 20c

-
- 3.11.16.38.25 Total Assets Ending - Page 8
 - 3.11.16.38.26 Annual Statement - Form 1120-PC
 - 3.11.16.38.27 Form 4626 - Corporate Alternative Minimum Tax (CAMT) (Tax Period 202301 and later)
 - 3.11.16.38.28 Schedule N (Form 1120) - Foreign Operations of U.S. Corporations
 - 3.11.16.38.29 Form 4136 - Credit for Federal Tax Paid on Fuels
 - 3.11.16.38.30 Form 8978 and Form 8978, Schedule A
 - 3.11.16.38.31 Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
 - 3.11.16.38.32 Form 8941 - Credit for Small Employer Health Insurance Premiums
 - 3.11.16.38.33 Form 5884-B - New Hire Retention Credit
 - 3.11.16.38.34 Form 3800 - General Business Credit
 - 3.11.16.39 Return Processing - Form 1120-REIT
 - 3.11.16.39.1 Sequence - Form 1120-REIT
 - 3.11.16.39.2 EIN
 - 3.11.16.39.3 Name Control/"In-Care-Of" Name
 - 3.11.16.39.4 Address
 - 3.11.16.39.5 Tax Period
 - 3.11.16.39.6 Received Date
 - 3.11.16.39.7 Computer Condition Codes
 - 3.11.16.39.8 Return Processing Code (RPC)
 - 3.11.16.39.9 ABLM Code
 - 3.11.16.39.10 Initial Return Code
 - 3.11.16.39.11 Additional Form 1120-REIT Perfection
 - 3.11.16.39.11.1 Form 8844 Indicator
 - 3.11.16.39.11.2 Audit Codes
 - 3.11.16.39.11.3 Penalty and Interest Code
 - 3.11.16.39.11.4 Reserve Code
 - 3.11.16.39.11.5 Installment Sale Indicator (Form 6252)
 - 3.11.16.39.12 Total Assets - Box E
 - 3.11.16.39.13 Page 1 - Gross Income Items, Lines 1 through 8
 - 3.11.16.39.14 Page 1 - Deduction Items, Lines 9 through 21
 - 3.11.16.39.15 Tax Computation - Lines 24 through 28
 - 3.11.16.39.15.1 Tax and Payments Prior Year Instructions
 - 3.11.16.39.16 Paid Preparer Information
 - 3.11.16.39.17 Schedule J, Line 1 - Controlled Group Code
 - 3.11.16.39.18 Schedule J, Lines 2b through 2g - Taxes
 - 3.11.16.39.19 Schedule J, Line 3a - Foreign Tax Credit, Form 1118
 - 3.11.16.39.20 Schedule J, Line 3b - Form 8834 Credit
 - 3.11.16.39.21 Schedule J, Line 3c - General Business Credit

- 3.11.16.39.22 Schedule J, Line 5 - Schedule PH
- 3.11.16.39.23 Schedule J, Lines 6 and 7 - Interest on Deferred Tax Liability
- 3.11.16.39.24 Schedule J, Lines 8 and 9- Recapture of Investment Credit
- 3.11.16.39.25 Schedule K, Question 3 - Name of Common Parent
- 3.11.16.39.26 Schedule K, Line 5b and Line 5c
- 3.11.16.39.27 Schedule K, Question 10
- 3.11.16.39.28 Schedule K, Question 11
- 3.11.16.39.29 Schedule K, Question 12 (Qualified Opportunity Fund - Form 8996)
- 3.11.16.39.30 Schedule N (Form 1120) - Foreign Operations of U.S. Corporations
- 3.11.16.39.31 Form 1120 - Schedule D
- 3.11.16.39.32 Form 8949 - Sales and Other Dispositions of Capital Assets
- 3.11.16.39.33 Form 8996 - Qualified Opportunity Fund
- 3.11.16.39.34 Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for a Controlled Group
 - 3.11.16.39.34.1 Taxable Income Apportionment - Part II, Line 1
 - 3.11.16.39.34.2 Income Tax Apportionment - Part III, Line 1
- 3.11.16.39.35 Form 4626 - Alternative Minimum Tax
- 3.11.16.39.36 Form 4136 - Credit for Federal Tax Paid on Fuels
- 3.11.16.39.37 Form 8978 and Form 8978, Schedule A
- 3.11.16.39.38 Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- 3.11.16.39.39 Form 8941 - Credit for Small Employer Health Insurance Premiums
- 3.11.16.39.40 Form 5884-B - New Hire Retention Credit
- 3.11.16.39.41 Form 3800 - General Business Credit
- 3.11.16.39.42 Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments
- 3.11.16.40 Return Processing - Form 1120-RIC
 - 3.11.16.40.1 Sequence - Form 1120-RIC
 - 3.11.16.40.2 EIN
 - 3.11.16.40.3 Name Control/"In-Care-Of" Name
 - 3.11.16.40.4 Address
 - 3.11.16.40.5 Tax Period
 - 3.11.16.40.6 Received Date
 - 3.11.16.40.7 Computer Condition Codes
 - 3.11.16.40.8 Return Processing Code (RPC)
 - 3.11.16.40.9 ABLM Code
 - 3.11.16.40.10 Initial Return Code
 - 3.11.16.40.11 Additional Form 1120-RIC Perfection
 - 3.11.16.40.11.1 Form 8844 Indicator
 - 3.11.16.40.11.2 Audit Codes
 - 3.11.16.40.11.3 Penalty and Interest

-
- 3.11.16.40.11.4 Reserve Code
 - 3.11.16.40.11.5 Installment Sale Indicator (Form 6252)
 - 3.11.16.40.12 Total Assets - Box D
 - 3.11.16.40.13 Page 1 - Gross Income Items, Lines 1 through 8
 - 3.11.16.40.14 Page 1 - Deduction Items, Lines 9 through 25
 - 3.11.16.40.15 Paid Preparer Information
 - 3.11.16.40.16 Page 2 - Tax and Payments, Lines 27 through 33
 - 3.11.16.40.16.1 Tax and Payments - Prior Year Instructions
 - 3.11.16.40.17 Schedule J, Line 1 - Controlled Group Code
 - 3.11.16.40.18 Schedule J - Lines 2b through 2d
 - 3.11.16.40.19 Schedule J, Line 3a - Form 1118
 - 3.11.16.40.20 Schedule J, Line 3b - Form 8834, Qualified Electric Vehicle Credit
 - 3.11.16.40.21 Schedule J, Line 3c - General Business Credit
 - 3.11.16.40.22 Schedule J, Line 3d - Other Credits
 - 3.11.16.40.23 Schedule J, Line 5 - Schedule PH
 - 3.11.16.40.24 Schedule J, Line 6 and 7 - Interest on Deferred Tax Liability
 - 3.11.16.40.25 Schedule J, Line 8 - Form 4255
 - 3.11.16.40.26 Line 9 - Other Taxes
 - 3.11.16.40.27 Schedule K, Question 3 - Subsidiary Member of a Controlled Group
 - 3.11.16.40.28 Schedule K, Line 5(b)(2)
 - 3.11.16.40.29 Schedule N (Form 1120) - Foreign Operations of U.S. Corporations
 - 3.11.16.40.30 Form 1120, Schedule D
 - 3.11.16.40.31 Form 8949 - Sales and Other Dispositions of Capital Assets
 - 3.11.16.40.32 Form 8996 - Reserved for Future Use
 - 3.11.16.40.33 Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for a Controlled Group
 - 3.11.16.40.33.1 Taxable Income Apportionment - Part II, Line 1
 - 3.11.16.40.33.2 Income Tax Apportionment - Part III, Line 1
 - 3.11.16.40.34 Form 4626 - Alternative Minimum Tax
 - 3.11.16.40.35 Form 4136 - Credit for Federal Tax Paid on Fuels
 - 3.11.16.40.36 Form 8978 and Form 8978, Schedule A
 - 3.11.16.40.37 Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
 - 3.11.16.40.38 Form 8941 - Credit for Small Employer Health Insurance Premiums
 - 3.11.16.40.39 Form 5884-B - New Hire Retention Credit
 - 3.11.16.40.40 Form 3800 - General Business Credit
 - 3.11.16.40.41 Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments
 - 3.11.16.41 Return Processing - Form 1120-SF (OSPC Only)
 - 3.11.16.41.1 Sequence - Form 1120-SF
 - 3.11.16.41.2 EIN of Fund

-
- 3.11.16.41.3 Name of Fund
 - 3.11.16.41.4 Address of Fund
 - 3.11.16.41.5 Tax Period
 - 3.11.16.41.6 Received Date
 - 3.11.16.41.7 Computer Condition Codes
 - 3.11.16.41.8 Additional Form 1120-SF Perfection
 - 3.11.16.41.8.1 Audit Codes
 - 3.11.16.41.8.2 Penalty and Interest Code
 - 3.11.16.41.8.3 Reserve Code
 - 3.11.16.41.9 Paid Preparer Information
 - 3.11.16.41.10 Total Assets End
 - 3.11.16.41.11 Income and Deductions of Fund - Line 14
 - 3.11.16.41.12 Tax Computation - Lines 15 through 20
 - 3.11.16.41.13 Schedule L, Page 2 - Balance Sheet
 - 3.11.16.41.14 Additional Information, Page 2
 - 3.11.16.42 Form 4876-A - Election To Be Treated as an Interest Charge DISC (KCSPC Only)
 - 3.11.16.42.1 Form 4876-A and Form 1120-IC-DISC "Data File"
 - 3.11.16.42.2 Filing Requirements
 - 3.11.16.42.3 Document Perfection
 - 3.11.16.42.4 Approved Elections
 - 3.11.16.42.5 Disapproved Elections
 - 3.11.16.42.6 Termination of Election
 - 3.11.16.42.7 Form 4876-A Files
 - 3.11.16.42.8 Taxpayer Notification of Action Taken on Form 4876-A
 - 3.11.16.42.9 Form 4876-A File Review
 - 3.11.16.43 Form 1120-IC-DISC - Interest Charge Domestic International Sales - Corporation Return (KCSPC Only)
 - 3.11.16.43.1 Due Date
 - 3.11.16.43.2 Eligibility Determination
 - 3.11.16.43.3 Ineligible Filers
 - 3.11.16.43.4 Document Perfection
 - 3.11.16.43.5 Math Verification
 - 3.11.16.43.6 Disposition of Documents
 - 3.11.16.43.7 Civil Penalty - IRC 6686
 - 3.11.16.43.8 Taxable Year of Form 1120-IC-DISC
 - 3.11.16.43.9 Amended Returns and Secured Form 1120-IC-DISC

-
- 3.11.16.44 Form 8404, Interest Charge on DISC-Related Deferred Tax Liability
 - 3.11.16.45 Return Processing - Form 990-C

Exhibits

- 3.11.16-1 Area Office Codes
- 3.11.16-2 Due Date Charts
- 3.11.16-3 Form 1120 - Prior Year Conversion Chart
- 3.11.16-4 Form 1120-C - Prior Year Conversion Chart
- 3.11.16-5 Form 1120-F - Prior Year Conversion Chart
- 3.11.16-6 Form 1120-FSC - Prior Year Conversion Chart
- 3.11.16-7 Form 1120-H - Prior Year Conversion Chart
- 3.11.16-8 Form 1120-L - Prior Year Conversion Chart
- 3.11.16-9 Form 1120-PC - Prior Year Conversion Chart
- 3.11.16-10 Form 1120-REIT - Prior Year Conversion Chart
- 3.11.16-11 Form 1120-RIC - Prior Year Conversion Chart
- 3.11.16-12 Form 8941 - Prior Year Conversion Chart
- 3.11.16-13 Form 8996 - Prior Year Conversion Chart
- 3.11.16-14 Form 3800 - Prior Year Conversion Chart
- 3.11.16-15 ♦Potential Frivolous Arguments for Examination Review♦
- 3.11.16-16 Province, Foreign State and Territory Abbreviations
- 3.11.16-17 ♦Routing Guide for Attachments♦
- 3.11.16-18 Schedule F - Transfer Lines
- 3.11.16-19 U.S. Possessions ZIP Codes
- 3.11.16-20 USPS.com Track and Confirm
- 3.11.16-21 Form 8404, Interest Charge on DISC-Related Deferred Tax Liability
- 3.11.16-22 Terms/Definitions/Acronyms

3.11.16.1
(01-01-2018)

**Program Scope and
Objectives**

- (1) This IRM section has instructions for Wage and Investment (W&I) Tax Examiners to process the following returns:
 - Form 1120, U.S. Corporation Income Tax Return
 - Form 1120-C, U.S. Income Tax Return for Cooperative Associations
 - Form 1120-F, U.S. Income Tax Return of a Foreign Corporation
 - Form 1120-FSC, U.S. Income Tax Return of a Foreign Sales Corporation
 - Form 1120-H, U.S. Income Tax Return for Homeowners Association
 - Form 1120-L, U.S. Life Insurance Company Income Tax Return
 - Form 1120-ND, Return for Nuclear Decommissioning Funds and Certain Related Persons
 - Form 1120-PC, U.S. Property and Casualty Insurance Company Income Tax Return
 - Form 1120-REIT, U.S. Income Tax Return for Real Estate Investment Trusts
 - Form 1120-RIC, U.S. Income Tax Return for Regulated Investment Companies
 - Form 1120-SF, U.S. Income Tax Return for Settlement Funds (Under Section 468B)
 - Form 1120-IC-DISC, Interest Charge Domestic International Sales - Corporation Return
 - Form 8404, Interest Charge on DISC-Related Deferred Tax Liability
- (2) Purpose: The purpose of Document Perfection is to Code and Perfect (Edit) documents.
- (3) Audience: These procedures apply to employees responsible for coding and editing returns in this IRM including:
 - Clerks, Lead Clerks, and Supervisory Clerks
 - Tax Examining Technicians, Lead Tax Examining Technicians and Supervisory Tax Technicians
- (4) Policy Owner: Director, Submission Processing.
- (5) Program Owner: Business Master File (BMF) Paper Processing Section.
- (6) Primary Stakeholders: Other areas that may be affected by these procedures include (but not limited to):
 - Accounts Management (AM)
 - Chief Counsel (CC)
 - Compliance
 - Information Technology (IT) Programmers
 - Large Business and International (LB&I)
 - Small Business Self-Employed (SBSE)
 - Statistics of Income (SOI)
 - Submission Processing (SP)
 - Taxpayer Advocate Service (TAS)
 - Tax Exempt and Government Entities (TEGE)
- (7) Program Goals: Ensure all necessary action is taken on the return and attachments to ensure correct posting of the return data.

3.11.16.1.1
(01-01-2018)
Background

- (1) Document Perfection perfects returns and other documents for input to the Master File (MF) through the Integrated Submission and Remittance Processing System (ISRP) or the Service Center Recognition Image Processing System (SCRIPS). In addition, Document Perfection sends any other documents or attachments not related to the processing of the returns to the function responsible for handling them.
- (2) Code and Edit does not mathematically verify or check the validity of the returns and other documents being processed unless otherwise specified in the applicable subsection. The computer and/or Error Correction (Resolution) will perform these functions if the returns and other documents are coded and edited as prescribed in the applicable subsections of this section.

3.11.16.1.2
(01-01-2018)
Authority

- (1) Authority for these procedures is found in the following sections of the Internal Revenue Code and their corresponding Treasury regulations:
 - IRC 6201(a) - Assessment Authority
 - IRC 6213(b) - Exceptions to restrictions on assessment

3.11.16.1.3
(01-01-2018)
Responsibilities

- (1) The Campus Director monitors operational performance for their campus.
- (2) The Operations Manager monitors operational performance for their operation.
- (3) The Team Manager/Lead monitors performance monitoring and ensuring employees have the tools to perform their duties.
- (4) The Team Employees are responsible to follow the instructions in this IRM and maintain updated IRM procedures.

3.11.16.1.4
(01-01-2018)
Program Management and Reviews

- (1) Program Reports: The Batch/Block Tracking System (BBTS) stores a vast amount of data which can be used in performance monitoring and production projections.
- (2) Program Effectiveness: The program goals are measured using the following methods:
 - Embedded Quality Submission Processing (EQSP)
 - Balanced Measures
 - Managerial reviews

3.11.16.1.5
(01-01-2018)
Program Controls

- (1) Quality Review conducts a statistical valid sample size review of completed work to ensure IRM guidelines are followed.

3.11.16.1.6
(01-01-2018)
Terms/Definitions/ Acronyms

- (1) For Terms, Definitions and Acronyms, see Exhibit 3.11.16-22, Terms/Definitions/Acronyms.

3.11.16.1.7
(01-01-2018)
Related Resources

- (1) The following is a list of related resources:
 - Servicewide Electronic Research Program (SERP)
 - Submission Processing Design Center (SPDC)
 - Integrated Data Retrieval System (IDRS)

3.11.16.2
(01-01-2022)
General Information

- (1) This IRM can't address every possibility that occurs while perfecting returns or documents. Take taxpayer intent into consideration. Refer issues not addressed in this IRM to the subject matter expert (SME), lead or manager to determine the corrective action.
- (2) The purpose of this section is to provide instructions for general required processing actions on corporate tax returns in order to eliminate repetition of the same instructions in different subsections.
- (3) In case of a conflict of instruction between this general subsection and the subsequent specific subsection, the specific subsection will govern.

3.11.16.2.1
(01-01-2022)
**◆IRS Employee
Contacts◆**

- (1) The Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (RRA 98), Section 3705(a) gives identification requirements for all IRS employees working tax-related matters.
- (2) All IRS employees who communicate by telephone, face-to-face, or any other method of correspondence with taxpayers or their personal representatives on tax-related matters must give (at a minimum) the following information:
 - a. Telephone Contact - Their title (e.g., Mr., Mrs., Ms., Miss), last name and badge identification (ID Card) number. Toll-free employees may also give their location for identification purposes. Treat faxes to taxpayers on tax-related matters as correspondence and include the required information.
 - b. Face-to-Face Contact - Their title (e.g., Mr., Mrs., Ms., Miss), give as appropriate during the conversation, their last name and badge identification (ID Card) number.
 - c. Correspondence (sent to the taxpayer and authorized representatives) - A telephone number that taxpayers can call for answers to questions. In addition, manually generated correspondence must have the employee's title (e.g., Mr., Mrs., Ms., Miss), last name, Integrated Data Retrieval System (IDRS) number, and letter system number, which are systemically generated by IDRS. Treat faxes to taxpayers on tax-related matters as correspondence and include the required information.
 - d. Correspondex letters - Specific employee name and telephone number if the employee initiating the correspondence is in the best position to respond to any questions the taxpayer may have or if the taxpayer is being asked to give more case-related information. If the taxpayer does not need to contact a specific employee, the correspondence needs only an IRS telephone number and standard signature.
- (3) When taxpayer requests to speak with a specific employee who previously worked their inquiry or request, or complains about the level of service previously given, make every attempt to resolve the taxpayer's inquiry. If unable to resolve the issue, refer the inquiry using established procedures to the manager.
- (4) Secretaries, receptionists, or other people who answer the telephone in functional offices need to identify themselves. They should provide their badge identification (ID Card) number only if they are answering telephones which are routinely used to give tax or account information.
- (5) It is not necessary to repeat the badge identification (ID Card) number on a later contact, when the nature of an employee's work involves multiple

contacts with the same taxpayer and the employee has given the taxpayer (either by telephone or in-person) their badge identification (ID Card) number on the first contact.

3.11.16.2.2
(01-01-2022)

◆ **BMF Consistency** ◆

- (1) The purpose of this initiative is to achieve consistency in the Business Master File (BMF) Code and Edit processing IRMs.
- (2) Ogden, Kansas City, and Paper Processing Branch, BMF Code and Edit and Error Resolution System (ERS) identified and developed topics for BMF Consistency.
- (3) A ◆ (diamond) before and after the subsection title shows BMF Consistency subsections.
- (4) Text in normal print is the common process for BMF tax returns. The text in **BOLD** print is form specific and applies to this IRM only.

3.11.16.2.3
(01-01-2022)

◆ **IRM Deviation Procedures** ◆

- (1) Submit IRM deviations in writing following instructions from IRM 1.11.2.2.4, When Procedures Deviate from the IRM, and elevate through proper channels for executive approval.

3.11.16.2.4
(01-01-2023)

◆ **Taxpayer Advocate Service (TAS)** ◆

- (1) The Taxpayer Advocate Service (TAS) is an independent organization within the Internal Revenue Service (IRS), led by the National Taxpayer Advocate. Its job is to protect taxpayers' rights by striving to ensure that every taxpayer is treated fairly and knows and understands their rights under the Taxpayer Bill of Rights (TBOR). TAS offers free help to taxpayers, including when taxpayers face financial difficulties due to an IRS problem, when they are unable to resolve tax problems, they haven't been able to resolve on their own, or when they need assistance to address an IRS system, process, or procedure that is not functioning as it should. TAS has at least one taxpayer advocate office located in every state, the District of Columbia, and Puerto Rico.
- (2) TAS uses Form 12412, Operations Assistance Request (OAR), to start the OAR process of referring a case to the Wage and Investment (W&I) Division, to affect the resolution of the taxpayer's problem. For more information, refer to IRM 13.1.19, Taxpayer Advocate Service, Taxpayer Advocate Case Procedures, Advocating with Operations Assistance Requests (OARs).
- (3) Refer taxpayers to TAS when the contact meets TAS criteria (see IRM 13.1.7), or when Form 911, Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order), is attached and steps cannot be taken to resolve the taxpayer's issue the same day.
- (4) The definition of "same day resolution" is within 24 hours. The following two situations meet the definition of "same day resolution":
 - The issue can be resolved within 24 hours.
 - IRS takes steps within 24 hours to resolve the taxpayer's issue.
- (5) When making a TAS referral, use Form 911, and forward to TAS in accordance with local procedures.
- (6) See IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria, for more information.

3.11.16.2.4.1
(04-19-2021)

◆TAS Service Level
Agreements (SLAs)◆

- (1) The National Taxpayer Advocate (NTA) reached agreements with the Commissioners of the Wage and Investment (W&I) Division, Small Business and Self-Employed (SB/SE) Division, Tax Exempt Government Entities (TE/GE), Criminal Investigation (CI), Appeals, and Large Business and International (LB&I) that outline the procedures and responsibilities for processing Taxpayer Advocate Service (TAS) casework when either the statutory or delegated authority to complete case transactions rests outside of TAS. These agreements are known as Service Level Agreements (SLAs).
- (2) The SLAs are found at <https://irs.gov.sharepoint.com/sites/TAS/SitePages/SLA.aspx>.

3.11.16.2.5
(01-01-2022)

◆Edit Marks◆

- (1) Edit marks are entered on the tax return for transcription to the Automatic Data Processing (ADP) System through Integrated Submission and Remittance Processing (ISRP). Enter edit marks in brown, red, orange, purple, or green pencil or pen.
- (2) Only edit items on the return that are for transcription except where specific instructions require editing of a non-transcribed item. Leave lines blank if the entry would be a zero amount unless otherwise instructed.
- (3) Do not obliterate, alter, or erase the original entry on a return when deleting or correcting an entry. Always exercise care to ensure that the original entry remains legible. Perfected entries provide a legible "edit trail" for anyone who may work with the return later.
- (4) Do not re-edit edit marks entered by other areas, such as Collections, Entity or Accounts Management, except to place the marks in the correct area or perfect for legibility.

Exception: Photocopied Returns.

- (5) Photocopied Returns - Re-edit or underline any valid, black edit marks. See IRM 3.11.16.3.4.3, Correspondence Imaging Inventory (CII) Returns, and IRM 3.11.16.3.8 Re-Entry Document Procedures.
- (6) For a description of specific edit marks, see the table below:

Edit Mark	Description
"X"	Deletes tax data or indicates do not transcribe an item. For example, if deleting an original entry, edit an "X" to the left of the entry to delete. Edit the correct entry to the left or above the "X".
"/ "(slash)	Indicates do not transcribe a form or schedule.
"/ /\$"	Identifies the beginning and ending of a foreign country code in the entity area. For example, "/EI/\$" is edited for "Ireland" or "/GM/\$" is edited for "Germany".
"c/o" or "%"	Indicates an "in-care-of" name for transcription.
Circle	Indicates do not transcribe an entry. Also, deletes entity data or a Received Date. Note: If the taxpayer circles an entry, edit the entry.
Underline	Identifies an entry for transcription (e.g., Name Control, Tax Period).
Arrow	Indicates the correct placement of a misplaced entry. Use an arrow if the misplaced item is close to the correct line and there is no question where the entry belongs. Note: Use a double arrow to identify the same figure for transcription in two different places (along with any required transcription data between the two arrows).
Check Mark	Indicates that an entry was manually math verified and is correct.
Bracket/Parenthesis	Indicates a negative numerical amount. Note: C&E is not required to bracket negative amounts when brackets are preprinted on the form or schedule or when the taxpayer clearly indicates a negative amount with brackets "(")" or "-" sign. Bracket negative amounts when editing negative entries on transcription lines (e.g., computing and entering a line entry, entering a missing line entry).
Vertical Line or Decimal Point	Indicates the separation of dollars and cents.
Zero, Dash, None, or N/A	"ZERO," "DASH," "NONE," or "N/A" are valid entries except when specific instructions require editing of an entry.
Rocker	Indicates the amount paid when drawn under a remittance amount.

3.11.16.2.6
(01-02-2023)

◆ **Frivolous Arguments** ◆

- (1) Businesses use frivolous arguments for expressing dissatisfaction with the substance, form or administration of the tax laws by trying to illegally avoid or reduce tax liabilities. See IRM 25.25.10, Frivolous Return Program, shown in Exhibit 3.11.16-15, Frivolous Return Program for Examination Review.
- (2) Review the tax return to decide whether it appears to be a frivolous return.

If...	Then...
<p>The return meets any of the conditions shown as a frivolous return, see Exhibit 3.11.16-15, Potential Frivolous Arguments for Examination Review,</p> <p>Exception: If the return shows Action Code “331,” and has a Form 4227, Intra-SC Reject or Routing Slip, attached with the remarks, “Refer to Exam FRP for audit after processing,” continue to next procedure.</p>	<p>Remove return from the batch and place the return in the locally designated basket for Examination, Frivolous Return Program (FRP) for review.</p>
<p>Examination has selected the return as frivolous (e.g., shown by an Action Code “331,” and a Form 4227, Intra-SC Reject or Routing Slip, with the remarks, “Refer to Exam FRP for audit after processing,” but sends the return for processing),</p>	<p>Continue processing the return using procedures in IRM 3.11.16. However, do not circle or void the Action Code showing a frivolous return.</p>

- (3) Do not consider the following returns as frivolous, unless there is other evidence of a frivolous argument:

- Returns that have only zeros, blanks, or no entries.
- Returns showing “None,” “Not Liable,” etc.

3.11.16.2.7
(01-01-2022)

◆Foreign Currency◆

- (1) For tax returns completed in other than United States (U.S.) currency, process as filed. However, if corresponding for missing/incomplete item(s), include in the letter to resubmit in U.S. currency.

3.11.16.2.8
(01-01-2022)

◆Protective Claims◆

- (1) Remove returns marked as “Protective Claims,” “Protective Claim for Refund,” or similar statement from the batch and route to Accounts Management (AM). Notate “Protective Claim” in the remarks box of Form 4227, Intra-SC Reject or Routing Slip.

Note: Do not remove any Form 1120-F with the “Protective return” box (upper right-hand corner) checked from the batch. These returns are not considered “Protective Claims.”

Exception: If the return is amended, do not remove from the batch. Edit Computer Condition Code “G” and follow normal processing procedures.

3.11.16.2.9
(01-01-2022)

◆Criminal Investigation
(CI) Referral◆

- (1) Criminal Investigation (CI) investigates potential criminal violations of the Internal Revenue Code (IRC) and related financial crimes. Criminal violations of the IRC include willful attempts to evade or defeat the income tax. Criminal tax violations also include the willful failure to collect or pay over tax and false claims for refunds based on bogus return information.
- (2) If CI has stamped the return, do not send for further CI action.

#

Refund Claim	Kansas City and Ogden
	<ol style="list-style-type: none"> 1. Make a copy of the first two pages of the tax return along with any page on the return that appears suspicious. 2. Attach Form 4227, Intra-SC Reject or Routing Slip, to the copy. 3. Route the copy to Ogden, Mail Stop 9001, Criminal Investigation (CI). 4. Edit an action trail "Copy to CI," or "CI Referral," or similar language in the lower left corner going vertically up the side of the return. 5. Edit Action Code "341" or CCC "U" (whichever is applicable) on the return, see IRM 3.11.16.4, Refund Returns (45 Day Jeopardy and High Dollar Refunds). 6. Continue processing the return.

#

- (4) Because of the repetitive nature of the Code and Edit (C&E) function, C&E Tax Examining Technicians often recognize income tax return data which is outside of the norm for data found on similar returns for each income tax return type. If C&E finds return characteristics not meeting Audit Code or Exam referral criteria it deems suspicious, CI is available to review the referral.

- (5) If a suspicious return is found, do the following:

1. Make a copy of the first two pages of the tax return along with any page on the return that appears suspicious.
2. Attach Form 4227, Intra-SC Reject or Routing Slip, to the copy.
3. Route the copy as shown in the table below.

Ogden	Kansas City
Mail Stop 9001, Criminal Investigation (CI)	Mail Stop S2 9000, Criminal Investigation (CI)

4. Edit an action trail "Copy to CI," or "CI Referral," or similar language in the lower left corner going vertically up the side of the return.
5. Continue processing the return.

- (6) If the return fits other criteria (e.g., Frivolous Argument), take proper action.

3.11.16.2.10
(01-01-2022)

◆ **Examination (Exam)**
Funny Box ◆

- (1) The primary goal in identifying tax returns for examination is to promote the highest degree of voluntary compliance. Examination gives support and helps Submission Processing (SP) with any questionable return found during processing. Exam has a vast multitude of programs and tolerance criteria already found in several IRM sections. SP can refer any questionable return to Exam, unless prohibited by instructions currently found in several IRMs.

3.11.16.2.11
(01-01-2024)

◆ **Business Master File**
(BMF) Identity (ID)
Theft ◆

- (1) BMF ID Theft is increasing. If a case is found with attachments or correspondence showing the taxpayer is a victim of "ID Theft", give the entire case to the manager/lead.
- (2) The manager/lead will expedite the case to the Planning and Analysis (P&A) staff for referral to one of the Submission Processing (SP) BMF ID Theft

liaisons. The taxpayer must show that they are a victim of "ID Theft"; do **not** send cases that are subject to Criminal Investigation (CI), Examination (Exam), or Fraud review.

3.11.16.2.12
(01-01-2022)

Section 965 Returns

(201712 through 202012)

- (1) The instructions in this subsection only apply to tax periods 201712 through 202012.
- (2) Section 965, as amended by the Tax Cuts and Jobs Act (TCJA) of 2017, requires certain taxpayers to pay a transition tax on the untaxed foreign earnings of certain specified foreign corporations as if those earnings had been repatriated to the United States.
- (3) Identify a corporate Section 965 return when any of the following are present and the corporation's Tax Period is 201712 through 202012:
 - Form 965, Inclusion of Deferred Foreign Income Upon Transition to Participation Exemption System, is attached.
 - Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net Tax 965 Tax Liability and Electing REIT Report of 965 Amounts, is attached.
 - IRC 965 Transition Tax Statement (or similar statement) is attached for TY2017.
 - A significant entry is present on any of the following forms and/or lines.

Note: A significant entry is defined as any amount other than zero.

Form	Lines
Form 1120	<ul style="list-style-type: none"> • Schedule C, Line 15 • Schedule J, Line 12 • Schedule J, Line 22 • Page 1, Line 32
Form 1120-C	<ul style="list-style-type: none"> • Schedule C, Line 15 • Page 2, Line 29 • Page 2, Line 30i
Form 1120-L	<ul style="list-style-type: none"> • Page 1, Line 27 • Page 1, Line 28i
Form 1120-PC	<ul style="list-style-type: none"> • Page 1, Line 14 • Page 1, Line 15d
Form 1120-REIT	<ul style="list-style-type: none"> • Page 2, Line 24 • Page 2, Line 25h
Form 1120-RIC	<ul style="list-style-type: none"> • Page 1, Line 28 • Page 1, Line 29i

- (4) When a return has been identified as a Section 965 return, edit as follows:
 1. Completely edit the return.
 2. Edit CCC "J," see IRM 3.11.16.9.1.10, CCC "J" - Section 965.
 3. Edit Action Code "460," see IRM 3.11.16.3.1, Action Codes.
 4. Do not issue correspondence on the return. ERS will correspond for any missing information.

3.11.16.2.13
(04-20-2023)

**Elective or Deemed
Payment Election (DPE)
and Credit Transfers
(202201 to 202212)**

- (1) Under the Inflation Reduction Act (IRA) of 2022 and CHIPS and Science Act of 2022, the taxpayer can elect to:
 - Take certain credits as an “Elective or Deemed Payment.”
 - Transfer certain credits to another taxpayer.
 - Claim the credit as a General Business Credit.
- (2) For tax periods 202201 to 202212, identify an “Elective or Deemed Payment Election” when the taxpayer writes “IRA22DPE” on Form 3800 or on an attachment or on any of the following lines (2022 and prior revisions):

Form	Lines
Form 1120	Schedule J, Line 20d
Form 1120-C	Line 30f(1)
Form 1120-F	Line 5j
Form 1120-H	Line 23e
Form 1120-L	Line 28g(1)
Form 1120-PC	Line 15i
Form 1120-REIT	Line 25f(1)
Form 1120-RIC	Line 29f

- (3) When a return is identified with an “Elective or Deemed Payment Election”, do the following:
 1. Completely edit the return.
 2. Edit RPC “J.”
 3. Place a flag at the top of the return and attach the “IRA22 DPE/TRE Reminder” sheet to the return.

Note: P&A will provide the pre-printed half-sheets for C&E to use.
 4. Give the return to the lead.
 5. The lead will have the returns rebatched with “DPE” in the batch ID.
- (4) Identify a “Credit Transfer” when the taxpayer writes “IRA22TRE” at the top of the return or on an attachment. When found, do the following:
 1. Completely edit the return.
 2. Edit RPC “K.”
 3. Place a flag at the top of the return and attach the “IRA22 DPE/TRE Reminder” sheet to the return.

Note: P&A will provide the pre-printed half-sheets for C&E to use.
 4. Give the return to the lead.
 5. The lead will have the returns rebatched with “TRE” in the batch ID.

Note: A return can have both an RPC “J” and an RPC “K.”

- (5) Treat taxpayers who claim the credit on Form 3800 with no other indication of claiming the “Elective or Deemed Payment Election” or “Credit Transfer” as

normal. See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

3.11.16.3
(01-01-2012)
**Unprocessable
Documents - Error
Resolution System**

- (1) The Document Perfection tax examiner will have the first opportunity to identify a problem which requires correspondence, research, or other action to make the return processable. Depending on the type of return, either an Action Code or Computer Condition Code (CCC) "U" is edited to find these unprocessable returns.
- (2) The tax examiner will determine the kind of action required and assign an Action Code to the return which will force it to Error Resolution System (ERS) (on-line correction system). The code will show whether correspondence, research, or some other action is needed. Action Codes apply only to:
 - Form 1120
 - Form 1120-C
 - Form 1120-F
 - Form 1120-H
 - Form 1120-L
 - Form 1120-PC
 - Form 1120-REIT
 - Form 1120-RIC
- (3) The following forms are processed through a manual correction system: Use Computer Condition Code "U" on these returns when action such as correspondence is needed.
 - Form 1120-FSC
 - Form 1120-ND
 - Form 1120-SF

3.11.16.3.1
(01-01-2024)
◆ Action Codes ◆

- (1) Action Codes are used to show whether correspondence, research, or some other action is needed. The Action Code sets the suspense period for the return and places the return in the workable or unworkable suspense inventory.
- (2) When necessary, assign a three-digit Action Code. **Action Codes are valid on:**
 - **Form 1120**
 - **Form 1120-C**
 - **Form 1120-F**
 - **Form 1120-H**
 - **Form 1120-L**
 - **Form 1120-PC**
 - **Form 1120-REIT**
 - **Form 1120-RIC**

Any other returns are processed through a manual correction system. Use Computer Condition Code "U" on these returns when actions such as correspondence are needed.
- (3) Edit the Action Code in the bottom left margin of the tax return.
- (4) Assign Action Codes in the following priority:
 - a. Action Code "310" (Statute Control).

- b. Action Code “320” (Entity Control).
- c. Action Code “4XX”
- d. Action Code “6XX”
- e. Action Code “3XX”
- f. Action Code “2XX” (Correspondence).

(5) Use the following table if more than one Action Code is needed:

If ...	Then ...
Action Codes include 211, 215, 225 or 226 and Action Code 341,	<ol style="list-style-type: none"> Edit the Action Code 211, 215, 225 or 226 on: <ul style="list-style-type: none"> Form 1120 Form 1120-C Form 1120-F Form 1120-H Form 1120-L Form 1120-PC Form 1120-REIT Form 1120-RIC Edit Action Code “341” on the Form 4227, Intra-SC Reject or Routing Slip.
Action Codes have the same priority,	<ol style="list-style-type: none"> Edit the Action Code with the shorter suspense period on: <ul style="list-style-type: none"> Form 1120 Form 1120-C Form 1120-F Form 1120-H Form 1120-L Form 1120-PC Form 1120-REIT Form 1120-RIC Edit the second Action Code on the Form 4227, Intra-SC Reject or Routing Slip. See IRM 3.11.16.3.1(8), Action Codes, for suspense periods.

If ...	Then ...
Action Codes have different priorities,	<ol style="list-style-type: none">1. Edit the Action Code with the higher priority on:<ul style="list-style-type: none">• Form 1120• Form 1120-C• Form 1120-F• Form 1120-H• Form 1120-L• Form 1120-PC• Form 1120-REIT• Form 1120-RIC<p>Exception: Use Action Code 211, 215, 225 or 226 before Action Code 341 to ensure the return is complete before a manual refund is issued.</p>2. Edit the second Action Code on the Form 4227, Intra-SC Reject or Routing Slip.

(6) See Figure 3.11.16-1.

DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2023

A Check if:
1a Consolidated return (attach Form 851) ☐
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐
4 Schedule M-3 attached ☐

B Employer identification number
00-8764901

C Date incorporated
07-01-51

D Total assets (see instructions)
\$ 430,850

Name
Alder Museum
Number, street, and room or suite no. If a P.O. box, see instructions.
2502 Magnolia Ave
City or town, state or province, country, and ZIP or foreign postal code
Washington, DC 20013

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales **156,500**
1b Returns and allowances
1c Balance. Subtract line 1b from line 1a **156,500**
2 Cost of goods sold (attach Form 1125-A) **156,500**
3 Gross profit. Subtract line 2 from line 1c
4 Dividends and inclusions (Schedule C, line 23)
5 Interest
6 Gross rents
7 Gross royalties
8 Capital gain net income (attach Schedule D (Form 1120))

9 Total income **216,500**
10 **207,000**
11 **7,500**
12
13
14
15
16
17
18
19
20
21 **2,000**
22
23 **216,500**
24
25
26
27
28
29c
30
31
32 **25,000**
33
34
35
36 **25,000**
37 **25,000**

RECEIVED
01 04152024
IRS-KCSC

Intra-SC Reject or Routing Slip
Name-Unit **924** Date **051624**

X	Route to	X	Reason
<input checked="" type="checkbox"/>	Accounting	<input type="checkbox"/>	Missing or illegible data
<input type="checkbox"/>	Adjustments	<input checked="" type="checkbox"/>	EIN
<input type="checkbox"/>	Batching and Numbering	<input type="checkbox"/>	Signature
<input type="checkbox"/>	Clearing and Deposit	<input type="checkbox"/>	SSN
<input type="checkbox"/>	Collection	<input type="checkbox"/>	Name
<input type="checkbox"/>	Criminal Investigation	<input type="checkbox"/>	Address
<input type="checkbox"/>	QRDT <input type="checkbox"/> ITTP	<input type="checkbox"/>	Other (specify)
<input type="checkbox"/>	Data Control (Balancing)	<input type="checkbox"/>	Review for necessary action
<input type="checkbox"/>	Document Services	<input type="checkbox"/>	Renumber to
<input type="checkbox"/>	Entity Control	<input type="checkbox"/>	Tax class <input type="checkbox"/> Doc. code
<input type="checkbox"/>	Error Resolution	<input type="checkbox"/>	Other:
<input type="checkbox"/>	Examination (Audit)	<input checked="" type="checkbox"/>	Unpostable code: 341 Cycle:
<input type="checkbox"/>	Files	<input type="checkbox"/>	Action Code: 341
<input type="checkbox"/>	Reject Correction	<input type="checkbox"/>	Reinput
<input type="checkbox"/>	Returns Analysis	<input type="checkbox"/>	Questionable items
<input type="checkbox"/>	Statute Control	<input type="checkbox"/>	Form W-2 <input type="checkbox"/> Contributions
<input type="checkbox"/>	Other activity (explain)	<input type="checkbox"/>	Other data:
			Other (explain)

45-day jeopardy Manual refund

Form 4227 (Rev. 12-01) Cat. No. 269151 Department of the Treasury Internal Revenue Service

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

Signature of officer _____ Date _____ Title _____

Paid Preparer Use Only
Print/Type preparer's name **George Tupelo, CPA** Preparer's signature *George Tupelo CPA* Date **04/02/24** Check ☐ if self-employed PTIN **P00584362**
Firm's name _____ Firm's EIN **00-6464453**
Firm's address **6546 Acacia Ave Washington DC 20013** Phone no. _____

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11450Q Form 1120 (2023)

225

Figure 3.11.16-1 Example of editing using the Form 4227 for multiple Action Codes

(7) Edit the following Action Codes when a return can't be perfected:

Action Code	Description
"211" (First Correspondence) or "215"(International Correspondence)	<ul style="list-style-type: none"> Return is illegible, incomplete, or contradictory and therefore unprocessable. The taxpayer notates on the tax return or attachment that they are reporting tax for more than one tax period or for more than one type of tax.
"225" (Missing Signature Correspondence)	<ul style="list-style-type: none"> Unsigned returns (only issue for correspondence).
"226" (Missing Signature International Correspondence)	<ul style="list-style-type: none"> Unsigned foreign returns (only issue for correspondence).
"440" (LB&I, review of Form 1120-F)	<ul style="list-style-type: none"> Foreign Payments Practice (FPP) review of credits for Form 1120-F.
"460" (Section 965 indicated)	<ul style="list-style-type: none"> Section 965, Treatment of Deferred Foreign Income upon Transition to Participation Exemption System of Taxation, see, IRM 3.11.16.2.12, Section 965 Returns (201712 through 202012).
"480" (Early Filed - Suspense)	<ul style="list-style-type: none"> The return is an early filed (future) return.
"610" (Renumbered non-remittance) or "611"(Renumbered with-remittance)	<ul style="list-style-type: none"> Mis-batched return (e.g., Form 1065, U.S. Return of Partnership Income, found in a Form 1120, U.S. Corporation Income Tax Return, batch of work).
"640" (Void)	<ul style="list-style-type: none"> To delete the assigned Document Locator Number (DLN) on the return (e.g., Re-entry Returns).
"650" (International)	<ul style="list-style-type: none"> An international return, processed in Ogden Submission Processing Center (OSPC).

(8) Continue perfecting the return after editing the Action Codes.

(9) Valid Action Codes are listed below:

Action Code	Description	Workday Suspense Period
211	First Taxpayer Correspondence	40
215	International Correspondence	45
225	Taxpayer Correspondence (Signature Only)	40
226	International Correspondence (Signature Only)	40
310	Statute Control	10
320	Entity Control	10
321 (Modernized Electronic Filing (MeF) only)	Entity Control - Form 1120 with Form 851, Affiliations Schedule, attached	20
322 (MeF only)	Foreign Investment in Real Property Act (FIRPTA) Credit Verification	10
331	Frivolous Review	3
341	Manual Refund	10
342	Credit Verification	10
345 (MeF only)	Form 1120-F Total Tax Math Error	
346 (MeF only)	Form 1120-F Balance Due Math Error	
352	Name Research	3
360	Other In-House Research	10
370	Examination - Prompt Assessment - Form 4810, Request for Prompt Assessment under Section 6501(d)	10
420	Management Suspense A - (2006 Tax Return with Form 8913, Credit for Federal Telephone Excise Tax Paid)	5
440	Management Suspense C, Large Business and International (LB&I) review of Form 1120-F in OSPC only)	15
450	Management Suspense D	20
460	Management Suspense E Note: Used for "Section 965" identification.	25
480	Early Filed Suspense	150
610	Renumber - Non-Remittance	0

Action Code	Description	Workday Suspense Period
611	Renumber - Remittance	0
640	Void	0
650	International	0

- (10) For more information and applicable Action Codes, see IRM 3.12.38.3.4, Error Resolution System (ERS) Action Codes, and the exhibit in IRM 3.12.38-1, Action Codes.

3.11.16.3.2
(01-01-2022)

**Unprocessable
Conditions and
Rejection of Tax Returns**

- (1) A tax return is an "Ogden Submission Processing Center (OSPC) only" return if at least one of the following conditions exists:

- The tax return has a foreign address.
- The tax return is a Form 1120-C.
- The tax return is a Form 1120-F.
- The tax return is a Form 1120-FSC.
- The tax return is a Form 1120-L.
- The tax return is a Form 1120-ND.
- The tax return is a Form 1120-PC.
- The tax return is a Form 1120-SF.
- There is a refund credit claimed because of U.S. income tax paid or withheld at source because of the Foreign Investors in Real Property Tax Act whether or not Form 8288-A, Statement of Withholding on Certain Dispositions by Foreign Persons.

Note: Form 8288-A credit must be verified by the OSPC Foreign Team.

3.11.16.3.3
(01-01-2018)

**Treatment of All
Unprocessable Tax
Returns**

- If the tax return is an Ogden Submission Processing Center (OSPC) "only" return, discontinue perfection of the return. Prepare Letter 86C, Referring Taxpayer Inquiry/Forms to Another Office, to inform the taxpayer the return has been sent to Ogden Submission Processing Campus.
- If the tax return is other than an OSPC "only" return, perfect the return if possible:
 - Examine schedules and other attachments for the necessary information and edit the return as needed for processing.
 - If perfection is not possible, perfect to the extent possible and proceed as set forth in (3) below.
- Action to secure perfection:
 - Where indicated, prepare Form 4227, Intra-SC Reject or Routing Slip, showing the reason for rejecting the document and that the document must be resubmitted for processing when it has been perfected.
 - Attach the Form 4227, to the face of document in such a position that the Employer Identification Number (EIN) is visible for transcription.
 - If the tax return has not been numbered, withdraw it from processing and send it to the proper activity.
 - For numbered Form 1120-FSC, Form 1120-ND, and Form 1120-SF, edit Computer Condition Code (CCC) "U" and attach Form 4227.

- e. For numbered Form 1120, Form 1120-C, Form 1120-F, Form 1120-H, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC, edit the right Action Code in the bottom left margin of the return and leave it in the block.

3.11.16.3.4
(01-01-2018)

◆Correspondence◆

- (1) There are two types of correspondence that C&E may encounter:

- Correspondence received from taxpayers, and
- Correspondence Issued to taxpayers.

3.11.16.3.4.1
(01-01-2022)

◆Definition of
Correspondence from
Taxpayers◆

- (1) Correspondence is all written communications from a taxpayer or their representative, excluding tax returns, whether solicited or unsolicited. This includes:

- a. Written communications in response to IRS requests for information or data.
- b. Written communications, including annotated notice responses, which provide more information or dispute a notice.
- c. A telephone call that results in a written referral or research (Form e-4442, Inquiry Referral).

- (2) The key to identifying taxpayer correspondence is to ask the following questions:

- a. Is the taxpayer waiting for a response from IRS?
- b. Is the taxpayer waiting for IRS to take action?
- c. Is the taxpayer asking a question?

Note: A Post-It-Note, Sticky Note, or some other type of note stuck on the return by another function, for example - "Taxpayer (TP) requests penalties be waived" - does not constitute correspondence from the taxpayer.

3.11.16.3.4.2
(01-01-2024)

◆Issuing
Correspondence◆

- (1) Issue correspondence to resolve any conditions causing the return to be unworkable or unprocessable.

Exception: Section 965 Returns - Do not issue correspondence on the return. ERS will correspond for any missing information.

Exception: Do not correspond on returns prepared by Collections, Section 6020(b) or by Examination, "Substitute for Return" (SFR).

- (2) If the return is incomplete and doesn't appear to be a return meant for filing or is a conduit for providing information (e.g., indicates "payment only"), give the return to the lead. The lead must determine the correct course of action. The lead researches for a Transaction Code (TC) 150 and any other information necessary to determine if the return should continue processing, is an amended return, or must be routed to another function. An incomplete return could include any of the following:

- A one-page return, with or without a signature.
- Incomplete returns showing "Payment Only."
- Incomplete returns showing they have previously e-filed.

Note: This list is not all inclusive. Tax examiners may see other unusual documents not addressed in this subsection or in other areas of the IRM.

#**Exceptions:**#

#

Example: Substantial evidence includes closing documents or settlement statement which shows the amount of tax withheld.

Exception: If a letter is attached, signed by the Competent Authority, accept the letter as proof of Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, withholding and do not correspond for the missing Form 1042-S.

- (4) Examine the return for **all** unprocessable conditions before initiating correspondence.

If...	And...	Then...
The return needs correspondence,	Requires a response,	<ol style="list-style-type: none"> 1. Complete an approved Correspondence Action Sheet showing the letter number (118C, 599C, 319C etc.), Master File Tax (MFT) code, and the right paragraphs. Note: Some paragraphs may require fill-ins to enter, such as , tax period, form number, Document Locator Number (DLN), etc. 2. Attach the Correspondence Action Sheet to the front of the return below the entity area. 3. Edit Action Code “211” (First Correspondence) or “215” (International Correspondence) on: <ul style="list-style-type: none"> • Form 1120 • Form 1120-C • Form 1120-F • Form 1120-H • Form 1120-L • Form 1120-PC • Form 1120-REIT • Form 1120-RIC Note: If the return is consolidated, input a Transaction Code (TC) “590” with Closing Code “014” for each subsidiary corporation listed on the Form 851 to satisfy the filing requirement. 4. Edit CCC “U” for Form 1120-FSC, Form 1120-ND, and Form 1120-SF. 5. Finish editing the return and leave in the batch.

If...	And...	Then...
The return needs correspondence,	Does not require a response,	<ol style="list-style-type: none"> 1. Complete an approved Correspondence Action Sheet showing the letter number (86C, 1382-C, etc.), Master File Tax (MFT), and the right paragraphs. Note: Some paragraphs may require fill-ins to enter, such as tax period, form number, DLN, etc. 2. Photocopy the first page of the tax return and attach a Correspondence Action Sheet below the entity area on front of the return copy. Be sure the name and address clearly show above the Correspondence Action Sheet. 3. Forward the copy to the Correspondence area. 4. Edit an Action Trail (e.g., "1382-C Sent") in the lower left corner going vertically up the side of the return. 5. Finish editing the return and leave in batch.

Note: There are more campus exclusive letters. They are for processing specific forms or conditions. Go to the lead or manager for copies of these letters.

3.11.16.3.4.3
(01-01-2018)

◆ **Correspondence
Imaging Inventory (CII)
Returns** ◆

- (1) Correspondence Imaging Inventory (CII) is an inventory system for scanning all Accounts Management (AM) receipts into digital images and working the cases from those images.

Note: Correspondence Imaging System (CIS) changed to Correspondence Imaging Inventory (CII).

- (2) "CII" returns show a "CII Image - Do not correspond for Signature" stamped below the signature line or a "CII" annotation on the front of the return.
- (3) Verify all edit marks and ensure placement is correct on a "CII" return.

If...	Then...
The edit marks are black,	Underline the edit mark if correct or circle if incorrect.
The edit marks are red or green,	Circle if incorrect.
The edit marks are missing or incorrect,	Perfect as necessary.

- (4) Follow the correspondence instructions below for "CII" returns:

If...	And...	Then...
The "CII" return has a Form 13596, Reprocessing Returns, attached,	The return is incomplete (e.g., missing signature, schedules, or forms),	<ol style="list-style-type: none"> Do not correspond. Remove the return from the batch and route to AM. If the return comes back from AM with incomplete information, send the return to AM again to secure all the missing information. Indicate "Additional information needed to process incomplete CII return," or similar language on Form 4227 (or other proper routing slip).
The "CII" return has a Form 13596, Reprocessing Returns, attached and the return is incomplete (e.g., missing signature, schedules, or forms),	The return shows correspondence was sent (e.g., CCC "3" is edited on the return),	Do not route the return to AM. Continue processing the return.
The "CII" return does not have a Form 13596, Reprocessing Returns, attached,	The return is incomplete (e.g., missing signature, schedules, or forms),	Follow normal correspondence procedures.

3.11.16.3.4.4
(01-01-2023)

◆ **Use of Fax for
Taxpayer Submissions** ◆

- (1) Taxpayers may send tax return information via fax as part of return perfection even when submitting a signature. In circumstances where contact with the taxpayer was made and documented, **faxed signatures are acceptable**.
- (2) Contact the taxpayer by telephone or correspondence. Follow local procedures to decide which method of contact to use.
- (3) Indicate the fax paragraph on the **approved** Correspondence Action Sheet to inform the taxpayer of the fax options.
- (4) Use the following resources to make sure you are speaking with the taxpayer or authorized representative before disclosing any tax information:
 - IRM 21.1.3.2.3, Required Taxpayer Authentication
 - IRM 21.1.3.2.4, Additional Taxpayer Authentication
- (5) Before leaving any messages on a taxpayer's answering machine, review:
 - IRM 10.5.1.6.7.2, Answering Machine or Voice mail
 - IRM 10.8.1, Information Technology (IT) Security, Policy and Guidance

3.11.16.3.5
(01-01-2023)

C/SC Letters

- (1) Listed below are letters provided by Headquarters for Submission Processing Center use in corresponding for items listed in this IRM. Tax examiners or their supervisors (or delegates) will have access to and be familiar with the Submission Processing Center Correspondence Handbook for selection of right letters.
 - a. Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S.

- b. Letter 319C, Return Covers Other Than 12-month Accounting Period.
- c. Letter 3064C, IDRS Special Letter.

3.11.16.3.6
(01-01-2022)

◆ **Compliance
Secured/Prepared
Returns** ◆

(1) Compliance notates:

- a. Prepared tax returns with "6020(b)" or "SFR" (Substitute for Return).
- b. Secured tax returns with "TC 59X" or "ICS" or "Process as Original" with a Form 13133, Expedite Processing Cycle, attached with the "Delinquent Return" box checked.

Note: If "RD" (Return Delinquency) is notated on the front of the return **and not circled**, remove from the batch and route to Collections.

3.11.16.3.6.1
(01-01-2018)

◆ **IRC 6020(b) - Prepared
by Collections** ◆

(1) When the taxpayer doesn't file a required return, IRC 6020(b) is the authority for the IRS to prepare the return.

(2) These returns are identified by the notation: "PREPARED AND SIGNED UNDER AUTHORITY OF SECTION 6020(b) OF THE INTERNAL REVENUE CODE," which is located in the center bottom of Page 1.

- a. Returns must have a received date. If missing, follow the normal procedures for editing the received date, see IRM 3.11.16.8, Received Date.
- b. Compliance Function representatives must sign returns. If not signed, route to Compliance using Form 4227, Intra-SC Reject or Routing Slip.

Note: Accept revenue officer (RO) typed or electronic signatures as valid signatures on the return.

- c. Edit CCC "D" if the Compliance Function representative notates: "DO NOT ASSESS FAILURE TO PAY PENALTY" **and** the return due date (without regard to extensions) is July 30, 1996 or prior.

Note: Do not edit CCC "D" if the return due date is after July 30, 1996 (without regard to extensions) even if the Compliance Function representative notates "DO NOT ASSESS FAILURE TO PAY PENALTY."

- d. **Do not** correspond with the taxpayer for unprocessable conditions. If the return is unprocessable, edit CCC "3" and continue processing.
- e. Edit CCC "W" if the received date is more than two years and nine months after the return Due Date. **Do not** send the return to Statute Control.

3.11.16.3.6.2
(01-01-2022)

◆ **Collection Secured** ◆

(1) These returns are identified by the notations: "TC 59X" or "ICS."

- a. **Do not** edit CCC "G" on these returns.
- b. Use **approved** Correspondence Action Sheet to correspond for conditions that are unprocessable (e.g., missing signatures, missing schedules).
- c. Edit CCC "W" if the received date is more than two years and nine months after the return Due Date. **Do not** send the return to Statute Control.

Reminder: If there is a sign penalties require suppression, edit the right Computer Condition Code(s). Please refer to IRM 3.11.16.9.1, Computer Condition Codes, for more information.

3.11.16.3.6.3
(01-01-2017)

◆ **Examination Prepared Returns** ◆

- (1) These tax returns are identified by the notation “SFR” or “SUBSTITUTE RETURN” on Page 1.
 - a. The return must have a received date. If no received date is present, follow the normal procedures for editing the received date.
 - b. **Do not** correspond with the taxpayer for unprocessable conditions. If the return is unprocessable, edit CCC “3” and continue processing.
 - c. If Form 13133, Expedite Processing Cycle, is attached, edit the Computer Condition Codes checked on the form.

Note: Do not enter CCC “D” unless the return due date (without regard to extensions) is July 30, 1996 or prior, even if the CCC “D” box is checked on Form 13133.
 - d. Edit CCC “W” if the received date is more than two years and nine months after the return Due Date. **Do not** send to Statute Control function.

3.11.16.3.6.4
(03-04-2011)

◆ **Examination Secured** ◆

- (1) These tax returns are identified by the notation “Process as Original” on Page 1 of the return and a Form 13133, Expedite Processing Cycle, attached with the “Delinquent Return” box checked.
 - a. **Do not** edit CCC “G” on these returns.
 - b. Use **approved** Correspondence Action Sheet to correspond for conditions that are unprocessable (e.g., missing signatures, missing schedules).
 - c. Edit the Computer Condition Codes checked on Form 13133.
 - d. Edit CCC “W” if the received date is more than two years and nine months after the return Due Date. **Do not** send to Statute Control function. See IRM 3.11.16.9.1.23, CCC “W” - Return Cleared by Statute Control.

Reminder: If Form 13133 (or something similar) indicates penalties require suppression, edit the right Computer Condition Code(s). Please refer to IRM 3.11.16.9.1, Computer Condition Codes, for more information.

3.11.16.3.7
(01-17-2023)

◆ **Statute Returns** ◆

- (1) Any tax return with a received date that is two years and nine months or more after the Return Due Date is a potential statute control return.
- (2) Route statute returns to the Statute Control Unit daily or more often if needed.
- (3) If any of the conditions listed below are present, **do not** route to Statute Control Unit for clearance. Instead, edit CCC “W” and continue processing.
 - Compliance IRC 6020(b) returns
 - Secured by Examination/Collections, including TEGE or TEGE Employee Plan (EP) Exam
 - Returns with Transaction Code (TC) TC 59X or “ICS” notated on the face of the return
 - Returns showing “substitute returns prepared by Examination (SFR)” in top margin of the return
 - Returns with a stamp showing a previous clearance by Statute Control within the last 90 days

- Return is a 2019 or prior year original. Due to the COVID-19 pandemic and subsequent Submission Processing (SP) and Accounts Management (AM) site closures, SP and AM developed procedures to bypass AM statute clearance and be processed. In addition, any 2019 or prior year returns previously cleared by AM statute will not be returned by SP to AM to be cleared again if the 90-calendar day statute stamp has expired.
- (4) If a return has any of the following computer paragraphs (CPs) or letters attached, **do not** route to Statute Control Unit for clearance. Edit CCC “W” if the return needs processing. See Exhibit 3.11.16-17, Routing Guide for Attachments, for more information.
- CP 259, Master File Generated 1st TDI Notice
 - CP 959, Master File Generated 1st TDI Notice (Spanish version)
 - CP 518, Final Notice - Return Delinquency
 - Letter 112-C, Payment/Overpayment/Credit Applied; No Record of Return Filed
 - Letter 282-C, Return Not Received: Copy Requested/Received
 - Letter 2255-C, Delinquent Return (Forms 720, 1041, 1065, 1120)
 - Letter 2284-C, Delinquent Return (Form 940, 941, 942, 943)
- (5) If a return has a Form 12412, Operations Assistance Request (OAR), from TAS and is a potential statute Control return but is not stamped “Cleared by Statute”, give it to the lead. The lead contacts the TAS employee listed on the OAR for rejection of the return and sends it back to TAS for clearance by the Statute Control Unit.
- Note:** If the return is within 90 days of the statute expiration date, advise the TAS employee of such and route the return directly to Statute Control for clearance.
- (6) Statute returns are unprocessable until cleared by Statute Control.

If...	Then...
The return is numbered,	<ol style="list-style-type: none"> Edit Action Code “310” on: <ul style="list-style-type: none"> Form 1120 Form 1120-C Form 1120-F Form 1120-H Form 1120-L Form 1120-PC Form 1120-REIT Form 1120-RIC All other returns edit CCC “U” and attach Form 4227. Check the “Statute Control” box on Form 4227, Intra-SC Reject or Routing Slip. Leave the return in the batch and continue processing.
The return is unnumbered,	<ol style="list-style-type: none"> Do not continue processing. Pull the return from the batch. Attach Form 4227, Intra-SC Reject or Routing Slip, and check the box for “Statute Control.”

- (7) Edit CCC "W" if the Statute Control Unit stamps or shows clearance on the front of the return.
- (8) Follow the chart below to determine if CCC "W" is needed.

If...	And...	Then...
The return received date is two years and nine months or more after the Return Due Date,	The return is stamped, "No Statute issue," "Statute N/A," or a similar statement showing there is no statute issue,	Edit CCC "W."
The return received date is less than two years and nine months from the Return Due Date,	The return is stamped, "No Statute issue," "Statute N/A," or a similar statement showing there is no statute issue,	Do not edit CCC "W."

3.11.16.3.8
(01-01-2010)

◆ **Re-Entry Document Procedures** ◆

- (1) A tax return posted to the wrong account or module or attempting to post must be reprocessed to post to the proper account or module.
- (2) **Some re-entry returns may have originally been filed electronically (E-File). These returns may be identified by the presence of Mod E-File printouts in lieu of an actual return. Do not correspond for missing signatures on these documents.**
- (3) Each re-entry tax return must have a Form 3893, Re-Entry Document Control or Form 13596, Reprocessing Returns, attached.
 - Form 3893 is used to *reinput* returns that have not posted to an account or module.
 - Form 13596 is used to *reprocess* returns to the correct account or module that had previously posted to the wrong account or module.
- (4) Always leave the Form 3893 or Form 13596 on the front of the return. It must remain as a permanent part of the document.
- (5) Examine Form 3893 or Form 13596 to determine the action needed to make the return processable.

Caution: If the received date is two years and nine months or more after the Return Due Date, refer to Statute procedures before re-entering or reprocessing the return, see IRM 3.11.16.3.7, Statute Returns.

3.11.16.3.8.1
(01-01-2022)

◆ **Form 3893 - Re-Entry Document Control** ◆

- (1) Reprocess a return posted to the wrong account or module to post it to the correct account module.
- (2) If more than one return is in the batch and only the top Form 3893 has an entry in Box 1 (Alpha/Numeric block control no.), edit all returns using current processing instructions and keep all returns clipped together.
- (3) Circle the CCC "G" if present.
- (4) Do not Edit CCC "G" on amended returns.

- (5) Do not send Letter 1382C, Penalty Removal Request Incomplete, if a request for reasonable cause is attached.
- (6) If the return is not edited according to current processing instructions, circle any Action Codes, Computer Condition Codes and any other edit marks that are no longer applicable. Re-edit according to current processing instructions.
- (7) If the return is edited according to current processing instructions, ensure that the information from Form 3893 is edited to the return.

Form 3893	Action Taken
Box 14 (Remarks)	1. Ensure that the information is edited to the return.
Box 15 (Process as)	1. Circle any green rocker and edit marks that may indicate a receipt of remittance. 2. Do not change any tax due amounts.

- (8) Examine returns that have any color other than red editing in the tax data section to determine if the corrections are the result of improper perfection or taxpayer error.

If...	Then...
Improper perfection,	Edit the same correction in red/green (per local procedure) to the right area.
Taxpayer error,	Leave the entries as shown on the document.

- (9) A received date must be present on all re-input returns.

If...	Then...
Received date is not present,	Edit a received date to the middle of the return, see IRM 3.11.16.8, Received Date.
Multiple Received Dates are present,	Circle all but the earliest date.

- (10) When more information is still needed to make the return processable, prepare **approved** Correspondence Action Sheet or Form 4227, Intra-SC Reject or Routing Slip, for the proper action (e.g., correspondence, research).
- (11) When perfection is not possible, edit Action Code "640" (**or CCC "U"**) and attach Form 4227 noting "PERFECTION NOT POSSIBLE" and leave in batch.

3.11.16.3.8.2
(01-01-2022)

◆ **Form 13596 -
Reprocessing Returns** ◆

- (1) Form 13596, Reprocessing Returns, is used to reprocess a return to the correct account or module that had previously posted to the wrong account or module.
- (2) Circle CCC "G" if present.
- (3) Do not edit CCC "G" on amended returns.

- (4) Do not send Letter 1382C, Penalty Removal Request Incomplete, if a request for reasonable cause is attached.
- (5) If the return is not edited according to current processing instructions, circle any Action Codes, Computer Condition Codes, and any other edit marks that are no longer applicable. Re-edit according to current processing instructions.

Caution: If a Form 1120 converted from Form 1120-S is received, ensure that the following items are present: EIN, name control, North American Industry Classification System (NAICS), received date, audit code 4, tax period (prior year returns), and CCC “3” (as applicable for No Replies). If not, then edit the needed items. No other editing is required.

- (6) If the return is edited according to current processing instructions, ensure that the information from Form 13596 is edited on the return.

Form 13596	Action Taken
Taxpayer Identification Number (TIN) correction,	Edit the correct TIN on tax return.
Tax period correction,	Edit the correct tax period ended on the tax return.
Reasonable cause,	Edit right Computer Condition Code. a. Edit CCC “R” if the “FTF” (Failure to File) box is checked. b. Edit CCC “D” if the “FTP” (Failure to Pay) box is checked.

- (7) Examine returns that have any color other than red editing in the tax data section to determine if the corrections are the result of improper perfection or taxpayer error.

If...	Then...
Improper perfection,	Edit the same correction in red/green (per local procedure) to the right area.
Taxpayer error,	Leave the entries as shown on the document.

- (8) A received date must be present on all reprocessed returns.

If...	Then...
Received date is not present,	Edit a received date to the middle of the return, see IRM 3.11.16.8, Received Date.
Multiple received dates are present,	Circle all but the earliest date.

- (9) Circle any green rocker and edit marks that may indicate a receipt of remittance.
- (10) When more information is still needed to make the return processable prepare an **approved** Correspondence Action Sheet or Form 4227, Intra-SC Reject or Routing Slip, for the proper action (e.g., correspondence, research).

3.11.16.3.9
(08-31-2021)

◆ Amended Returns ◆

(1) A return is considered Amended based on the following:

- The “Amended” box is checked
- **On MeF returns the “Superseded Return” or the “Amended Return” box is checked. The “Superseded Return” and the “Amended Return” boxes will only be on MeF returns that have been printed. They will be located on Line E.**
- Words such as “Supplemental,” “Corrected,” “Additional,” “**Superseded**” are present
- Any indication from the taxpayer that a previous return was filed

Note: Words such as “Copy” or “Duplicate” are not sufficient indicators and must be accompanied by a statement from the taxpayer that a previous return was filed.

(2) Examine the return for attachments:

- Do not separate any related attachments submitted to explain the reason for the Amended return. Accounts Management may use the information.
- Detach any unrelated documents and route them to the correct function using Form 4227, Intra-SC Reject or Routing Slip. Edit an Action Trail on the return.

Note: Pull any amended return that has “CBR” notated and route to AM.

(3) Follow the instructions in the chart below when there is a sign of an amended return:

If...	Then...
Compliance Services entered “TC 59X” or “ICS” on the return,	a. Do not edit CCC “G.” b. Process the return as an original.
Statute Control stamped the return “Delinquent Original Cleared for Processing”,	a. Do not edit CCC “G.” b. Process the return as an original.
Form 3893 or Form 13596, Reprocessing Returns, is attached,	a. Do not edit CCC “G.” b. See IRM 3.11.16.3.8.1, Form 3893 - Re-Entry Document Control, or IRM 3.11.16.3.8.2, Form 13596 - Reprocessing Returns.
None of the above are present,	a. Edit CCC “G.” b. Do not use any other codes with CCC “G”. Exception: CCC “S,” “T,” “U,” “W,” “3” and/or Error Resolution System (ERS) Action Codes may be used with CCC “G.”

(4) The following data must be edited on all amended returns:

- a. Name control, see IRM 3.11.16.6.3, Entity Perfection - Name Control
- b. EIN, see IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN)
- c. Tax period, see IRM 3.11.16.7, Tax Period

- d. CCC "G," see Exception above
- e. Received date, see IRM 3.11.16.8, Received Date
- f. Signature, see IRM 3.11.16.11.7, Signature

Note: No further editing is required.

3.11.16.3.10
(01-01-2023)

IRC 847 Deduction

- (1) The instructions in this subsection only apply to tax periods 201812 and prior. For tax periods 201901 and later, no action is needed.

Note: IRC 847 applies to taxable years beginning before January 1, 2018. Section 13516 of the Tax Cuts and Jobs Act (PL 115-97) repealed IRC 847. IRC 847 required certain insurance companies to make SETP in the amount equal to the tax benefit derived from the added deduction permitted under IRC 847 Deduction. Following the repeal of IRC 847, the entire amount of existing SETP is considered for the first tax year beginning after 2017, see IRM 21.7.4.4.4.11.4.2.

- (2) If Special Estimated Tax Payments (SETP) is claimed for tax periods 201812 and prior, follow the instructions in the paragraphs below.
- (3) The SETP payment (or application of prior SETP payment) was reported on the following lines:

Form	Line Number
Form 1120 Form 1120 Consolidated with a subsidiary Form 1120-PC or Form 1120-L attached.	Schedule J, Part III, Line 14 (Part II, Line 13 for 2017 -2011) found by a notation in the margin or on the line referring to a "Form 8816" and/or SETP , and/or attached schedule, and/or Form 8816, Special Loss Discount Account and Special Estimated Tax Payments for Insurance Companies is attached.
Form 1120-L	Page 1, Lines 28b for 2018 (Lines 29b and/or 29d for 2017 and prior) and/or Form 8816 is attached.
Form 1120-PC	Page 1, Lines 15b for 2018 (Lines 14b and/or 14d for 2017 and prior) and/or Form 8816 is attached.

- (4) If SETP are claimed, edit Action Code "342" and enter CCC "6" on the return. Give the return to the lead.

- (5) C&E Lead or another assigned individual will do the following:

- a. Edit an action trail such as "Faxed to LB&I Exam 01-01-2018" (01-01-2018 would be the date faxed).
- b. Fax pages 1, 2, and 3 of the Form 1120, Form 1120-PC, and/or Form

#

 contact information (name, phone number and e-mail address). For a consolidated Form 1120, also fax the subsidiary return or attachment on which the SETP are identified. If the fax does not work, contact LB&I

#
- c. Set the return aside in a location designated for Section 847 returns with a copy of fax acknowledgement or other record of correspondence with LB&I Exam. Check the bin daily to ensure returns have been properly communicated to LB&I Exam.

- d. LB&I Exam will respond within 72 hours by e-mailing a Form 3809, Miscellaneous Adjustment Voucher, to the person who provided the fax. Print the e-mailed Form 3809 on green paper and attach to the back of the return. If LB&I responds back stating the return is not a true Section 847 case, print that e-mail on green paper and attach to the back of the return.
- e. Place the return back in the processing pipeline.

3.11.16.3.11
(01-01-2014)

**Prompt Assessment
(Form 4810) / Prompt
Determination**

- (1) A "Prompt Assessment," Section 6501 is requested, either in the form of a letter or on Form 4810, Request for prompt Assessment Under Internal Revenue Code 6501(d). A "Prompt Determination," is requested under 11 U.S.A. 505(b) of the U.S. Bankruptcy Code.

If...	And...	Then...
A Prompt Assessment or Prompt Determination request is not attached to a tax return,		Send the Prompt Assessment/Prompt Determination request to Examination.
A Prompt Assessment or Prompt Determination request is attached to a tax return,	A TC "150" has not posted for that return,	Process the return and send the Prompt Assessment/Prompt Determination request to Examination with a copy of the tax return.
A Prompt Assessment or Prompt Determination request is attached to a tax return,	A TC "150" has posted for that return,	Route the return and the Prompt Assessment/Prompt Determination request to Examination. Note: If the return is numbered, edit Action Code "370" and continue processing.

3.11.16.4
(01-01-2022)

**◆ Refund Returns
(45-Day Jeopardy and
High Dollar Refunds)◆**

- (1) Document Perfection identifies refunds in jeopardy and requests manual refunds.

Note: Expeditious processing of refund returns is critical if the 45-day period is about to expire.

If...	Then...
A refund tax return is batched in a non-refund batch,	<ol style="list-style-type: none"> 1. Completely edit the return. 2. Pull the return from the non-refund batch using local procedures. <p>Note: Follow the instructions below when the processing date is more than 20 days after the received date or the return</p>
<p>The processing date is more than 20 days after the received date or the return due date (whichever is later)</p> <p>Note: “Refund” in this instruction means only the amount requested to be refunded to the taxpayer, not overpayments transferred to other periods.</p>	<ol style="list-style-type: none"> 1. Edit Action Code “341” for: <ul style="list-style-type: none"> • Form 1120 • Form 1120-C • Form 1120-F • Form 1120-H • Form 1120-L • Form 1120-PC • Form 1120-REIT • Form 1120-RIC 2. Edit CCC “U” for Form 1120-FSC, Form 1120-ND, and Form 1120-SF. Attach Form 4227 and check the “Reject Correction” box. 3. Unnumbered returns: Give the return to the manager. 4. Numbered returns: Leave in batch.

#

#

If...	Then...	
<p>Note: “Refund” in this instruction means only the amount requested to be refunded to the taxpayer, not overpayments transferred to other periods.</p>	<ul style="list-style-type: none"> • Unnumbered Returns: <ol style="list-style-type: none"> 1. Pull the return from the batch. 2. Code and edit the return as completely as possible. 3. Edit Action Code “341” or CCC U (whichever is applicable). <p>Note: For returns with CCC U, attach Form 4227, Intra-SC Reject or Routing Slip, and check the “Reject Correction” box.</p> <ol style="list-style-type: none"> 4. Make a copy of the first two pages of the return along with any page of the return that appears suspicious, see IRM 3.11.16.2.9, Criminal Investigation (CI) Referral. 5. Edit an action trail “Copy to CI” or “CI Referral,” or similar language in the lower left corner going vertically up the side of the return. 6. Expedite processing. • Numbered Returns: <ol style="list-style-type: none"> 1. Code and edit the return as completely as possible. 2. Edit Action Code “341” (or CCC U as applicable). 3. Attach Form 4227, Intra-SC Reject or Routing Slip, to the return, edit Action Code “341” on Form 4227, and leave in batch. <p>Note: For returns with CCC U, attach Form 4227 and check the “Reject Correction” box.</p> <ol style="list-style-type: none"> 4. Make a copy of the first two pages of the return along with any page of the return that appears suspicious for Criminal Investigation (CI), see IRM 3.11.16.2.9, Criminal Investigation (CI) Referral. 5. Edit an action trail “Copy to CI” or “CI Referral,” or similar language in the lower left corner going vertically up the side of the return. 	#
<p>The W&I Submission Processing TAS Liaison walks a return through C&E,</p>	<p>In addition to normal editing, edit the following:</p> <ol style="list-style-type: none"> 1. CCC “O,” to freeze the refund. 2. CCC “Y,” to send the return to ERS. 	

3.11.16.5 (01-01-2012) (1) This subsection addresses general tax data editing procedures.

Examination of Tax Data

- 3.11.16.5.1 (01-01-2010) (1) All prior year returns must be reformatted to current year format. See prior year conversion exhibits and the Job Aids for specific year coding.
- Non-Standard or Prior Year Format** (2) If the return is on other than current form format (may be either a prior year or non-standard form) and the transcription lines cannot be numbered to agree with the current year return:

- a. Edit all available transcribed tax data items to the tax data portion of a blank current year form.
- b. Place a large "X" across the tax data entries of the prior year (or non-standard) form.
- c. Staple the forms together, attaching the dummied form (current format) on top so that Data can enter the entity data from the prior year (or non-standard) form.

3.11.16.5.2
(01-02-2018)

Conversion of Form 1120-S to Form 1120

- (1) If a taxpayer filed Form 1120-S and the Entity Control Unpostable Unit has determined the Taxpayer does not have a valid Small Business Election on file (Form 2553), Rejects will convert Form 1120-S to a Form 1120. No action is required for Document Perfection. Do not detach Form 1120-S.

Caution: If a Form 1120 converted from Form 1120-S is received and the Form 13596, Reprocessing Returns, is attached for reprocessing, see IRM 3.11.16.3.8.2, Form 13596 - Reprocessing Returns, for more information.

3.11.16.5.3
(01-01-2009)

Significant Entries

- (1) Reference is made throughout this IRM to "significant entries." A significant entry is defined as any amount other than zero.

Note: Blank, Dash, "None," "N/A," or zero are not significant entries unless otherwise specified.

3.11.16.5.4
(01-01-2015)

Incomplete Return

- (1) When the return serves only as a transmittal for statements, schedules, and other attachments, or is otherwise incomplete, analyze the supporting documents and edit the missing entries on the form itself.
- (2) Examine attachments and edit the information to correct transcription lines of both the income and deduction sections. This does not apply to Consolidated - Mixed Component returns.

Exception: See IRM 3.11.16.5.5, Minimum Edit.

- a. Edit the income section if Line 11 is the only entry in the income section.
- b. Edit the deduction section if Line 27 is the only entry in the deduction section.
- c. Edit the income and/or deduction section if blank and there is a sign on the income and/or deduction items are included on an attachment (e.g., a notation such as "See attached," "See Schedule F," "Statement attached").

Note: When a doubt exists concerning placement of an income or deduction item because of terminology used by taxpayer, edit income items as "other income" deduction items as "other deductions."

- (3) Secured Delinquent Returns are returns secured by compliance personnel. If information is missing from one of these returns, correspond using an approved Correspondence Action Sheet.

3.11.16.5.5
(01-01-2019)
Minimum Edit

- (1) If Form 1120 does not require Balance Sheet inspection (see IRM 3.11.16.11.36, Schedule L, Balance Sheet, instructions), perform the least time-consuming edit on the income section and the deductions section through Total Deductions.
- If only totals are shown in Total Income and/or Total Deductions, edit Total Income to the Other Income line and/or edit Total Deductions to the Other Deductions line.
 - If there is an entry on Form 1120, Page 1, Line 29b, enter Form 1120, Page 1, Line 4 (Dividends), from Schedule C, Page 2, Line 23a (Line 19 for 2017 and prior). Subtract the Line 4 (Dividends) amount from Line 11 (Total Income) to determine the difference. Enter the difference on Line 10 (Other Income).

Exception: On a “Final” Form 1120, analyze and edit to right lines any entry on the attachments for Income and Deductions items.

Note: (Form 1120 Only) Form 1120 filed by a large corporation (defined as a corporation with \$10 million or more of assets in Box D), where “see attached” is notated in the Income Section and the Deduction Section, must be brought to the attention of your supervisor. Taxpayer correspondence must be initiated on these returns. Suggested language for the correspondence is as follows:

“Complete every applicable entry space on Form 1120. Do not write “see attached” instead of completing the entry spaces. If you need more space on the forms or schedules, attach separate sheets, using the same size and format as the printed forms. Be sure to put the corporation’s name and EIN on each sheet.”

- (2) Initiate correspondence using Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S if Form 1120, (Form 1120 Only), is filed by a large corporation (defined as a corporation with \$10 million or more of assets in Box D), and “see attached” is notated in the Income Section and the Deduction Section.

3.11.16.5.6
(01-01-2012)
Editing Dollars and Cents

- (1) Document Perfection is not required to edit a vertical line, 00, dash, or decimal point to indicate dollars and cents.

If...	Then...
<ul style="list-style-type: none"> The taxpayer has entered money amounts showing dollars and cents separated by a decimal point, The taxpayer has entered dollars only where dollars only must be entered, The taxpayer has entered dollars only where dollars and cents must be entered, 	No editing is required.

3.11.16.5.7 (1) Edit negative entries as follows:

(01-01-2009)

Negative Entries

If...	Then...
Brackets are pre-printed on the form,	No editing is required.
The taxpayer shows a negative amount with brackets or a minus (-) sign,	No editing is required.
Editing a negative amount to a transcription line (e.g., computing a line entry, entering a missing entry),	Bracket the negative amount.

3.11.16.6 (1) The entity of a tax return shows the taxpayer on the Business Master File. The entity area of the return has the following:

(01-01-2014)

◆Entity Perfection - General◆

- Employer Identification Number (EIN)
- Name
- "In-care-of" Name
- Address

3.11.16.6.1 (1) If any of the **Form 1120 series forms** indicates bankruptcy (e.g., shows **RECEIVER, TRUSTEE, or DEBTOR IN POSSESSION**) in the entity area or on an attachment, route to Entity Control. Follow local procedures using Form 13934, Entity Document/C&E Merge Transmittal.

(07-10-2017)

◆Bankruptcy◆

Exception: Do not route Amended returns to Entity Control.

(2) Completely edit the return except the name control prior to routing to Entity Control.

Exception: Do not route to Entity Control if there is an indication Entity has already edited the return, usually orange/purple editing of the EIN and name control.

3.11.16.6.2 (1) The EIN is a nine-digit number (xx-xxxxxxx) assigned to identify the taxpayer.

(07-10-2017)

◆Entity Perfection - Employer Identification Number (EIN)◆

(2) The EIN is located in the upper right area of the form ("Employer Identification Number" box).

(3) Determine the EIN as follows:

If...	And...	Then...
The EIN is missing,	The correct EIN can be determined from the attachments and/or schedules,	Edit the EIN to the proper location.
The EIN is either a PTIN or Individual Taxpayer Identification Number (ITIN), or Multiple EINs are present,	Unnumbered,	<ol style="list-style-type: none"> 1. Remove return from batch. 2. Route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal, for EIN assignment.
The EIN is either a PTIN or Individual Taxpayer Identification Number (ITIN), or Multiple EINs are present,	Numbered,	<ol style="list-style-type: none"> 1. Edit Action Code "320" on <ul style="list-style-type: none"> • Form 1120 • Form 1120-C • Form 1120-F • Form 1120-H • Form 1120-L • Form 1120-PC • Form 1120-REIT • Form 1120-RIC All other returns edit CCC "U." 2. Leave return in batch.
The EIN has any of the following conditions and can't be determined from attachments and/or schedules: <ul style="list-style-type: none"> • Illegible; • Missing; • Other than 9 digits; • All zeros; or, • All nines 	Unnumbered,	<ol style="list-style-type: none"> 1. Circle all illegible EINs, zeros, or nines. 2. Research IDRS. 3. If found, edit to the proper location. 4. If not found, route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.
The EIN has any of the following conditions and can't be determined from attachments and/or schedules: <ul style="list-style-type: none"> • Illegible; • Missing; • Other than 9 digits; • All zeros; or, • All nines 	Numbered,	<ol style="list-style-type: none"> 1. Circle all illegible EINs, zeros, or nines. 2. Edit Action Code "320" on <ul style="list-style-type: none"> • Form 1120 • Form 1120-C • Form 1120-F • Form 1120-H • Form 1120-L • Form 1120-PC • Form 1120-REIT • Form 1120-RIC All other returns edit CCC "U." 3. Leave return in batch.

If...	And...	Then...
"PENDING," "APPLIED FOR," etc., is shown in the EIN area,	Unnumbered,	<ol style="list-style-type: none"> 1. Research IDRS. 2. If found, edit to the proper location. 3. If not found, route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.
"PENDING," "APPLIED FOR," etc., is shown in the EIN area,	Numbered,	<ol style="list-style-type: none"> 1. Edit Action Code "320" on <ul style="list-style-type: none"> • Form 1120 • Form 1120-C • Form 1120-F • Form 1120-H • Form 1120-L • Form 1120-PC, • Form 1120-REIT • Form 1120-RIC <p>All other returns edit CCC "U."</p> 2. Leave return in batch.

3.11.16.6.3
(07-10-2017)

◆ **Entity Perfection -
Name Control** ◆

- (1) The Name Control consists of four characters or less.
 - a. Valid characters are alpha, numeric, ampersand (&), hyphen (-), and blank. However, blanks are only valid in the last three positions.
 - b. Disregard the word "THE" in the Name Control only when followed by more than one word.
- (2) See Job Aid Document 7071A, Name Control Job Aid - For Use Outside the Entity Area, to determine the Name Control.
- (3) If Box E(3) "Name Change," Form 1120 is checked, route the return to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.
 - Form 1120-C - Box D(3)
 - Form 1120-F - Box "Name or address change"
 - Form 1120-FSC - Box F(2)
 - Form 1120-H - Box (2)
 - Form 1120-L - Box E(2)
 - Form 1120-ND - Box D(2)
 - Form 1120-PC - Box E(2)
 - Form 1120-REIT - Box F(2)
 - Form 1120-RIC - Box E(2)
 - Form 1120-SF - Box (2)
- (4) Edit the Name Control as follows:

If...	And...	Then...
Able to determine the Name Control,		Underline the Name Control. See Figure 3.11.16-2.
Unable to determine the Name Control,	Unnumbered,	<ol style="list-style-type: none"> 1. Research IDRS. 2. If found, edit to the proper location. 3. If not found, route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.
Unable to determine the Name Control,	Numbered,	<ol style="list-style-type: none"> 1. Edit Action Code "352" (Name Research) on: <ul style="list-style-type: none"> • Form 1120 • Form 1120-C • Form 1120-F • Form 1120-H • Form 1120-L • Form 1120-PC • Form 1120-REIT • Form 1120-RIC 2. All other returns, edit CCC "U." Attach Form 4227 and indicate "Name Research" in the "Other (explain)" area. 3. Leave return in batch.

DRAFT

1120
Form
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20_____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2023

A Check if:

1a Consolidated return (attach Form 851) ☐

b Life/nonlife consolidated return ☐

2 Personal holding co. (attach Sch. PH) ☐

3 Personal service corp. (see instructions) ☐

4 Schedule M-3 attached ☐

TYPE OR PRINT

Name Maple Pharmacy

Number, street, and room or suite no. If a P.O. box, see instructions.
1213 Poplar Dr.

City or town, state or province, country, and ZIP or foreign postal code
Baltimore, MD 21233

B Employer identification number
00-4830870

C Date incorporated
June 14, 1981

D Total assets (see instructions)
\$110,200

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Figure 3.11.16-2 Example of underlining the name control.

3.11.16.6.4
(07-06-2018)◆ Entity Perfection -
"In-Care-Of" Name ◆

- (1) An "in-care-of" name can be identified by the words "in care of" or the symbols "c/o" or "%" (percent).
- (2) Ensure the "in-care-of" name is in the proper location.

If...	Then...
The "in-care-of" name is located on the street address line preceding the street address,	Do not edit.
The "in-care-of" name is located above the first name line or below the street address,	Arrow the in-care-of name so it appears below the first name line and above the street address.
The "in-care-of" name is shown on an attachment,	Edit the "in-care-of" name above the street address beginning with the "%" or "c/o" in the first position.

If...	Then...
The street address for the “in-care-of” name is different from the street address of the corporation ,	<ol style="list-style-type: none"> 1. Arrow the “in-care-of” street address below the “in-care-of” name or edit the “in-care-of” street address below the “in-care-of” name if included on an attachment. 2. Circle the corporation street address and input TC “014.”

Note: Always circle the in-care-of symbol (% or c/o) if it is present with an address. Do not use the ampersand (&) and the percent sign (%) when editing address information.

(3) Determine a change in the in-care-of name by any of the following:

- A check mark in the “Name change” box, or
- A check mark in the “Address change” box, or
- Taxpayer edits or added to the “in-care-of” name (e.g., original “in-care-of” name crossed out, new name added).

If...	Then...
An “in-care-of” name is changed but there is no sign of an address change,	<ol style="list-style-type: none"> 1. Edit the “in-care-of” name as shown above. 2. Continue editing the return.
An “in-care-of” name is present and the “Address change” box is checked (or there is a sign of an address change),	<ol style="list-style-type: none"> 1. Edit the “in-care-of” name as shown above. 2. Correct the address, see IRM 3.11.16.6.5, Entity Perfection - Domestic Addresses. 3. Continue editing the return.

3.11.16.6.5
(01-01-2022)

◆Entity Perfection -
Domestic Addresses◆

(1) Perfect the address when the mailing address (Street or P.O. Box) is not easily identified.

Exception: Do not perfect the address on amended returns (CCC “G”).

(2) A business may have two addresses. One is the mailing address and the other is the location address or physical location of the business.

(3) Perfect the address as follows:

If...	And...	Then...
An attachment shows the address was changed,		No perfection is necessary. ISRP will enter the complete address.
There is a sign on an attachment that the address has been changed,		Edit the new address in the entity section of the return.
Form 8822, Address Change Requested, or Form 8822-B, Change of Address or Responsible Party - Business, is attached,	All apply: <ul style="list-style-type: none"> • Mailing address information is the same, • Form 8822 or Form 8822-B, Line 7, does not list a location address, • No entry on Form 8822-B, Lines 8 or 9, 	Take no action.
Form 8822, Address Change Requested, or Form 8822-B, Change of Address or Responsible Party - Business, is attached,	Any applies: <ul style="list-style-type: none"> • Mailing address information is different, • Form 8822 or Form 8822-B, Line 7, lists a location address, • Form 8822-B, Lines 8 or 9, have an entry, 	Detach Form 8822 or Form 8822-B and route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.
Both a P.O. Box and street address are shown, see Figure 3.11.16-3,		<ol style="list-style-type: none"> 1. Notate "TC 014" in the upper left margin. 2. Input TC "014."
Two street addresses are shown,		<ol style="list-style-type: none"> 1. Underline the second street address. 2. Notate "TC 014" in the upper left margin. 3. Input TC "014."
One street address is shown,	The taxpayer changes the address to a P.O. Box,	<ol style="list-style-type: none"> 1. Notate "TC 014" in the upper left margin. 2. Input TC "014."
The city and state are not shown on the return, but are shown on an attachment,		Edit the city and state in the entity section of the tax return.

If...	And...	Then...
The ZIP Code is missing or illegible,	Is not available from the return or attachments,	See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries, to determine the ZIP Code. Note: Edit the 3 digits followed by "01" of the first ZIP Code listed for the applicable state (e.g., "99501" for Alaska).
Only the first three digits of the ZIP Code can be determined,		Edit "01" for the fourth and fifth digits.
The "Change of Address" box is checked,	An "in-care-of" name is present,	1. Edit the "%" (percent sign) or "c/o" to the left of the "in-care-of" name (in the first position) followed by the right name. 2. Correct the address.
The National Change of Address (NCOA) label is present,		Underline the Name Control.
It is necessary to edit the street address,		See Document 7475, State and Address Abbreviations, Major City Codes, ZIP Codes, and Countries.
The address contains information other than a street address or P.O. Box,		Do not perfect. ISRP will enter the complete address.

Note: Always circle the "in-care-of" symbol ("c/o" or "%") if it is present with an address. Do not use the ampersand (&) and the percent symbol (%) when editing address information.

DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2023

TC014

A Check if:

1a Consolidated return (attach Form 851) ☐

b Life/nonlife consolidated return ☐

2 Personal holding co. (attach Sch. PH) ☐

3 Personal service corp. (see instructions) ☐

4 Schedule M-3 attached ☐

TYPE OR PRINT

Name
Tupelo Airlines

Number, street, and room or suite no. If a P.O. box, see instructions.
210 Aspen Dr. P.O. Box 118

City or town, state or province, country, and ZIP or foreign postal code
Dallas, TX 75260

B Employer identification number
00-1234819

C Date incorporated
06-01-82

D Total assets (see instructions)
\$ 607,040

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Figure 3.11.16-3 Example of how to edit when both a street address and a PO Box is on Form 1120.

- (4) The U.S. Postal Service established new address requirements for APO/DPO/FPO addresses. If the old address appears, convert to the new state code abbreviation based on the ZIP Code (e.g., APO New York, New York 091XX)

would be converted to APO AE 091XX). APO/DPO/FPO addresses are considered domestic addresses. Refer to Conversion Chart below:

ZIP Code	State Code
340	AA
090-098	AE
962-966	AP

3.11.16.6.6
(01-02-2023)

◆Entity Perfection -
Foreign Address
(OSPC)◆

- (1) A foreign (international) address is any address that is not in the 50 states or the District of Columbia.
- (2) Consider returns with APO, DPO, and FPO addresses as considered domestic addresses, see IRM 3.11.16.6.5, Entity Perfection - Domestic Addresses.
- (3) Route returns with a foreign address to the Ogden Submission Processing Center (OSPC) for processing. Prepare Letter 86C, Referring Taxpayer Inquiry/Forms to Another Office, to inform the taxpayer IRS sent the return to Ogden.
- (4) Consider returns with addresses in the following U.S. Possessions/Territories as foreign for processing purposes. Edit the same way as domestic addresses.
 - a. Edit a two-character alpha code for the possession name.

U.S. Possession / Territory	Abbreviation
American Samoa	AS
Federated States of Micronesia	FM
Guam	GU
Marshall Islands	MH
Northern Mariana Islands	MP
Palau	PW
Puerto Rico	PR
U.S. Virgin Islands (U.S.)	VI

- b. A ZIP code **must** be present for U.S. Possessions/Territories. Edit the right ZIP Code if one is not provided, see Exhibit 3.11.16-19, U.S. Possessions ZIP Codes.
- (5) All other foreign addresses are edited the same as a domestic address with the following exceptions:
 - a. Ensure the foreign country is the last entry in the address.
 - b. Circle the foreign country and edit the country code preceded by a "/" and followed by "\$" (e.g., "/GM/\$" is edited for Germany). For official foreign country codes, see Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes, and Countries.

- c. Edit a unique country code for returns filed with an address in Canada, see IRM 3.11.16.6.6.1 Country Code - Canada.

Note: Coding and Editing BMF Tax Returns, Foreign Addresses Job Aid (Number 2324-002) provides examples for editing foreign addresses.

- d. If the foreign address is from Australia, Brazil, Cuba, Italy, Mexico, or The Netherlands, check if the address has a province, state, or territory.

Note: There may be other countries with provinces, states, and territories not listed above, see Coding and Editing BMF Tax Returns, Foreign Addresses Job Aid (Number 2324-002) for more information.

If...	Then...
A province, state, or territory is present,	<ol style="list-style-type: none"> 1. Circle the province, state, or territory name. 2. Edit the right abbreviation, see Exhibit 3.11.16-16, Province, State and Territory Abbreviations.
A province, state, or territory is shown in abbreviated format,	Continue editing the return.
A province, state, or territory name is not present,	Continue editing the return.

- (6) A ZIP Code or state is not required on a foreign address. Foreign addresses use a postal code that is entered before the city or foreign country and is part of the address.

3.11.16.6.6.1
(07-06-2018)

◆ **Country Code - Canada** ◆

- (1) To assist Compliance with workload assignment, returns filed with an address in Canada will be edited using a unique country code based on the province.

If...	Then...
The foreign address has a Canadian province/territory name, abbreviation, or postal code beginning letter shown in the table below,	<ol style="list-style-type: none"> 1. See table below to ensure the correct Canadian Province/Territory is present or edited to the return. 2. Circle the country name. 3. Edit the right "country" code based on the province/territory preceded by a "/" and followed by a "\$" as the last entry in the address.
The foreign address does not have a Canadian province/territory name shown on the table below,	<ol style="list-style-type: none"> 1. Circle the country name. 2. Edit the country code "/CA/\$" as the last entry in the address.

Canadian Province / Territory	Province Abbreviation	Postal Code beginning	Country Code
Alberta	AB	T	XA
British Columbia	BC	V	XB

Canadian Province / Territory	Province Abbreviation	Postal Code beginning	Country Code
Manitoba	MB	R	XM
New Brunswick	NB	E	XN
Newfoundland and Labrador	NL	A	XL
Northwest Territories	NT	X	XT
Nova Scotia	NS	B	XS
Nunavut	NU	X	XV
Ontario	ON	K, L, M, N, or P	XO
Prince Edward Island	PE	C	XP
Quebec	QC	G, H, or J	XQ
Saskatchewan	SK	S	XW
Yukon	YT	Y	XY

- (2) The rest of the foreign address is edited using procedures in IRM 3.11.16.6.6, Entity Perfection - Foreign Address (OSPC).

3.11.16.7
(01-01-2013)
Tax Period

- (1) This subsection addresses the editing of the period for which the tax return is being filed.

3.11.16.7.1
(01-01-2020)
Tax Period - Ending

- (1) All returns must have a tax period.
(2) Edit the tax period to the right of the form title in YYMM format.

If...	Then...
The return is for the current processing calendar year (e.g., 202312),	Do not edit the tax period.
The return is for a prior year,	Edit the tax period.
The taxpayer has notated a tax period other than the preprinted year on the return,	Edit the tax period based on the taxpayer's indication, per paragraph (3).
The tax period is missing, incomplete, or illegible,	<ol style="list-style-type: none"> 1. Review the return or attachments for the correct period. 2. If found, edit the tax period to the right of the form title in YYMM format. 3. If unable to determine the tax period after re-searching, process the return for the year currently being processed.

- (3) A tax period must end on the last day of a month. (Ignore a minor discrepancy such as October 30 instead of October 31.) The exceptions are a 52/53 week filer, and final and/or short period returns. Correspond using Letter 319C,

3.11 Returns and Documents Analysis

Return Covers Other Than 12-Month Accounting Period, if the exceptions do not apply. The table below shows examples of tax periods.

Tax Period Ends	Tax Period
Oct. 3, 2023 (52-53 week document)	2309
Oct. 3, 2023 (Final short period return)	2310
Oct. 25, 2023 (52-53 week document)	2310
Oct. 25, 2023 (Final short period return)	2310
Nov. 30, 2023	2311
Dec. 31, 2023	2312 (No editing required)
Feb. 28, 2024	2402

- (4) Tax periods reported under the 52-53 week rule may end not more than six days before, and not more than three days after, the end of a month. In the edit format, use the numeric designation of the month, the last day of which is closest to the actual ending date.

If...	Then...
The tax period ending date is not more than three days after the beginning of the month,	Edit the previous month. (e.g., October 3, use the numeric designation for September, YY09.)
The tax ending date is not more than six days before the end of the month,	Edit the month shown on the return, (e.g., October 25, use the numeric designation for October, YY10.)

- (5) If the tax period is for more than 12 months or 53 weeks, **correspond**.
- (6) A "Final" short period return ends on the date the taxpayer went out of business. This may be any day of the month. Use the numeric designation of the calendar month in which it ends. If the taxpayer has not shown in which month the business ended, edit the tax period to be one month before the received date.
- (7) Edit the Tax Period Beginning on a "Final" return in MMDDYY format, see IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (8) On a "Final" return if the tax periods month and year is equal to or later than the received dates month and year (future return), edit the tax period to be one month before the received date, see Figure 3.11.16-4.

Note: If a prepaid credit is claimed on a short period "Final" return, see IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits.
Form 1120, Page 3, Schedule J, Line 13, 14 or 17 (Lines 12, 13 or 16 for 2017-2011)

DRAFT

Form **1120** **010124 U.S. Corporation Income Tax Return** **2406** OMB No. 1545-0123
 For calendar year 2023 or tax year beginning 01/01/24, ~~2023~~ ending 08/31/24 **2023**
 Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT
 Name Hickory Used Car Sales
 Number, street, and room or suite no. if a P.O. box, see instructions.
204 Beech Ave
 City or town, state or province, country, and ZIP or foreign postal code
Fargo, ND 58102

B Employer identification number
00-4623189

C Date incorporated
06/09/2001

D Total assets (see instructions)
 \$ 0

E Check if: (1) ☐ Initial return (2) ☒ Final return (3) ☐ Name change (4) ☐ Address change

Income
 1a Gross receipts or sales
 b Returns and allowances
 c Balance. Subtract line 1b from line 1a
 2 Cost of goods sold (attach statement)
 3 Gross profit. Subtract line 2 from line 1c
 4 Dividends and inclusions
 5 Interest
 6 Gross rents
 7 Gross royalties
 8 Capital gain net income
 9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)
 10 Other income (see instructions—attach statement)
 11 **Total income.** Add lines 3 through 10.

Deductions (See instructions for limitations on deductions.)
 12 Compensation of officers (see instructions—attach Form 1125-E)
 13 Salaries and wages (less employment credits)
 14 Repairs and maintenance
 15 Bad debts
 16 Rents
 17 Taxes and licenses
 18 Interest (see instructions)
 19 Charitable contributions
 20 Depreciation from Form 4562 not claimed on Form 1125-A or otherwise (see instructions) (attach Form 4562)
 21 Depletion
 22 Advertising
 23 Pension, profit-sharing, etc., plans
 24 Employee benefit programs
 25 Energy efficient commercial buildings deduction (attach Form 7205)
 26 Other deductions (attach statement)
 27 **Total deductions.** Add lines 12 through 26
 28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11.
 29a Net operating loss deduction (see instructions)
 b Special deductions (Schedule C, line 24)

Early Filed (Future) Final: Edit the Tax Period to be one month prior to the Received Date.

RECEIVED
07152024
OGDEN, UT
IRS-OSC

Figure 3.11.16-4 Example of how to edit an early filed (future) Final return.

- (9) On a “Final” return, if the received date is **after** the short period due date **but** CCCs “R” and “F.”

Note: Also edit CCC “D” if the return is a Balance Due.

- (10) The separate short period return of a subsidiary which became affiliated with a “consolidated” group may end on the day preceding such affiliation. As a practical matter, do not question the ending date on any change-of-accounting period return.
- (11) Check all tax periods for the Statute of Limitation (two years and nine months from the normal due date of the return), see IRM 3.11.16.3.7, Statute Returns.

3.11.16.7.2
(01-01-2017)

**Tax Period Beginning -
Initial, Final, or Short
Period**

- (1) The Tax Period Beginning has been added to Form 1120, Form 1120-F, Form 1120-FSC, Form 1120-H, Form 1120-L, Form 1120-ND, Form 1120-PC, Form 1120-REIT, Form 1120-RIC and Form 1120-SF.
- (2) Edit the Tax Period Beginning to the left of the Form 1120 title area in Month Month Day Day Year Year (MMDDYY) format on an **Initial, Final, or Short Period return** as follows: See Figure 3.11.16-5 below.

If...	Then...
The Tax Period Beginning is present,	Edit the Tax Period Beginning (MMDDYY).
The Day is not present in the Tax Period Beginning,	Edit "01" as the day (MM01YY).
The Tax Period Beginning is not present,	Editing is not required.

DRAFT *Final*

Form 1120 **010123 U.S. Corporation Income Tax Return** **2306** OMB No. 1545-0123
 Department of the Treasury Internal Revenue Service
 For calendar year 2023 or tax year beginning **Jan 01**, 2023, ending **June 30**, 20 **23**
 Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT

Name **Alder Financial Inc.**
 Number, street, and room or suite no. If a P.O. box, see instructions.
1259 Chestnut Blvd.
 City or town, state or province, country, and ZIP or foreign postal code
Fargo, ND 58102

B Employer identification number
00-0509487

C Date incorporated
01-31-84

D Total assets (see instructions)
\$ 75,846

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales
b Returns and allowances
c Balance. Subtract line 1b from line 1a

1c

2

DRAFT

Form 1120 **071923 U.S. Corporation Income Tax Return** OMB No. 1545-0123
 Department of the Treasury Internal Revenue Service
 For calendar year 2023 or tax year beginning **Jul 19**, 2023, ending **Dec 31**, 20 **23**
 Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT

Name **Alder Financial Inc.**
 Number, street, and room or suite no. If a P.O. box, see instructions.
1259 Chestnut Blvd.
 City or town, state or province, country, and ZIP or foreign postal code
Fargo, ND 58102

B Employer identification number
00-0509487

C Date incorporated
07-19-23

D Total assets (see instructions)
\$ 75,846

E Check if: (1) ☒ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales
b Returns and allowances
c Balance. Subtract line 1b from line 1a

1c

2

Figure 3.11.16-5 Tax Period Beginning is edited.

3.11.16.7.3
(01-01-2012)

Early Filed Returns - Full Year and Short Period

- (1) Never send an early filed return back to the taxpayer.
- (2) If the month of the tax period is the same or after the month of the received date, determine how early the return has been filed:

If...	Then...
<ul style="list-style-type: none"> The received date and the tax period ending (TPE) are the same month (e.g., the received date and the TPE are both April), or The received date is before the TPE by four months or less (e.g., the received date is April but the TPE is May, June, or July, 	<ol style="list-style-type: none"> Edit Action Code "480" for: <ul style="list-style-type: none"> Form 1120 Form 1120-C Form 1120-F Form 1120-H Form 1120-L Form 1120-PC Form 1120-REIT Form 1120-RIC (Early Filed - Suspense). All other returns edit CCC "U" and attach Form 4227, Intra-SC Reject or Routing Slip. "Edit Early Filed - Suspense" in the "Other Activity" box. Leave return in batch.
The received date is before the TPE by more than four months (e.g., the received date is April but the TPE is August or later),	<ol style="list-style-type: none"> Edit Action Code "211" or "215" (International Correspondence) for: <ul style="list-style-type: none"> Form 1120 Form 1120-C Form 1120-F Form 1120-H Form 1120-L Form 1120-PC Form 1120-REIT Form 1120-RIC Edit CCC "U" for Form 1120-FSC, Form 1120-ND, and Form 1120-SF. Attach an approved Correspondence Action Sheet to request confirmation of the TPE. Completely edit the return. Edit the future tax period shown by the taxpayer.

Note: Action Codes are only applicable to Form 1120, Form 1120-C, Form 1120-F, Form 1120-H, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC. Use CCC "U" for other returns in the 1120 series.

3.11.16.7.4
(01-01-2024)

Short Period - Editing Proof of Entitlement

- (1) A Short Period Return is one which covers a period of less than 12 months or 52-53 weeks.
- If the Short Period Return is marked "Final," see IRM 3.11.16.7.1, Tax Period - Ending.
 - If the Short Period Return is marked "initial," "first return," "new corporation," etc., or meets any of the identifying conditions for "Initial Return Code," see IRM 3.11.16.9.4, Initial Return Code.

- Process all other Short Period Returns as a "Change of Accounting Period." In such cases, proof of entitlement to the change is required.

Reminder: Edit the Tax Period Beginning in MMDDYY format on Short Period Returns per IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

(2) Use the table below to find and edit proof of entitlement.

Note: Research of IDRS using Command Code BMFOLE may be needed for the following chart.

Proof of Entitlement

If...	And...	Then...
<p>A statement the corporation is changing the tax period under:</p> <ol style="list-style-type: none"> Headquarters "Grant Letter." Revenue Procedure 2006-45 or 2006-46. 	<p>Command Code BMFOLE shows a TC 053 or TC 054, (This is a sign that the Form 1128, Application to Adopt, Change, or Retain a Tax Year, or National Office "Grant Letter" has been approved.)</p>	<p>Continue processing Note: No CCC "Y" is needed. Note: Audit Code "3" is also applicable for Form 1120-F, Form 1120-FSC, and Form 1120-SF. For Form 1120-F, see IRM 3.11.16.33.14.2, Audit Codes, For Form 1120-FSC, see IRM 3.11.16.34.16.1, Audit Codes, and For Form 1120-SF, see IRM 3.11.16.41.8.1, Audit Codes.</p>
<p>A statement the corporation is changing the tax period under:</p> <ol style="list-style-type: none"> Headquarters "Grant Letter." Revenue Procedure 2006-45 or 2006-46. 	<p>Command Code BMFOLE shows a TC 059, (This is a sign that the Form 1128 or National Office "Grant Letter" has not been approved.)</p>	<p>The return is unprocessable. Follow the instructions in IRM 3.11.16.7.6, Short Period Returns - Editing a Disapproved Application (Form 1128).</p>
<p>A statement the corporation is:</p> <ol style="list-style-type: none"> Coming out of consolidation; or (Parent) is no longer a consolidated group; or Filing under "Section 338 Election" or attached Form 8023, Elections Under Section 338 for Corporations Making Qualified Stock Purchases, and tax period begins after the acquisition date. 		<p>Do all the following:</p> <ol style="list-style-type: none"> Edit CCC "R" if filed before the specially privileged (full tax year of parent return) due date; and Edit CCC "Y." <p>See Figure 3.11.16-6, Short Period - Editing Proof of Entitlement.</p>
<p>26 CFR 1.1502-76 - returns may be identified by a notation referencing "Section 1.1502-76," "Changing the tax period to get in step with parent," "Affiliation with a Consolidated Group," or a similar statement on the return or attachment,</p>		<p>See IRM 3.11.16.7.4.1, Short Period Returns - 26 CFR 1.1502-76.</p>

If...	And...	Then...
Notation referring to: 1. Section 898(c)(1)(A); or 2. Election Change in Taxable Year under Section 898(c)(2); or 3. "Section 1398 election" (Bankruptcy Petition has been filed), or 4. "Second Short Year after Section 1398 Election"		Edit CCC "Y." Do not correspond.
Form 1128 attached,	Command Code BMFOLE shows a TC 053 or TC 054, (This is a sign that the Form 1128 has been approved.)	Continue processing Note: No CCC "Y" is needed.
Form 1128 attached,	Command Code BMFOLE shows a TC 059, (This is a sign that the Form 1128 has not been approved.)	The return is unprocessable. Follow the instructions in IRM 3.11.16.7.6, Short Period Returns - Editing a Disapproved Application (Form 1128).
Form 1128 attached,	Command Code BMFOLE does not show a TC 053, 054 or 059,	See IRM 3.11.16.7.7, Short Period Returns - Editing Form 1128 With no Indication of Approval or Disapproval.
Notation on Form 1120 or Form 1120-F indicates: "Section 444 Election Terminated,"		Edit CCC "Y" if the tax return is for a Personal Service Corporation <ul style="list-style-type: none"> • (e.g., Form 1120, Page 1, Box A, Item 3 is marked or Schedule J, Page 3, Line 2 box (201811 and prior) is marked: or • Form 1120-F, Page 2, Question O is marked or Schedule J, Page 5, Line 2 box (201811 and prior) is marked).

DRAFT

Form 1120 **100123 U.S. Corporation Income Tax Return** OMB No. 1545-0123
 Department of the Treasury For calendar year 2023 or tax year beginning **10-1**, 2023, ending **12-31**, 20 **23**
 Internal Revenue Service Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT
 Name **Chestnut Finance Inc.**
 Number, street, and room or suite no. If a P.O. box, see instructions.
2233 Mangrove Ave.
 City or town, state or province, country, and ZIP or foreign postal code
Reno, NV 89510

B Employer identification number
00-0181650
C Date incorporated
11-15-55
D Total assets (see instructions)
\$1,011,205

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Income	1a	Gross receipts or sales	1a	650,800	
	b	Returns and allowances	1b		
	c	Balance. Subtract line 1b from line 1a	1c		650,800
	2	Cost of goods sold (attach Form 1125-A)	2		
	3	Gross profit. Subtract line 2 from line 1c	3		650,800
	4	Dividends and inclusions (Schedule C, line 23)	4		
	5	Interest	5		
	6	Gross rents	6		
	7	Gross royalties	7		
	8	Capital gain net income (attach Schedule D (Form 1120))	8		
	9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10	Other income (see instructions—attach statement)	10			
11	Total income. Add lines 3 through 10	11		650,800	
for limitations on deductions.)	12	Compensation of officers (see instructions—attach Form 1125-E)	12		250,000
	13	Salaries and wages (less employment credits)	13		100,000
	14	Repairs and maintenance	14		
	15	Bad debts	15		
	16	Rents	16		
	17	Taxes and licenses	17		
	18	Interest (see instructions)	18		
	19	Charitable contributions	19		
	20	Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		
	21	Depletion	21		
	22		22		
	23		23		350,000
24		24			
25		25			
26		26		700,000	
27		27			
28		28			

A short period return is being filed (Oct 1, 2023 through Dec 31, 2023) because Chestnut Finance Inc. came out of consolidation on Oct 1, 2023.

The parent company is Fir Bank Inc., EIN 00-0217650, with a Tax Period ending February 28, 2024.

RECEIVED 04252024 OGDEN, UT IRS-OSC

Figure 3.11.16-6 Example of editing a short period return with proof of entitlement attached on a statement.

3.11.16.7.4.1
(04-01-2020)

**Short Period Returns -
26 CFR 1.1502-76**

- (1) 26 CFR 1.1502-76 applies to returns filed by a corporation which becomes a member of a consolidated group during the tax year. These returns may be identified by a notation referencing "Section 1.1502-76," "Changing the tax period to get in step with parent," "Affiliation with a Consolidated Group," or a similar statement on the return or attachment.

Note: It is important to recognize these returns and follow the procedures outlined in this subsection to ensure the correct penalty and interest are charged, if applicable.

- (2) The short period return under 26 CFR 1.1502-76 is not due until the normal full 12-month due date of the short period return or the due date of the consolidated parent return, whichever is **earlier**.

- (3) Always edit CCC "Y" on these returns.
- (4) The computer will calculate the due date of the return according to the tax period of the short period return. Since the actual due date of the return under 26 SFR 1.502-76 may be later than the short period return due date, do the following:

If ...	And ...	Then ...
The received date is later than the short period return due	<p>Before the consolidated return</p> <p>Or,</p> <p>The normal full 12-month due date of the short period return</p> <p>whichever is earlier,</p> <p>Note: If the consolidated return due date is unknown, use the normal full 12-month due date of the short period return.</p>	Edit CCC "R."

#

Reminder: Edit the Tax Period Beginning in MMDDYY format on Short Period Returns per IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

DRAFT **CFR 1.502-76**

Form 1120 **010123 U.S. Corporation Income Tax Return 2306** OMB No. 1545-0123
 Department of the Treasury
 Internal Revenue Service
 For calendar year 2023 or tax year beginning **Jan 1, 2023**, ending **June 30, 2023**
 Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT
 Name **Pine Products Inc.**
 Number, street, and room or suite no. If a P.O. box, see instructions.
684 Birch Blvd.
 City or town, state or province, country, and ZIP or foreign postal code
Boise, ID 83708

B Employer identification number
00-0104684
C Date incorporated
11-15-55
D Total assets (see instructions)
\$ 124,333

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Income	1a	Gross receipts or sales	1a	11,364	
	b	Returns and allowances	1b		
	c	Balance. Subtract line 1b from line 1a	1c	11,364	
	2	Cost of goods sold (attach Form 1125-A)	2		
	3	Gross profit. Subtract line 2 from line 1c	3	11,364	
	4	Dividends and inclusions (Schedule C, line 23)	4		
	5	Interest	5		
	6	Gross rents	6		
	7	Gross royalties	7		
	8	Capital gain net income (attach Schedule D (Form 1120))	8		
	9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10	Other income (see instructions—attach statement)	10			
11	Total income. Add lines 3 through 10	11	11,364		
for limitations on deductions.)	12	Compensation of officers (see instructions—attach Form 1125-E)	12		
	13	Salaries and wages (less employment credits)	13		
	14	Repairs and maintenance	14		
	15	Bad debts	15		
	16	Rents	16		
	17	Taxes and licenses	17		
	18	Interest (see instructions)	18		
	19	Charitable contributions	19		
	20	Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		
	21	Depletion	21		
	22		22		
	23		23		
24		24			
25		25			
26		26			
27		27			
28		28			

RECEIVED
03112024
OGDEN, UT

A short period return is being filed (Jan 1, 2023 through June 30, 2023) because Pine Products Inc. became affiliated with a consolidated group on July 1, 2023.

The parent company is Alder Inc., EIN 00-0237894, with a Tax Period ending November 30, 2023.

Figure 3.11.16-7 Example of a completed short period

3.11.16.7.5
 (01-01-2017)
**Short Period Returns -
 Missing Proof of
 Entitlement**

- (1) If proof of entitlement is missing or the taxpayer states on the return or an attachment that the corporation has filed an application but has not received a response, research IDRS using Command Code BMFOLE for approval or disapproval information and proceed as follows:

If...	Then...
BMFOLE shows a TC 053, 054, or 055, (This is a sign that the Form 1128, Application to Adopt, Change, or Retain a Tax Year or Form 8716, Election To Have a Tax Year Other Than a Required Tax Year, has been approved.)	Continue processing. Note: No CCC "Y" is needed.
BMFOLE shows a TC 058 or 059, (This is a sign that the Form 1128 or Form 8716 has not been approved.)	The return is unprocessable, see IRM 3.11.16.7.6, Short Period Returns - Editing a Disapproved Application (Form 1128).
BMFOLE does not show a TC 053, 054, 055, 058, or 059,	Correspond using Letter 319C, Return Covers Other Than 12-Month Accounting Period.

Reminder: Edit the Tax Period Beginning in MMDDYY format on Short Period Returns per IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

3.11.16.7.6
(01-01-2017)

**Short Period Returns -
Editing a Disapproved
Application (Form 1128)**

- (1) If Form 1128 is disapproved, the return is considered unprocessable:
 - a. Edit Action Code "211" or "215" (International Correspondence) or CCC "U" and correspond.
 - b. In the correspondence, instruct the taxpayer to file a return for the next regular full period due. Request a disposition of any remittance paid with the return or other credits which have posted to the short period module.

Reminder: Edit the Tax Period Beginning in MMDDYY format on Short Period Returns per IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

3.11.16.7.7
(01-01-2022)

**Short Period Returns -
Editing Form 1128 with
No Indication of
Approval or Disapproval**

- (1) When a Form 1128 with no indication of approval or disapproval is attached and no proof of entitlement is present, research IDRS using Command Code BMFOLE for approval or disapproval and proceed as follows:

If...	Then...
BMFOLE shows a TC 053 or 054, (This is a sign that Form 1128 has been approved.)	Continue processing. Note: No CCC "Y" is needed.
BMFOLE shows a TC 059, (This is a sign that Form 1128 has not been approved.)	The return is unprocessable. See IRM 3.11.16.7.6, Short Period Returns - Editing a Disapproved Application (Form 1128).
BMFOLE does not show TC 053, 054, or 059,	Take the actions in (2) below.

Reminder: Edit the Tax Period Beginning in MMDDYY format on Short Period Returns per IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

- (2) A Form 1128 with neither approval or disapproval, discontinue processing Form 1120. Route Form 1120 **and** Form 1128 to Entity as directed in the paragraphs below.
- a. If Form 1128 is attached to a **numbered** return, enter Action Code “320” for Form 1120, Form 1120-C, Form 1120-F, Form 1120-H, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC. Edit CCC “U” for all other returns. Attach Form 4227, Intra-SC Reject or Routing Slip, and check the box for Entity Control box. Edit the Form 1120 received date on Form 1128. (Do not detach Form 1128.) Leave the return in the batch and continue processing, see Figure 3.11.16-8.
 - b. If Form 1128 is attached to an **unnumbered** return, edit the Form 1120 received date on Form 1128, attach Form 4227 and route the return to Entity Control. (Do not detach Form 1128.)
 - c. Entity will process the Form 1128 and route the return back to C&E with a Form 4227 attached. The Form 4227 will indicate if the Form 1128 is approved, denied or if the Form 1128 was returned to the taxpayer and the words “Process Return” or “Let Unpost.”

1128 Application To Adopt, Change, or Retain a Tax Year OMB No. 1545-0134

DRAFT 00310-059-12303-4

1120 **090123** U.S. Corporation Income Tax Return OMB No. 1545-0123
For calendar year 2023 or tax year beginning **09-01**, 2023, ending **12-31**, 20**23**
Go to www.irs.gov/Form1120 for instructions and the latest information.

Name **Elm Fashion Inc.** Employer identification number **00-1758893**
Number, street, and room or suite no. If a P.O. box, see instructions. **1177 Willow Ave**
City or town, state or province, country, and ZIP or foreign postal code **New York, NY 10001** Date incorporated **12-02-84**
Total assets (see instructions) **\$ 343,175**

1 1a Gross receipts or sales **167,142**
b Returns and allowances **1b**
c Balance. Subtract line 1b from line 1a **167,142**
2 Cost of goods sold (attach Form 1125-A) **2**
3 Gross profit. Subtract line 2 from line 1c **3 167,142**
4 Dividends and inclusions (Schedule C, line 23) **4**
5 Interest **5**
6 Gross rents **6**
7 Gross royalties **7**
8 Capital gain net income (attach Schedule D, Form 1120) **8**
9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797) **9**
10 Other income (see instructions—attach statements) **10**
11 Total income. Add lines 3 through 10. **11 167,142**
12 Compensation of officers (see instructions) **12 70,000**

13 12,000
14
15
16
17 15,000
18
19
20
21
22 70,142
23 167,142
24
25
26
27
28 0
29c
30
31
32
33
34
35
36
37

Received 022224

RECEIVED
02222024
KANSAS CITY, MO
IRS-KCSC

Intra-SC Reject or Routing Slip Name-Unit **92A** Date **031524**

X	Route to	X	Reason
	Accounting		Missing or illegible data
	Adjustments	<input checked="" type="checkbox"/> IMF	<input type="checkbox"/> EIN <input type="checkbox"/> Signature
	Batching and Numbering	<input checked="" type="checkbox"/> BMF	<input type="checkbox"/> SSN <input type="checkbox"/> Tax period
	Clearing and Deposit	<input type="checkbox"/> NMF	<input type="checkbox"/> Name <input type="checkbox"/> Filing requirements
	Collection	<input type="checkbox"/> EPMF	<input type="checkbox"/> Address <input type="checkbox"/> Form
	Criminal Investigation	<input type="checkbox"/> IRAF	<input type="checkbox"/> Other (specify)
	CRDT <input type="checkbox"/> ITTP		Review for necessary action
	Data Control (Balancing)	<input type="checkbox"/> IRP	Renumber to
	Document Services	<input type="checkbox"/> CAWR	<input type="checkbox"/> Tax class <input type="checkbox"/> Doc. code
	Entity Control	<input type="checkbox"/> Other file:	<input type="checkbox"/> Other:
	Error Resolution		Unpostable code: Cycle:
	Examination (Audit)		Action Code:
	Files		Reinput
	Reject Correction		Questionable items
	Returns Analysis		<input type="checkbox"/> Form W-2 <input type="checkbox"/> Contributions
	Statute Control		<input type="checkbox"/> Other data:
	Other activity (explain)		Other (explain)
		X	Research for approval of Form 1128

Form 4227 (Rev. 12-01) Cat. No. 269151 Department of the Treasury Internal Revenue Service

Signature of officer **Andrew Larch** Date **02-12-24** Title **President**

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.

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11450Q Form 1120 (2023)

320

Figure 3.11.16-8 Example of editing for a short period return when the Form 1128 is attached with no indication of approval or disapproval.

3.11.16.7.8
(01-01-2015)
**Short Period Returns -
Editing Returning
Correspondence**

- (1) If the taxpayer provides acceptable proof, follow instructions in IRM 3.11.16.7.4, Short Period - Editing Proof of Entitlement.
- (2) If the taxpayer fails to reply, or does not provide tax period approval, enter CCC "3."

3.11.16.7.9
(01-01-2024)
**Short Period Returns -
With Prepaid Credits**

- (1) Route to Accounting for possible adjustment action any return meeting **both** conditions below.
 - a. **A prepaid credit is claimed.**

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 30e (Line 29a, 29b, or 29e for 2017 and prior)
Form 1120-F	Line 5a, 5b, or 5e
Form 1120-FSC	Line 2a, 2b, or 2e
Form 1120-H	Line 23a, 23b, 23c (Lines 23a, 23b, 23d for 2022 and prior).
Form 1120-L	Line 27a, 27b, or 27e (Line 28a, 28b, 28c or 28f for 2022 and prior).
Form 1120-ND	Line 14a, 14b, or 14e
Form 1120-PC	Line 15a, 15b, or 15e (Line 15a, 15b, 15c or 15g for 2022 - 2018). (Line 14a, 14b, 14c, or 14g for 2017 and prior)
Form 1120-REIT	Line 25a, 25b, 25e (Line 24a, 24b, or 24e for 2017 and prior)
Form 1120-RIC	Line 28a, 28b, or 28e (Line 29a, 29b, 29e for 2022 through 2018). (Line 28a, 28b, or 28e for 2017 and prior)
Form 1120-SF	Line 16a, 16b, or 16e

- b. **The return is a short period** (an initial return, a final return or one with a change of accounting period).
- (2) Take the following action when routing these returns to Accounting, see Figure 3.11.16-9.
 1. Enter Action Code "342" on Form 1120, Form 1120-C, Form 1120-F, Form 1120-H, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC. Edit CCC "U" on all other returns. Attach Form 4227, Intra-SC Reject or Routing Slip check the "Accounting" box and notate "Short period return with ES Credits."
 2. Continue normal processing.
 3. If the return shows a refund, see IRM 3.11.16.4, Refund Returns (45-Day Jeopardy and High Dollar Refunds).

3.11 Returns and Documents Analysis

Reminder: Edit the Tax Period Beginning in MMDDYY format on Short Period Returns per IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

DRAFT *Final!*

1120 **100123** **U.S. Corporation Income Tax Return** **2403** OMB No. 1545-0123

For calendar year 2023 or tax year beginning **10-01**, 2023, ending **03-31**, 20 **24** **2023**

Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:

1a Consolidated return (attach Form 851) ☐ **TYPE**

b Life/nonlife consolidated return ☐ **OR**

2 Personal holding co. (attach Sch. PH) ☐ **PRINT**

3 Personal service corp. (see instructions) ☐

4 Schedule M-3 attached ☐

Name **Beech Valet Inc.**

B Employer identification number **00-0001230**

C Date incorporated

D Total assets (see instructions) **\$1,101,205**

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales **650,800**

1b Returns and allowances **650,800**

1c Balance. Subtract line 1b from line 1a **0**

36 Overpayment. If line 37 Enter amount from **342**

37 Enter amount from **342**

Sign Here **Catrin**

Paid Preparer Use Only

Form 1120 (2023) **Schedule J Tax Computation and Payment (see instructions)** **Page 3**

Intra-SC Reject or Routing Slip **Name-Unit** **924** **Date** **7-8-24**

X **Route to** **X** **Reason**

X **Accounting** **X** **IMF** **Missing or illegible data**

X **Adjustments** **X** **BMF** **EIN** **Signature**

Batching and Numbering **NMF** **SSN** **Tax period**

Clearing and Deposit **EPMF** **Name** **Filing requirements**

Collection **IRAF** **Address** **Form**

Criminal Investigation **IRP** **Other (specify)**

QRDT **ITPP** **Review for necessary action**

Data Control (Balancing) **CAWR** **Renumber to**

Document Services **Other file:** **Tax class** **Doc. code**

Entity Control **Unpostable code:** **Cycle:**

Error Resolution **Action Code:**

Examination (Audit) **Reinput**

Files **Questionable items**

Reject Correction **Form W-2** **Contributions**

Returns Analysis **Other data:**

Statute Control **Other (explain)**

Other activity (explain) **X** **Short period with ES Credits**

Form 4227 (Rev. 12-01) **Cat. No. 269151** **Department of the Treasury Internal Revenue Service**

13 Preceding year's overpayment credited to the current year **20,000**

14 Current year's estimated tax payments **30,000**

15 Current year's refund applied for on Form 4466 **()**

16 Combine lines 13, 14, and 15 **50,000**

17 Tax deposited with Form 7004 **()**

Prepaid Credits

Figure 3.11.16-9 Example of how to route the form to accounting when both a prepaid credit is claimed and it is a short period return.

3.11.16.8

(01-01-2022)

◆ Received Date ◆

(1) The date a document is received in the Campus or IRS Office is the date stamped as the "IRS Received Date."

(2) **All Form 1120 series** returns require an IRS Received Date.

If...	Then...	
See Exhibit 3.11.16-2, Due Date Chart.	The return is considered timely.	#
The due date falls on a weekend or legal holiday,	The return is timely if postmarked by the first business day following the weekend or legal holiday.	#
postmark or shipment date is on or before the legal or extended due date,	<p>Edit the received date to agree with the postmark or shipment date.</p> <p>Note: The postmark or shipment date includes returns delivered by:</p> <ul style="list-style-type: none"> • U.S. Postal Service, • Private Delivery Services (PDS), e.g., Federal Express Corporation (FedEx) or United Parcel Service (UPS), "designated" by the IRS. See IRM 3.10.72, Receiving, Extracting, and Sorting, for a list of designated private delivery services, or • Returns with a Foreign Postmark. <p>Note: For certified mail only - If a postmark is not present, look for a "USPS.com Track & Confirm" record attached to the return (should be in front of the envelope). Use the "Acceptance" date on the record to determine timeliness and follow normal editing procedures, see Exhibit 3.11.16-20, USPS.com Track and Confirm.</p> <p>If the "USPS.com Track & Confirm" record is not attached, take no action.</p>	# # # # # # # # # #

- (3) When a Form 1120 or Form 1120-F is delinquent and the taxpayer explains the return is late due to the rejection of a timely filed electronic return, check the return for a MeF rejection notification.

Note: Taxpayers are instructed to notate in red in the top margin of the return "REJECTED ELECTRONIC RETURN" to indicate the timely filed return cannot be filed electronically. The notation could be anywhere on the return and is not required, but they are required to attach a copy of the MeF rejection notification in order to show they qualify for an edited Received Date.

- (4) If a MeF rejection notification is not attached, perfection of the Received Date is not necessary. If a notification is attached, edit the IRS Received Date in MMDDYY format as follows:

Note: The taxpayer has 10 days to resubmit an electronically filed return after being rejected and 10 days to submit a paper return after the last rejection. The first transmission of any rejected return must have been filed before the due date of the relevant form for this rule to apply.

If ...	And ...	Then ...
The postmark date is within 10 days of the date of the rejection,		<p>Edit the IRS Received Date to be the date of the rejection.</p> <p>Example: Postmark date is 03-22-2024 and first rejection is 03-12-2024. Change Received Date to 031224.</p>
The postmark date is more than 10 days after the date of the rejection,		<p>Leave the IRS Received Date as is.</p> <p>Example: Postmark date is 03-23-2024 and first rejection is 03-12-2024. Leave the Received Date as is.</p> <p>Exception: Change the Received Date to the postmark date if the postmark date makes the return timely.</p>

If ...	And ...	Then ...
There are two rejections,	Within 10 days of one another and one is within 10 days of the postmark date,	Edit the IRS Received Date to be the date of the first rejection. Example: Postmark date is 03-22-2024, the second rejection is 03-12-2024. The first rejection is 03-09-2024. Change the Received Date to 030924.
There are two rejections with the time between the first rejection and the second rejection greater than 10 days,	The second rejection is within 10 days of the postmark date,	Edit the IRS Received Date to be the date of the second rejection. Example: Postmark date is 03-22-2024, the second rejection is 03-12-2024. The first rejection is 03-01-2024. Change the Received Date to 031224.

If ...	And ...	Then ...
There are two rejections,	Not within 10 days of one another and second rejection not within 10 days of the postmark date,	<p>Leave the IRS Received Date as is.</p> <p>Example: Postmark date is 03-23-2024, the second rejection is 03-12-2024. The first rejection is 03-01-2024. Leave the Received Date as is.</p> <p>Exception: Change the Received Date to the postmark date if the postmark date makes the return timely.</p>

(5) The received date may or may not be stamped on the face of the return.

(6) A valid received date stamp may consist of the following:

- The word "Received"
- Month (alpha or numeric)
- Day (for example "1" or "01")
- Year - four digits
- "Area Office," Campus, "Field Office," "Taxpayer Assistance Center (TAC)" plus the **City** location or functional area within one of these sites (e.g., Compliance Services Collection Operations (CSCO), Examination, Image Control Team (ICT), Correspondence Imaging Inventory (CII), Accounts Management (AM)).

Exception: Not all IRS offices are designated places for filing, and not all IRS employees are authorized to accept a tax return for processing. If a return has a received date stamp from other than a Taxpayer Assistance Center (TAC), Lockbox, or IRS campus (Compliance, Accounts Management, or Submission Processing (SP)), circle out the invalid received date and edit the correct received date according to instructions below. For example, returns received by the Taxpayer Advocate Service (TAS) or the IRS Office of Chief Counsel are not properly filed and a received date by that office is not the "IRS Received Date."

(7) If the received date stamp is not present or the date is illegible or invalid, edit the received date in "MMDDYY" format in the middle of Page 1 of the tax return. Edit the received date according to the following priority:

1. The earliest legible postmark date (U.S. Postal Service, Foreign Postmark, or Private Delivery Service) on the envelope. Rules for using the U.S. Postal Service Postmark (USPS) or Foreign Postmark date are as follows:

If...	Then...
An envelope is not attached to the tax return,	Use the postmark date stamped on the face of the return.
A document was returned for insufficient postage,	Use the postmark date that coincides with the correct delivery of the return.
The postmark is missing and the envelope is certified ,	<ol style="list-style-type: none"> a. Look for the USPS.com Track & Confirm record that was attached to the return (should be in front of the envelope). Use the acceptance date on the record to determine timeliness and follow normal editing procedures, see Exhibit 3.11.16-20, USPS.com Track and Confirm. b. If the "USPS.com Track & Confirm" record is not attached, take no action.
An envelope has a USPS and private metered postmarks,	Always use the USPS postmark.
An envelope has a foreign and private metered postmark,	Always use the foreign postmark.
An envelope has two private metered postmarks,	Always use the latest private metered postmark.
An envelope has only one private metered postmark,	Use the private metered postmark.

2. Service Center Automated Mail Processing System (SCAMPS) digital date.
 3. Revenue Officer's Signature date.
 4. Signature date. (Only if within current year.)
 5. Julian control date minus 10 days.
 6. Current date minus 10 days.
- (8) Edit the received date as follows.

If...	Then...
A timely received date is the only received date stamped on the return,	Do not edit.
Two or more dates are stamped on the return,	<ol style="list-style-type: none"> 1. Use the earliest IRS received date stamp. 2. Circle all other dates (handwritten or stamped) not needed for transcription. <p>Note: Treat Received Dates that are circled out by another function as if they are not present.</p>
A Federal return is addressed to the IRS and delivered to a state agency,	Use the Postmark Date as the received date.
A Federal return is addressed to a state agency,	Use the IRS date stamp as the received date.
The only received date on the return is a Taxpayer Advocate Service (TAS) received date,	Edit the received date according to (6) instructions above.

Reminder: Check any envelope attached to the return for remittance. If found, hand carry remittance to manager.

- (9) If a return is faxed to another area of IRS and then sent to Submission for processing, do not edit the Enterprise Electronic Fax (EEFax) Date as the IRS Received Date. Edit a Received Date according to normal procedures.

Caution: Do not use the EEFax date as the IRS received date.

3.11.16.9
(01-01-2009)

Special Processing Codes

- (1) This subsection addresses special processing codes.

3.11.16.9.1
(01-01-2009)

Computer Condition Codes

- (1) Computer Condition Codes (CCC) identify special conditions or computation for the computer. Computer Condition Codes post to the Master File.
- (2) Computer Condition Codes are edited in the center of Lines 1 and 2 of the tax return.

3.11.16.9.1.1
(01-01-2009)

CCC "A" - Form 2220

- (1) No editing is required.

3.11.16.9.1.2
(01-01-2015)

CCC "B" - Schedule M-3

- (1) Edit CCC "B" when the corporation checks the Schedule M-3 box on:
- a. Form 1120, Page 1, Box A, 4.
 - b. Form 1120-C, Page 1, Box A, 2.
 - c. Form 1120-F, Page 1, Schedule M-3 Box.
 - d. Form 1120-L, Page 1, Box A, 3.
 - e. Form 1120-PC, Page 1, Box A, 3.

- (2) Edit CCC "B" if Schedule M-3 is attached to Form 1120, Form 1120-C, Form 1120-L, Form 1120-F or Form 1120-PC.

Note: For Form 1120, edit Audit Code "8" if Schedule M-3 is attached, see IRM 3.11.16.10.1, Audit Codes.

3.11.16.9.1.3
(01-01-2021)
CCC "C" - Qualified Derivatives Dealers (Form 1120-F) or Partner's Additional Reporting Year Tax (Forms 1120-FSC, 1120-ND or 1120-SF)

- (1) Edit CCC "C" when either is present:
- Form 1120-F, Page 2, Question CC is answered "Yes," or both the "Yes" and "No" boxes are checked.
 - Form 8978, Partner's Additional Reporting Year Tax, is attached to a Form 1120-FSC, Form 1120-ND, or Form 1120-SF and the tax period is 201712 and later.

3.11.16.9.1.4
(01-01-2018)
♦CCC "D" - Reasonable Cause for Failing to Pay Timely♦

- (1) Do not edit CCC "D" if the taxpayer requests abatement for "Failing to Pay Timely" when the return is submitted. Send Letter 1382C, Penalty Removal Request Incomplete, to inform the taxpayer of the proper procedure to follow to request penalty abatement when a penalty is assessed, see IRM 3.11.16.3.4.2(4), Issuing Correspondence.

- (2) Edit CCC "D" when the return is stamped: "DO NOT ASSESS FAILURE TO PAY PENALTY."

Note: Do not enter CCC "D" if the return was prepared by IRS under IRC 6020(b) and the return due date (without regard to extensions) is after July 30, 1996.

- (3) **Edit CCC "D" on a "Final," Balance Due return if the received date is after the short period due date but on or before the regular full tax period**

#

- (4) **CCC "D" must be edited when a return has the special due date for "Co-Op" 1120 returns**, see IRM 3.11.16.9.1.18, CCC "R" - Reasonable Cause for Failing to Timely File Return.

- (5) **Edit CCC "D" if a corporation attaches a statement showing the corporation qualifies for an automatic 2 or 3 - month extension under 26 CFR 1.6081-5 (or regulations under IRC 6081), or the statement or return indicates one of the following:**

- The foreign corporation maintains an office or place of business in the United States.

Note: It is not necessary to edit CCC "D" on Form 1120-F. The "Office or Place of Business Code" establishes the correct due date.

- The domestic corporation transacts its business and keeps its books and records of account outside the United States and Puerto Rico, or
- The domestic corporation's principal income is from sources within the possessions of the United States.

Exception: Do not edit CCC "D" if the balance due is paid after the 15th day of the 6th month following the tax period ending date.

- (6) Do not edit CCC "D" when pre-computed penalty is shown on the return.

3.11.16.9.1.5
(01-01-2024)
**CCC “E” - Potential
Identity Theft Filing**

- (1) Effective January 1, 2017, Computer Condition Code “E” may be edited on Form 1120 series (any year) by the BMF ID Theft Liaison to identify a potential #
has been edited, no action is required by C&E.

Note: CCC “E” may be edited by other functions. C&E will continue to follow procedures in Paragraph (2).

- (2) If a tax examiner in Submission Processing (SP) Code and Edit (C&E) finds a case with attachments or correspondence showing the taxpayer is a victim of #
case to your senior/lead. Your senior/lead will expedite the case to the Planning and Analysis (P&A) staff for referral to one of the SP BMF ID Theft liaisons. The taxpayer must indicate that they are a victim of “ID Theft”; do **not** send cases that are subject to “Criminal Investigation” (CI), “Examination” (Exam) or “Fraud” review.

- (3) If the SP ID Theft Liaison says the return is “ID Theft,” the tax examiner may (upon request) edit CCC “E.”

3.11.16.9.1.6
(01-01-2019)
CCC “F” - Final Return

- (1) Edit CCC “F” when the “Final Return” box is checked or there is another indication the corporation is not liable for filing future returns. Notations may include (but are not limited to):

- Final
- Deceased
- Out of Business
- Liquidation
- Exempt under IRC 501(c)(3)
- Dissolved

Note: The presence of Form 966, Corporate Dissolution or Liquidation, is a sign of a possible dissolution. If Form 966 is attached, compare tax periods in Box 7A to the Form 1120 being edited. If the same and the entity section of Form 966 is for the parent corporation, edit CCC “F.”

- Cites IRC 708(b)(1)(B)
- Notates “Filed per Rev. Proc. 2003-84”

- (2) Edit the Tax Period Beginning in MMDDYY format per IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

- (3) **If a prepaid credit* is claimed on a short period “Final” return, enter Action Code “342” or CCC “U” on the return,** see IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits.

- *(Form 1120, Page 3, Schedule J, Line 13, 14 or 17 (Lines 12, 13 or 16 for 2017-2011))

3.11.16.9.1.7
(01-01-2009)
**♦CCC “G” - Amended
Return♦**

- (1) See IRM 3.11.16.3.9, Amended Returns.

3.11.16.9.1.8
(08-27-2019)

**CCC “H” - Form 1042-S
Attached to Form 1120-F**

- (1) Editing CCC “H” is no longer required.

3.11.16.9.1.9
(01-01-2010)

**CCC “I” - Form 6781,
Gains and Losses from
Section 1256 Contracts
and Straddles**

- (1) CCC “I” is valid for Form 1120, Form 1120-C, Form 1120-F, Form 1120-L, and Form 1120-PC.
- (2) Edit CCC “I” when Form 6781, Gains and Losses from Section 1256 Contracts and Straddles, is present.

Note: CCC “I” must be edited as a capital in block style to distinguish it from CCC “1.”

3.11.16.9.1.10
(01-01-2022)

CCC “J” - Section 965

- (1) The instructions in this subsection only apply to tax periods 201712 through 202012.
- (2) Edit CCC “J” and Action Code “460” when any of the following conditions apply:
- Form 965, Inclusion of Deferred Foreign Income Upon Transition to Participation Exemption System, is attached.
 - Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, is attached.
 - IRC 965 Transition Tax Statement (or similar statement), is attached (for TY2017).
 - A significant entry is present on any of the following forms and/or lines.

Note: A significant entry is defined as any amount other than zero.

Form	Lines
Form 1120	<ul style="list-style-type: none"> • Schedule C, Line 15 • Schedule J, Line 12 • Schedule J, Line 22 • Page 1, Line 32
Form 1120-C	<ul style="list-style-type: none"> • Schedule C, Line 15 • Page 2, Line 29 • Page 2, Line 30i
Form 1120-L	<ul style="list-style-type: none"> • Page 1, Line 27 • Page 1, Line 28i
Form 1120-PC	<ul style="list-style-type: none"> • Page 1, Line 14 • Page 1, Line 15d
Form 1120-REIT	<ul style="list-style-type: none"> • Page 2, Line 24 • Page 2, Line 25h
Form 1120-RIC	<ul style="list-style-type: none"> • Page 2, Line 28 • Page 2, Line 29i

- (3) Do not issue correspondence on the return. ERS will correspond for any missing information, see IRM 3.11.16.2.12, Section 965 Returns.

3.11.16.9.1.11
(01-01-2012)
CCC “K” - Form 8697

- (1) Edit CCC “K” when Form 8697, Interest Computation Under the Look-Back Method for Completed Long-Term Contracts, is attached and shows a balance due in Part I, Line 10 and/or Part II, Line 11. The tax will be claimed on Form 1120, Schedule J, Line 9c. If Form 8697 is missing, correspond for the missing form.

3.11.16.9.1.12
(03-02-2017)
CCC “L” - Treaty Based Positions

- (1) Edit CCC “L” when taxpayer writes “Section 6114 Election” on the return or Form 8833, Treaty-Based Return Position Disclosure Under IRC 6114 or 7701(b), is attached.

Note: Edit Audit Code “2” if Form 8833 is attached to Form 1120, Form 1120-L, Form 1120-PC, Form 1120-REIT, or Form 1120-RIC, see IRM 3.11.16.10.1, Audit Codes.

3.11.16.9.1.13
(01-01-2020)
CCC “M” - Opportunity Zones

- (1) Edit CCC “M” when:

- Tax period ending is 201712 and later, **and**
- Form 8949, Sales and Other Dispositions of Capital Assets, is attached and Form 8949, Column (f) has a code “Z” or “Y,” see Figure 3.11.16-23.

Note: Tax Cuts and Jobs Act of 2017, P.L. 115-97 (H.R. 1), Section 13823, Opportunity Zones. Taxpayers who elect to defer gain on the sale of an asset by investing in an Opportunity Zone Fund will indicate that they are deferring the gain by entering code “Z” or “Y” in Column (f).

3.11.16.9.1.14
(04-01-2020)
CCC “N” - Joint Committee Case

#

- Form 1120, Page 3, Schedule J, Lines 13 through 22 (Lines 12 through 19 for 2017-2011)
- Form 1120-L, Page 6, Schedule K, Lines 5a through 5e
- Form 1120-PC, Page 1, Lines 8a through 8e
- Form 1120-FSC, Page 1, Lines 2a through 2g
- Form 1120-SF, Page 1, Lines 16a through 16e

- (2) **Unusual** credits are defined as follows:

- Form 1120-PC, Line 15h states: By reciprocal for tax paid by Attorney in Fact under Section 835(d).
- A credit claimed under IRC 1341 or a “Claim of Right” for refund of excessive prior year taxes.
- Credits claimed under IRC 1383 in a later year for a refund of excessive prior year taxes.

- (3) **Usual** credits are defined as follows:

- A refundable credit normally found on Form 1120, Page 3, Schedule J, Lines 13 through 22 (Lines 12 through 19 for 2017-2011).
- Form 7004 payment.
- Estimated tax payments.
- Credit from Regulated Investment Company.
- Fuel Tax Credit present on Schedule J, Line 20b (Line 19b 2017-2011).

- A refundable credit claimed with or without Form 8288-A, Statement of Withholding on Certain Dispositions by Foreign Persons, Form 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, or Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, are attached.

Note: Form 8288-A credit must be verified by OSPC Foreign Team.

3.11.16.9.1.15
(01-01-2024)
**CCC "O" - Module
Freeze**

- (1) CCC "O" is entered when a Pre-Settlement Manual Refund will be made and a Form 3753, Form 5792, or Form 12857 is attached. Verify that the name control, EIN, and tax period on the return are the same as the data on the form.
 - a. Research to determine if "TC 840" (Manual Refund Transaction) has posted:

If...	Then...
"TC 840" has posted,	Edit CCC "O" and continue processing.
"TC 840" has not posted,	<ol style="list-style-type: none"> 1. Enter Action Code "341" for: <ul style="list-style-type: none"> • Form 1120 • Form 1120-C • Form 1120-F • Form 1120-H • Form 1120-L • Form 1120-PC • Form 1120-REIT • Form 1120-RIC to issue Manual Refund. 2. All other returns edit CCC "U" and attach Form 4227, Intra-SC Reject or Routing Slip. Check the "Accounting" box on Form 4227.

- (2) Edit CCC "O" if there is an entry on:
 - a. Form 1120, Schedule J, Part II, Line 15 (Line 14 for 2017-2011).
 - b. Form 1120-C, Line 30c (Line 29c for 2017 and prior).
 - c. Form 1120-F, Line 5c.
 - d. Form 1120-FSC, Line 2c.
 - e. Form 1120-L, Line 27ce (Line 28d for 2022 through 2018) (Line 29e for 2017 and prior).
 - f. Form 1120-ND, Line 14c.
 - g. Form 1120-PC, Line 15c (Line 15e for 2022 through 2018) (Line 14e for 2017 and prior).
 - h. Form 1120-REIT, Line 25c (Line 24c for 2017 and prior).
 - i. Form 1120-RIC, Line 28c (Line 29c for 2022 through 2018) (Line 28c for 2017 and prior).
 - j. Form 1120-SF, Line 16c.
- (3) Edit CCC "O" when the Wage and Investment (W&I), Submission Processing (SP), Taxpayer Advocate Service (TAS) Liaison walks a return through C&E.

3.11.16.9.1.16

#

(01-01-2019)

**CCC “P” - Form 1118 -
Foreign Tax Credit
(Corporations)**

following lines:

- Form 1120, Schedule J, Line 5a.
- Form 1120-C, Schedule J, Line 5a.
- Form 1120-REIT, Schedule J, Line 3a.
- Form 1120-RIC, Schedule J, Line 3a.

3.11.16.9.1.17

(03-08-2010)

♦ CCC “Q” ♦

- (1) No editing required.

3.11.16.9.1.18

(01-01-2018)

**♦ CCC “R” - Reasonable
Cause for Failing to File
a Timely Return ♦**

- (1) Do not edit CCC “R” when a reason is given for the delay in filing a return. Send Letter 1382C, Penalty Removal Request Incomplete, and continue editing the return, see IRM 3.11.16.3.4.2(4), Issuing Correspondence.
- (2) **Special Rules for Form 1120 Cooperatives: Certain non-farm Cooperative (“Co-Op”) returns are filed on Form 1120 instead of the usual Cooperative Form 1120-C. These filers are entitled to a return due date on the 15th day of the ninth month following the close of the taxable year. Both CCC “R” and CCC “D” must be edited to returns identified as 1120 Cooperatives. Indication of this status is made by the taxpayer and may include the word “Cooperative” in the name, along with notations such as:**
- IRC 6072 (d) (2),
 - References to “Subchapter T” of the Internal Revenue Code (“IRC”),
 - IRC 1381-1388 referenced,
 - IRS Regulations Section 1.6072-2(d) referenced.

Note: If the word “Cooperative” is the only indicator, do not edit CCC “R.” It must be used in addition to one or more of the other indicators named above.

- (3) **Edit CCC “R” if a corporation attaches a statement showing the corporation qualifies for an automatic 2 or 3 - month extension under 26 CFR 1.6081-5 (or regulations under IRC 6081), or the statement or return indicates one of the following:**

- The foreign corporation maintains an office or place of business in the United States.

Note: It is not necessary to edit CCC “R” on Form 1120-F. The “Office or Place of Business Code” establishes the correct due date.

- The domestic corporation transacts its business and keeps its books and records of account outside the United States and Puerto Rico, or
- The domestic corporation’s principal income is from sources within the possessions of the United States.

Exception: Do not edit CCC “R” if the return is filed after the 15th day of the 6th month following the tax period ending date.

- (4) Edit CCC "R" on a "Final" return if the received date is after the short period due date but on or before the regular full tax period due date

#

- (5) Edit CCC "R" on the return when any of the following conditions are present:

- There is a sign such as "DO NOT ASSESS FAILURE TO FILE PENALTY" on a secured return annotated with "599."
- If an internal use form or routing slip is attached and indicates do not assess failure to file penalty.

Note: All "R" coded returns must have an IRS Received Date. If one is not present, edit the IRS Received Date in the middle of the return.

Note: CCC "R" cannot be used with CCC "4."

3.11.16.9.1.19

(01-01-2014)

**CCC "S" - Form 8883,
Asset Allocation
Statement**

- (1) Edit CCC "S" when Form 8883 is attached to:

- Form 1120
- Form 1120-C
- Form 1120-F
- Form 1120-FSC
- Form 1120-L
- Form 1120-PC
- Form 1120-REIT
- Form 1120-RIC

#

#

3.11.16.10.1, Audit Codes.

3.11.16.9.1.20

(01-01-2015)

**CCC "T" - Form 8886,
Reportable Transaction
Disclosure Statement**

- (1) Edit CCC "T" when Form 8886 is attached to:

- Form 1120
- Form 1120-C
- Form 1120-F
- Form 1120-FSC
- Form 1120-H
- Form 1120-L
- Form 1120-ND
- Form 1120-PC
- Form 1120-REIT
- Form 1120-RIC
- Form 1120-SF

Note: Edit Audit Code "1" if Form 8886 is attached, see IRM 3.11.16.10.1, Audit Codes.

3.11.16.9.1.21

(01-01-2014)

**CCC "U" -
Unprocessable
Document**

- (1) Edit CCC "U" on any of the following forms with an unprocessable condition:

- Form 1120-FSC
- Form 1120-ND
- Form 1120-SF

Note: Action Codes are used for unprocessable conditions on Form 1120, Form 1120-C, Form 1120-F, Form 1120-H, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC.

3.11.16.9.1.22
(01-01-2023)
**CCC “V” - Qualifying
Therapeutic Discovery
Project Credit**

- (1) No editing required.

3.11.16.9.1.23
(01-01-2009)
**◆ CCC “W” - Return
Cleared by Statute
Control ◆**

- (1) Edit CCC “W” when Statute Control cleared the return, see IRM 3.11.16.3.7, Statute Returns.

3.11.16.9.1.24
(01-01-2010)
**CCC “X” -
Refund/Settlement
Freeze**

- (1) Edit CCC “X” when the taxpayer indicates on the tax return a request that any balance left over after paying tax and/or penalties to be applied to another account. Take the following action to route the request to Accounts Management.
- Prepare Form 3465, Adjustment Request, and indicate in the “Routing” box “Adjustments.”
 - Notate the requested action in the “Remarks” box.
 - Attach a photocopy of Page 1 of the tax return to Form 3465.

Reminder: Subtract the tax, penalties and interest amounts from the remittance amount if available.

3.11.16.9.1.25
(01-01-2020)
**CCC “Y” - Short Period
Return for Change of
Accounting Period**

- (1) CCC “Y” is edited for Change of Accounting Period. Enter only for short period returns due to change of accounting period (not due to initial or final filing), see IRM 3.11.16.7.4, Short Period - Editing Proof of Entitlement, through **IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits**.
- (2) Edit the Tax Period Beginning in MMDDYY format per IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (3) **If a prepaid credit* is claimed on a short period return, enter Action Code “342” or CCC “U” on the return, see IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credit.**
- Form 1120, Page 3, Schedule J, Line 13, 14 or 17 (Line 12, 13, or 16 for 2017-2011) or applicable line on other Form 1120 series.
- (4) Edit CCC “Y” when the Wage and Investment (W&I), Submission Processing (SP), Taxpayer Advocate Service (TAS) Liaison walks a return through C&E.

3.11.16.9.1.26
(05-07-2019)
**CCC “Z” - Schedule UTP
(Form 1120), Uncertain
Tax Position Statement**

- (1) Schedule UTP (Form 1120), Uncertain Tax Position Statement, **is a high priority form**.
- (2) Edit CCC “Z” if Schedule UTP is attached to a Form 1120, Form 1120-F, Form 1120-L, or Form 1120-PC.

Note: Do not edit CCC “Z” if Schedule UTP has no entries.

- 3.11.16.9.1.27
(02-24-2022)
**CCC "1" - Like-Kind
Exchanges (and section
1043 conflict-of-Interest
sales)**
- (1) Edit CCC "1" if Form 8824 is attached. CCC "1" is valid on:
- Form 1120
 - Form 1120-FSC
 - Form 1120-ND
 - Form 1120-REIT
 - Form 1120-SF
- 3.11.16.9.1.28
(03-08-2017)
**CCC "2" - Statement of
Specified Foreign
Financial Assets**
- (1) Edit CCC "2" if Form 8938, Statement of Foreign Financial Assets, is attached. (Form 1120 only), see IRM 3.11.16.11.37.10, Schedule N, Line 8 - Form 8938, Statement of Specified Foreign Financial Assets.
- 3.11.16.9.1.29
(01-01-2018)
**♦CCC "3" - "No Reply"
to Correspondence♦**
- (1) Edit CCC "3" when the tax return is unprocessable and there is a sign that correspondence was sent and no reply received.
- 3.11.16.9.1.30
(01-01-2014)
**CCC "4" - IRC 6020(b)
Return**
- (1) CCC "4" is not valid for Form 1120 series at this time.
- 3.11.16.9.1.31
(01-01-2015)
**CCC "5" - Bank Holding
Company Tax Act**
- (1) Edit CCC "5" when there is a statement electing to make installment payments for a portion of the total tax attributable to the Bank Holding Company Tax Act, see Figure 3.11.16-10.

DRAFT

Form **1120**
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2023

A Check if:
1a Consolidated return (attach Form 851) ☐
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐
4 Schedule M-3 attached ☐

TYPE OR PRINT

Name **BALSAM BANK HOLDING CO.**
Number, street, and room or suite no. If a P.O. box, see instructions.
P.O. BOX 4456
City or town, state or province, country, and ZIP or foreign postal code
PITTSBURGH, PA 15219

B Employer identification number
00-8761234

C Date incorporated
MARCH 5, 1996

D Total assets (see instructions)
\$ 11,031,285

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Income	1a	Gross receipts or sales	5	1a	
	b	Returns and allowances		1b	
	c	Balance. Subtract line 1b from line 1a		1c	
	2	Cost of goods sold (attach Form 1125-A)		2	
	3	Gross profit. Subtract line 2 from line 1c		3	
	4	Dividends and inclusions (Schedule C, line 23)		4	
	5	Interest		5	
	6	Gross rents		6	1,723,660
7	Gross royalties		7		
8	Capital gain net income (attach Schedule D (Form 1120))		8		

DRAFT (Includes \$50,000 installment payment on Bank Holding Co. Acct.)

Form 1120 (2023) Page **3**

Schedule J Tax Computation and Payment (see instructions)

Part I—Tax Computation

1	Income tax. See instructions	1	189,215
2	Base erosion minimum tax amount (attach Form 8991)	2	
3	Corporate alternative minimum tax from Form 4626, Part II, line 13 (attach Form 4626)	3	
4	Add lines 1, 2, and 3	4	189,215
5a	Foreign tax credit (attach Form 1118)	5a	
b	Credit from Form 8834 (see instructions)	5b	
c	General business credit (see instructions—attach Form 3800)	5c	
d	Credit for prior year minimum tax (attach Form 8827)	5d	
e	Bond credits from Form 8912	5e	
6	Total credits. Add lines 5a through 5e	6	
7	Subtract line 6 from line 4	7	189,215
8	Personal holding company tax (attach Schedule PH (Form 1120))	8	
9a	Recapture of investment credit (attach Form 4255)	9a	
b	Recapture of low-income housing credit (attach Form 8611)	9b	
c	Interest due under the look-back method—completed long-term contracts (attach Form 8697)	9c	

Figure 3.11.16-10 Example of CCC “5” edited to the return because of the note on page 3 showing installment payments to the Bank Holding Company.

3.11.16.9.1.32
(08-05-2021)

**CCC “6” - Section 847
Deductions**

(1) The instructions for CCC “6” only apply to tax periods 201812 and prior. For tax periods 201901 and later, no action is needed.

(2) Edit CCC “6” when any of the following is present:

- Form 1120, Form 1120-L, or Form 1120-PC indicates a “Section 847 Deduction.” Form 8816, also, indicates a “Section 847 Deduction,” see IRM 3.11.16.3.10, IRC 847 Deduction.
- Form 1120 includes a notation stating “Form 8816” with a corresponding entry for the amount of the deduction on Schedule J, Part III, Line 14 (Part II, Line 13 for 2017-2011).
- Form 1120-L includes an entry on Line 28b for 2018 (Line 29b and/or 29d for 2017-2011).

- Form 1120-PC includes an entry on Line 15b for 2018 (Line 14b and/or 14d for 2017-2011).

3.11.16.9.1.33
(01-01-2021)

CCC "8" - Waiver of Estimated Tax Penalty

(1) Edit CCC "8" when any of the following is present:

- Form 2220 is attached and Part II, Box 6 or Box 7 is checked, see Figure 3.11.16-11.
- Form 2220 is attached and any column on Form 2220, Schedule A, page 4, Line 38 has entries.

DRAFT

Form 2220 Underpayment of Estimated Tax by Corporations OMB No. 1545-0123

Department of the Treasury Internal Revenue Service

► Attach to the corporation's tax return.
► Go to www.irs.gov/Form2220 for instructions and the latest information.

2023

Name **Fir Finance Inc.** Employer identification number **00-0181650**

Note: Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38, on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

5 Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3 **5**

Part II Reasons for Filing—Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty. See instructions.

6 ☐ The corporation is using the adjusted seasonal installment method.

7 ☒ The corporation is using the annualized income installment method.

8 ☐ The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

Part III Figuring the Underpayment

	(a)	(b)	(c)	(d)
1a Gross receipts or sales				
1b Returns and allowances				
1c Balance. Subtract line 1b from line 1a				
2 Cost of goods sold (attach Form 1125-A)				
3 Gross profit. Subtract line 2 from line 1c				
4 Dividends and inclusions (Schedule C, line 22)				

DRAFT

Form 1120 U.S. Corporation Income Tax Return OMB No. 1545-0123

Department of the Treasury Internal Revenue Service

For calendar year 2023 or tax year beginning , 2023, ending , 20
Go to www.irs.gov/Form1120 for instructions and the latest information.

2023

A Check if:

1a Consolidated return (attach Form 851) ☐

b Life/nonlife consolidated return ☐

2 Personal holding co. (attach Sch. PH) ☐

3 Personal service corp. (see instructions) ☐

4 Schedule M-3 attached ☐

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Name **Fir Finance Inc.** Employer identification number **00-0181650**

Number, street, and room or suite no. If a P.O. box, see instructions. **706 Pine Street**

City or town, state or province, country, and ZIP or foreign postal code **San Diego, CA 92109**

C Date incorporated **01-16-85**

D Total assets (see instructions) \$ **55,100**

1a Gross receipts or sales	8	1a	55,700	
1b Returns and allowances		1b		
1c Balance. Subtract line 1b from line 1a		1c		55,700
2 Cost of goods sold (attach Form 1125-A)		2		
3 Gross profit. Subtract line 2 from line 1c		3		55,700
4 Dividends and inclusions (Schedule C, line 22)		4		

Figure 3.11.16-11 Example of CCC "8" edited because the Form 2220 is attached with Line 7 checked.

3.11.16.9.1.34
(01-01-2024)

CCC "9" - Low-Income Housing Credit

(1) Edit CCC "9" when any of the following conditions exist:

- Form 1120, Schedule J, Line 9b has a significant entry.
- Form 1120-C, Schedule J, Line 8 has a significant entry.
- Form 1120-REIT or Form 1120-RIC, Schedule J, Line 9 (Line 7 for 2021 and 2022; Line 6 for 2020 and prior) has a significant entry.
- Form 8611 is attached.
- Form 8609 is attached.
- Form 8609-A is attached.
- Form 8586 with entries on Line 1 or 3.

3.11.16.9.2
(04-20-2023)

**Return Processing Code
(RPC)**

- (1) Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation.
- (2) RPCs are edited on Page 1, in the right margin next to Line 1c of Form 1120.
- (3) More than one RPC can be edited and in any order.
- (4) Refer to the table below for an explanation of when to edit each RPC.

RPC	Explanation
A	Form 5471, Schedule E, Income, War Profits, and Excess Profits Taxes Paid or Accrued, is attached.
B	Form 5471, Schedule H, Current Earnings and Profits, is attached.
C	Form 5471, Schedule I-1, Information for Global Intangible Low-Taxed Income, is attached.
D	Form 5471, Schedule P, Previously Taxed Earnings and Profits of U.S. Shareholder of Certain Foreign Corporations, is attached.
E	Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c), is attached.
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c), is attached.
G	Form 5471, Schedule G-1, Cost Sharing Arrangement is attached.
H	Form 5472. Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business, Part VIII, Cost Sharing Agreement, has an entry (e.g., description, checkbox marked, percent, or an amount).
J	<p>For tax periods 202201 - 202212, taxpayer writes IRA22DPE on Form 3800, Form 1120, Schedule J, Line 20d or on an attachment.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "J." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "DPE" in the batch ID.

RPC	Explanation
K	For tax periods 202201 - 202212, taxpayer writes IRA22TRE on Form 3800, on an attachment or at the top of the return. 1. Completely edit the return. 2. Edit RPC "K." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. Note: P&A will provide the pre-printed half-sheets for C&E to use. 4. Give the return to the lead. 5. The lead will have the returns rebatched with "TRE" in the batch ID.
L	Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement, is attached.
M	Form 7205, Energy Efficient Commercial Buildings Deduction, is attached.
N	Form 4626, Alternative Minimum Tax (Revision 2023 and later) is attached or Form 1120, Schedule J, Line 3 shows a significant amount.
1	Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts, is attached.
2	Form 8992, U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI), is attached.
3	Form 8993, Section 250 Deduction for Foreign-Derived Intangible Income (FDII) and Global Intangible Low-Taxed Income (GILTI), is attached.
4	Form 8994, Employer Credit for Paid Family and Medical Leave, is attached.
6	Form 8996, Qualified Opportunity Fund, is attached.
7	Form 8990, Limitation on Business Interest Expense IRC 163(j), is attached.
9	Form 8997, Initial and Annual Statement of Opportunity Fund (QOF) Investments, is attached.

3.11.16.9.3
(01-01-2022)

**ABLM Code and
Schedule M-3 Checkbox**

- (1) ABLM is not an acronym. The letters are a carryover from when Form 1120 was generic. The ABLM Code identifies a specific type of tax return. The ABLM letters are defined as follows:

- A - Consolidated Tax Return
- B - Personal Service Corporation
- L - Life Insurance Tax Return
- M - Mutual Fund Tax Return

- (2) ABLM Codes are valid for Form 1120, Form 1120-REIT, and Form 1120-RIC.
- (3) Edit an ABLM code in the margin by Boxes A - 1, A - 2, and A - 3 to the left of the name line as instructed in paragraphs (4) through (7) below.
- (4) There is no need to edit the ABLM Code on Form 1120-C, Form 1120-L or Form 1120-PC because it is computer-generated.

Note: For Form 1120-REIT, and Form 1120-RIC, if no code applies, leave the area blank.

- (5) If ABLM Code "010" is entered on Form 1120, the return must be batched as a "Consolidated Return." If not, reject for proper batching. Enter Action Code "610" if the return is numbered.
- (6) Only one ABLM Code should be entered; edit in the following priority:
 - 400 - Box A - 3
 - 010 - Box A - 1a or A - 1b
 - 001 - Box A - 2

Note: If ABLM Code "400" is edited on a Consolidated Return, Form 851 processing procedures must also be followed, see IRM 3.11.16.28.3, Form 851 - Affiliations Schedule.

- (7) Code "010" when **any** of the following apply (Form 1120 only):
 - a. Box A - 1a or Box A - 1b is checked, see Figure 3.11.16-12 a.
 - b. Subsidiaries are listed on Form 851 or Form 1122 is attached.
- (8) Code "001" when **any** of the following apply:
 - a. Box A - 2, Page 1, Form 1120 is checked, see Figure 3.11.16-12 b.
 - b. Box B - 2, Page 1, Form 1120-REIT is checked.
 - c. Box F, Page 1, Form 1120-RIC is checked.
 - d. Schedule PH (Form 1120) is attached to Form 1120, Form 1120-REIT, or Form 1120-RIC.
 - e. Form 1120, Page 3, Schedule J, Line 8 has an entry.
 - f. Form 1120-REIT, Page 3, Schedule J, Line 5 has an entry.
 - g. Form 1120-RIC, Page 3, Schedule J, Line 5 has an entry.

#

for Schedule PH if not attached, see IRM 3.11.16.11.17, Schedule J, Line 8 - Personal Holding Company Tax.
(Form 1120-REIT or Form 1120-RIC, Schedule J, Line 5.)

- (9) Code "400" when **any** of the following apply:
 - a. Box A - 3, Page 1, Form 1120 is checked.
 - b. The box on Form 1120, Page 3, Schedule J, Line 2 is checked (2017 and prior).

Note: Also edit Personal Service Corporation Code "2" if the box on Form 1120, Page 3, Schedule J, Line 2 is checked (201811 and prior).

3.11.16.9.3.1
(01-12-2023)

Schedule M-3 Checkbox

- (1) Edit Computer Condition Code "B" when the box for Schedule M-3 is marked, see Figure 3.11.16-12 c.
 - a. Form 1120, Page 1, Box A, 4.
 - b. Form 1120-C, Page 1, Box A, 2.
 - c. Form 1120-F, Page 1, Schedule M-3 box.
 - d. Form 1120-L, Page 1, Box A, 3.
 - e. Form 1120-PC, Page 1, Box A, 3.
- (2) Edit Computer Condition Code "B" when Schedule M-3 is attached to Form 1120, Form 1120-C, Form 1120-F, Form 1120-L, or Form 1120-PC.

Note: Audit Codes 2, "7" and "8" may also be required for Form 1120. Audit Code "2" may be required for Form 1120-PC, see IRM 3.11.16.10.1, Audit Codes.

a. DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20 **2023**
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

A Check if:
 1a Consolidated return (attach Form 851) ☒ **TYPE OR PRINT**
 b Life/nonlife consolidated return ☐
 c Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

Name
Poplar Metal Co. and Subsidiaries
Number, street, and room or suite no. If a P.O. box, see instructions.
524 Mangrove Ave
City or town, state or province, country, and ZIP or foreign postal code
Little Rock, AR 72201

B Employer identification number
00-5467892

C Date incorporated
4-25-67

D Total assets (see instructions)
\$ 1,200,350

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales **1a**
b Returns and allowances **1b**
c Balance. Subtract line 1b from line 1a **1c**

b. DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20 **2023**
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 c Personal holding co. (attach Sch. PH) ☒ **TYPE OR PRINT**
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

Name
Fir Financial Inc.
Number, street, and room or suite no. If a P.O. box, see instructions.
6119 Hemlock Blvd.
City or town, state or province, country, and ZIP or foreign postal code
Pittsburgh, PA 15219

B Employer identification number
00-7181560

C Date incorporated
7-15-56

D Total assets (see instructions)
\$ 156,789

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales **1a** **125,586**
b Returns and allowances **1b**
c Balance. Subtract line 1b from line 1a **1c** **125,586**

2 Cost of goods sold (attach Form 1125-A) **2**

c. DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20 **2023**
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 c Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☒ **TYPE OR PRINT**
 4 Schedule M-3 attached ☒

Name
Larch Medical Group
Number, street, and room or suite no. If a P.O. box, see instructions.
322 West 9th St
City or town, state or province, country, and ZIP or foreign postal code
Columbia, SC 29201

B Employer identification number
00-5884316

C Date incorporated
01-01-2001

D Total assets (see instructions)
\$ 6,566,114

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales **1a** **789,457**
b Returns and allowances **1b**
c Balance. Subtract line 1b from line 1a **1c** **789,457**

2 Cost of goods sold (attach Form 1125-A) **2**

Edit CCC "B" when Box A4 is checked or Schedule M-3 is attached.

Figure 3.11.16-12 Examples of editing the ABLM codes 010, 001 and 400.

3.11.16.9.4
(01-01-2021)

Initial Return Code

(1) Initial Return Code is valid for Form 1120, Form 1120-REIT, and Form 1120-RIC.

- (2) Edit an Initial Return Code “2” in the margin to the right of the Date Incorporated if any of the following conditions are met:
- The “Initial return” box under the entity area is checked.
 - Page 1, Box B (1120-RIC), Box C (1120), Box D (1120-REIT) has a date incorporated which is within 12 months from the tax period ending date, see **Figure 3.11.16-13 a**.
 - There is a taxpayer notation of initial filing, such as, “New Corporation,” etc.
 - The incorporation date is within 24 months from the tax period ending date (or is not shown) and the taxpayer’s Balance Sheet, “Beginning of tax year” is blank or zeros, see Figure 3.11.16-13 “First Return” b.

Reminder: Edit the Tax Period Beginning on an “Initial” Short Period return in MMDDYY format, see IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

Note: Do not edit Initial Return Code “2” if the balance sheet is missing or the balance sheet has been dummied.

Initial Return/ Tax Period Ending	24 Month Rule/24 Month Cutoff Date
2403	04/01/2022
2402	03/01/2022
2401	02/01/2022
2312	01/01/2022
2311	12/01/2021
2310	11/01/2021
2309	10/01/2021
2308	09/01/2021
2307	08/01/2021
2306	07/01/2021
2305	06/01/2021
2304	05/01/2021
2303	04/01/2021
2302	03/01/2021
2301	02/01/2021
2212	01/01/2021
2211	12/01/2020
2210	11/01/2020
2209	10/01/2020
2208	09/01/2020

Initial Return/ Tax Period Ending	24 Month Rule/24 Month Cutoff Date
2207	08/01/2020
2206	07/01/2020
2205	06/01/2020
2204	05/01/2020
2203	04/01/2020
2202	03/01/2020
2201	02/01/2020
2112	01/01/2020
2111	12/01/2019
2110	11/01/2019
2109	10/01/2019
2108	09/01/2019

a. **DRAFT**

Edit initial return code when the date incorporated is within 12 months from the Tax Period ending date.

Form 1120 **010123** **U.S. Corporation Income Tax Return** OMB No. 1545-0123
 Department of the Treasury For calendar year 2023 or tax year beginning Jan 01, 2023, ending Dec 31, 20 **23**
 Internal Revenue Service Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT
 Name Pine Industries
 Number, street, and room or suite no. If a P.O. box, see instructions. P.O. Box 3244
 City or town, state or province, country, and ZIP or foreign postal code Pittsburgh, PA 15219

B Employer identification number 00-6589440
C Date incorporated 10-01-23
D Total assets (see instructions) \$

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

b. **DRAFT**

Schedule L Balance Sheets per Books Page 6

		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
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)				
6	Other current assets (attach statement)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
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	Other assets (attach statement)				
15	Total assets				
Liabilities and Equity					
16	Accounts payable				
17	Mortgages, notes, and other debt				
18	Other current liabilities				

Edit initial return code when columns (a) and (b) of the Balance Sheet are blank or zeros, and the date incorporated is within 24 months of the Tax Period ending date or blank.

Form 1120 **010123** **U.S. Corporation Income Tax Return** OMB No. 1545-0123
 Department of the Treasury For calendar year 2023 or tax year beginning Jan 01, 2023, ending Dec 31, 20 **23**
 Internal Revenue Service Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT
 Name Oak Investment Co
 Number, street, and room or suite no. If a P.O. box, see instructions. 678 East Fourth Street
 City or town, state or province, country, and ZIP or foreign postal code Pittsburgh, PA 15219

B Employer identification number 00-7654321
C Date incorporated
D Total assets (see instructions) \$

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales

Figure 3.11.16-13 Example of editing an initial Return Code of 2.

3.11.16.10
(01-01-2018)

**Additional Return
Perfection**

- (1) Elements will be edited in the left margin near Line 12 (Line 2 for Form 1120-F, Form 1120-FSC and Line 5 for Form 1120-ND) preceded by the applicable number as follows:

Element...	Edit...
1 - Form 8844 Indicator	"1 - 1." See IRM 3.11.16.11.15.1, Form 8844 - Empowerment Zone Employment Credit.
2 - Audit Code	"2 -" followed by the right Audit Code (e.g., "2 - 1"). See IRM 3.11.16.10.1, Audit Codes.
3 - Missing Schedule Code	Normal correspondence procedures will replace Missing Schedule Codes. Do not edit Missing Schedule Codes. See IRM 3.11.16.3.4.2, Issuing Correspondence.
4 - Penalty and Interest Code	"4 - 1." See IRM 3.11.16.10.2, Penalty and Interest Code.
5 - Reserve Code	"5 - 4." See IRM 3.11.16.10.3, Reserve Code.
6 - Installment Sale Indicator	"6 -" followed by the right Installment Sale Indicator (e.g., "6 - 3"). See IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252).
7 - Form 1120-F Indicator	"7 - 1" if Form 1120-F has both Non-Effectively (Section I) and Effectively (Section II) Connected Income. Note: Check for proper blocking of returns and re-block as required. See IRM 3.11.16.33.14.6, Form 1120-F Indicator.

3.11.16.10.1
(01-01-2024)
Audit Codes

- (1) Up to 15 Audit Codes can be used. **Do not use an Audit Code more than once.**

Note: Audit Codes do not need to be edited in a specific order.

- (2) Edit a "2 -" followed by the right Audit Code(s) in the left margin near Line 12 (e.g., "2 - 1").
- (Line 2 for Form 1120-F, Form 1120-FSC and Line 5 for Form 1120-ND)
- (3) **Audit Code "1"** - Disclosure Statement or Inconsistent Treatment. Edit Audit Code "1" if any of the following conditions are present:
- a. Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR) is attached.

- b. Form 8275, Disclosure Statement, or Form 8275-R, Regulated Disclosure Statement, is attached, or a statement referring specifically to IRC 6662 (Disclosure).
- c. Form 8886, Reportable Transaction Disclosure Statement, is attached.

Note: Edit CCC "T" if Form 8886 is attached, see IRM 3.11.16.9.1.20, CCC "T" - Form 8886, Reportable Transaction Disclosure Statement.

- (4) **Audit Code "2"** - International. Edit Audit Code "2" when any of the following conditions are present:

of the following Lines: 3, 6, 7, 8, 12, 13, 14, 15 16a, 16b, 16c, 17, 18, and/or 19 (Lines 3, 6, 7, 8, 12, 13, 14, 15, and/or 16 for 2017 and prior). (Form 1120-PC, Page 4, Schedule C, Lines 3, 6, 7, 8, 10, 11, 12a, 12b, 12c, 13, and/or 14. (Lines 3, 6, 7, 8, 10, 11, and/or 12 for 2017 and prior).

- b. Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation, is attached.
- c. Form 1116, Foreign Tax Credit (Individual, Fiduciary or Nonresident Alien

(Part IV, Line 29).

- d. Form 1118, Foreign Tax Credit - Corporations, is attached and reflects

5a (or applicable line on Form 1120-L, Form 1120-PC, Form 1120-REIT, or Form 1120-RIC).

- e. Schedule M-3 (Form 1120), Net Income (Loss) Reconciliation for Corporations with Total Assets of \$10 Million or More, is attached and any of the following are present:

- Any entry on Part II, Column (c), Lines 2 through 5 or 10 is a **negative**

- The sum of Part III, Columns (b) plus (c) of any of Lines 9 or 23 - 25

- f. Schedule N (Form 1120), Foreign Operations of U.S. Corporations, is attached and Questions 1a, 3, 5, or 7a are answered "Yes" (Questions 1a, 3, 4a, 5, or 7a for 2019 and prior).
- g. Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, is attached.
- h. Form 3520-A, Annual Information Return of Foreign Trust with a U.S. Owner (under IRC 6048(b)), is attached.
- i. Form 5471, Information Return of U.S. Persons with Respect to a Foreign Corporation, is attached, or Schedule N (Form 1120), Foreign Operations of a U.S. Corporations, Line 4a (2019 and prior) is marked "Yes."
- j. Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business (Under Sections 6038A and 6038C of the Internal Revenue Code), is attached.
- k. Form 5713, International Boycott Report, is attached and **both** questions in 7(f) are answered "Yes."
- l. Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualifying Electing Fund, is attached and any line in

- m. Form 8832, Entity Classification Election, is attached **and either** Box 6(d), (e), or (f) is checked.
 - n. Form 8833, Treaty-Based Return Position Disclosure Under IRC 6114 or 7701(b), is attached.
 - o. Form 8858, Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), is attached or Schedule N (Form 1120), Foreign Operations of U.S. Corporations, Question 1a is marked "Yes."
 - p. Form 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, is attached.
 - q. Form 8902, Alternative Tax on Qualifying Shipping Activities, is attached.
- (5) **Audit Code "3"** - Non-Cash Charitable Contributions and Asset Transfers. Edit Audit Code "3" when any of the following conditions are present:
- a. Form 8883, Asset Allocation statement under section 338, is attached

#

Note: It is not necessary to compute the total if more than one Form 8594

#

- (6) **Audit Code "4"** - Invalid S Election. Edit Audit Code "4" when a Form 1120-S without a valid election is reprocessed as Form 1120 and Form 13596, Reprocessing Returns, is attached.

Caution: If a Form 1120 converted from Form 1120-S is received and the Form 13596, Reprocessing Returns, is attached for reprocessing, see IRM 3.11.16.3.8.2, Form 13596 - Reprocessing Returns.

- (7) **Audit Code "6"** - Form 3115 (Form 1120 only). Edit Audit Code "6" when Form 3115, Application for Change in Accounting Method, is attached.
- (8) **Audit Code "7"** - International (Form 1120 only). Edit Audit Code "7" when any of the following conditions are present:

#

any of the following lines: 3, 6, 7, 8, 12, 13, 14, 15, 16a, 16b, 16c, 17, 18, and/or 19 (Lines 3, 6, 7, 8, 12, 13, 14, 15, or 16 for 2017 and prior).

- b. Form 1116, Foreign Tax Credit, (Individual, Fiduciary or Nonresident Alien

#

Part IV, Line 33.

- c. Form 1118, Foreign Tax Credit - Corporations, is attached and reflects

#

- d. Form 1120, Schedule M-3, Net Income (Loss) Reconciliation for Corporations with Total Assets of \$10 Million or More, is attached and any of the following apply:

- Any entry on Part II, Column (c), Lines 2 through 5 or Line 10 is a

#

- The sum of Part III, Columns (b) plus (c) of any of Lines 9, 23, 24, or

#

- e. Form 5713, International Boycott Report, is attached **and both** questions in 7(f) are not answered "Yes."
- f. Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualifying Electing Fund, is attached and Part V,

#

- (9) **Audit Code "8"** - Schedule M-3 (Form 1120 only). Edit Audit Code "8" when Schedule M-3 is attached.

- (10) **Audit Code "C"** - Edit Audit Code "C" when Form 8283 is attached and:

- a. Box 2b is checked, or
- b. Box 2b1 is checked, or
- c. Line 3, Column (h) has an entry.

3.11.16.10.2
(01-01-2018)
**Penalty and Interest
Code**

- (1) Edit **"4 - 1"** in the left margin near Line 12 when precomputed delinquency

#

#

- Line 2 for Form 1120-F, Form 1120-FSC and Line 5 for Form 1120-ND

#

#

situation, such as an estimated tax penalty, do not Code **"4 - 1"** and **do not** edit Condition Code **"R."**

#

3.11.16.10.3
(08-10-2015)
Reserve Code

- (1) The Reserve Code is **"4."**
- (2) Edit **"5 - 4"** in the left margin near Line 12 if Form 2220 is attached and Part II, Box 8 is checked for Large Corporation.

3.11.16.10.4
(01-01-2020)
**Installment Sale
Indicator (Form 6252)**

- (1) Form 6252, Installment Sale Income, is used to report the sale of property on the installment plan.
- (2) Codes are based solely on taxpayer response to Form 6252, Question 3.
- (3) Edit **"6 -"** followed by the right Installment Sale Indicator code in the left margin near Line 12 when Form 6252 is present (e.g., **"6 - 1"**).
- (Line 2 for Form 1120-F and Form 1120-FSC.)
- (4) Valid Installment Sale Indicator codes are as follows:

Code	One Form 6252	More Than One Form 6252
1	"Yes" response to Question 3	At least one form has a "Yes" response.
2	"No" response to Question 3	All "No" responses, or a combination of "No" and/or blank responses.
3	"Yes" and "No" are checked or Question 3 is blank	Question 3 is blank on all forms.

Note: See IRM 3.11.16.25, Form 6252 - Installment Sale Income (Form 1120 Only) for sequencing and transcription instructions.

3.11.16.10.5
(01-01-2012)
Form 1120-F Indicator

- (1) Edit “7 - 1” in the left margin near Line 2 if Form 1120-F has both Non-Effectively (Section I) and Effectively (Section II) Connected Income.
- (2) Check for proper blocking of returns and re-block as required, see IRM 3.11.16.33.14.6, Form 1120-F Indicator Code.

3.11.16.11
(01-14-2021)
Return Processing - Form 1120

- (1) This subsection addresses the editing of specific areas on Form 1120.
- (2) If a Form 5472 is attached to a blank (no tax data), Form 1120, do not process. Send the Form 1120 and Form 5472 to SOI at the following address:

Internal Revenue Service
1973 N Rulon White Blvd.
PIN Unit, Stop 6112
Ogden, UT 84201-0012

Note: Consider a return blank if the only money amount is Box D, Total Assets.

Note: Foreign-owned domestic disregarded entities are instructed to attach the Form 5472 to a pro forma Form 1120. These entities are not required to file a Form 1120 and the return must not be processed.

- (3) A Form 1120 series with a notation such as “Pro Forma,” “Pro Forma Form 1120,” “Pro Forma Form 1120 for New York State,” or similar statement, the “Pro Forma” return must not be processed.

If...	Then...
A “Pro Forma” return is attached to a Form 1120 series,	Do not detach. Move the “Pro Forma” return to the back of the document.
A “Pro Forma” return is not attached to a Form 1120 series,	<ol style="list-style-type: none"> 1. DO NOT edit the return. 2. Route to Correspondence to be returned to the taxpayer. 3. Use Letter 3064C, IDRS Special Letter and include the following in the open paragraph: “The attached form appears to have been sent to us in error. Please keep it for your tax records.”

- (4) To convert prior year tax returns, see Exhibit 3.11.16-3, Form 1120 - Prior Year Conversion Chart.

3.11.16.11.1
(01-01-2024)
Sequence - Form 1120

- (1) Document Perfection is responsible for arranging Form 1120 in the following order when transcription line entries are present:
 - Pages 1, 2, 3, 4, 5, 6
 - Schedule N (Form 1120)
 - Schedule D (Form 1120)

- Form 4797
- Form 8949
- Form 8996
- Schedule O (Form 1120) (Tax periods 201811 and prior only)
- Form 4626 (Tax periods 201811 and prior only (Revision 2017))
- Form 4626 (Tax periods 2022 and later (Revision 2023))
- Form 8050
- Form 1125-A
- Form 4136
- Form 8978
- Form 965-B
- Form 8941
- Form 3800
- Form 8997
- Form 6252
- Form 8936, Schedule A

- (2) It is not necessary to sequence the forms or schedules listed above if there are no transcription line entries.
- (3) It is not necessary to sequence an Amended return. See IRM 3.11.16.3.9, Amended Returns, for more information.”

3.11.16.11.2
(01-01-2019)
Negative Figures

- (1) On Page 1 of the Form 1120:
 - a. Do not bracket or “X” the amount on Line 1b if negative.
 - b. If editing a negative entry on Lines 1b, 2, 9, 10, 11, 15, 26, and 27, bracket the negative amount.
- (2) Line 8 will NEVER be bracketed. “X” any negative entry on Line 8, see IRM 3.11.16.11.4.7, Line 8 - Capital Gain.
- (3) **Do not** bracket Lines 29a and 29b.
- (4) “X” any negative transcription entries on Pages 2 and 3 of the Form 1120.
- (5) Page 6 (Page 5 for 2017 and prior), “Schedule L, Balance Sheet,” see IRM 3.11.16.11.36, Schedule L, Balance Sheet.
- (6) Form 4626, Alternative Minimum Tax, (201811 and prior), see IRM 3.11.16.13, Form 4626 - Alternative Minimum Tax.
- (7) Form 4136, Credit for Federal Tax Paid on Fuels - “X” any negative entries, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.11.3
(01-11-2022)
Total Assets - Box D

- (1) Total Assets is shown in Box D of Form 1120.
- (2) If Total Assets, Box D is blank, check the Balance Sheet and edit Total Assets Ending from Schedule L, Line 15, Column (d) to Total Assets, Box D, Page 1. Bracket if negative, see Figure 3.11.16-14.

Note: It is not necessary to edit a “1” in Box D even if it is edited on Schedule L, Line 15, Column (d). The “1” is needed on Schedule L, Line 15, Column (d) to prevent Error Code 150 from generating in ERS.

DRAFT

Form 1120 (2023) Page **6**

Schedule L Balance Sheets per Books

		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				999
2a	Trade notes and accounts receivable	568,000		600,000	
b	Less allowance for bad debts	()	568,000	()	600,000
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)				30,000
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
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	Other assets (attach statement)				
15	Total assets		568,000		630,999
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				

DRAFT

Form 1120 U.S. Corporation Income Tax Return OMB No. 1545-0123

For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20 **2023**

Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:

1a Consolidated return (attach Form 851) ☐ **TYPE OR PRINT**

b Life/nonlife consolidated return ☐

2 Personal holding co. (attach Sch. PH) ☐

3 Personal service corp. (see instructions) ☐

4 Schedule M-3 attached ☐

B Employer identification number **00-7654321**

C Date incorporated **1-3-65**

D Total assets (see instructions) **\$ 630,999**

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Income

1a	Gross receipts or sales	1a	100,000
b	Returns and allowances	1b	
c	Balance. Subtract line 1b from line 1a	1c	100,000
2	Cost of goods sold (attach Form 1125-A)	2	
3	Gross profit. Subtract line 2 from line 1c	3	100,000
4	Dividends and inclusions (Schedule C, line 23)	4	
5	Interest	5	
6	Gross rents	6	
7	Gross royalties	7	
8	Capital gain net income (attach Schedule D (Form 1120))	8	
9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	
10	Other income (see instructions—attach statement)	10	
11	Total income. Add lines 3 through 10.	11	100,000

Figure 3.11.16-14 Example of editing Schedule L, Line 15, Column (d) to Total Assets, Box D, Page 1.

3.11.16.11.4
(01-01-2009)

**Form 1120, Total Income
- Lines 1 through 11**

- (1) The following subsection provides editing instructions for Form 1120, Lines 1 through 11. Edit Lines 1 through 11 in dollars only.
- (2) If Line 11 is the only entry in the income section or the income section is blank and there is a sign the income items are included on an attachment (e.g., a notation such as "See attached," "See Schedule F," "Statement attached"), examine the return for more detailed schedules.

If...	And...	Then...
Additional income is found	The income is not reflected elsewhere on the return,	<ul style="list-style-type: none"> Edit the income to the right transcription line(s). For Schedule F transfer lines, see Exhibit 3.11.16-18, Schedule F - Transfer Lines.

3.11.16.11.4.1
(07-02-2015)

Line 1 - Gross Receipts or Sales

- (1) Line 1a is Gross Receipts or Sales, and Line 1b is Returns and allowances (Do not bracket or "X" amount on Line 1b if negative).
- (2) If Lines 1a, 1b and 1c are all blank but the taxpayer indicates **Gross Profit** on Line 3, add Line 2 and Line 3 and enter on Line 1a. Bracket if negative.

Exception: If Line 2 is blank, see IRM 3.11.16.11.4.2, Line 2 - Cost of Goods Sold, before computing Line 1a.
- (3) If Line 1a is blank and an amount is present on Lines 1b and 1c, add Line 1b and Line 1c and enter the total amount on Line 1a. Bracket if negative.
- (4) If Line 1b is blank, check attachments.
 - a. If found, enter the amount to Line 1b.
 - b. If not found and Line 1a is greater than Line 1c, compute and enter Line 1b (Line 1a minus 1c).

3.11.16.11.4.2
(01-01-2012)

Line 2 - Cost of Goods Sold

- (1) If Line 2 is blank, edit from Form 1125-A, Line 8. Bracket if negative.

If...	Then...
Form 1125-A, Line 8 is blank and Line 6 has an entry,	Edit the amount from Line 6, minus any amount on Line 7.
Form 1125-A, Line 6 is blank and there are entries on Lines 1 through 5,	Edit the total of Lines 1 through 5 minus any amount on Line 7.

3.11.16.11.4.3
(01-01-2019)

Line 4 - Dividends and Inclusions

- (1) Accept taxpayer's entry.

3.11.16.11.4.4
(01-01-2009)

Line 5 - Interest

- (1) Accept taxpayer's entry.

3.11.16.11.4.5 (1) Accept taxpayer's entry.
(01-01-2009)

Line 6 - Gross Rents

3.11.16.11.4.6 (1) Accept taxpayer's entry.
(01-01-2009)

Line 7 - Gross Royalties

3.11.16.11.4.7 (1) If there is a significant entry on Line 8, and Schedule D (Form 1120) is not
(01-01-2018) attached, correspond.

Line 8 - Capital Gain

(2) When Schedule D is attached, compare Form 1120, Line 8 to Schedule D, Line 18:

If...	And...	Then...
The comparison shows the entries are the same,	Both entries are positive,	Continue processing.
The comparison shows the entries are different,	Both entries are positive,	Edit the Schedule D, Line 18 amount to Form 1120, Page 1, Line 8.
Form 1120, Line 8 is blank, zero or illegible,	Schedule D, Line 18 is positive,	Edit the Schedule D, Line 18 amount to Form 1120, Page 1, Line 8.

(3) If the comparison shows a negative entry:

- a. "X" the Line 8 amount.
- b. Math verify and perfect Schedule D to ensure the negative figure is correct and intended.
- c. If the negative amount is due to a loss under IRC 582 for worthlessness of bonds, move the amount to Bad Debts (Form 1120, Page 1, Line 15) as a positive figure. Adjust Total Income and Total Deductions as required.
- d. If the negative amount is due to a loss under IRC 582 for the sale or exchange of securities by a bank, etc., move the amount to Other Deductions (Form 1120, Page 1, Line 26) as a positive figure. Adjust Total Income and Total Deductions as required.

Note: All other losses on Schedule D will not be allowed.

3.11.16.11.4.8 (1) Edit Line 9 as follows:
(01-01-2022)

Line 9 - Net Gain or Loss from Form 4797

Reminder: Form 4797 is a transcribed form. Place in sequence order if attached to a Form 1120 and Line 1b and/or 1c is present. See IRM 3.11.16.15, Form 4797 - Sales of Business Property (Form 1120 Only).

If...	Then...
not attached and the taxpayer has not attached Form 4684,	Correspond.
Form 4797 is attached, compare Form 1120, Page 1, Line 9 with Form 4797, Line 17,	If different, edit Form 4797 amount to Form 1120, Page 1, Line 9. Bracket if negative.
Form 4797, Line 17 is blank (has not been computed by the taxpayer) and there are entries in Parts II or III of Form 4797,	Correspond for completed Form 4797.

#

- (2) Check for taxpayer errors in the transfer of entries from Form 4797 to Page 1, Form 1120. Also check the transfer of data from Line 9, Form 4797 to Line 11, Schedule D.

If...	And...	Then...
Form 1120, Page 1, Line 8 is blank,	There is a positive entry on Form 1120, Page 1, Line 9 and Form 4797, Line 9 has a significant positive entry,	Arrow Form 1120, Line 9 entry to Line 8 and correspond for Schedule D. See Figure 3.11.16-15.
There is a notation on Form 1120, Page 1, Line 9 that Form 4684 is attached,		Do not correspond. Compare Form 1120, Page 1, Line 9 with Form 4684, Line 31 plus 38a. If different, edit Form 4684 amount to Line 9, Form 1120.

DRAFT

Form **4797** **Sales of Business Property** (Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2)) OMB No. 1545-0184 **2023**

Schedule D filed with your return and skip lines 8, 9, 11, 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-. 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 the Schedule D filed with your return. See instructions. 9 **3,273**

Part II Ordinary Gains and Losses (see instructions)

DRAFT

Form **1120** **U.S. Corporation Income Tax Return** OMB No. 1545-0123 **2023**

For calendar year 2023 or tax year beginning , 2023, ending , 20

Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:

1a Consolidated return (attach Form 851) ☐ **TYPE**

b Life/nonlife consolidated return ☐ **OR**

2 Personal holding co. (attach Sch. PH) ☐ **PRINT**

3 Personal service corp. (see instructions) ☐

4 Schedule M-3 attached ☐

B Employer identification number **00-7654321**

C Date incorporated **01-03-60**

D Total assets (see instructions) **\$ 241,841**

Name **Hickory Textile**

Number, street, and room or suite no. If a P.O. box, see instructions. **P.O. Box 1234**

City or town, state or province, country, and ZIP or foreign postal code **Pittsburgh, PA 15219**

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales **1a 200,000**

b Returns and allowances **1b**

c Balance. Subtract line 1b from line 1a **1c 200,000**

2 Cost of goods sold (attach Form 1125-A) **2 200,000**

3 Gross profit. Subtract line 2 from line 1c **3 200,000**

4 Dividends and inclusions (Schedule C, line 23) **4**

5 Interest **5**

6 Gross rents **6**

7 Gross royalties **7**

8 Capital gain net income (attach Schedule D Form 4797, Part II, line 12 (attach Form 4797)) **8 3,273**

9 Net gain or (loss) from Form 4797, Part II, line 12 (attach Form 4797) **9 38,620**

10 Other income (see instructions—attach statement) **10**

11 Total income. Add lines 3 through 10. **11 241,893**

12 Compensation of officers (see instructions—attach Form 1125-E) **12**

37 Enter amount from line 36 you want: Credited to 2024 estimated tax **Refunded 37**

Sign Here **Amber Alder** **04/08/24** **04/08/24**

Paid Preparer Use Only **Jeremy Mangrove** **4/7/24** **4/7/24**

Firm's name **Aspen Accounting Services** **Firm's EIN**

Firm's address **65 Birch Lane Pittsburgh, PA 15219** **Phone no.**

For Paperwork Reduction Act Notice, see separate instructions. **Cat. No. 11450Q** **Form 1120 (2023)**

211

Figure 3.11.16-15 Example of editing Line 9 to Line 8 with an arrow.

3.11.16.11.4.9
(01-01-2009)**Line 10 - Other Income**

(1) Other income or loss not shown on Lines 1a through 9 is reported on Line 10 of Form 1120.

(2) Edit Line 10 as follows:

If...	Then...
"Other Income" items are included on Lines 1 through 9,	<ul style="list-style-type: none"> Add all the "Other Income" items and include in Line 10. Bracket if negative.

3.11.16.11.4.10
(01-01-2013)

Line 11 - Total Income

(1) The total income or loss (sum of Lines 3 through 10) is reported on Line 11 of Form 1120.

(2) Edit Line 11 as follows:

If...	Then...
Line 11 is blank or illegible, but there are entries on Lines 1a through 10,	<ul style="list-style-type: none"> • Compute and edit Line 11. • Bracket if negative.
Line 11 is the only entry in the income section,	<ul style="list-style-type: none"> • Examine attachments and edit the information to the right transcription lines. • Bracket if negative. • See Exhibit 3.11.16-18, Schedule F - Transfer Lines.
The income section is blank and there is a sign the income items are included on an attachment (e.g., "See attached," "See Schedule F," "Statement attached"),	<ul style="list-style-type: none"> • Examine attachments and edit the information to the right transcription lines. • Bracket if negative. • See Exhibit 3.11.16-18, Schedule F - Transfer Lines.
There is an amount present for "Total Income" on Line 11, but the amount is not identified on Lines 1a through 10 or from attachments,	<ul style="list-style-type: none"> • Edit the Line 11 amount to Line 10. • Bracket if negative.

3.11.16.11.5
(01-01-2015)

Form 1120, Deduction Items - Lines 12 through 29

(1) Edit Lines 12 through 29 in dollars only.

(2) If Line 27 is the only entry in the deduction section or the deduction section is blank and there is a sign the deduction items are included on an attachment (e.g., "See attached," "See Schedule F," "Statement attached"), examine the return for more detailed schedules.

If...	And...	Then...
Additional deductions are found	The deductions are not reflected elsewhere on the return,	<ul style="list-style-type: none"> • Edit the deductions to the right transcription lines (Lines 12 through 26). • See Schedule F - Transfer Lines, Figure 3.11.16-16.

DRAFT

Form 1120
U.S. Corporation Income Tax Return

For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20 **2023**

OMB No. 1545-0123

Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
1a Consolidated return (attach Form 851) ☐ **TYPE**
b Life/nonlife consolidated return ☐ **OR**

Name **Poplar Farm Inc.**
Number, street, and room or suite no. If a P.O. box, see instructions.

B Employer identification number
00-7891006

C Date incorporated

6	Gross rents	6	
7	Gross royalties	7	
8	Capital gain net income (attach Schedule D (Form 1120))	8	
9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	
10	Other income (see instructions—attach statement)	10	75,760
11	Total income. Add lines 3 through 10	11	75,760
12	Compensation of officers (see instructions—attach Form 1120-E)	12	
13	Salaries and wages (less employment credits)	13	
14	Repairs and maintenance	14	475
15	Bad debts	15	
16	Rents	16	
17	Taxes and licenses	17	6,025
18	Interest (see instructions)	18	13,600
19	Charitable contributions	19	
20	Depreciation from Form 4562 not claimed on Form 1125-A (elsewhere on return (attach Form 4562))	20	1,325
21	Depletion	21	
22	Advertising	22	
23	Pension, profit-sharing, etc., plans	23	
24	Employee benefit programs	24	
25	Energy efficient commercial buildings deduction (attach Form 7205)	25	
26	Other deductions (attach statement)	26	25,380
27	Total deductions. Add lines 12 through 26	27	46,805
28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11.	28	
29a	Net operating loss deduction (see instructions)	29a	

RECEIVED
04152024
OGDEN, UT

(See Sch. F)

Edit deductions from attachments.

DRAFT

SCHEDULE F
(Form 1040)

Profit or Loss From Farming

Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, 1041, or 1065.

OMB No. 1545-0074

Go to www.irs.gov/ScheduleF for instructions and the latest information.

Part II Farm Expenses—Cash and Accrual Method. Do not include personal or living expenses. See instructions.

10	Car and truck expenses (see instructions). Also attach Form 4562	10	50	23	Pension and profit-sharing plans	23	
11	Chemicals	11		24	Rent or lease (see instructions):	24	
12	Conservation expenses (see instructions)	12		a	Vehicles, machinery, equipment	24a	
13	Custom hire (machine work)	13		b	Other (land, animals, etc.)	24b	475
14	Depreciation and section 179 expense (see instructions)	14	1,325	25	Repairs and maintenance	25	
15	Employee benefit programs other than on line 23	15		26	Seeds and plants	26	
16	Feed	16		27	Storage and warehousing	27	
17	Fertilizers and lime	17	1,100	28	Supplies	28	
18	Freight and trucking	18	16,320	29	Taxes	29	6,025
19	Gasoline, fuel, and oil	19	2,610	30	Utilities	30	
20	Insurance (other than health)	20		31	Veterinary, breeding, and medicine	31	
21	Interest (see instructions):			32	Other expenses (specify):		
a	Mortgage (paid to banks, etc.)	21a	13,600	a	Contract Labor	32a	4,100
b	Other	21b		b	Accounting	32b	1,200
22	Labor hired (less employment credits)	22		c		32c	
33	Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions	33		d		32d	
34	Net farm profit or (loss). Subtract line 33 from line 9	34		e		32e	
	If a profit, stop here and see instructions for where to report. If a loss, complete line 36.			f		32f	

Figure 3.11.16-16 Example of editing Lines 12 through 26 using the attached Schedule F.

3.11.16.11.5.1

(1) Accept taxpayer's entry.

(01-01-2009)

Line 12 - Compensation
of Officers

3.11.16.11.5.2 (1) Accept taxpayer's entry.
(01-01-2009)

**Line 13 - Salaries and
Wages (less
employment credits)**

3.11.16.11.5.3 (1) Accept taxpayer's entry.
(01-01-2009)

**Line 14 - Repairs and
Maintenance**

3.11.16.11.5.4 (1) Accept taxpayer's entry.
(01-01-2009)

Line 15 - Bad Debts

3.11.16.11.5.5 (1) Accept taxpayer's entry.
(01-01-2009)

Line 16 - Rents

3.11.16.11.5.6 (1) Accept taxpayer's entry.
(01-01-2009)

**Line 17 - Taxes and
Licenses**

3.11.16.11.5.7 (1) Accept taxpayer's entry.
(01-01-2009)

Line 18 - Interest

3.11.16.11.5.8 (1) Accept taxpayer's entry.
(01-01-2009)

**Line 19 - Charitable
Contributions**

3.11.16.11.5.9 (1) Accept taxpayer's entry.
(01-01-2020)

Line 20 - Depreciation

3.11.16.11.5.10 (1) Accept taxpayer's entry.
(01-01-2009)

Line 21 - Depletion

3.11.16.11.5.11 (1) Accept taxpayer's entry.
(01-01-2009)

Line 22 - Advertising

3.11.16.11.5.12 (1) Accept taxpayer's entry.
(01-01-2009)

**Line 23 - Pension,
Profit-sharing, etc. Plans**

3.11.16.11.5.13 (1) Accept taxpayer's entry.
(01-01-2009)

**Line 24 - Employee
Benefit Programs**

3.11.16.11.5.14 (1) Accept taxpayer entry.
(01-01-2024)

**Line 25 - Energy
Efficient Commercial
Buildings Deduction
(Form 7205) (202301 and
later)**

- (2) Edit RPC "M" if Form 7205 is attached.
- (3) For prior years, Line 25 was used for the domestic production activities deduction. The deduction has been repealed under IRC 199.
- (4) The Domestic Production Activities Deduction is valid for tax periods **beginning** 01/01/2005 through 01/01/2018. The Energy Efficiency Commercial Buildings Deduction is valid for tax periods beginning after 01/01/2023. If the tax period beginning date is not between 01/01/2005 and 01/01/2018 nor after 01/01/2023, or 202301 and later (Energy Efficient Commercial Building Deduction), delete Line 25 if a significant entry is present.

3.11.16.11.5.15 (1) Other deductions not shown on Lines 12 through 25 are reported on Line 26 of
(01-01-2009) Form 1120.

**Line 26 - Other
Deductions**

- (2) Edit Line 26 as follows:

If...	Then...
"Other Deductions" items are included on Lines 12 through 25,	<ol style="list-style-type: none"> 1. Add the "Other Deductions" entries and edit the total to Line 26. Bracket if negative. 2. "X" the "Other Deductions" items from Lines 12 through 25.

3.11.16.11.5.16 (1) The total deductions (sum of Lines 12 through 26) is reported on Line 27 of
(01-01-2009) Form 1120.

**Line 27 - Total
Deductions**

- (2) Edit Line 27 as follows:

If...	Then...
Line 27 is blank or illegible but there are entries on Lines 12 through 26,	Add Lines 12 through 26 and enter the total on Line 27 of Form 1120. Bracket if negative.
Line 27 is the only entry in the deduction section,	<ul style="list-style-type: none"> • Examine attachments and edit the information to the right transcription lines. • Bracket if negative. • See Exhibit 3.11.16-18, Schedule F - Transfer Lines.
The deduction section is blank and there is a sign the deduction items are included on an attachment (e.g., "See attached," "See Schedule F," "Statement attached"),	<ul style="list-style-type: none"> • Examine attachments and edit the information to the right transcription lines. • Bracket if negative. • See Exhibit 3.11.16-18, Schedule F - Transfer Lines.
There is an amount present for "Total Deductions" on Line 27, but the amount is not identified on Lines 12 through 26 or from attachments,	<ul style="list-style-type: none"> • Edit the Line 27 amount to Line 26 of Form 1120. • Bracket if negative.

3.11.16.11.5.17
(01-01-2019)

**Lines 29a and 29b - Net
Operating Loss and
Special Deductions**

- (1) Never bracket Line 29a or 29b amounts as they are negative fields. Do not "X" these lines if they are bracketed by taxpayer.
- (2) If it is obvious from a notation on Line 29b that it includes patronage dividends, edit patronage dividends from Line 29b to Line 26, "Other Deductions," and adjust Line 27, "Total Deductions," see Figure 3.11.16-17.
- (3) If Line 29c has an entry and Lines 29a and 29b are blank, look for an entry on Schedule C, Line 24, Column (c) (Schedule C, Line 20 for 2017 and prior). If present, enter the amount on Line 29b and edit any difference to Line 29a. If blank or zero, edit the entire Line 29c amount to Line 29a.

DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20_____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2023

A Check if:
1a Consolidated return (attach Form 851) ☐
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐
4 Schedule M-3 attached ☐

TYPE OR PRINT
Name: **Cypress Trucking Inc.**
Number, street, and room or suite no. If a P.O. box, see instructions: **19000 W 16th St**
City or town, state or province, country, and ZIP or foreign postal code: **San Antonio, TX 78284**

B Employer identification number
00-1207002

C Date incorporated
March 01, 1983

D Total assets (see instructions)
\$ 389,575

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Income	1a	Gross receipts or sales	1a	589,765	
	b	Returns and allowances	1b		
	c	Balance. Subtract line 1b from line 1a	1c		589,765
	2	Cost of goods sold (attach Form 1125-A)	2		362,384
	3	Gross profit. Subtract line 2 from line 1c	3		227,381
	4	Dividends and inclusions (Schedule C, line 23)	4		
	5	Interest	5		2,259
	6	Gross rents	6		26,861
	7	Gross royalties	7		8,000
	8	Capital gain net income (attach Schedule D (Form 1120))	8		
	9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10	Other income (see instructions—attach statement)	10			
11	Total income. Add lines 3 through 10.	11		264,501	
Deductions (See instructions for limitations on deductions.)	12	Compensation of officers (see instructions—attach Form 1125-A)	12		
	13	Salaries and wages (less employment credits)	13		65,000
	14	Repairs and maintenance	14		
	15	Bad debts	15		4,500
	16	Rents	16		
	17	Taxes and licenses	17		36,700
	18	Interest (see instructions)	18		33,800
	19	Charitable contributions	19		
	20	Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		6,100
	21	Depletion	21		
	22	Advertising	22		
	23	Pension, profit-sharing, etc., plans	23		
	24	Employee benefit programs	24		
	25	Energy efficient commercial buildings deduction (attach Form 7205)	25		
	26	Other deductions (attach statement)	26		400
	27	Total deductions. Add lines 12 through 26.	27	146,500	146,100
	28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11.	28		118,401
	29a	Net operating loss deduction (see instructions)	29a		
	b	Special deductions (Schedule C, line 24)	29b	Patronage Div. X 400	
c	Add lines 29a and 29b	29c		400	
30	Taxable income. Subtract line 29c from line 28. See instructions	30		118,001	

RECEIVED
04152024
OGDEN, UT
IRS-CSC

Figure 3.11.16-17 Example of editing patronage dividends from Line 29b to Line 26 and adjusting Line 27.

3.11.16.11.6 (01-01-2009) (1) Following are instructions for Lines 31 through 37. Edit in dollars only.
Tax Computation and Settlement - Lines 31 through 37

3.11.16.11.6.1 (04-11-2018) (1) If blank, enter amount from Page 3, Schedule J, Line 11 if present.
Line 31 - Total Tax

- (2) If pre-computed interest or delinquency penalty or an additional charge is evident, ensure that it has not been included in Line 31.

If...	Then...
The amount on Line 31 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" the Line 31 amount. 2. Delete the interest, penalty or additional charge from the total. 3. Edit the correct total tax to the left of the original entry.

3.11.16.11.6.2
(01-01-2022)
Line 32 - Reserved

- (1) Line 32 - Net Tax Liability for the Reporting Year (revisions 2018 through 2020),
- (2) The instructions in this subsection only apply to tax periods 201712 through 202012.
- (3) If blank, enter amount from Schedule J, Part II, Line 12 or from the following lines from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts:

Reporting Tax Year	Form 965-B
2017	Part II, Column (k), Line 1
2018	Part II, Column (k), Line 2
2019	Part II, Column (k), Line 3
2020	Part II, Column (k), Line 4

- (4) Edit CCC "J" and Action Code "460."

3.11.16.11.6.3
(01-11-2022)
Line 33 - Total Payments and Credits (Schedule J, Part III, Line 23)

- (1) If blank, enter amount from Page 3, Schedule J, Line 23 (Line 21 for 2017-2011) if present.

3.11.16.11.6.4
(01-01-2019)
Backup Withholding

- (1) "X" any entry identified by the taxpayer as "Backup Withholding" and edit it to Part III, Schedule J, Line 18 (Part II, Line 17 for 2017-2011).

1099 is not attached, correspond using Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S.

3.11.16.11.6.5
(04-22-2020)
FIRPTA, Form 1042-S, Form 8805 and Form 8288-A Credits

- (1) If Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, Form 8805, Foreign Partners Information Statement of IRC 1446 Withholding Tax, or Form 8288-A, Statement of Withholding on Certain Dispositions by Foreign Persons, credit is claimed, route to OSPC.
- (2) If Form 8288-A withholding is claimed, OSPC will:

If ...	Then ...
<p>Form 8288-A or substantial evidence is attached,</p> <p>Example: Substantial evidence includes closing documents or settlement statement which shows the amount of tax withheld.</p>	<p>a. Use Form 13698, International Credit(s) Verification Slip, to request verification of credit from the Foreign Team.</p> <p>b. If the credits are verified from the FIRPTA database by the Foreign Team, "X" the amount entered by the taxpayer and edit the verified FIRPTA/8288-A credit from Form 13698 to the bottom center of Form 1120, Page 1. See Figure 3.11.16-18, FIRPTA and Form 1042-S Credit.</p> <p>c. If FIRPTA/8288-A credits are not verified, disallow.</p> <p>d. If another credit is claimed on the same line with the Form 8288-A credit, adjust the line total to only reflect the other credit.</p>
<p>Form 8288-A or substantial evidence is not attached,</p> <p>Example: Substantial evidence includes closing documents or settlement statement which shows the amount of tax withheld.</p>	Correspond.

- (3) If Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, withholding is claimed, OSPC will:

If ...	Then ...
The Form 1042-S credit is claimed on any other credit line,	"X" the credit and add to Schedule J, Line 20a (Line 19a for 2017-2011). See Figure 3.11.16-19.
<p>The taxpayer's name is not listed as the recipient in Box 13a of the Form 1042-S,</p> <p>Note: Box 13a cannot be a withholding rate pool,</p>	"X" the amount.

If ...	Then ...
The withholding amounts on Form 1042-S do not equal the amount of the credit,	"X" the amount.
Form 1042-S is not attached,	Correspond. Exception: If a letter is attached, signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not correspond for the missing Form 1042-S.

(4) If Form 8805 withholding is claimed, OSPC will:

If ...	Then ...
The Form 8805 credit is claimed on any other credit line,	Edit the credit to Schedule J, Line 20a (Line 19a for 2017-2011).
Form 8805 is not attached,	Correspond.

DRAFT **OSPC ONLY**

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20 **2023**
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

A Check if:
1a Consolidated return (attach Form 851) ☐
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐

TYPE OR PRINT
Name: **Cypress & Son Inc.**
Number, street, and room or suite no. If a P.O. box, see instructions: **1717 Chestnut Street**
City or town, state or province, country, and ZIP or foreign postal code: **Providence, RI 02904**

B Employer identification number
00-9183405

C Date incorporated
6-1-85

D Total assets (see instructions)
\$ 3,000,000

INTERNATIONAL CREDIT(S) VERIFICATION SLIP
TIN (TP claiming credit): **00-9183405** MFT: **02** Tax Period: **202312**

Other credits Form (attached)	Form 1042S (attached)	Form 8805 (attached)	Form 8288A (attached)	Amount of credit	Verified by	Date
				15,000	CG	040524
				Total Credits: 15,000		

Comments: _____

Total Tax paid. DO NOT DETACH.

Form **13698** (5-2005) Catalog Number 40881X Department of the Treasury Internal Revenue Service Attach Form 4797)

(2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a	1b	1c
851,000		851,000
		2
		3 851,000
		4 200,000
		5
		6
		7
		8
		9

RECEIVED
03222024
OGDEN, UT
IRS-OSC

33 Total payments and credits (Schedule J, Part II, line 23) **170,000**
34 Estimated tax penalty. See instructions. Check if Form 2220 is attached ☐
35 Amount owed. If line 33 is smaller than the total of lines 31 and 34, enter amount owed **11,000**
36 Overpayment. If line 33 is larger than the total of lines 31 and 34, enter amount overpaid **11,000**
37 Enter amount from line 36 you want: Credited to 2024 estimated tax **11,000** Refunded **11,000**

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.

Sign Here
Signature of officer: **B. E. Hemlock** Date: **3/16/23** Title: **Secretary**

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.: _____

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11450Q Form **1120** (2023)

15000

DRAFT

Form 1120 (2023) Page **3**

Schedule J Tax Computation and Payment (see instructions)

12	Reserved for future use	12	
13	Preceding year's overpayment credited to the current year	13	5,000
14	Current year's estimated tax payments	14	150,000
15	Current year's refund applied for on Form 4466	15	()
16	Combine lines 13, 14, and 15	16	155,000
17	Tax deposited with Form 7004 FIRPTA	17	X 15,000
18	Withholding (see instructions)	18	
19	Total payments. Add lines 16, 17, and 18.	19	

Enter amount from line 19 on Form 1120, line 16.

Figure 3.11.16-18 Example of using the Form 13698 and editing verified amount to the bottom center of Form 1120.

DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2023

A Check if:
1a Consolidated return (attach Form 851) ☐
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐
4 Schedule M-3 attached ☐

TYPE OR PRINT

Name
Alder Oil Service Inc.
Number, street, and room or suite no. If a P.O. box, see instructions.
1001 Spruce Pkwy
City or town, state or province, country, and ZIP or foreign postal code
Charleston, WV 25301

B Employer identification number
00-1123456

C Date incorporated
7-19-82

D Total assets (see instructions)
\$ 2,369,700

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales **1a 150,000**

b Returns and allowances **1b**

32 Reserved for future use

33 Total payments and credits (Schedule J, Part II, line 23) **33 600**

34 Estimated tax penalty. See instructions. Check if Form 2220 is attached ☐

35 Amount owed. If line 33 is smaller than the total of lines 31 and 34, enter amount owed **35 6,292**

36 Overpayment. If line 33 is larger than the total of lines 31 and 34, enter amount overpaid

37 Enter amount from line 36 you want: Credited to 2024 estimated tax Refunded **37**

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.

Sign Here
Charles M. Alder **Feb 5, 24** **Owner**
Signature of officer Date Title

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.

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11450Q Form **1120** (2023)

DRAFT

Form 1120 (2023) Page **3**

Schedule J Tax Computation and Payment (see instructions)

Part I—Tax Computation

1 Income tax. See instructions **1**

2 Base erosion minimum tax amount (attach Form 8991) **2**

3 Corporate alternative minimum tax from Form 4626, Part II, line 13 (attach Form 4626) **3**

4 Add lines 1, 2, and 3 **4**

5a Foreign tax credit (attach Form 1118) **5a**

12 Reserved for future use **12**

13 Preceding year's overpayment credited to the current year **13**

14 Current year's estimated tax payments **14**

15 Current year's refund applied for on Form 4466 **15**

16 Combine lines 13, 14, and 15 **16**

17 Tax deposited with Form 7004 **1042-S** **17 X600**

18 Withholding (see instructions) **18**

19 Total payments. Add lines 16, 17, and 18. **19 600**

20 Refundable credits from:

a Form 2439 **20a 600**

b Form 4136 **20b**

c Reserved for future use **20c**

Figure 3.11.16-19 Example of deleting Form 1042-S amount and editing it to the credit from Form 2439 line.

3.11.16.11.6.6
(01-01-2019)

**Line 34 - Estimated Tax
Penalty**

- (1) Estimated tax penalty must be edited when either:
 - a. An additional penalty is precomputed on the return, or
 - b. Form 2220, Underpayment of Estimated Income Tax by Corporations, is attached to the return, and shows liability for estimated tax penalty.
- (2) To edit Line 34 (Line 33 for 2017 and prior), do the following:
 - a. If the taxpayer follows the instructions on Form 2220, the applicable amount must be shown on Form 2220, Page 2, Line 38, and on Form 1120, Line 34 (Line 33 for 2017 and prior) or equivalent lines on other forms. The taxpayer may also have increased Form 1120, Line 35 (Line 34 for 2017 and prior) or decreased Line 36 (Line 35 for 2017 and prior). Do not adjust this amount.
 - b. If Form 1120, Line 34 (Line 33 for 2017 and prior) is blank, edit the amount from Form 2220, Page 2, Line 38 to Form 1120, Line 34 (Line 33 for 2017 and prior).
 - c. If Form 2220, Page 2, Line 38 is blank and Form 1120, Line 34 (Line 33 for 2017 and prior) is also blank, review the Form 2220 to determine the taxpayer's method of computation. If there are entries on Form 2220, Line 37, Columns (a) through (d), compute the total amount and enter on Form 1120, Line 34 (Line 33 for 2017 and prior), see Figure 3.11.16-20.

Note: If Form 2220 is attached some conditions may require CCC "8" and/or Reserve Code "4."

COMPUTE ESTIMATED TAX PENALTY

DRAFT

Form 1120
U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20 **2023**
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT
 Name **Pine Cleaning Supply Inc.**
 Number, street, and room or suite no. (if a P.O. box, see instructions.) **1700 5th Street**
 City or town, state or province, country, and ZIP or foreign postal code **Raleigh, NC 27611**

B Employer identification number
00-7134137

C Date incorporated
January 1, 1980

D Total assets (see instructions)
\$ 124,000

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

33 Total payments and credits (Schedule J, Part II, line 23) **33**

34 Estimated tax penalty. See instructions. Check if Form 2220 is attached ☐ **34**

35 Amount owed. If line 33 is smaller than line 34, enter amount owed **35** **144**

36 Overpayment. If line 33 is larger than line 34, enter amount overpaid **36** **3,644**

37 Enter amount from line 36 you want: **37**

Sign Here
 Signature of officer **Anne Ash**
 Title **President**

Paid Preparer Use Only
 Print/Type preparer's name _____
 Firm's name _____
 Firm's address _____
 Firm's EIN _____
 Phone no. _____

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11450Q Form **1120** (2023)

DRAFT

Form 2220 (2023) Page **2**

Part IV Figuring the Penalty

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. (C corporations with tax years ending June 30 and S corporations: Use 3rd month instead of 4th month. Form 990-PF and Form 990-T filers: Use 5th month instead of 4th month.) See instructions	4-20-22	7-14-22	10-2-22	1-25-23
36 Underpayment on line 17 x 365 x %	36 \$	\$	\$	\$
37 Add lines 22, 24, 26, 28, 30, 32, 34, and 36	37 \$ 15.00	\$ 43.00	\$ 13.00	\$ 73.00
38 Penalty. Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 34; or the comparable line for other income tax returns.				38 \$

Figure 3.11.16-20 Example of computing estimated tax penalty.

3.11.16.11.6.7
(01-01-2019)**Lines 35 and 36**
- Amount
Owed/Overpayment

(1) Lines 35 and 36 (Lines 34 and 35, for 2017 and prior) are edited as positive only. If the taxpayer enters a negative amount, do not bracket.

(2) If both lines 35 or 36 (Lines 34 and 35 for 2017 and prior) are blank, edit as follows:

Form 1120 Revision	Action
2021 and later	a. Add Lines 31 and 34. b. Subtract Line 33. c. Edit the positive result on Line 35 or the negative result (do not bracket) on Line 36.
2020 through 2018	a. Add Lines 31, 32 and 34. b. Subtract Line 33. c. Edit the positive result on Line 35 or the negative result (do not bracket) on Line 36.
2017 and prior	a. Add Lines 31 and 32. b. Subtract Line 33. c. Edit the positive result on Line 34 or the negative result (do not bracket) on Line 35.

- (3) If pre-computed interest or delinquency penalty or an additional charge is evident, ensure that it has not been included in Line 35 or reduced Line 36 (Lines 34 and 35 for 2017 and prior).

If...	Then...
The amount on Line 35 (Line 34 for 2017 and prior) has pre-computed interest or penalty or additional charge,	1. "X" Line 35 amount. 2. Delete the interest, penalty or additional charge from the amount owed. 3. Edit the correct amount owed to the left of the original entry.
The amount on Line 36 (Line 35 for 2017 and prior) is reduced by pre-computed interest or penalty or additional charge,	1. "X" Line 36 (Line 35 for 2017 and prior) amount. 2. Compute the Overpayment amount without the interest, penalty or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

3.11.16.11.6.8
(01-01-2019)

**Line 37 - Credit to
Estimated Tax**

- (1) Line 37 (Line 36 for 2017 and prior) - (Center) Overpayment Credit to Estimated Tax.

3.11.16.11.7
(01-04-2022)

◆ **Signature** ◆

- (1) A signature and jurat are required on all returns **except** the following:
- Returns prepared under IRC 6020(b). These returns must be signed by a Compliance Function representative, see IRM 3.11.16.3.6.1, IRC 6020(b) Prepared by Collections.

Note: Accept electronic or typed revenue officer (RO) signatures as valid on the return.

- Returns prepared by Examination, for example Substitute for Return.(SFR) or “SUBSTITUTE RETURN,” see IRM 3.11.16.3.6.3, Examination Prepared Returns - SFR or Substitute for Return.
- Dummy returns prepared by IRS.
- Returns filed under IRC 501(d) (Religious or Apostolic Organization).
- Returns attached to taxpayer response to IRS correspondence containing a jurat and the taxpayer’s signature. (See paragraph (5) below.)
- Re-entry returns originally filed electronically (“E-File”). These returns may be identified by the presence of Mod E-file printouts or TRPRT prints in lieu of an actual return.

Note: If the TRPRT print states “TRPRT Print Do Not Process” in the top margin, circle the words “Do Not Process.”

- Form 1120-X, with a signature on the line designated for the taxpayer’s signature is attached to Form 1120. Form 1120-X must be for the same tax period as Form 1120.
- (2) Do not correspond for a signature on “CII” tax returns with a Form 13596, Re-processing Returns, attached. For processing instructions, see IRM 3.11.16.3.4.3, Correspondence Imaging Inventory (CII) Returns.
- (3) If a signature is missing, correspond:

Note: See IRM 3.11.16.3.4.2, Issuing Correspondence, for returns that are incomplete and appear to be duplicate filings.

If...	Then...
<ul style="list-style-type: none"> • The return is not signed on the line designated for the taxpayer’s signature, or • The jurat is not present on the line designated for the taxpayer’s signature (a non-standard tax return), or • Only the Entity information is present and there are no attachments having tax data, 	<ol style="list-style-type: none"> 1. Edit: <ul style="list-style-type: none"> • Action Code “225” (Correspondence for Signature only) or “226” (International Correspondence for Signature only) for Form 1120, Form 1120-C, Form 1120-F, Form 1120-H, Form 1120-L, Form 1120-PC, Form 1120-REIT and Form 1120-RIC. • CCC “U” for all other 1120 series. Attach Form 4227, Intra-SC Reject or Routing Slip, notating “Signature missing.” 2. Leave in batch and continue editing.

Note: Paper returns stating the return was rejected through the E-file system require a signature. Form 8879-CORP, E-file Authorization for Corporations, is not an acceptable signature substitute for a paper return (Form 8879-C/ Form 8879-I for 2021 and prior).

- (4) If the jurat is altered or stricken (crossed out), see IRM 3.11.16.2.6, Frivolous Arguments.

- (5) Accept a “signature declaration” (a signature with jurat obtained through IRS correspondence) if attached to the tax return.
- a. If the “signature declaration” is altered or stricken (crossed out), see IRM 3.11.16.2.6, Frivolous Arguments.
 - b. If the taxpayer responds with a self-prepared “signature declaration,” it must have the same language as the jurat on the tax return: e.g., “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.”
 - c. **Form 8879-CORP, E-file Authorization for Corporations, is not an acceptable signature substitute for a paper return (Form 8879-C/ Form 8879-I for 2021 and prior).**
- (6) Tax examiners are not handwriting experts. 26 CFR 301.6064-1 allows the Service to presume that the signature on the tax return, statement or other document is the true signature of the person who actually signed the document.

Note: Do not accept a “✓” or “X” on the signature line as a valid taxpayer signature.

(7) **The following types of signatures are not valid for corporate returns:**

- **Faxed signatures**

Exception: Tax return information can be received via fax as part of return perfection even if a taxpayer signature is required. In circumstances where contact with the taxpayer has been made and documented, faxed signatures are acceptable.

- **Electronic signatures**
- **Docusign digital signatures**
- **Typed font Signature**

Exception: If one of the following returns are mailed between August 28, 2020 through October 31, 2023, accept a digital signature.

- Form 1120-C
- Form 1120-H
- Form 1120-IC-DISC
- Form 1120-FSC
- Form 1120-L
- Form 1120-ND
- Form 1120-PC
- Form 1120-RIC
- Form 1120-REIT
- Form 1120-SF

- (8) Correspond one time for the signature.

3.11.16.11.8
(01-01-2011)

**◆Paid Preparer
Checkbox Indicator◆**

- (1) The Paid Preparer Checkbox is located next to the taxpayer signature area. It indicates whether the taxpayer has elected to allow the Paid Preparer to answer questions about the return as it is processed.
- (2) No action is required on amended returns.
- (3) Take the following actions when an entry is present in the Paid Preparer Checkbox:

If...	Then...
Only the "Yes" box is checked,	Take no action.
<ul style="list-style-type: none"> • The "No" box is checked, • Neither box is checked; or • Both boxes are checked, 	Circle the Paid Preparer's Phone Number if present.

3.11.16.11.9
(01-01-2009)

**◆Paid Preparer
Section◆**

- (1) The Paid Preparer section is located below the Signature area at the bottom of Form 1120.

3.11.16.11.9.1
(01-01-2018)

**◆Paid Preparer Tax
Identification Number
(PTIN)◆**

- (1) The Paid Preparer's Social Security Number (SSN) or Preparer's Tax Identification Number (PTIN) is located to the right of the Preparer's Signature in the PTIN box at the bottom-right corner of Form 1120.
- (2) No action is required on amended returns.
- (3) A valid PTIN begins with a "P," followed by an eight digit number (e.g., PXXXXXXX). Circle the SSN/PTIN if it is invalid, all zeros or all nines.

3.11.16.11.9.2
(01-01-2011)

◆Paid Preparer EIN◆

- (1) The Preparer's EIN is located below the PTIN box at the bottom-right corner of Form 1120.
- (2) No action is required on amended returns.
- (3) The Preparer's EIN is a nine digit number. Circle the EIN if all zeros or all nines.

3.11.16.11.9.3
(01-01-2011)

**◆Paid Preparer Phone
Number◆**

- (1) The Paid Preparer's Phone Number is located below the Paid Preparer's EIN at the bottom right hand corner of Form 1120.
- (2) If the return is amended, no action is required.
- (3) If the Preparer's Phone Number is more than 10 digits, no action is required.
- (4) If the Preparer's Phone Number is illegible or less than 10 digits, circle the Phone Number.

3.11.16.11.10

(01-01-2019)

**Schedule C, Page 2 -
Dividends, Inclusions
and Special Deductions**14, 15, 16a, 16b, 16c, 17, 18, and/or 19, edit **Audit Code "2."****Note:** For 2017 and prior, Schedule C, Lines 3, 6, 7, 8, 12, 13, 14, 15, and/or 16.

#

14,15, 16a, 16b, 16c, 17, 18, and/or 19, edit **Audit Code "7."****Note:** For 2017 and prior, Schedule C, Lines 3, 6, 7, 8, 12, 13,14, 15, and/or 16.

#

3.11.16.11.11

(01-01-2022)

**Schedule J, Page 3 -
Controlled Group Code /
Personal Service
Corporation Code / Tax
Computation (201811
and prior)**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit **Personal Service Corporation Code "2"** above the checkbox on Line 1, Page 3, Schedule J if the Qualified Personal Service Corporation box located on Page 3, Schedule J, Line 2 is checked.

Note: If the box on Schedule J, Line 2 is checked, edit ABLM Code "400" on Form 1120, Page 1, see IRM 3.11.16.9.3, ABLM Code and Schedule M-3 Checkbox.

- (3) Personal Service Corporation Code "2" takes priority over Controlled Group Codes "4" and "1" (described below).
- (4) If both the Schedule J, Line 2 box **and** the Schedule J, Line 1 box are checked, edit Personal Service Corporation Code "2" **and** delete Schedule O (Form 1120) if significant entries are present.
- (5) Edit **Controlled Group Code "4"** above the checkbox on Line 1, Page 3,

#

#

- a. The box on Page 3, Schedule J, Line 1 is checked.
- b. There is a sign that the taxpayer is a member of a controlled group as defined in IRC 1561 or IRC 1563.
- c. Schedule O (Form 1120), Box 3a, 3b, 3d, or 5b is checked.
- d. An allocation/apportionment schedule is attached. Some examples of the title of these schedules may be "apportionment plan," "apportionment consent plan," "consent to apportionment," "controlled group tax apportionment plan," "surtax apportionment plan," or "allocation schedule." Any attachment labeled as "controlled group tax calculation statement" is not an apportionment plan and not used to edit tax bracket amounts on Schedule O.

Note: If there is any doubt whether an attachment is a "Surtax Apportionment Plan," refer the document to the lead tax examiner.

- (6) Edit **Controlled Group Code "1"** above the checkbox on Line 1, Page 3,

#

#

- (7) If Controlled Group Code "4" or "1" is edited, process Schedule O (Form 1120), see IRM 3.11.16.11.38, Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for a Controlled Group.

- (8) If neither Controlled Group Code “4” or “1” is edited, delete Schedule O (Form 1120) if significant entries are present.

3.11.16.11.12
(01-01-2024)

**Schedule J, Line 2 -
Base Erosion Tax or
Alternative Minimum Tax
(prior year)**

- (1) Follow the instructions below for Schedule J, Line 2 (Line 3 for 2022 and prior):

If ...	And ...	Then ...
Tax period is 201811 and prior,	Schedule J, Line 3 is blank and Form 4626 (revision 2017 and prior) is attached with an amount on Line 14,	Edit the amount from Line 14, Form 4626 to Schedule J, Line 2 (Line 3 for 2022 and prior).
Tax period is 201811 and prior,	Schedule J, Line 3 has a significant entry and Form 4626 (revision 2017 and prior) is not attached,	Correspond.
Tax period is 201812 and later,	Schedule J, Line 2 (Line 3 for 2022 and prior) is blank and Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts, is attached,	Do the following: a. Edit RPC “1” b. Edit the amount from Form 8991, Line 5e to Schedule J, Line 2 (Line 3 for 2022 and prior).
Tax period is 201812 and later,	Schedule J, Line 2 (Line 3 for 2022 and prior) has a significant entry and Form 8991 is not attached,	Correspond.

3.11.16.11.13
(01-01-2024)

**Schedule J, Line 3 -
Corporate Alternative
Minimum Tax (CAMT)
(tax period 202301 and
later)**

- (1) Edit RPC “N” if there is a significant amount on Schedule J, Line 3 or Form 4626 (revision 2023 and later) is attached.
- (2) Correspond If a significant amount is present on Schedule J, Line 3, and Form 4626 (revision 2023 and later) is not attached.

3.11.16.11.14
(01-01-2018)

**Schedule J, Lines 5a
and 5b - Credits**

- (1) The following general instructions apply to Schedule J, Lines 5a and 5b only:

#

3.11.16.11.14.1
(01-01-2019)

**Schedule J, Line 5a -
Form 1118, Foreign Tax
Credit**

- (1) If Schedule J, Line 5a, Foreign Tax Credit has an entry, check for Form 1118 or similar statement:

If...	Then...	
1118 is missing,	Correspond.	#
	Edit CCC "P."	#
	Edit Audit Code "2."	#
	Edit Audit Code "7."	#

3.11.16.11.14.2
(01-01-2021)

**Schedule J, Line 5b -
Form 8834 Credit and
Form 5735**

- (1) Schedule J, Line 5b, includes credits from Form 8834, Qualified Electric Vehicle Credit, and/or a write-in credit from Form 5735, American Samoa

If...	And...	Then...	
The entry is for Form 8834 (Form 5735 is not shown)	Form 8834 is missing,	Correspond.	
The entry is for Form 5735 (Form 5735 is shown)	Form 5735 is missing,	Correspond.	

3.11.16.11.15
(01-01-2024)

**Schedule J, Line 5c -
General Business Credit
(202301 and later)**

- (1) Per the Inflation Reduction Act of 2022 and the CHIPS and Science Act of 2022, the Form 3800 has changed significantly.
- (2) For prior year returns, transcription of some credits is no longer needed. If a prior year return has significant amounts on Lines 1d, 1g, 1o, 1q, 1u, 1v, 1z, 1aa or 1bb, no editing is required. See Exhibit 3.11.16-14 for complete conversion instructions.
- (3) Question A - Corporate Alternative Minimum Tax (CAMT) and Base Erosion Anti-Abuse Tax (Beat) - No editing required, Data will enter:
- "0" if no box is checked.
 - "1" if "Yes" box checked.
 - "2" if "No" box checked.
 - "3" if "Both" boxes checked.
- (4) The following lines are transcribed from Parts I and II. No editing is required.

- Part I, Line 1
- Part I, Line 2
- Part I, Line 3
- Part I, Line 4
- Part I, Line 5
- Part II, Line 10B
- Part II, Line 22
- Part II, Line 24
- Part II, Line 28
- Part II, Line 32
- Part II, Line 33
- Part II, Line 34
- Part II, Line 35

- (5) Certain credits require additional transcription from Form 3800, Part III, Columns b, g, h, i and j.

Form 3800, Part III, Line	Credit Form	Form Title	Column(s) transcribed
1a	Form 3468, Part II	Investment Credit	j
1b	Form 7207	Advanced Manufacturing Production Credit	b, g, h, i, j
1c	Form 6765	Credit for Increasing Research Activities	j
1d	Form 3468, Part III	Investment Credit	b, g, h, i, j
1e	Form 8826	Disabled Access Credit	j
1f	Form 8835, Part II	Renewable Electricity Production Credit	b, g, j
1g	Form 7210	Clean Hydrogen Production Credit	b, g, h, i, j
1h	Form 8820	Orphan Drug Credit	j
1i	Form 8874	New Markets Credit	j
1j	Form 8881, Part I	Credit for Small Employer Pension Plan Startup Costs	j
1k	Form 8882	Credit for Employer-Provided Childcare Facilities and Services	j
1l	Form 8864 (diesel)	Biodiesel and Renewable Diesel Fuels Credit	j
1m	Form 8896,	Low Sulfur Diesel Fuel Production Credit	j

3.11 Returns and Documents Analysis

Form 3800, Part III, Line	Credit Form	Form Title	Column(s) transcribed
1n	Form 8906	Distilled Spirits Credit	j
1o	Form 3468, Part IV	Investment Credit	b, h, i, j
1p	Form 8908	Energy Efficient Home Credit	j
1q	Reserved	Reserved	
1r	Form 8910	Alternative Motor Vehicle Credit	j
1s	Form 8911, Part II	Alternative Fuel Vehicle Refueling Property Credit	b, g, h, i, j
1t	Form 8830	Enhanced Oil Recovery Credit	j
1u	Form 7213, Part II	Nuclear Power Production Credit	b, g, h, i, j
1v	Reserved	Reserved	
1w	Form 8932	Credit for Employer Differential Wage Payments	j
1x	Form 8933	Carbon Oxide Sequestration Credit	b, g, h, i, j
1y	Form 8936, Part II	Qualified Plug-in Electric Drive Motor Vehicle Credit (Including Qualified Two-Wheeled Plug-In Electric Vehicles)	j
1aa	Form 8936, Part V	Qualified Plug-in Electric Drive Motor Vehicle Credit (Including Qualified Two-Wheeled Plug-In Electric Vehicles)	b, h, i, j
1bb	Form 8904	Credit for Oil and Gas Production from Marginal Wells	j
1cc	Form 7213, Part I	Nuclear Power Production Credit	j

Form 3800, Part III, Line	Credit Form	Form Title	Column(s) transcribed
1dd	Form 8881, Part II	Credit for Small Employer Pension Plan Startup Costs	j
1ee	Form 8881, Part III	Credit for Small Employer Pension Plan Startup Costs	j
1ff	Form 8864, Line 8	Biodiesel and Renewable Diesel Fuels Credit	j
1gg	Reserved	Reserved	
1zz	Other	Other	j
4a	Form 3468, Part VI	Investment Credit	b, g, h, i, j
4b	Form 5884	Work Opportunity Credit	j
4c	Form 6478	Biofuel Producer Credit	j
4d	Form 8586	Low Income Housing Credit See IRM 3.11.16.9.1.34 CCC "9" - Low-Income Housing Credit	j
4e	Form 8835, Part II	Renewable Electricity Production Credit	b, g, h, i, j
4f	Form 8846	Credit for Employer Social Security and Medicare Taxes Paid on Certain Employee Tips	j
4g	Form 8900	Qualified Railroad Track Maintenance Credit	j
4h	Form 8941	Credit for Small Employer Health Insurance Premiums See IRM 3.11.16.11.15.2, Form 8941, Credit for Small Employer Health Insurance Premiums, for more instructions.	j

Form 3800, Part III, Line	Credit Form	Form Title	Column(s) transcribed
4i	Form 6765, Eligible Small Business only	Credit for Increasing Research Activities	j
4j	Form 8994	Employer Credit for Paid Family and Medical Leave See IRM 3.11.16.9.2, Return Processing Code (RPC)	j
4k	Form 3468, Part VII	Rehabilitation Credit	j
4z	Other		j

- (6) Edit a “1” in the bottom right margin of Form 3800, Page 4, Part III, when Form 3800, Part V, Column b has significant data.

DRAFT

Form **3800**

Department of the Treasury
Internal Revenue Service

General Business Credit

Go to www.irs.gov/Form3800 for instructions and the latest information.
You must include all pages of Form 3800 with your return.

OMB No. 1545-0895

2023

Attachment
Sequence No. **22**

Name(s) shown on return _____ Identifying number _____

DRAFT

Form 3800 (2023) Page **4**

Part III Current Year General Business Credits (GBCs) (see instructions). If there is more than one credit amount to report on lines 1a through 1zz, 3, or 4a through 4z, enter the number of items you have for that line in column (c) and complete Part V. (continued)

(a) Current year credits from:	(b) Elective payment or transfer registration number	(c) # items	(d) Pass-through or transfer credit entity EIN	(e) Credits from non-passive activities	(f) Current year and carryover passive activity credit	(g) Credit transfer election amount (enter amounts transferred out as a negative amount)	(h) Gross elective payment election amount	(i) Net elective payment election amount	(j) Combine columns (e), (f), and (g), less column (i)
3 Form 8844									
4 Specified credits:									
a Form 3468, Part VI		1		1,523	4,555	975	2,971	2,098	4,955
b Form 5884									
c Form 6478									
d Form 6586									
e Form 8835, Part II									
f Form 8846									
g Form 8900									
h Form 8941									
i Form 6765 ESB credit									
j Form 8994									
k Form 3468, Part VII									
l Reserved (4l)									
m Reserved (4m)									
z Other specified credits									
5 Add lines 4a through 4z									
6 Add lines 2, 3, and 5									

Form **3800** (2023)

1

DRAFT

Form 3800 (2023) Page **7**

Part V Breakdown of Aggregate Amounts on Part III for Facility-by-Facility, Multiple Pass-Through Entities, etc. See instructions.

(a) Line number from Part III	(b) Elective payment or transfer registration number	(c) Pass-through or transfer credit entity EIN	(d) Current year credits from non-passive activities	(e) Current year credits from passive activity before passive activity credit limitation	(f) Credit transfer election amount	(g) Gross elective payment election amount	(h) Net elective payment election amount	(i) Carryover of passive activity credit allowable in current year
1 4a	0001234567	00-7412003	1,523	560	975	2,971	2,098	3,995
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								

Figure 3.11.16-21

(7) If Form 3800, General Business Credit, is required but missing, correspond.

(8) Review the Schedule J, Line 5c for the following conditions:

#

If...	And...	Then...
Schedule J, Line 5c is blank,	Form 3800 has an entry on Line 38,	Edit the Line 38 amount to Schedule J, Line 5c.
Schedule J, Line 5c has an entry	Form 3800 is not attached,	Correspond.
Schedule J, Line 5c and Form 3800, Line 38 do not match	The difference is not supported by another credit,	Edit the lesser of Schedule J, Line 5c and Line 38 to Schedule J, Line 5c.

#

#

applicable form or if supporting documentation is missing for an unidentified amount on Schedule J, Line 5c.

Exception: If Form 3800, Part IV, Columns (e), (f) or (g) have entries (Part III Box C, D, or G are checked for 202212 and prior), do not correspond.

Exception: If an EIN is present on Form 3800, Part III, Column (d) (Column (b) for 202212 and prior), **do not** correspond. The credit is from a pass-through entity and the form is not required. If a credit is claimed on Part III, Lines 1a, 1d, 1o, 4a, 4k, 1l or 1ff, the form must be attached even if the EIN is present.

3.11.16.11.15.1

(01-01-2024)

Form 8844,
Empowerment Zone
Employment Credit

(1) **Form 8844 is a high priority form.**

(2) Form 8844 is required if:

b. Form 1120, Schedule J, Line 5c has an entry showing Form 8844 is

#

#

#

(3) Edit “1 - 1” in the left margin of Form 1120, near Line 12 when the Form 8844 is shown on:

- Form 1120, Page 3, Schedule J, Line 5c.
- Form 1120-C, Page 3, Schedule J, Line 5c.
- Form 1120-F, Page 6, Schedule J, Line 5b.
- Form 1120-L, Page 4, Schedule K, Line 5c.
- Form 1120-PC, Page 1, Line 8c.
- Form 1120-REIT, Page 3, Schedule J, Line 3c.
- Form 1120-RIC, Page 2, Schedule J, Line 3c.
- Form 3800, Part III, Line 3 has an entry.
- Form 3800, Part II Line 22 has an entry.

(4) **Edit a “1 - 1” in the left margin of Form 1120, near Line 12 if Form 8844 is attached even if dollar amounts are not present.**

- (Line 2 for Form 1120-F.)

(5) When an amount is present on Form 3800, Part II Line 22 or Part III, Line 3 or Form 1120, Schedule J, Line 5c for Form 8844, take the following actions:

If...	Then...
	<p>Correspond.</p> <p>Exception: If Form 3800, Part IV, Columns (e), (f) or (g) have entries (Part III Box C, D, or G are checked for 202212 and prior), do not correspond.</p> <p>Exception: If an EIN is present on Form 3800, Part III, Column (d) (Column (b) for 202212 and prior), do not correspond. The credit is from a pass-through entity and the form is not required.</p>

#

Note: Editing “1 - 1” in the left margin of Form 1120, Line 12 allows Statistics of Income (SOI) a means of monitoring this credit. (HIGH PRIORITY)
(Line 2 for Form 1120-F)

3.11.16.11.15.2
(01-01-2024)

**Form 8941, Credit for
Small Employer Health
Insurance Premiums**

- (1) Form 8941, Credit for Small Employer Health Insurance Premiums, must be filed with corporate tax returns when claiming Small Employer Health Insurance Premiums credit.
- (2) If an amount is present on Form 3800, Part III, Line 4h or Form 1120, Schedule J, Line 5c for Form 8941:

If...	Then...
Form 8941 is not attached,	<p>Correspond.</p> <p>Exception: If Form 3800, Part IV, Columns (e), (f) or (g) have entries (Part III Box C, D, or G are checked for 202212 and prior), do not correspond.</p> <p>Exception: If an EIN is present on Form 3800, Part III, Column (d) (Column (b) for 202212 and prior), do not correspond. The credit is from a pass-through entity and the form is not required.</p>
Form 8941 is present,	<p>Place in sequence order if significant entries are present.</p> <p>See IRM 3.11.16.22, Form 8941 - Credit for Small Employer Health Insurance Premiums, for Form 8941 editing instructions.</p>

3.11.16.11.15.3

#

(01-01-2018)

attached, correspond.

**Schedule J, Line 5d -
Form 8827, Credit for
Prior Year Minimum Tax
- Corporations**

3.11.16.11.15.4

- (1) When Schedule J, Line 5e has an entry for Form 8912 , take the following action:

(01-01-2022)

**Schedule J, Line 5e -
Form 8912, Credit to
Holders of Tax Credit
Bonds**

If...	Then...
8912 is not attached,	Correspond.

#

3.11.16.11.16

- (1) When editing Line 6, take the following action:

(01-01-2013)

**Schedule J, Line 6 -
Total Credits**

If...	Then...
Line 6 is blank and there are entries on any of Lines 5a through 5e,	Add Lines 5a through 5e and enter on Line 6.
There is no tax on Schedule J, Line 2,	"X" the Line 6 entry and "X" Lines 5a through 5e.
through 5e are blank,	Correspond for documentation to support the entry on Line 6.

#

3.11.16.11.17

#

(01-01-2018)

#

**Schedule J, Line 8 -
Personal Holding
Company Tax**

Note: A significant entry on Schedule J, Line 8 would also require editing an ABLM Code, see IRM 3.11.16.9.3, ABLM Code and Schedule M-3 Checkbox.

3.11.16.11.18

- (1) This subsection has instructions for Schedule J, Lines 9a through 9z.

(01-01-2013)

**Schedule J, Line 9a
through 9z - Other Taxes**

3.11.16.11.18.1
(01-01-2022)

**Schedule J, Line 9a -
Recapture of Investment
Credit (Form 4255)**

- (1) If an amount is present on Schedule J, Line 9a, Recapture of Investment Credit (Form 4255) or Form 4255 is attached:

If...	Then...
is not attached,	Correspond.
Form 4255 is attached and Line 9a is blank,	Edit the amount from Line 20, Form 4255 to Schedule J, Line 9a, Form 1120.

#

3.11.16.11.18.2
(01-01-2024)

**Schedule J, Line 9b -
Recapture of
Low-Income Housing
Credit (Form 8611)**

- (1) If an amount is present on Schedule J, Line 9b, Recapture of Low-Income Housing Credit, or Form 8611 is attached:

If...	Then...
is not attached,	Correspond.
Form 8611 is attached and Line 9b is blank,	Edit the amount from Line 14, Form 8611 to Schedule J, Line 9b. (Dotted portion of Schedule J, Line 7 of Form 1120-REIT.)
More than one Form 8611 is attached,	<ol style="list-style-type: none"> 1. Combine Form 8611, Line 14. 2. Edit the total to Schedule J, Line 9b. (Dotted portion of Schedule J, Line 7 of Form 1120-REIT.)

#

- (2) Edit CCC "9" to Page 1 of Form 1120 in the income section when at least one of the following conditions exists:

- a. Schedule J, Line 9b has an amount; or
- b. Form 8611 is attached; or

3.11.16.11.18.3
(01-01-2022)

**Schedule J, Line 9c -
Interest Computation
Under the Look-Back
Method for Completed
Long-Term Contracts
(Form 8697)**

- (1) If an amount is present on Schedule J, Line 9c, Interest Computation Under the Look-Back Method for Completed Long-Term Contracts, or Form 8697 is attached:

If...	Then...
is not attached,	Correspond for missing Form 8697.
Form 8697 is attached and the tax from Part I, Line 10 or Part II, Line 11 is shown on Schedule J, Line 9c,	Edit CCC "K."
Form 8697 is attached and Schedule J, Line 9c is blank,	<ul style="list-style-type: none"> Edit the amount from Form 8697, Part I, Line 10 or Part II, Line 11 to Schedule J, Line 9c. Edit CCC "K."

#

3.11.16.11.18.4
(01-14-2021)
**Schedule J, Line 9d -
Interest due under the
look-back method (Form
8866)**

- (1) Form 8866, Interest Computation Under the Look-Back Method for Property Depreciated Under the Income Forecast Method, is attached.

If ...	Then ...
Form 8866, Line 9 has an entry,	Edit tax period and EIN on Form 8866. Detach Form 8866 and route to AM.
Form 8866, Line 10 has an entry,	Edit the Line 10, amount to Schedule J, Line 9d.

3.11.16.11.18.5
(01-01-2022)
**Schedule J, Line 9e -
Alternative Tax on
Qualifying Shipping
Activities (Form 8902)**

- (1) If an amount is present on Schedule J, Line 9e, Alternative Tax on Qualifying Shipping Activities, or Form 8902 is attached:

If...	Then...
Form 8902 is attached,	Edit Audit Code "2."
Form 8902 is attached and Schedule J, Line 9e is blank,	Edit the amount from Line 30, Form 8902 to Schedule J, Line 9e.

3.11.16.11.18.6
(01-01-2021)
**Schedule J, Line 9f - IRC
453A Tax**

- (1) No editing required.

3.11.16.11.18.7
(01-01-2024)
**Schedule J, Line 9g -
Other**

- (1) For tax periods 202201-202212, if a significant amount is present on Line 9g and the taxpayer writes "CAMT" or "IRA AMT" or indicates the amount is for Corporate AMT, completely edit the return and give to the lead. The lead will:
 1. Notify P&A that a return has been found (P&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&I Point of Contact (POC)).
 2. Edit an action trail on the return.
 3. Rebatch the return with "CAMT" in the batch ID.
 4. Continue processing.
- (2) For tax periods other than 202201-202212, no editing is required.

3.11.16.11.19
(04-11-2018)
**Schedule J, Line 11 -
Total Tax**

- (1) **Form 1120, Schedule J, Part I, Line 11** may have "add on" taxes that will be identified by an explanation in the dotted portion to the left of Line 11.
 - a. If the only entry on Form 1120, Schedule J, Part I, is Line 11, edit the amount to Schedule J, Line 2.
 - b. If any identifiable "add on" taxes are misplaced on Lines 3, 8, or 9, "X" them but be sure that they have been included in Line 31, Total Tax on Page 1 of the Form 1120.

3.11.16.11.20
(01-01-2022)
**Schedule J, Line 12 -
Reserved**

- (1) Line 12- Schedule J, Part II, Line 12 - Net 965 Tax Liability Paid for the Reporting Year (revisions 2018 through 2020),
- (2) The instructions in this subsection only apply to tax periods 201712 through 202012.
- (3) If blank, enter from the following lines from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts:

Reporting Tax Year	Form 965-B
2017	Part II, Column (k), Line 1
2018	Part II, Column (k), Line 2
2019	Part II, Column (k), Line 3
2020	Part II, Column (k), Line 4

- (4) Edit CCC "J" and Action Code "460."

3.11.16.11.21
(01-01-2024)
**Schedule J, Part II, (Part
III for 2022-2018) Lines
13 - 23**

- (1) This subsection has instructions for Schedule J, Part II, (Part III for 2022-2018) Lines 13 through 23 (Line 22 for 2017-2011).

- 3.11.16.11.21.1
(01-01-2024)
Schedule J, Part II, (Part III for 2022-2018) Line 14 - Estimated Tax Payments
- (1) IRC 847 Deduction - The instructions in this subsection only apply to tax periods 201812 and prior. For tax periods 201901 and later, no action is needed.
- (2) If the tax period is 201812 and prior and the taxpayer notates "Section 847" or reports SETP on Schedule J, Part II (Part III for 2022-2018), Line 14 (Line 13 for 2017 - 2011) or "Form 8816" is attached, see IRM 3.11.16.3.10, IRC 847 Deduction.
- 3.11.16.11.21.2
(01-01-2024)
Schedule J, Part II, (Part III for 2022-2018) Line 16 - Payments
- (1) If Schedule J, Part II, (Part III for 2022-2018) Line 16 (Line 15 for 2017-2011) is blank, add Lines 13 (Line 12 for 2017-2011) and 14 (Line 13 for 2017-2011). Subtract Line 15 (Line 14 for 2017-2011) and enter the total amount on Line 16 (Line 15 for 2017-2011). If there is an entry on Line 15 (Line 14 for 2017-2011), see IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
- 3.11.16.11.21.3
(01-01-2024)
Schedule J, Part II, (Part III for 2022-2018) Line 17 - Tax Deposited with Form 7004
- (1) Accept taxpayer's entry.
- (2) If the taxpayer indicates a Form 1138, Extension of Time for Payment of Taxes by a Corporation Expecting a Net Operating Loss Carryback, credit on Line 17 (Line 16 for 2017-2011), disallow and delete amount of credit from Line 17 (Line 16 for 2017-2011).
- 3.11.16.11.21.4
(01-01-2024)
Schedule J, Part II, (Part III for 2022-2018) Line 18 - Withholding
- J, Part II, (Part III for 2022-2018) Line 18 (Line 17 for 2017-2011) and Form 1099 is not attached, correspond using Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S. #
- 3.11.16.11.21.5
(01-01-2024)
Schedule J, Part II, (Part III for 2022-2018) Line 19 - Total Payments
- (1) If Line 19 (Line 18 for 2017-2011) is the only entry for Lines 13 through 19 (Lines 12 through 18 for 2017-2011), arrow the amount to Line 16 (Line 15 for 2017-2011).
- 3.11.16.11.21.6
(01-01-2024)
Schedule J, Part II, (Part III for 2022-2018) Line 20a - Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains
- (1) Compare Form 1120, Schedule J, Line 20a (Line 19a for 2017-2011) to Form 2439, Line 2:

If...	Then...	
	Correspond.	#
Form 2439 shows a lesser amount,	Place an "X" to the left of the entry on Schedule J, Part II, (Part III for 2022-2018) Line 20a (Line 19a for 2017 - 2011) Edit the lesser amount to the left of the "X."	#
	Correspond.	#

3.11.16.11.21.7 (01-01-2024) (1) If Line 20b (Line 19b for 2017 - 2011) has a significant entry and Form 4136 is not present, correspond for the missing Form 4136.

Schedule J, Part II, (Part III for 2022-2018) Line 20b - Fuel Tax Credit, Form 4136

(2) For processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.11.21.8 (01-01-2024)

Schedule J, Part II, (Part III for 2022-2018) Line 20c - Reserved for Future Use

(1) Schedule J, Line 20c - Reserved for future use on the 2020 and later revisions of Form 1120.

credit. Correspond for missing forms to substantiate the credit.

ate the credit. Correspond for missing forms to substantiate the credit.

3.11.16.11.21.9 (01-01-2024)

Schedule J, Part II, Line 20d - Other (Part III for 2022-2018)

(1) For 202201 - 202212, if a significant amount is present and "IRA22DPE" is notated, edit RPC "J" and give the return to the lead. Otherwise, accept taxpayer's entry.

3.11.16.11.21.10 (01-01-2024)

Schedule J, Part II, Line 22 - Elective Payment Election

(1) Accept taxpayer entry.

3.11.16.11.21.11 (01-01-2024)

Schedule J, Part III (202012-201712) - Line 22 - Net 965 Tax Liability.

(1) The instructions in this subsection apply only to tax periods 201712 through 202012.

(2) The amount on Schedule J, Part III, Line 22 is edited from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (d), Line 1
2018	Part II, Column (d), Line 2
2019	Part II, Column (d), Line 3
2020	Part II, Column (d), Line 4

- (3) Edit CCC “J” and Action Code “460.”

3.11.16.11.21.12
(01-01-2024)
Schedule J, Part II, (Part III for 2022-2018) Line 23 - Total Payments and Credits

- (1) If Line 23 (Line 21 for 2017 - 2011) is the only entry for Lines 13 through 23 (Lines 12 through 21 for 2017 - 2011), arrow the amount to Line 16 (Line 15 for 2017 - 2011).

3.11.16.11.22
(01-01-2020)
Accounting Method Code

- (1) The Accounting Method Code is transcribed from the taxpayer's response to the boxes on Form 1120, Schedule K, Line 1.
(2) No editing is required for C&E.

3.11.16.11.23
(01-01-2024)
Schedule K, Line 2a - NAICS Code

- (1) The Principal Business Activity (PBA) Code is based on the North American Industry Classification System Code (NAICS). These codes are a high priority to the Service. It is critical data for Statistics of Income, Examination, Research and other Service organizations.
(2) The NAICS Code is a four or six- digit code on Schedule K, Line 2a of Form 1120.
(3) A NAICS Code is required on all Forms 1120 (Form 1120-C, Form 1120-F, and Form 1120-FSC).

Exception: Do not edit a NAICS Code on “G” coded returns (amended returns).

- (4) Only one NAICS Code can be used on the return. Edit the NAICS Code as follows:

If...	Then...
A legible six digit NAICS Code is shown on Schedule K, Line 2a,	No editing is required.
A legible four digit NAICS Code is shown on Schedule K, Line 2a,	No editing is required.
There is more than one NAICS Code on Schedule K, Line 2a,	Circle all but the first NAICS Code listed.
Schedule K, Line 2a is blank, illegible, or other than four or six digits,	Edit NAICS Code “999999.”

3.11.16.11.24
(01-01-2013)

Schedule K, Question 3

- (1) If Schedule K, Question 3 meets one of the following conditions, a Name Control and EIN **must be edited**.

If...	And...	Then...
Question 3 is checked "Yes," or both the "Yes" and "No" boxes are checked,	The name and EIN is the same as the return name and/or EIN,	<ol style="list-style-type: none"> 1. Circle out the name and EIN, 2. Check the attachments for another name control and/or EIN, 3. Edit (from attachments) the Name Control on Line 3. If unable to find a Name Control, edit "XXXX." 4. Edit (from attachments) the TIN on Line 3. If unable to find the TIN, edit "12-9999999."
Question 3 is checked "Yes" or both the "Yes" and "No" boxes are checked,	The name and/or EIN is different from the return name and/or EIN,	<p>Underline the Name Control and TIN on Line 3.</p> <p>Note: If something other than a corporation name and/or EIN is present on Line 3, circle that information.</p>
Question 3 is checked "Yes" or both the "Yes" and "No" boxes are checked,	There is no Name and/or EIN present on Line 3,	<ol style="list-style-type: none"> 1. Check attachments for name control and/or EIN. 2. Edit from attachments the Name Control on Line 3. If unable to locate a Name Control, edit "XXXX". 3. Edit from attachments the TIN on Line 3. If unable to find the TIN, edit "12-9999999". <p>Note: If something other than a corporation name and/or EIN is present on Line 3, circle that information.</p>
Question 3 is checked "No" or neither box is checked,	A corporation name and/or EIN is present (must be different than that on the return),	<ol style="list-style-type: none"> 1. Underline the Name Control on Line 3. 2. Underline the TIN on Line 3. <p>Note: If something other than a corporation name and/or EIN is present on Line 3, circle that information.</p>
Question 3 is answered "No" or neither box is checked,	A corporation name and EIN are not present,	No editing is required.
Question 3 is answered "No" or neither box is checked,	A corporation name and EIN are the same as the return name and/or EIN,	Circle the name and/or EIN.

3.11.16.11.25
(07-05-2019)

**Schedule K, Line 7c -
Number of Form 5472**

- (1) No entry is required for Schedule K, Line 7c unless Form 5472 is present.
(2) Edit Line 7c as follows:

If...	And...	Then...
A number is present for Schedule K, Line 7c,		No editing required.
Schedule K, Line 7c is blank,	Form(s) 5472 is attached,	Edit the number of Forms 5472 in the dotted line area of Line 7c.
Form 5472 is attached,	Schedule K is not present,	Dummy a Schedule K and edit the number of Forms 5472 to Schedule K, Line 7c.

Note: If a Form 5472 is attached to a blank (no tax data), Form 1120, do not process, send the Form 1120 and Form 5472 to SOI at the following address:

Internal Revenue Service
1973 N Rulon White Blvd.
PIN Unit, Stop 6112
Ogden, UT 84201-0012

Note: Foreign-owned domestic disregarded entities are instructed to attach the Form 5472 to a pro forma Form 1120. These entities are not required to file a Form 1120 and the return should not be processed.

3.11.16.11.26
(01-01-2009)

**Schedule K, Line 12 -
NOL Carryover**

- (1) Accept taxpayer's entry.

3.11.16.11.27
(01-01-2009)

Schedule K, Question 13

- (1) This is not a transcription line and does not require editing. If the "Yes" box is checked for this question it is a sign that the taxpayer is not required to complete Schedule L, Balance Sheet entries.

3.11.16.11.28
(01-01-2020)

Schedule K, Question 16

- (1) Data will enter a "1" if the "Yes" box is checked.
(2) No editing is required.

3.11.16.11.29
(01-01-2020)

Schedule K, Question 17

- (1) Data will enter a "1" if the "Yes" box is checked.
(2) No editing is required.

3.11.16.11.30
(01-01-2020)

Schedule K, Question 18

- (1) Data will enter a "1" if the "Yes" box is checked.
(2) No editing is required.

3.11.16.11.31
(01-01-2024)
**Schedule K, Question 25
(Form 8996 - Qualified
Opportunity Fund)**

- (1) If Form 1120, Schedule K, Question 25, "Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund" is answered "Yes," search attachments for Form 8996. If Form 8996 is attached with an amount in Part III, Line 15, edit the amount to Schedule K, Question 25.

Form 8996 Revisions

Prior Year Revision	Line
2020 and later	Part III, Line 15
2019	Part III, Line 14
2018 and 2017	Part III, Line 13

- (2) See IRM 3.11.16.17, Form 8996 - Qualified Opportunity Fund, for transcription lines.
- (3) If Form 8996, Qualified Opportunity Fund, is attached, edit Return Processing Code (RPC) "6," see IRM 3.11.16.9.2, Return Processing Code (RPC), for more information.

3.11.16.11.32
(01-01-2024)
**Schedule K, Question 27
(Digital Assets)**

- (1) No editing is required.
- (2) Data will enter:
- "0" if no box is checked.
 - "1" if "Yes" box checked.
 - "2" if "No" box checked.
 - "3" if "Both" boxes checked. .

3.11.16.11.33
(01-01-2024)
**Schedule K, Lines 29a,
29b and 29c (Corporate
AMT)**

- (1) If Question 29b is marked "Yes" or Question 29c is marked "No", Form 4626 must be attached. Correspond if Form 4626 is not attached.
- (2) Data will enter:
- "0" if no box is checked.
 - "1" if "Yes" box checked.
 - "2" if "No" box checked.
 - "3" if "Both" boxes checked. .

3.11.16.11.34
(01-01-2024)
**Schedule K, Lines 30a,
30b and 30c (Stock Buy
Back)**

- (1) No editing is required.
- (2) Data will enter:
- "0" if no box is checked.
 - "1" if "Yes" box checked.
 - "2" if "No" box checked.
 - "3" if "Both" boxes checked. .

3.11.16.11.35
(01-01-2024)

Schedule K, Line 31
(Parent of Consolidated
Group)

- (1) No editing is required.
- (2) Data will enter:
- “0” if no box is checked.
 - “1” if “Yes” box checked.
 - “2” if “No” box checked.
 - “3” if “Both” boxes checked. .

3.11.16.11.36
(01-01-2022)

Schedule L, Balance
Sheet

- (1) This subsection provides instructions for processing the Balance Sheet. The Balance Sheet is found on Form 1120, Page 6 (Page 5 for 2017 and prior).

3.11.16.11.36.1
(01-12-2022)

Blank or Missing
Schedule L

- (1) Use the following chart for a Balance sheet that is blank, no significant entries (e.g., zeros) or missing and there is no attachment present with Balance Sheet entries.

Note: The following chart is listed in “Priority” order.

If ...	And ...	Then ...
The return is “Amended,”		Do not correspond.
The return is “Final,”		Do not correspond.
There are no “significant entries” on Form 1120, Page 1, Lines 1 through 27,		Do not correspond.
Form 1120, Page 1, Box D is less than \$250,000, and Total Receipts (Line 1a plus Lines 4 through 10) are less than \$250,000,		Do not correspond.
The “Yes” box is checked on Form 1120, Schedule K, Question 13,	Form 1120, Page 1, Box D is \$250,000 or more, or Total Receipts (Line 1a plus Lines 4 through 10) are \$250,000 or more,	Do not correspond. Edit a “1” to Schedule L, Line 15(d). Note: Dummy a Schedule L if necessary.

If ...	And ...	Then ...
The "cash" box on Schedule K is checked or the taxpayer has notated "Single Entry", "See Books," "Balance Sheet not available," or similar entry,	Form 1120, Page 1, Box D is \$250,000 or more, or Total Receipts (Line 1a plus Lines 4 through 10) are \$250,000 or more,	Do Not correspond. Edit a "1" to Schedule L, Line 15(d). Note: Dummy a Schedule L if necessary.
Form 1120, Page 1, Box D is \$250,000 or more, or Total Receipts (Line 1a plus Lines 4 through 10) are \$250,000 or more,		Correspond for Schedule L.

- (2) If Schedule L is required and blank or missing, but an attachment is present with significant Schedule L amounts, edit the applicable line entries from the attachment. If necessary insert a blank Schedule L to edit the applicable entries. Then follow the instructions in IRM 3.11.16.11.36.1, Editing a Balance Sheet with Significant Entries.

DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20_____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2023

A Check if:
1a Consolidated return (attach Form 851) ☐
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐
4 Schedule M-3 attached ☐

TYPE OR PRINT
Name **Elm Investments Inc.**
Number, street, and room or suite no. If a P.O. box, see instructions.
1234 Cedar St.
City or town, state or province, country, and ZIP or foreign postal code
Santa Fe, NM 87501

B Employer identification number
00-6658320

C Date incorporated
1-3-85

D Total assets (see instructions)
\$ **0**

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Income	1a	Gross receipts or sales	1a	290,000	
	b	Returns and allowances	1b		
	c	Balance. Subtract line 1b from line 1a	1c		290,000
	2	Cost of goods sold (attach Form 1125-A)	2		
	3	Gross profit. Subtract line 2 from line 1c	3		290,000
	4	Dividends and inclusions (Schedule C, line 23)	4		
	5	Interest	5		
	6	Gross rents	6		
	7	Gross royalties	7		
	8	Capital gain net income (attach Schedule D (Form 1120))	8		
	9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10	Other income (see instructions—attach statement)	10			
11	Total income. Add lines 3 through 10	11		290,000	

DRAFT

Form 1120 (2023) **Page 4**

Schedule K Other Information (see instructions)

1 Check accounting method: a ☒ Cash b ☐ Accrual c ☐ Other (specify) _____ Yes No

2 See the instructions and enter the:

a Business activity code no. _____

10 Enter the number of shareholders at the end of the tax year (if 100 or fewer) _____

11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here (see instructions) ☐
If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.

12 Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a) \$ _____

Form 1120 (2023)

"Cash" box is checked.

DRAFT

Form 1120 (2023) **Page 6**

Schedule L Balance Sheets per Books

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization				
14 Other assets (attach statement)				
15 Total assets				
Liabilities and Shareholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Total liabilities (attach statement)				

Edit "1" to Schedule L, line 15, column (d)

Figure 3.11.16-22 Edited Name Control

3.11.16.11.36.2
(01-01-2024)

**Editing a Balance Sheet
with Significant Entries**

- (1) To determine if editing a Balance Sheet that has significant entries is necessary follow the chart below:

Note: The following chart is listed in "Priority" order.

If ...	And ...	Then ...
The return is "Amended,"		No action is required. The Balance sheet will not be transcribed.
The return is "Final,"		Delete the Balance Sheet.
There are no "significant entries" on Form 1120, Page 1, Lines 1 through 27,		Delete the Balance Sheet.
The "Yes" box is checked on Form 1120, Schedule K, Question 13,	Form 1120, Page 1, Box D is less than \$250,000, and Total Receipts (Line 1a plus Lines 4 through 10) are less than \$250,000,	Delete the Balance Sheet.
None of these conditions exist,		Continue editing the Balance Sheet.

- (2) Place Page 6 (Page 5 for 2017 and prior), Schedule L in sequence order when the Balance Sheet is required.
- (3) Edit Balance Sheet amounts in dollars only.
- (4) The following lines are transcribed fields:

Note: Letters in brackets "()" designate columns.

- Trade Notes and Accounts Receivable - Ending Schedule L, Line 2a(c) (positive/negative)
- Loans to Shareholders - Ending Schedule L, Line 7(d) (positive/negative)
- Less Accumulated Depreciation - Ending Schedule L, Line 10b(d) (positive)
- Total Assets - Beginning Schedule L, Line 15(b) (positive/negative)
- Total Assets - Ending Schedule L, Line 15(d) (positive/negative)
- Other Current Liabilities - Ending Schedule L, Line 18(d) (positive/negative)
- Loans from Shareholders - Ending Schedule L, Line 19(d) (positive/negative)
- Other Liabilities - Ending Schedule L, Line 21(d) (positive/negative)
- Preferred Stock - Schedule L, Line 22a(a) (positive)
- Preferred Stock - Schedule L, Line 22a(c) (positive)
- Common Stock - Schedule L, Line 22b(a) (positive)

- Common Stock - Schedule L, Line 22b(b) (positive)
 - Common Stock - Schedule L, Line 22b(c) (positive)
 - Capital Stock - Ending Schedule L, Line 22b(d) (positive)
 - Retained Earnings - Unappropriated - Beginning Schedule L, Line 25(b) (positive/negative)
 - Loss cost of treasury stock - Beginning Schedule L, Line 27(b) (positive/negative)
 - Loss cost of treasury stock - Ending Schedule L, Line 27(d) (positive/negative)
 - Total Liabilities - Ending Schedule L, Line 28(d) (positive)
- (5) When it is necessary to edit Schedule L, Balance Sheet entries, follow the instructions below:
- a. "X" negative entries on Lines 10b(d), 22a(a), 22a(c), 22b(a), 22b (c), 22b(d), and 28(d). Accept negative entries on Lines 2a(c), 7(d), 15(b), 15(d), 18(d), 19(d), 21(d), 25(b), 27(b) and 27(d) only.
 - b. If line titles on Schedule L have been changed, edit the items which are to be perfected to their proper location on the return.
 - c. Edit lines as follows:

If ...	And ...	Then ...
There is no entry on Line 2a, Column (c),	Line 2b, Column (c) has an entry,	<ul style="list-style-type: none"> • Add Line 2b(c) to Line 2b(d) and edit the total to Line 2a, Column (c). • Bracket if negative.
There is no entry on Line 2a, Column (c),	Line 2b, Column (c) is blank,	<ul style="list-style-type: none"> • Edit the Line 2b(d) amount to Line 2a(c) if present. • Bracket if negative.
There is no entry on Line 10b, Column (d),		<ul style="list-style-type: none"> • Compute and enter Line 10b, Column (d) by subtracting the Line 10b, Column (c) amount from Line 10a, Column (c). • Positive only.
There is no entry on Line 15, Column (b),	Lines 2b, 10b, 11b, and 13b, Column (b) are blank,	Use right Column (a) entries (if present) to compute Column (b) entries.

If ...	And ...	Then ...
There is no entry on Line 15, Column (b),	Entries are present on Lines 1 through 14, Column (b),	<ul style="list-style-type: none"> Add Lines 1 through 14, Column (b) and edit the total to Line 15, Column (b). Bracket if negative.
There is no entry on Line 15, Column (d),	Lines 2b, 10b, 11b, and 13b, Column (d) are blank,	Use right Column (c) entries (if present) to compute Column (d) entries.
There is no entry on Line 15, Column (d),	Entries are present on Lines 1 through 14, Column (d),	<ul style="list-style-type: none"> Add Lines 1 through 14, Column (d) and edit the total to Line 15, Column (d). Bracket if negative.
After computing Balance Sheet, Line 15, Column (d) is still blank, zero, dash, "none" or "N/A,"	Form 1120, Page 1, Box D is \$250,000 or more, or Total Receipts (Line 1a plus Lines 4 through 10) are \$250,000 or more,	Edit a "1" on Line 15(d).
If Line 22b, Column (d) is blank,		<ul style="list-style-type: none"> Add Line 22a, Column (c) and Line 22b, Column (c) and edit the total to Line 22b, Column (d). Positive only.
There is no entry on Line 28, Column (d),		<ul style="list-style-type: none"> Compute and enter Line 28, Column (d) by adding Lines 16 through 27, Column (d). Positive only.

3.11.16.11.37
(01-01-2010)

**Schedule N (Form 1120)
- Foreign Operations of
U.S. Corporations**

- (1) Schedule N (Form 1120), Foreign Operations of U.S. Corporations is valid for tax periods beginning 01-01-2000. Delete Schedule N if the tax period begins before 01-01-2000.
- (2) Corporations that, at any time during the tax year, have assets in or operate a business in a Foreign Country or U.S. possession may have to file Schedule N (Form 1120) with Form 1120, Form 1120-C, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC.
- (3) Do **not** correspond if Schedule N is missing. Dummy a Schedule N and edit the applicable entries when Form 5471, Form 8865, or Form 8873 are attached to the tax return.
- (4) If Schedule N is present and has no entries, do not correspond.
- (5) If more than one Schedule N is attached, combine the information from all Schedules N, including all subsidiaries and:
 - a. Edit to the first Schedule N that has the EIN of the return being processed. "Staple up" any remaining Schedules N, or
 - b. Dummy and edit a Schedule N, for the parent return if one is not present on a consolidated return.

3.11.16.11.37.1
(01-01-2009)

**Schedule N, Line 1 -
Form 8858, Foreign
Disregarded Entities**

- (1) Beginning tax period 2004 Form 8858, Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), will be required to be filed by U.S. persons that are tax owners of Foreign Disregarded Entities.
- (2) Edit Audit Code "2" if:
 - a. Schedule N, Question 1a is answered "Yes."
 - b. Form 8858 is present.

3.11.16.11.37.2
(01-01-2012)

**Schedule N, Line 2 -
Number of Forms 8865**

- (1) No entry is required for Schedule N, Line 2 unless Form 8865 is present.
- (2) If Form 8865, Schedule G is attached, edit RPC "E."
- (3) If Form 8865, Schedule H is attached, edit RPC "F."
- (4) Edit Line 2 as follows:

If...	And...	Then...
A number is present for Schedule N, Question 2,		Take no further action.
Schedule N, Line 2 is blank,	Form(s) 8865 is attached,	Edit the number of Forms 8865 in the dotted line area of Question 2.
Form 8865 is attached,	Schedule N is not present,	Dummy a Schedule N and edit the number of Forms 8865 to Schedule N, Line 2.

- (5) For Form 1120, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC, edit Audit Code "2" if Form 8865 is attached, see IRM 3.11.16.10.1, Audit Codes.

3.11.16.11.37.3
(01-01-2012)

**Schedule N, Line 3 -
Form 8865 Question**

- (1) For Form 1120, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC, edit Audit Code “2” if Schedule N, Question 3 is answered “Yes” or Form 8865 is attached, see IRM 3.11.16.10.1, Audit Codes.

3.11.16.11.37.4
(01-01-2023)

**Schedule N, Lines 4a
and 4b- Form 5471,
Controlled Foreign
Corporation**

- (1) Line 4a - Reserved for future use.
- a. For prior year returns (2019 and prior revisions), edit Audit Code “2” if Schedule N, Question 4a is answered “Yes.”
- (2) Line 4b - Edit Audit Code “2” if Form 5471 is attached, see IRM 3.11.16.10.1, Audit Codes.
- (3) Edit Return Processing Codes as follows:

If ...	Then ...
Form 5471, Schedule E, Income, War Profits, and Excess Profits Taxes Paid or Accrued, is attached,	Edit RPC “A.”
Form 5471, Schedule H, Current Earnings and Profits, is attached,	Edit RPC “B.”
Form 5471, Schedule I-1, Information for Global Intangible Low-Taxed Income, is attached,	Edit RPC “C.”
Form 5471, Schedule P, Previously Taxed Earnings and Profits of U.S. Shareholder of Certain Foreign Corporations, is attached,	Edit RPC “D.”
Form 5471, Schedule G-1, Cost Sharing Arrangement is attached,	Edit RPC G.

- (4) No entry is required for Schedule N, Line 4b unless Form 5471 is present.
- (5) Edit Schedule N, Line 4b as follows:

If...	And...	Then...
A number is present for Schedule N, Line 4b,		Take no further action.

If...	And...	Then...
Schedule N, Line 4b is blank,	Form(s) 5471 is attached,	Edit the number of Forms 5471 in the dotted line area of Question 4b. Note: Document Perfection is responsible for determining the number of any and all Form(s) 5471 received, whether attached to a parent return in a consolidated group, or found as an attachment to a subsidiary return.
Form 5471 is attached,	Schedule N is not present,	Dummy a Schedule N and edit the number of Forms 5471 to Schedule N, Line 4b.

3.11.16.11.37.5
(01-01-2012)
**Schedule N, Line 5 -
Form 3520 Question**

- (1) For Form 1120, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC, edit Audit Code "2" if Schedule N, Question 5 is answered "Yes" or Form 3520 is attached, see IRM 3.11.16.10.1, Audit Codes.

3.11.16.11.37.6
(01-01-2019)
**Schedule N, Line 6b -
Foreign Country Code**

- (1) Edit Schedule N, Line 6b as follows:

If...	Then...
The taxpayer has entered the name of a Foreign Country in Question 6b,	Edit the two letter "Country Code" to the left of Question 6b. See Acceptable Foreign Countries in Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes, and Countries. Exception: Edit Country Code "OC" if the foreign country is not listed in Document 7475 or a U.S. Possession is listed on Box A.
No Foreign Country is present or "US," "USA," "America" or similar reference to the United States is present, and Box 6a is checked "Yes,"	Edit Country Code, "OC."
More than one Foreign Country is present,	Edit the Country Code of the first Foreign Country shown.

Note: Use "UK" for England, Northern Ireland, Scotland, and Wales. Also, "Holland" is not an official country name, but is part of The Netherlands, "NL."

3.11.16.11.37.7
(01-01-2023)

**Schedule N, Line 7a -
Form 8873 Question**

- (1) For Form 1120, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC, edit Audit Code "2" if Schedule N, Question 7a is answered "Yes," see IRM 3.11.16.10.1, Audit Codes.

3.11.16.11.37.8
(01-01-2013)

**Schedule N, Line 7b -
Number of Forms 8873**

- (1) No entry is required for Schedule N, Line 7b unless Form 8873 is present.

Note: Input of Command Code (CC) REQ77 with IDRS Transaction Code TC 971 and right IDRS Action Code (depending on which election has been made) may be needed when Form 8873 is present, see IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion.

- (2) Edit Schedule N, Line 7b as follows:

If...	And...	Then...
A number is present for Schedule N, Question 7b,	Form(s) 8873 is attached,	Process Form 8873. <ul style="list-style-type: none"> See IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion.
A number is present for Schedule N, Question 7b,	Form(s) 8873 are not attached,	Take no further action.
Schedule N, Line 7b is blank,	Form(s) 8873 is attached,	<ol style="list-style-type: none"> Edit the number of Forms 8873 in the dotted line area of Question 7b. Process Form 8873. <ul style="list-style-type: none"> See IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion.
Form 8873 is attached,	Schedule N is not present,	<ol style="list-style-type: none"> Dummy a Schedule N and edit the number of Forms 8873 to Line 7b of Schedule N. Process Form 8873. <ul style="list-style-type: none"> See IRM 3.11.16.12 Form 8873 - Extraterritorial Income Exclusion.

3.11.16.11.37.9
(01-01-2009)

**Schedule N, Line 7c -
Total Extraterritorial
Income Exclusion**

- (1) No entry is required for Schedule N, Line 7c unless Form 8873 is present.

- (2) Edit Schedule N, Line 7c as follows:

If...	And...	Then...
An amount is present for Schedule N, Question 7c,	Form 8873 is attached,	Process Form 8873. <ul style="list-style-type: none"> See IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion.
An amount is present for Schedule N, Question 7c,	Form 8873 is not attached,	Take no further action.

If...	And...	Then...
Schedule N, Line 7c is blank,	Form(s) 8873 is attached,	<ol style="list-style-type: none"> 1. Compute the total amount of extraterritorial income exclusion from Line 52 and edit to the area provided on Line 7c. 2. Process Form 8873. <ul style="list-style-type: none"> • See IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion.
Form 8873 is present with a significant entry on Line 52,	Schedule N is not attached,	<ol style="list-style-type: none"> 1. Dummy a Schedule N and compute the total amount of extraterritorial income exclusion from all attached Forms 8873. Edit the total to the area provided on Schedule N, Line 7c. 2. Process Form 8873. <ul style="list-style-type: none"> • See IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion.

Reminder: Form 8873, Extraterritorial Income Exclusion, requires TC "971" input, see IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion.

3.11.16.11.37.10
(01-01-2024)

**Schedule N, Line 8 -
Form 8938, Statement of
Specified Foreign
Financial Assets**

- (1) For Tax Year (TY) 202101 and later, Form 8938, Statement of Foreign Financial Assets, will be transcribed into the General Purpose Program (GPP) database.

Note: These instructions only apply to Form 1120.

- (2) Process Form 8938 with the following criteria:
- a. The Tax Period Beginning on Form 1120 is 202101 or later and,
 - b. Form 8938 is a 2021 or later and,
 - c. Form 8938 has significant entries.
- (3) If Form 8938 is attached, but does not meet the above criteria, edit CCC "2" and continue normal processing of the Form 1120. Do not sequence the form to the back of the return, or place the form in a designated basket.
- (4) If Form 8938 is attached and meets the criteria in paragraph (2), process Form 8938 per the instructions below:
- a. Completely edit Form 1120.
 - b. Edit CCC "2."
 - c. Pull the Form 8938 from the return and sequence to the back of the last page of Form 1120 (after schedules and attachment pages), attaching the Form 8938 so that it is back- to- back with the parent return.
 - d. Place the Form 1120 in a designated basket.
 - e. Only one Form 8938, Pages 1 and 2, can be processed. If multiple Forms 8938 are attached, select the form that has the highest account

value in Part V, Line 23 (Line 4 for revision 2020 and prior) or highest asset value in Part VI, Line 32 (Line 4 for revision 2020 and prior) and delete the others.

Note: The Form 8938 can have multiple “Additional or Continuation Statements.” Do not confuse the multiple additional or continuation statements with multiple Forms 8938.

- (5) Form 1120 with Form 8938 attached must be batched separately. The transcription of Form 8938 will occur under Program Code 43300 after the parent Form 1120 has been transcribed using normal procedures.

3.11.16.11.38
(01-01-2020)

**Schedule O (Form 1120)
- Consent Plan and
Apportionment Schedule
for a Controlled Group**

- (1) The instructions in this subsection (paragraphs 2 through 4) only apply to tax periods 201811 and prior. If a Schedule O is attached to a Form 1120 for tax period 201812 and later, do the following:

If ...	Then ...
Schedule O is in sequence order,	Line through Schedule O, Parts II and III (old revision), Part II (new revision).
Schedule O is not in sequence order,	No action needed.

- (2) This subsection includes instructions for processing Schedule O (Form 1120).
- (3) Schedule O (Form 1120) replaces the Controlled Group tax computation previously included on Schedule J, Lines 2a(1) through 2b(2) for 2005 and prior tax returns.
- (4) If Controlled Group Code “1” or “4” is edited on a prior year return, dummy a Schedule O and edit significant **positive** amounts as follows:
- Schedule J, Line 2a(1) to Schedule O, Part II, Line 1, Column (c).
 - Schedule J, Line 2a(2) to Schedule O, Part II, Line 1, Column (d).
 - Schedule J, Line 2a(3) to Schedule O, Part II, Line 1, Column (e).
 - Schedule J, Line 2b(1) to Schedule O, Part III, Line 1, Column (f).
 - Schedule J, Line 2b(2) to Schedule O, Part III, Line 1, Column (g).

3.11.16.11.38.1
(01-01-2019)

**Schedule O, Part II, Line
1 - Taxable Income
Apportionment**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit Schedule O, Part II, Line 1 as follows:

If...	And...	Then...
Schedule O is attached and the parent corporation's taxable income apportionment amounts are present in Part II,	The amounts are entered on Line 1,	“X” any negative entries on Line 1, Columns (c), (d), or (e).

If...	And...	Then...
Schedule O is attached and the parent corporation's taxable income apportionment amounts are present in Part II,	The amounts are entered on a line other than Line 1,	<ol style="list-style-type: none"> 1. Line out Line 1 and renumber the parent corporation taxable income apportionment amounts as Line "1." 2. "X" any negative entries on Line 1, Columns (c), (d), or (e).
<p>A Controlled Group Code was edited; there are no entries on any of Schedule O, Part II, Line 1, Columns (c), (d), and (e), or Schedule O is missing,</p> <p>Note: A taxpayer may be a member of a controlled group with an allocation of zero ("0") in each of the three taxable income brackets. In this case no entry will be necessary on Line 1, Part II, Columns (c), (d), and (e);</p>	Taxable income brackets are found on an attachment, (See Note below for examples.)	<p>Edit the positive taxable income bracket amounts to Schedule O, Line 1, Columns (c), (d), and (e).</p> <p>Note: Dummy a Schedule O if needed.</p>
<p>A Controlled Group Code was edited; there are no entries on any of Schedule O, Part II, Line 1, Columns (c), (d), and (e), or Schedule O is missing,</p> <p>Note: A taxpayer may be a member of a controlled group with an allocation of zero ("0") in each of the three taxable income brackets. In this case no entry will be necessary on Line 1, Part II, Columns (c), (d), and (e);</p>	No taxable income brackets are found,	<p>Correspond for taxable income bracket amounts.</p> <ul style="list-style-type: none"> • Exception: Do not correspond if: <ol style="list-style-type: none"> 1. There is no indication of an income tax liability on Form 1120, Schedule J, Line 2, or 2. The taxable income on Form 1120, Page 1, Line 30 is zero (0), or a negative amount, or 3. Schedule O (Form 1120), Page 1, Box 3c or Box 4a is checked.
No Controlled Group Code was edited, see IRM 3.11.16.11.11(4), Schedule J, Page 3 - Controlled Group Code / Personal Service Corporation Code / Tax Computation,		Delete Schedule O.

(3) Entries may be shown on an attached allocation/apportionment schedule. Some examples of the title of these schedules may be:

- “apportionment plan”
- “apportionment consent plan”
- “consent to apportionment”
- “controlled group tax apportionment plan”
- “surtax apportionment plan”
- “allocation schedule”

- (4) The attachment may identify the amounts by the tax rate and/or taxable income bracket. Column (c) is the \$50,000 taxable income bracket taxed at 15 percent, Column (d) is the \$25,000 taxable income bracket taxed at 25 percent and Column (e) is the \$9,925,000 taxable income bracket taxed at 34 percent.
- (5) Any attachment labeled as “controlled group tax calculation statement” is not an apportionment plan and not used to edit tax bracket amounts on Schedule O.

3.11.16.11.38.2
(01-01-2019)

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.

Schedule O, Part III, Line 1 - Income Tax Apportionment

- (2) Edit Part III, Line 1 as follows:

If...	And...	Then...
The parent corporation's income tax apportionment amounts are present in Part III,	The amounts are entered on Line 1,	“X” any negative entries on Line 1, Columns (f) and (g).
The parent corporation's income tax apportionment amounts are present in Part III,	The amounts are entered on a line other than Line 1,	1. Line out Line 1 and renumber the parent corporation income tax apportionment amounts as Line “1”. 2. “X” any negative entries on Line 1, Columns (f) and (g).
A Controlled Group was edited,	Part III, Line 1, Column (f) is blank,	Check attachments for possible entry (additional 5 percent tax): a. If found, edit the positive amount to Line 1, Column (f). b. If not found, continue processing.
A Controlled Group was edited,	Part III, Line 1, Column (g) is blank,	Check attachments for possible entry (additional 3 percent tax): a. If found, edit the positive amount to Line 1, Column (g). b. If not found, continue processing.

3.11.16.12
(01-01-2023)

Form 8873 - Extraterritorial Income Exclusion

- (1) Document Perfection is responsible for processing Part I of Form 8873, “Elections and Other Information.” Elections are identified by inputting Command Code FRM77 with Transaction Code “971” and IDRS Action Code “361,” “362,” or “363” depending on which election has been made. See the following subsections for specific instructions:

- IRM 3.11.16.12.1, Part I, Line 1 - IRC 942(a) (3) Election.
- IRM 3.11.16.12.2, Part I, Line 2 - Extraterritorial Income Exclusion in lieu of Election.
- IRM 3.11.16.12.3, Part I, Line 3 - Domestication Election.

Note: “Action Codes” referenced in the Form 8873 instructions are IDRS Action Codes, not to be confused with ERS Action Codes. IDRS Action Codes should only be edited as part of the Action Trail (e.g., TC 971-361).

- (2) It is necessary to process all Forms 8873 attached to a return, including those attached to subsidiary returns on a consolidated return.
- (3) If Part I, Lines 1 - 3 of the Form 8873 are not checked, then no TC “971” needs to be edited.

3.11.16.12.1
(01-01-2014)
**Part I, Line 1 - IRC
942(a)(3) Election**

- (1) If the box is marked for Part I, Line 1 of Form 8873, enter TC “971” with IDRS Action Code “361.” Use the current date for the Effective Date.

Note: Edit Action Trail (e.g., “TC 971-361”) in the lower left margin going vertically up the side of the return.

3.11.16.12.2
(01-01-2013)
**Part I, Line 2 -
Extraterritorial Income
Exclusion in lieu of
Election**

- (1) If the box is marked for Part I, Line 2 of Form 8873 enter TC “971” with IDRS Action Code “362.” Use the current date for the Effective Date.

Note: Edit Action Trail (e.g., “TC 971-362”) in the lower left margin going vertically up the side of the return.

3.11.16.12.3
(01-01-2013)
**Part I, Line 3 -
Domestication Election**

- (1) If the box is marked for Part I, Line 3 of Form 8873 enter TC “971” with IDRS Action Code “363.” Use the current date for the Effective Date.

Note: Edit Action Trail (e.g., “TC 971-363”) in the lower left margin going vertically up the side of the return.

3.11.16.13
(01-01-2024)
**Form 4626 - Corporate
Alternative Minimum Tax
(CAMT) (Tax Period
202301 and later)**

- (1) The instructions in this subsection apply to tax periods 202301 and later.
- (2) Place Form 4626 in sequence order if significant entries are present on any of the following lines:
 1. Question A is checked
 2. Question B is checked
 3. Part I, Line 1a, Column a
 4. Part I, Line 1a, Column b
 5. Part I, Line 1a, Column c
 6. Part I, Line 1f, Column a
 7. Part I, Line 1f, Column b
 8. Part I, Line 1f, Column c
 9. Part I, Line 5, Column a
 10. Part I, Line 5, Column b
 11. Part I, Line 5, Column c
 12. Part I, Line 13, Column a
 13. Part I, Line 13, Column b
 14. Part I, Line 13, Column c

- 15. Part I, Line 15
- 16. Part II, Line 1a
- 17. Part II, Line 1f
- 18. Part II, Line 4
- 19. Part II, Line 5
- 20. Part II, Line 8
- 21. Part II, Line 9
- 22. Part II, Line 13

- (3) Edit RPC "N" if Form 4626 (2023 Revision) is attached. See IRM 3.11.16.9.2, Return Processing Code.

3.11.16.13.1
(01-01-2024)

**Form 4626 - Alternative
Minimum Tax (Tax
Period 201811 and prior)**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Taxpayers may sometimes include more than one Form 4626 with the return. If more than one Form 4626 is present, compute the totals and edit the right transcription lines.
- (3) If Form 4626 is attached, perfect the following lines, as necessary:
- a. Line 3 - Pre-adjustment Alternative Minimum Taxable Income (AMTI). If there is no entry on Line 3, but any of Lines 1 or Lines 2a through 2o have an entry, compute Line 3. Bracket if negative.
 - b. Line 4e - Adjusted current earning (ACE) adjustment. Accept taxpayer's entry.
 - c. Line 6 - Alternative tax net operating loss deduction. Accept positive taxpayer's entry. "X" negative entry.
 - d. Line 11 - Alternative minimum tax foreign tax credit. Accept positive taxpayer's entry. "X" negative entry.

3.11.16.14
(01-14-2021)

**Schedule D - Capital
Gains and Losses**

- (1) Edit the Schedule D as follows:

If...	Then...
<p>All the following conditions apply:</p> <p>a. Form 1120 is for 2012 tax year or later and</p> <p>b. The Schedule D is a 2012 or later revision and</p> <p>c. Significant entries are present on one or more of the transcription lines or checkbox is marked.</p> <ul style="list-style-type: none"> • Transcription lines for 2019 and subsequent: <ul style="list-style-type: none"> • Checkbox above Part I, • Part I, Line 1a, Columns (d) and (e), Lines 1b - 3, Columns (d), (e), and (g), • Part II, Lines 8a, Columns (d) and (e), Lines 8b - 10, Columns (d), (e), and (g), • Line 14, • Transcription lines for 2013 through 2018: <ul style="list-style-type: none"> • Part I, Line 1a, Columns (d) and (e), Lines 1b -3, Columns (d), (e), and (g), • Part II, Lines 8a, Columns (d) and (e), Lines 8b - 10, Columns (d), (e), and (g), • Line 14, • Transcription lines for 2012: <ul style="list-style-type: none"> • Lines 1-3 Columns (d) and (e), • Lines 8-10 Columns (d) and (e), • Line 14, 	<ol style="list-style-type: none"> 1. Place Schedule D in sequence order 2. Edit Schedule D in dollars only. 3. For 2013 revisions and later: "X" any negative transcription entries, except Lines 1b(g), 2(g), 3(g), 8b(g), 9(g) and 10(g). These lines can be positive or negative. 4. For 2012 revisions: "X" any negative transcription entries and change Line 1 to 1b and Line 8 to 8b.
Criteria above is not met,	Cross out or slash the Schedule D.

3.11.16.15 (01-01-2022)
Form 4797 - Sales of Business Property (Form 1120 Only)

(1) Line 1b - No editing necessary.

(2) Line 1c - No editing necessary.

3.11.16.16 (01-01-2021)
Form 8949 - Sales and Other Dispositions of Capital Assets

(1) Form 8949, Sales and Other Dispositions of Capital Assets, is valid for tax periods ending 201712 and later. See Figure 3.11.16-23.

(2) If the taxpayer entered a "Z" or "Y" in any of the rows in either Part I, Line 1, Column (f), or Part II, Line 1, Column (f), of Form 8949, do the following:

a. Place the form in sequence order. If there is more than one Form 8949 attached, sequence the Form 8949 with the edited data.

3.11 Returns and Documents Analysis

- b. Edit CCC "M."
- c. If the taxpayer entered a "Z" in any of the rows in either Part I, Line 1, Column (f), or Part II, Line 1, Column (f), of Form 8949, edit as follows:

If ...	Then ...
EIN is present in Column (a),	Underline the EIN.
No EIN is present in Column (a) or is illegible,	No action is needed.
A Date Acquired is present in Column (b) and the day, month, and year are present,	Underline the Date Acquired.
A Date Acquired is present in Column (b) and the day, month, and year are not present,	No action is needed.
A dollar amount is present in Column (g),	Underline the dollar amount.
No dollar amount is present in Column (g),	No action is needed.
If more than one row has a "Z" in Column (f),	Edit "Z-1" to the right margin of Part I, Line 1, Row 1.

- d. If the taxpayer entered a "Y" in any of the rows in either Part I, Line 1, Column (f), or Part II, Line 1, Column (f), of Form 8949, edit as follows:

If ...	Then ...
EIN is present in Column (a),	Underline the EIN.
No EIN is present in Column (a) or is illegible,	No action is needed.
Date Sold or Disposed of is present in Column (c) and the day, month, and year are present,	Underline the Date Sold or Disposed of.
Date Sold or Disposed of is present in Column (c) and the day, month, and year are not present,	No action is needed.
A dollar amount is present in Column (g),	Underline the dollar amount.
No dollar amount is present in Column (g),	No action is needed.
If more than one row has a "Y" in Column (f),	Edit "Y-1" to the right margin of Part I, Line 1, Row 1.
If "Z-1" is edited,	Edit "Y-1" under "Z-1."

DRAFT

Form **8949** Sales and Other Dispositions of Capital Assets

Department of the Treasury
Internal Revenue Service

File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.
Go to www.irs.gov/Form8949 for instructions and the latest information.

OMB No. 1545-0074
2023
Attachment Sequence No. **12A**

Name(s) shown on return **Hemlock Inc.** Social security number or taxpayer identification number **00-0654375**

Before you check Box A, B, or C below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part I Short-Term. Transactions involving capital assets you held 1 year or less are generally short-term (see instructions). For long-term transactions, see page 2.

Note: You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 1a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box A, B, or C below. Check only one box. If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

☐ (A) Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
☐ (B) Short-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
☒ (C) Short-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis See the Note below and see Column (f) in the separate instructions.	Adjustment, if any, to gain or loss if you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g).
						(f) Code(s) from instructions	(g) Amount of adjustment	
	<u>00-3451236</u>	<u>2/14/23</u>				Z	<u>(2,000)</u>	(2,000) Z-1
	00-7944567	6/25/23				Z	(500)	(500)

DRAFT

Form **1120** U.S. Corporation Income Tax Return

Department of the Treasury
Internal Revenue Service

For calendar year 2023 or tax year beginning _____, 2023, ending _____, 20 _____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2023

A Check if:
 1a Consolidated return (attach Form 851) ☐
 b Life/nonlife consolidated return ☐
 2 Personal holding co. (attach Sch. PH) ☐
 3 Personal service corp. (see instructions) ☐
 4 Schedule M-3 attached ☐

NAME
Hemlock Inc.
 Number, street, and room or suite no. If a P.O. box, see instructions.
56 Chestnut Lane
 City or town, state or province, country, and ZIP or foreign postal code
San Jose, CA 95101

B Employer identification number
00-0654375

C Date incorporated
March 25, 2002

D Total assets (see instructions)
\$ 25,500

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a	Gross receipts or sales	35,200	
1b	Returns and allowances		
1c	Balance. Subtract line 1b from line 1a	35,200	
2	Cost of goods sold (attach Form 1125-A)		
3	Gross profit. Subtract line 2 from line 1c	35,200	
4	Dividends and inclusions (Schedule C, line 23)		

Figure 3.11.16-23 Example of Form 8949, Part I, Line 1 with a "Z" in the first row of Column (f).

3.11.16.17
(01-01-2022)**Form 8996 - Qualified
Opportunity Fund**

(1) Form 8996 is valid for tax periods ending 201712 and later. See Exhibit 3.11.16-13, Form 8996 - Prior Year Conversion Chart.

(2) The table below shows Form 8996 revision line numbers:

Form 8996 Revisions

2021 and later	2020	2019	2018 and 2017
Line 5	Line 5	Line 5	N/A
Line 6	N/A	N/A	N/A

2021 and later	2020	2019	2018 and 2017
Line 7	Line 7	Line 6	Line 5
Line 8	Line 8	Line 7	Line 6
Line 10	Line 10	Line 9	Line 8
Line 11	Line 11	Line 10	Line 9
Line 14	Line 14	Line 13	Line 12
Line 15	Line 15	Line 14	Line 13

- (3) Place Form 8996 in sequence order if significant entries are present on any of the lines in paragraphs (4) through (10) below:

Note: Only Part III, Lines 14 and 15 require editing.

- (4) Part I, Line 5 - checkbox is checked.
- (5) Part I, Line 6 - Reserved for Future Use.
- (6) Part II, Line 7 - Total qualified opportunity zone property held by the taxpayer on the last day of the first 6-month period of the taxpayer's tax year.
- (7) Part II, Line 8 - Total assets held by the taxpayer on the last day of the first 6-month period of the taxpayer's tax year.
- (8) Part II, Line 10 - Total qualified opportunity zone property held by the taxpayer on the last day of the taxpayer's tax year.
- (9) Part II, Line 11 - Total assets held by the taxpayer on the last day of the taxpayer's tax year.
- (10) Part III, Line 14 - Perfect line 14 as follows:
- Edit the percent on Line 14 in 0.00 format. For example, edit 50 percent as 0.50.
 - If the entry is greater than 1.00, "X" the entry on Line 14. For example, the entry is 1.23 or 1.23 percent.
- (11) Part III, Line 15 - Perfect Line 15 as follows:
- If Form 8996, Part III, Line 15 is blank and Part IV, Line 8 has an amount, edit Part IV, Line 8 to Part III, Line 15 in dollars and cents.
- (12) Edit Return Processing Code (RPC) "6," see IRM 3.11.16.9.2, Return Processing Code (RPC), for more information.
- (13) See the following IRM references:
- Form 1120 - IRM 3.11.16.11.31, Schedule K, Question 25 (Form 8996 - Qualified Opportunity Fund)
 - Form 1120-F - IRM 3.11.16.33.24, Page 3, Question II (Form 8996 - Qualified Opportunity Fund)
 - Form 1120-REIT - IRM 3.11.16.39.29, Schedule K, Question 12 (Qualified Opportunity Fund - Form 8996)

3.11.16.18
(01-01-2022)

Form 1125-A - Cost of Goods Sold

- (1) Place Form 1125-A in sequence order if significant entries are present on Lines 1, 6, or 7.
- (2) Edit Form 1125-A in dollars only.
- (3) Line 1 is "Inventory at Beginning of Year." If Line 1 is blank, edit from the taxpayer's attachment, see Figure 3.11.16-24.
- (4) Line 6 is "Total Cost of Goods." If Line 6 is blank, do one of the following:
 - a. Add Lines 1 through 5 and edit the total to Line 6, or
 - b. Perfect from attachments if possible for a Line 6 total, see Figure 3.11.16-24, or
 - c. Edit the positive amount from line 2, page 1 of Form 1120 to line 6 of Form 1125-A.
- (5) Line 7 is "Inventory at End of Year." If Line 7 is negative "X" the amount. If Line 7 is blank, enter from taxpayer's attachment, see Figure 3.11.16-24.
- (6) Forms 1125-A must be dummied if missing and if Lines 1, 6, and/or 7 can be edited. Use instruction in 2-5 above to edit lines. Place Form 1125-A in sequence order.

Form 1125-A <small>(Rev. November 2018) Department of the Treasury Internal Revenue Service</small>		Cost of Goods Sold <small>► Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065. ► Go to www.irs.gov/Form1125A for the latest information.</small>		<small>OMB No. 1545-0123</small>	
Name Birch Inc.				Employer identification number 00-1598754	
1	Inventory at beginning of year	1	14789		
2	Purchases	2			
3	Cost of labor	3			
4	Additional section 263A costs (attach schedule)	4			
5	Other costs (attach schedule)	5			
6	Total. Add lines 1 through 5	6	106761		
7	Inventory at end of year	7	17527		
8	Cost of goods sold. Sum of lines 1 through 5, or the appropriate line of your tax return.	8			
9a	Check all methods used to compute cost of goods sold:				

Schedule A—Cost of Goods Sold:

Beginning Inventory	14,789.12
Purchases	91,972.06
Total	106,761.18
Less: Ending Inventory	17,527.18
Cost of Goods Sold	89,234.00

Figure 3.11.16-24 Form 1125-A editing.

3.11.16.19
(01-01-2024)

**Form 4136 - Credit for
Federal Tax Paid on
Fuels**

- (1) If Form 4136 is missing and a significant entry is present on any of the lines below, correspond for the missing Form 4136.
- Form 1120 - Schedule J, Part III, Line 20b (Line 19b for 2017-2011)
 - Form 1120-C - Line 30g (Line 29f for 2017 and prior)
 - Form 1120-F - Page 1, Line 5g
 - Form 1120-FSC - Page 1, Line 2f
 - Form 1120-H - Page 1, Line 23e (23f for 2022 and prior)
 - Form 1120-L - Page 1 Line 27g (28g for 2022 - 2018) (Line 27g for 2017 and prior)
 - Form 1120-PC - N/A
 - Form 1120-REIT - Page 2, Line 25g Line 25f for 2022 - 2018) (Line 24f for 2017 and prior)
 - Form 1120-RIC - Page 2, Line 28g (Line 29g for 2022-2018) (Line 28g for 2017 and prior)
- (2) If a fuel credit claim is found on other than the right line on the return, and Form 4136 is attached, adjust incorrect entry before editing fuel tax credits.
- (3) If fuel tax credit is claimed and Form 4136 is attached, compute as follows:

If ...	And ...	Then ...
Form 4136, Column (d) is blank,	There is an entry in Column (c),	Multiply the entry in Column (c) by the rate in Column (b) Column (d) should equal Line 17 of Form 4136. See Figure 3.11.16-25.
Perfection is not possible,		Correspond.

DRAFT

Form 1120 (2023) Page **3**

Schedule J Tax Computation and Payment (see instructions)

Part I—Tax Computation

1	Income tax. See instructions	1	
2	Base erosion minimum tax amount (attach Form 8991)	2	
3	Corporate alternative minimum tax from Form 4626, Part II, line 13 (attach Form 4626).	3	
12	Reserved for future use	12	
13	Preceding year's overpayment credited to the current year	13	8,100
14	Current year's estimated tax payments	14	
15	Current year's refund applied for on Form 4466	15	()
16	Combine lines 13, 14, and 15	16	8,100
17	Tax deposited with Form 7004	17	
18	Withholding (see instructions)	18	
19	Total payments. Add lines 16, 17, and 18.	19	8,100
20	Refundable credits from:		
a	Form 2439	20a	
b	Form 4136	20b	736
c	Reserved for future use	20c	
z	Other (attach statement—see instructions)	20z	
21	Total credits. Add lines 20a through 20z.	21	736

DRAFT

Form **4136** OMB No. 1545-0162

Department of the Treasury **2023**
Internal Revenue Service Attachment Sequence No. **79**

Credit for Federal Tax Paid on Fuels

Go to www.irs.gov/Form4136 for instructions and the latest information.

Name (as shown on your income tax return) **Aspen Deliveries** Taxpayer identification number **00-1995000**

Caution: Claimant has the name and address of the person who sold the fuel to the claimant and the dates of purchase. For claims on lines 1c and 2b (type of use 13 or 14), 3d, 4c, and 5, claimant has not waived the right to make the claim. For claims on lines 1c and 2b (type of use 13 or 14), claimant certifies that a certificate has not been provided to the credit card issuer.

1 Nontaxable Use of Gasoline Note: CRN is the credit reference number.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Off-highway business use	\$.183			
b	Use on a farm for farming purposes	.183			362
c	Other nontaxable use (see Caution above line 1)	.183			
d	Exported	.184	4,000	736	411

Figure 3.11.16-25 Example of perfecting Form 4136, Line 1(d).

- (4) **C&E is no longer required to renumber the lines on prior year Form 4136 to current year format.** Column (d) credit amounts are transcribed using the corresponding Credit Reference Number (CRN) in Column (e).

3.11.16.20
(01-01-2023)
Form 8978 and Form 8978, Schedule A

- (1) Form 8978 is valid for tax periods ending 201712 and later.
- (2) The "Source of review Year adjustments" checkboxes on Form 8978, Partner's Additional Reporting Year Tax and Form 8978, Schedule A, Partners Additional Reporting Year Tax (Schedule of Adjustments), are valid for tax periods 202112 and later.
- (3) Place Form 8978 in sequence order if any of the following apply:

- The “Source of review year adjustments” checkboxes are checked on Form 8978.
- The “Source of review year adjustments” checkboxes are checked on Form 8978, Schedule A.
- Significant entries are present on Form 8978, Part I, Line 14, Part II, Line 16, or Part III, Line 18.

Note: Any information from the checkboxes on Form 8978, Schedule A will be transcribed on Form 8978.

- (4) Edit the digit to the right margin of Form 8978, Part I row as follows:

If ...	And ...	Then ...
Only Form 8978 is attached,	One or more of the boxes are checked,	Edit: a. “1” - BBA Audit is checked. b. “2” - AAR Filing is checked. c. “3” - Both boxes are checked.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked the same on both forms,	Use the Form 8978 data and edit as shown above.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked differently,	Use the Form 8978, Schedule A, data and edit as shown above.
Only Form 8978, Schedule A, is attached,		No editing is required.

Note: No editing is required on Lines 14, 16 and 18.

- (5) Part I, Line 14 - Total additional reporting year tax.
- (6) Part II, Line 16 - Total penalties.
- (7) Part III, Line 18 - Total interest.

3.11.16.21
(01-02-2020)

Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts

- (1) Form 965-B is valid for tax periods ending 201712 and later.
- (2) Place Form 965-B in sequence order if a significant amount (other than the pre-printed year) is present on any of the following lines:
1. Part I, Lines 1 through 5, col (a), Year of Section 965(a) Inclusion or Liability Assumed.
 2. Part I, Lines 1 through 5, col (h), Net 965 Tax Liability Transferred (Out) Transferred (In), or Subsequent Adjustments, if any.
 3. Part I, Lines 1 through 5, col (i), Tax Identification Number of buyer/ transferee or Seller/transferor.

- (3) Edit "1" in the right margin of Part I if more than five lines of entries are present.

3.11.16.22
(01-01-2018)

**Form 8941 - Credit for
Small Employer Health
Insurance Premiums**

- (1) Place Form 8941 in sequence order if significant entries are present.
- (2) Line A: To determine if correspondence is needed for the SHOP (Small Business Health Options Program) checkbox (Line A, Form 8941) for 2014 and later, follow the table below:

Note: This chart is only applicable for the Form 1120.

If...	Then...
Line A, Only "Yes" box or "No" box is checked,	No correspondence is needed.
Line A, Neither the "Yes" box or the "No" box is checked,	Correspond using Letter 118C.
Line A, Both the "Yes" box and the "No" box is checked,	Correspond using Letter 118C.

- (3) Line C: To determine if correspondence is needed for the checkboxes on Line C (2016 and later), follow the table below:

Note: This chart is only applicable for the Form 1120.

If...	Then...
Line C, Only "No" box is checked,	No correspondence is needed.
Line C, Only "Yes" box is checked,	Correspond using Letter 118C.
Line C, Neither the "Yes" box or the "No" box is checked,	Correspond using Letter 118C.
Line C, Both the "Yes" box and the "No" box is checked,	Correspond using Letter 118C.

- (4) For prior year conversion instructions, see Exhibit 3.11.16-12, Form 8941 - Prior Year Conversion Chart.

3.11.16.23
(01-02-2023)

**Form 5884-B - New Hire
Retention Credit**

- (1) Form 5884-B, New Hire Retention Credit is historical (2010 through 2011).

3.11.16.24
(01-01-2024)

**Form 3800 - General
Business Credit**

- (1) Form 3800, General Business Credit, must be filed with corporate tax returns when an amount is present on Schedule J, Line 5c - General Business Credit.
- (2) Place Form 3800 in sequence order if significant entries are present.
- (3) If an amount is present on Form 3800, Part III for any of lines/credits 1a through 4z, follow the instructions below for each credit claimed:

If...	And...	Then...	
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	Part IV, Columns e, f, or g have entries (Part III, Box C, D, or G are checked for 202212 and prior),	No action is needed. The credit is for a carryover, and the form is not required.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The credit is for a pass-through entity (Part III, Column (d) (Column (b) for 202212 and prior) has an EIN listed),	No action is needed. The credit is from a pass-through entity, and the form is not required. Exception: If a credit is claimed on Lines 1a, 1d, 1o, 4a or 4k, Form 3468 must be attached. If a credit is claimed on lines 1l or 1ff Form 8864 must be attached.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The situations above do not exist,	Correspond.	#

- (4) See IRM 3.11.16.11.15, Line 5c - General Business Credit and Exhibit 3.11.16-14, Form 3800 - Prior Year Conversion Chart.

3.11.16.25
(01-01-2021)

Form 6252 - Installment Sale Income (Form 1120 Only)

- (1) The transcription of Form 6252 is valid for tax periods ending 201712 and later.
- (2) Place Form 6252 in sequence order if the form is attached to a Form 1120 and significant entries are present on any of Lines 1, 2a, 2b, 7, 19, 21 or 23.

Note: Part II, Line 19 is the only line that requires editing, however, an Installment Sale Indicator must be determined from Line 3, see IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252).

- (3) Only one Form 6252 can be processed. If multiple forms are attached, process the first one with significant transcription entries and delete the others.

Caution: Multiple Forms 6252 must be used to determine the Installment Sale Indicator.

- (4) Line 1 - Description of Property - Taxpayer may enter a code and a description of installment sale property as described below: (No editing necessary)

Code	Description of property
1	Sale property is timeshares or residential lot
2	Sale by an individual of personal use property (within the meaning of section 1275(b)(3))

Code	Description of property
3	Sale of any property used or produced in the trade or business of farming (within the meaning of section 2032A(e)(4) or (5))
4	All other installment sales not listed

(5) Line 2a - Date acquired.

(6) Line 2b - Date sold.

(7) Line 3 - Information is used to determine the Installment Sale Indicator - Edit "6 -" followed by the right Installment Sale Indicator code in the left margin of Form 1120, Page 1, near Line 12 when Form 6252 is present (e.g., "6 - 1").

a. Valid Installment Sale Indicator codes are as follows:

Code	One Form 6252	More Than One Form 6252
1	"Yes" response to Question 3	At least one form has a "Yes" response.
2	"No" response to Question 3	All "No" responses, or a combination of "No" and/or blank responses.
3	"Yes" and "No" are checked or Question 3 is blank	Question 3 is blank on all forms.

(8) Part I, Line 7 - Taxpayer subtracts Line 6 from Line 5.

(9) Part II, Line 19 - Gross Profit Percentage.

a. If Line 19 is not in 0.0000 format, edit the percentage as follows:

Taxpayer's Entry	Edit
50 percent	0.5000
.123	0.1230
.12345	0.1234

Note: Data will only transcribe four digits after the decimal. If the percentage is in the correct format e.g., 0.0000, but more than four digits are present after the decimal e.g., 0.123456, no editing is needed.

b. If the percent is greater than 1.00, "X" the percentage amount on Line 19. For example, the percentage is 1.2300 or 1.23 percent.

(10) Part II, Line 21 - Payments received during year.

(11) Part II, Line 23 - Payments received in prior years.

3.11.16.26
(01-01-2022)

Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments

- (1) Form 8997 is valid for tax periods ending 201901 and later.
- (2) Place Form 8997 in sequence order if the form is attached and significant entries are present in any of Parts I, II, III or IV.
- (3) No editing is required except for the indicator in Parts I, II, III or IV. Transcription is from Row 1 of each part.
- (4) Part I - Total QOF Investment Holdings Due to Deferrals before Beginning of Tax Year (Row 1).
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of short-term deferred gain remaining in QOF
 - e. Column f - Amount of long-term deferred gain remaining in QOF
 - f. Part I Indicator - If more than one row of tax data is present in Part I, edit a "1" in the right margin of Part I, Row 1.
 - g. Line 2, Column e - Total amount
 - h. Line 2, Column f - Total amount
- (5) Part II - Current Tax Year Capital Gains Deferred by Investing in QOF (Row 1)
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of short-term deferred gain remaining in QOF
 - e. Column f - Amount of long-term deferred gain remaining in QOF
 - f. Part II Indicator - If more than one row of tax data is present in Part II, edit a "1" in the right margin of Part II, Row 1.
 - g. Line 2, Column e - Total amount
 - h. Line 2, Column f - Total amount
- (6) Part III - Inclusion Events and Certain Other Transfers During the Current Tax Year (Row 1)
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of previously deferred short-term gain now included in taxable income
 - e. Column f - Amount of previously deferred long-term gain now included in taxable income
 - f. Part III Indicator - If more than one row of tax data is present in Part III, edit a "1" in the right margin of Part III, Row 1.
 - g. Line 2, Column e - Total amount
 - h. Line 2, Column f - Total amount
- (7) Part IV - Total QOF Investments Due to Deferrals at Year End (Row 1)
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of short-term deferred gain invested in QOF
 - e. Column f - Amount of long-term deferred gain invested in QOF
 - f. Part IV Indicator - If more than one row of tax data is present in Part IV, edit a "1" in the right margin of Part IV, Row 1.

- g. Line 2, Column e - Total amount
- h. Line 2, Column f - Total amount

- (8) If Form 8997, Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments, is attached, edit Return Processing Code (RPC) "9." See IRM 3.11.16.9.2, Return Processing Code (RPC), for more information.

3.11.16.27
(01-01-2024)

**Form 8936, Schedule A,
Clean Vehicle Credit
Amount**

- (1) Sequence up to two Form 8936, Schedule A's,
- (2) The following lines will be transcribed from the first two Form 8936, Schedule A's attached.
 - a. Part I, Line 2
 - b. Part I, Line 3
 - c. Part II, Line 9
 - d. Part II, Line 11
 - e. Part IV, Line 17
 - f. Part V, Line 26
- (3) If more than two Form 8936, Schedule A's are attached, edit an indicator of "1" on the second Form 8936, Schedule A, in the bottom right margin.

#

Vehicle credit (Form 3800, Part III, Lines 1y or 1aa) correspond for a Form 8936 or Form 8936, Schedule A if either is missing.

Figure 3.11.16-26

(1) A consolidated return is defined as a single income tax return having combined financial data for a parent corporation and one or more subsidiary or affiliated corporations.

- (2) The parent corporation files the return, and its name, which appears on the return, may include the words, "and subsidiaries," and "affiliated companies", or similar notation.
- (3) The parent corporation must submit Form 851, with Form 1120, on an annual basis.

If...	And...	Then...
Form 851 is missing or Form 851, Part I is not completed,	After inspecting the return for possible attachments that may be a "substitute" Form 851,	<ol style="list-style-type: none"> a. If a "substitute" Form 851 is found, do not correspond. b. If a "substitute" Form 851 is not found, correspond for missing Form 851 or completion of Form 851, Part I. <p>Caution: Before corresponding for missing Form 851, research the parent corporation using Command Code INOLE. Do not correspond if subsidiaries are not shown.</p>

- (4) Form 1122 may also be attached to a consolidated return. See IRM 3.11.16.28.4, Form 1122 - Authorization and Consent of Subsidiary Corporation to be Included in a Consolidated Income Tax Return.
- (5) If there is a sign a subsidiary return has been detached from the parent corporation return (e.g., "Included in a Consolidated Return" or similar notation is on the tax return), research INOLES to determine if the tax return has an 1120-14 filing requirement.
 - a. Route the tax return to AM if INOLES shows an 1120-14 filing requirement.
 - b. Continue processing the tax return if INOLES does not show an 1120-14 filing requirement.

3.11.16.28.1
(01-01-2009)
**Consolidated Return -
Mixed Components**

- (1) A Mixed Component is a consolidated return with a combination of Form 1120 and/or Form 1120-L (Life Insurance) and/or 1120-PC (Property and Casualty (Non-Life Insurance)) processed as either the parent or subsidiary return. There may also be a sign the return is for a "Life" and/or "Non-Life" insurance company.
- (2) Do not search attachments for missing money amounts for pages 1, 2, and 4.
- (3) Do not correspond for missing schedules for pages 1, 2, and 4.
- (4) Do not correspond for income or deduction amounts if "see attached" is notated in the Income Section or Deduction Section of the return.
- (5) Do not correspond for a missing Balance Sheet on a mixed component return that includes a Form 1120-L.
- (6) Do not correspond for a missing Form 1120-L or 1120-PC Annual Statement if a re-entry mixed component return, Form 1120 was originally filed electronically.

- (7) All other processing instructions will be followed.

3.11.16.28.2
(01-01-2013)

**Consolidated Returns -
Required Information**

- (1) Supporting schedules showing in detail for each corporation included in the consolidation: income, deductions, and computations of taxable income; reconciliation of earned surplus; and assets and liabilities at the beginning and ending of the taxable year should be attached.
- (2) If the supporting information for each corporation is in the form of separate returns for the parent corporation and the subsidiaries, **do not detach** or separate these documents from the consolidated return.
- (3) If the Balance Sheets are included only for the parent corporation and subsidiaries, and the Consolidated Balance Sheet is not included, **correspond**.
- (4) If a Consolidated Balance Sheet is not received, all Balance Sheet items should be input from the Balance Sheet of the parent Corporation; if the parent corporation cannot be found, Balance Sheet items should be input from the subsidiary with greatest Ending Assets.

3.11.16.28.3
(01-01-2019)

**Form 851 - Affiliations
Schedule**

- (1) Consolidated returns may be filed on Form 1120, Form 1120-C, Form 1120-L, and Form 1120-PC only.

Note: For Form 1120, see IRM 3.11.16.9.3, ABLM Code and Schedule M-3 Checkbox.

- (2) If a Form 851 is attached to any other return, do not input Transaction Code (TC) "590" for the subsidiaries.
- (3) A TC "590" with Closing Code "014" MUST be input for all subsidiaries shown on the Form(s) 851. This applies to both numbered and unnumbered returns.
- (4) Subsidiaries NAICS Code information:
 - a. Six digit codes are located on Page(s) 1, Part II, Lines 2 through 10 on the Form 851.
 - b. If more than one Form 851 is present, enter the code in each subsidiaries individual transaction record.
 - c. If any NAICS Codes are missing, use code "999000."
- (5) Form 851 is unprocessable, if the total amount of Form 851, Line 1 does not agree with the sum of Form 1120, Schedule J, Lines 13,14 and 17 (Lines 12, 13 and 16 for 2017- 2011) **or** credits are claimed on Form 851, Lines 2 through 10.

If...	Then...
Form 851, Line 1 "Portion of overpayment credits and estimated tax payments" does not agree with the total of Form 1120, Schedule J, Lines 13 and 14 (Lines 12 and 13 for 2017-2011) See Figure 3.11.16-27,	<ol style="list-style-type: none"> 1. Edit Action Code "342." 2. Attach Form 4227, Intra-SC Reject or Routing Slip. Check the Accounting box on Form 4227. 3. "X" the parent corporation if included on Form 851 Part 1, and Prepayment Credits if on any line other than one (1).

If...	Then...
Form 851, Line 1 "Portion of tax deposited with Form 7004," does not agree with the amount on Form 1120, Schedule J, Line 17 (Line 16 for 2017-2011),	<ol style="list-style-type: none"> 1. Edit Action Code "342." 2. Attach Form 4227. Check the Accounting box on Form 4227. 3. "X" the parent corporation if included on Form 851 Part 1, and Prepayment Credits if on any line other than one (1).
Form 851, Lines 2 through 10 include credits for "Portion of overpayment credits and estimated tax payments" or "Portion of tax deposited with Form 7004,"	<ol style="list-style-type: none"> 1. Edit Action Code "342." 2. Attach Form 4227. Check the Accounting box on Form 4227. 3. "X" the parent corporation if included on Form 851 Part 1, and Prepayment Credits if on any line other than one (1).

Note: For Form 1120-C, use the sum of Line 30(a), 30(b) ("Portion of overpayment credits and estimated tax payments"), and 30(e) ("Portion of tax deposited with Form 7004") (Lines 29(a), 29(b) and 29(e) for 2017 and prior).
For Form 1120-L, use the sum of Lines 28(a), (b), (c), (d) ("Portion of overpayment credits and estimated tax payments"), and 28(g) ("Portion of tax deposited with Form 7004") (Lines 29 (a), (b), (c), (d), and (g) for 2017 and prior).
For Form 1120-PC, use the sum of Lines 15a), (b), (c), (d) ("Portion of overpayment credits and estimated tax payments"), and 15(g) ("Portion of tax deposited with Form 7004") (Lines 14(a), (b), (c), (d), and (g) for 2017 and prior).

Form 851
(Rev. October 2016)
Department of the Treasury
Internal Revenue Service

Affiliations Schedule
For tax year ending **MAR 31, 2024**
► File with each consolidated income tax return.
► Information about Form 851 and its instructions is at www.irs.gov/form851.

OMB No. 1545-0123

Name of common parent corporation
PINE PUBLISHING INC.
Number, street, and room or suite no. If a P.O. box, see instructions.
545 W 10TH ST.
City or town, state, and ZIP code
LOUISVILLE, KY 40201

Employer identification number
00-0864200

Part I Overpayment Credits, Estimated Tax Payments, and Tax Deposits (see instructions)

Corp. No.	Name and address of corporation	Employer identification number	Portion of overpayment credits and estimated tax payments	Portion of tax deposited with Form 7004
1	Common parent corporation Subsidiary corporations:		50,000.00	
2	WILLOW PRINTING CO.	00-3331125		

DRAFT

Form 1120
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return **2403**
For calendar year 2023 or tax year beginning **04/01, 2023**, ending **03/31, 2024**
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123

2023

1010 **590-014**

Check if:
a Consolidated return (attach Form 851) ☒
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐
4 Schedule M-3 attached ☐

TYPE OR PRINT
Name **PINE PUBLISHING INC**
Number, street, and room or suite no. If a P.O. box, see instructions.
545 W. 10th St.
City or town, state or province, country, and ZIP or foreign postal code
LOUISVILLE, KY 40201

B Employer identification number **00-0864200**
C Date incorporated
D Total assets (see instructions) \$

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Sign Here
Paid Preparer Use Only
For Paper

342

DRAFT

Form 1120 (2023)
Schedule J
Part I—Tax Credits

1 Income tax
2 Base erosion

Intra-SC Reject or Routing Slip Name-Unit **924** Date **6-4-24**

Route to	Reason
<input checked="" type="checkbox"/> Accounting	<input type="checkbox"/> Missing or illegible data
<input type="checkbox"/> Adjustments	<input type="checkbox"/> EIN
<input type="checkbox"/> Batch and Numbering	<input type="checkbox"/> SSN
<input type="checkbox"/> Clearing and Deposit	<input type="checkbox"/> Name
<input type="checkbox"/> Collection	<input type="checkbox"/> Address
<input type="checkbox"/> Criminal Investigation	<input type="checkbox"/> Other (specify)
<input type="checkbox"/> QORDT <input type="checkbox"/> ITTP	
<input type="checkbox"/> Data Control (Balancing)	
<input type="checkbox"/> Document Services	
<input type="checkbox"/> Entity Control	
<input type="checkbox"/> Error Resolution	
<input type="checkbox"/> Examination (Audit)	
<input type="checkbox"/> Files	
<input type="checkbox"/> Reject Correction	
<input type="checkbox"/> Returns Analysis	
<input type="checkbox"/> Statute Control	
<input type="checkbox"/> Other activity (explain)	

Review for necessary action
Renumber to ☐ Tax class ☐ Doc. code ☐ Other:
Unpostable code: Cycle:
Action Code:
Reinput
Questionable items
☐ Form W-2 ☐ Contributions
☐ Other data:
Other (explain):

May the IRS discuss this return with the preparer shown below? See instructions. ☐ Yes ☐ No

Date Check ☐ if self-employed PTIN
Firm's EIN Phone no.
at. No. 11450Q Form 1120 (2023)

Page 3

Form 4227 (Rev. 12-01) Cat. No. 269151 Department of the Treasury Internal Revenue Service

	12	13	14	15	16	17	18	19
12 Reserved for future use								
13 Preceding year's overpayment credited to the current year								
14 Current year's estimated tax payments								
15 Current year's refund applied for on Form 4466								
16 Combine lines 13, 14, and 15								
17 Tax deposited with Form 7004								
18 Withholding (see instructions)								
19 Total payments. Add lines 16, 17, and 18								

3,350
50,000
53,350
53,350

Figure 3.11.16-27 Example of editing an unprocessable Form 851.

(6) (Clerical) An action trail must be notated on the return "TC-590-014 INPUT." See Figure 3.11.16-28.

(7) (Clerical) TC "590" - Closing Code "014" requires that:

- a. The parent corporations EIN and Name Control match the Master File (MF).
- b. The parent corporations BMF filing requirements are 01 for Form 1120, 20 for Form 1120-C, 03 for Form 1120-L, or 04 for Form 1120-PC.
- c. The subsidiary corporation's FYM must match the parent corporation's FYM.
- d. The subsidiary corporations EIN and Name Control match the MF.
- e. The subsidiary NAICS Code must be part of the transaction, see IRM 3.11.16.11.23, Schedule K, Line 2a - NAICS Code.

DRAFT

Form 1120 **010123 U.S. Corporation Income Tax Return 2303** OMB No. 1545-0123
 For calendar year 2023 or tax year beginning 01/01, 2023, ending 03/31, 2023
 Go to www.irs.gov/Form1120 for instructions and the latest information.

1a Check if:
 1 Consolidated return (attach Form 851) ☐
 2 Life/nonlife consolidated return ☐
 3 Personal holding co. (attach Sch. PH) ☐
 4 Schedule M-3 attached ☐

TYPE OR PRINT
 Name **LARCH PUBLISHING CO. INC.**
 Number, street, and room or suite no. If a P.O. box, see instructions.
5452 10TH ST
 City or town, state or province, country, and ZIP or foreign postal code
LOUISVILLE, KY 40201

B Employer identification number **00-0864200**
C Date incorporated **Feb. 20, 2013**
D Total assets (see instructions) **\$ 970,450**

E Check if: (1) ☒ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

1a Gross receipts or sales

Form 851 **Affiliations Schedule** OMB No. 1545-0123
 (Rev. October 2016) For tax year ending **MARCH 31, 2023**
 Department of the Treasury Internal Revenue Service
 File with each consolidated income tax return.
 Information about Form 851 and its instructions is at www.irs.gov/form851.

Name of common parent corporation **LARCH PUBLISHING CO. INC.** Employer identification number **00-0864200**
 Number, street, and room or suite no. If a P.O. box, see instructions.
5452 10TH ST
 City or town, state, and ZIP code
LOUISVILLE, KY 40201

Part I Overpayment Credits, Estimated Tax Payments, and Tax Deposits (see instructions)

Corp. No.	Name and address of corporation	Employer identification number	Portion of overpayment credits and estimated tax payments	Portion of tax deposited with Form 7004
1	Common parent corporation			
2	Subsidiary corporations: ELM PRINTING CO.	00-3331125		

Totals (Must equal amounts shown on the consolidated tax return.)

Part II Principal Business Activity, Voting Stock Information, Etc. (see instructions)

Corp. No.	Principal business activity (PBA)	PBA Code No.	Did the subsidiary make any nondividend distributions?		Stock holdings at beginning of year			
			Yes	No	Number of shares	Percentage of voting power	Percentage of value	Owned by corporation no.
1	Common parent corporation							
2	Subsidiary corporations:							
3	ELM PRINTING CO.	511190					%	%
4	SPRUCE PRINTING CO.	511190					%	%

Figure 3.11.16-28 Example of Form 1120 with the action trail TC "590-014."

- (8) (Clerical) For each subsidiary listed on the Form 851 or attached input the following under Command Code FRM49:

- a. Subsidiary EIN

- b. MFT
 - c. tax period
 - d. Subsidiary Corporate Name Control
 - e. NAICS Code
- (9) (Clerical) If the return is **Numbered** -
- a. Reject the document using Action Code “355.”
 - b. Prepare Form 4227 for Rejects.
 - c. Use Command Code INOLE to verify the parent corporate name line and the filing requirement is 01 for a Form 1120, 20 for Form 1120-C, 03 for Form 1120-L, or 04 for Form 1120-PC, before inputting the TC 590-014.
 - d. In the reason area of the Form 4227 write “Verify the Parent Corporations EIN, Name and filing requirement with MF, then input TC 590-014 for all subsidiaries listed on the Form(s) 851 and its attachments.”
- (10) (Clerical) If the return is **Unnumbered** -
- a. Verify the parent corporations EIN, Name, and filing requirement are correct on the Master File.
 - b. Use Command Code INOLE to verify the parent corporate name line and the filing requirement is 01 for a Form 1120, filing requirement is 20 for Form 1120-C, filing requirement is 03 for Form 1120-L, or filing requirement is 04 for Form 1120-PC, before inputting TC 590-014.
- (11) (Clerical) If the INOLE first name line and the parent consolidated return’s first name line do not agree (disregard subsidiaries) or if the parent is not established on the MF or its filing requirement is other than 01, 20, 03, or 04 (1120 / 1120-C / 1120-L / 1120-PC) or the parent corporation and the subsidiaries corporation FYM do not match:
- a. Route the return to Entity Control for a first name line change,
 - b. Or route to Entity to establish it on the MF,
 - c. And/or route to Entity to make a filing requirement change.
 - d. Or route to Entity Control to have the subsidiary’s FYM change to match the parent corporation’s FYM.
- (12) (Clerical) If the returns are received back from Entity Control for processing before the changes have posted to the MF, hold the returns and check IDRS after 2 cycles.
- a. Input TC 590-014 for the subsidiaries.
 - b. If unable to input TC 590-014, continue processing the return.
- (13) (Clerical) If any or all EINs are **missing** or are the same as the parent follow the steps in (a) through (e) below. When EINs are missing, check attachments and/or research IDRS to obtain them.
- (14) (Clerical) If unable to obtain the EINs from IDRS research, route the return to Entity Control to have EINs assigned.
- (15) (Clerical) Follow the steps in 5 and 6 above:
- a. If the subsidiary corporate name and EIN are the same as the common parent corporation, circle the name and EIN.
 - b. If the EIN is the same as the common parent, circle the EIN.
 - c. If there is a sign that the EINs are pending or applied for.

- d. If **all** the EINs are missing.
- (16) (Clerical) If all the EINs are not obtained, correspond with the parent corporation to obtain the missing numbers. Upon receipt of a reply, input TC 590-014 for all EINs are furnished. There will be no further follow-up.
- (17) (Clerical) When all EINs are obtained, input TC 590-014 for all the subsidiaries.
- (18) (Clerical) If the subsidiaries EIN and Name Control do not match, an error message will appear on the screen when the TC 590-014 is input. When error message appears follow the procedures below:
 - a. Research IDRS through Command Code EINAD or NAMEE to see if there is a different EIN listed for the corporation.
 - b. If EINAD or NAMEE shows a different EIN than the one listed on the Form 851, use the one on EINAD or NAMEE.
- (19) (Clerical) If EINAD or NAMEE does not provide a different EIN, research IDRS using Command Code INOLE to see what the entity is for the listed EIN. If the INOLE entity can be matched to the Form 851 subsidiary in some way (such as by a prior Name Control or a cross reference to the parent corporation EIN) use the INOLE Name Control for the TC 590-014 input.

3.11.16.28.4
(01-01-2012)
**Form 1122 -
Authorization and
Consent of Subsidiary
Corporation to be
Included in a
Consolidated Income
Tax Return**

- (1) The presence of Form 1122 indicates a Consolidated Income Tax Return which is being filed for the first time as a consolidated return. Do not correspond for Form 1122 if it appears to be missing.
 - (2) If Form 1122 is present, Form 851 should also be present. Correspond for missing Form 851. Process Form 851 if present, see IRM 3.11.16.28.3, Form 851 - Affiliations Schedule.
- Note:** Also see ABLM Code "010" instructions in IRM 3.11.16.9.3, ABLM Code and Schedule M-3 Checkbox.

3.11.16.29
(01-01-2009)
**Form 1120-POL Filed on
Form 1120**

- (1) A return for a Political Organization can usually be determined by the name. Form 1120 returns received from political organizations are to be transshipped to OSPC.

3.11.16.30
(01-01-2014)
**Form 1120-H Filed on
Form 1120 (IRC 528)**

- (1) Apply the following general guidelines to IRC 528 filers who did not use Form 1120-H. The taxpayer must state "Section 528."
- (2) Where the taxpayer is identified as an IRC 528 filer, and the return appears to be processable, transfer the data from the Form 1120 to Form 1120-H to the maximum extent possible.
- (3) If the taxpayer is identified as an IRC 528 filer, but excludes a break-down of gross income (includable income cannot be identified), prepare an approved Correspondence Action Sheet, advising the taxpayer that he must file Form 1120-H.
- (4) If taxpayer states that it is filing as an exempt organization specifically under IRC 501(c), prepare an approved Correspondence Action Sheet, advising the taxpayer to file Form 990.

- 3.11.16.31
(01-02-2020)
Return Processing - Form 1120-A
- (1) Form 1120-A, U.S. Short-Form Corporation Income Tax Return, must be converted to Form 1120. Follow Form 1120 procedures for processing Form 1120-A.
 - (2) If a taxpayer files a Form 1120-A, refer the return to the lead for conversion. Form 1120-A has been obsolete since 2006.
- 3.11.16.32
(01-01-2015)
Return Processing - Form 1120-C (OSPC only)
- (1) This subsection provides instructions for processing Form 1120-C, U.S. Income Tax Return for Cooperative Associations. Form 1120-C is valid for tax periods ending 200612 and later.
 - (2) Form 1120-C is processed only at the Ogden Campus.
 - (3) Form 1120-C can be filed on a calendar or fiscal year basis.
 - (4) Action Codes apply to Form 1120-C, see IRM 3.11.16.3.1, Action Codes.
 - (5) Form 1120-C is due on or before the 15th day of the 9th month after the end of tax period.
- 3.11.16.32.1
(01-01-2010)
Form 1120-C- General Instructions
- (1) To convert prior year tax returns, see Exhibit 3.11.16-4, Form 1120-C - Prior Year Conversion Chart.
- 3.11.16.32.2
(01-01-2024)
Sequence - Form 1120-C
- (1) Document Perfection is responsible for arranging Form 1120-C in the following order when transcription line entries are present:
 - Form 1120-C, Pages 1 through 5
 - Schedule N (Form 1120)
 - Schedule O (Form 1120) (Tax periods 201811 and prior only)
 - Form 4626 (Tax periods 201811 and prior only (2017 revision))
 - Form 4626 (Tax periods 2022 and later (Revision 2023))
 - Form 4136
 - Form 8978
 - Form 8941
 - Form 3800
 - Form 8936, Schedule A
 - (2) It is not necessary to sequence the forms or schedules listed above if there are no transcription line entries.
 - (3) It is not necessary to sequence an Amended return. See IRM 3.11.16.3.9, Amended Returns, for more information.”
- 3.11.16.32.3
(01-01-2009)
EIN
- (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).
- 3.11.16.32.4
(01-01-2009)
Name and Address
- (1) See IRM 3.11.16.6.3, Entity Perfection - Name Control, through IRM 3.11.16.6.6, Entity Perfection - Foreign Address (OSPC).

3.11.16.32.5
(01-01-2009)
Tax Period

- (1) Code the tax period ending (except current calendar year) in YYMM format to the right of the title on Page 1 of the return.
- (2) If a return is for a short period, see IRM 3.11.16.7.4, Short Period - Editing Proof of Entitlement.

3.11.16.32.6
(01-01-2009)
Received Date

- (1) Enter in MMDDYY format.
- (2) Edit the received date on Page 1 in the dotted portion of the Deduction Section, Lines 11 through 18, see IRM 3.11.16.8, Received Date.

3.11.16.32.7
(01-01-2023)
Computer Condition Codes

- (1) Edit the applicable Computer Condition Codes to the dotted portion of Page 1, Lines 8 through 9, of Form 1120-C. Valid Computer Condition Codes for Form 1120-C are B, D, E, F, G, I, J, L, M, O, P, R, S, T, W, X, Y, 3, 5, 7, 8, and 9. For specific instruction, see IRM 3.11.16.9.1, Computer Condition Codes.

3.11.16.32.8
(04-20-2023)
Return Processing Code (RPC)

- (1) Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation.
- (2) RPCs are edited on Page 1, in the right margin next to Line 1c of Form 1120-C.
- (3) Refer to the table below for an explanation of when to edit each RPC.

RPC	Explanation
E	Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c), is attached.
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c), is attached.
G	Form 5471, Schedule G-1, Cost Sharing Arrangement is attached.
J	<p>For tax periods 202201 - 202212, taxpayer writes IRA22 DPE on Form 3800, Form 1120-C, Line 30f or on an attachment.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "J." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "DPE" in the batch ID.

RPC	Explanation
K	For tax periods 202201 - 202212, taxpayer writes IRA22TRE on Form 3800, an attachment or at the top of the return. 1. Completely edit the return. 2. Edit RPC "K." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. Note: P&A will provide the pre-printed half-sheets for C&E to use. 4. Give the return to the lead. 5. The lead will have the returns rebatched with "TRE" in the batch ID.
L	Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement, is attached.
M	Form 7205, Energy Efficient Commercial Buildings Deduction, is attached.
N	Form 4626, Alternative Minimum Tax (Revision 2023 and later) is attached or Form 1120-C, Schedule J, Line 3 shows a significant amount.
1	Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts, is attached.
2	Form 8992, U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI), is attached.
3	Form 8993, Section 250 Deduction for Foreign-Derived Intangible Income (FDII) and Global Intangible Low-Taxed Income (GILTI), is attached.
4	Form 8994, Employer Credit for Paid Family and Medical Leave, is attached.
6	Form 8996, Qualified Opportunity Fund, is attached.
7	Form 8990, Limitation on Business Interest Expense IRC 163(j), is attached.

3.11.16.32.9
(01-01-2012)

Consolidated Return

- (1) A consolidated Form 1120-C combines the tax information of a cooperative and its affiliates.
- (2) Identify a consolidated return by one or more of the following:
 - a. Box A1, Page 1, to the left of the entity section is marked or the return is marked "Consolidated."
 - b. Form 851, Affiliations Schedule is attached with the Name, Address, EIN, and prepaid credits of each organization included on Form 851.
 - c. One or more Form(s) 1122, Return of Information, Authorization, and Consent of Subsidiary Corporation in a Consolidated Return, is attached.
 - d. A list of title holding corporations is attached.

- (3) A consolidated Form 1120-C must submit Form 851 on an annual basis. Correspond if Form 851 is missing or the subsidiaries are not included on an attached Form 851.

Note: Before corresponding for missing Form 851, research the parent corporation using Command Code INOLE. Do not correspond if subsidiaries are not shown.

- (4) For Form 851 processing procedures, see IRM 3.11.16.28.3, Form 851 - Affiliations Schedule.

3.11.16.32.10
(01-01-2009)
ABLM Code

- (1) The ABLM Code is computer generated for Form 1120-C. No editing is required.

3.11.16.32.11
(01-01-2009)
Schedule M-3 Checkbox - Item A2

- (1) Edit Computer Condition Code "B" when Box A2, "Schedule M-3 attached" is marked or Schedule M-3 is attached to Form 1120-C.
- (2) Do not correspond for Schedule M-3 if Item A2 is checked and Schedule M-3 is not attached.

3.11.16.32.12
(08-11-2021)
Form 1120-C - Box C

- (1) Two Codes are determined from the checkboxes in Box C , Page 1 of the entity section. See IRM 3.11.16.32.12.1, Type of Cooperative Code and IRM 3.11.16.32.12.2, Type of Organization Code.

3.11.16.32.12.1
(08-11-2021)
Type of Cooperative Code

- (1) No editing is required. Data transcribes this code from the checkbox entries in Box C.
- Data enters a "1" if C(1) is marked.
 - Data enters a "2" if C(2) is marked.

3.11.16.32.12.2
(08-11-2021)
Type of Organization Code

- (1) The Type of Organization Code is also determined from the checkboxes marked in Box C, Page 1 of the entity section. The Type of Organization Code is edited in the margin to the right of Item C.
- (2) Always edit a Type of Organization Code.

If...	Then...
The Farmer's tax exempt cooperative Box, C(1) is marked,	Edit code "6."
The Nonexempt cooperative Box, C(2) is marked,	Edit code "7."
Neither box is marked or both boxes are marked,	Edit code "7."

3.11.16.32.13
(01-01-2014)
Additional Form 1120-C Perfection

- (1) This subsection addresses the editing of additional Form 1120-C information. General Business Credits will be transcribed from Form 3800, see IRM 3.11.16.10, Additional Return Perfection.

3.11.16.32.13.1
(01-01-2015)

Form 8844 Indicator

- (1) Edit “1 - 1” in the left margin of Form 1120-C near Line 12 when:
 - a. Form 8844 is shown on Form 1120-C, Schedule J, Line 5c.
 - b. Form 8844 is attached to the return even if dollar amounts are not present.
 - c. Form 3800, Part III, Line 3 has an entry.

See IRM 3.11.16.11.15.1, Form 8844, Empowerment Zone Employment Credit.

3.11.16.32.13.2
(01-01-2024)

Audit Codes

- (1) Valid Audit Codes are “2,” “3,” and **C**. No editing is required for Audit Codes 2 and 3.
- (2) **Audit Code “C”** - Edit Audit Code “C” when Form 8283 is attached and:
 - a. Box 2b is checked, or
 - b. Box 2b1 is checked, or
 - c. Line 3, Column (h) has an entry.

3.11.16.32.13.3
(01-01-2013)

Penalty and Interest Code

- (1) Edit “4 - 1” in the left margin near Line 12 when precomputed delinquency

#

situation, such as an estimated Tax Penalty, do not Code “4 - 1” and do not insert Computer Condition Code “R.” If only interest is shown, edit CCC “R.”

#

3.11.16.32.13.4
(08-13-2015)

Reserve Code

- (1) The Reserve Code is “4.”
- (2) Edit “5 - 4” in the left margin near Line 12 if Form 2220 is attached and Part II, Box 8 is checked for Large Corporation.

3.11.16.32.13.5
(01-01-2013)

Installment Sale Indicator (Form 6252)

- (1) Edit “6 -” followed by the right Installment Sale Indicator code in the left margin near Line 12 when Form 6252, Installment Sale Income, is present (e.g., “6 - 1”), see IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252).

3.11.16.32.14
(01-01-2018)

Income - Lines 1a through 10

- (1) Line 1c - Gross receipts balance. If blank, do one of the following:
 - a. Edit the sum of Line 1a minus Line 1b. Bracket if negative.
 - b. Edit the sum of Line 2 plus Line 3. Bracket if negative.
- (2) Line 2 - Cost of goods sold. If blank, edit from Form 1125-A, Line 8. Bracket if negative.
- (3) Line 7 - Capital gain net income. If there is a significant entry and Schedule D (Form 1120) is not attached, correspond.

#

has not attached Form 4684, correspond.

- (5) Line 10 - Total income. If blank, do one of the following:
- If there are entries on Lines 1a through 9, compute and edit Line 10. Bracket if negative.
 - Double arrow Line 25c to Line 10 if Line 25c is the first dollar entry on Form 1120-C.

3.11.16.32.15
(01-01-2022)
Deductions - Lines 11 through 26c

- Line 11 - Compensation of Officers (attach Form 1125-E). Accept taxpayer's entry.
- Line 12 - Salaries and wages. Accept taxpayer's entry.
- Line 13 - Bad debts. Accept taxpayer's entry.
- Line 22 - Section 199A(g) deduction (TY 2018 and later). Domestic Production Activities Deduction under section 199 (TY 2005 to 2017).
- Line 24 - Total deductions. If blank, edit the sum of Lines 11 through 23. Bracket if negative.
- Line 25b - Deductions and adjustments under IRC 1382. If blank, edit from Schedule H, Line 5. Bracket if negative.
- Line 26a - Net operating loss deduction. If blank, edit from attachments if possible.
- Line 26b - Special deductions. If blank, edit from Schedule C, Line 24 (Schedule C, Line 20 for 2017-2011).

3.11.16.32.16
(01-01-2024)
Tax and Payments - Lines 27 through 34

- Line 27 - Taxable income. If blank, edit the sum of Line 10 minus Lines 24, 25b, 26a, and 26b.
- Line 28 - Total tax. If blank, edit from Schedule J, Line 9.
- Line 29 - Reserved - For Tax Periods 201712 through 202012, follow the instructions in a) and b):
 - If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (k), Line 1
2018	Part II, Column (k), Line 2
2019	Part II, Column (k), Line 3
2020	Part II, Column (k), Line 4

- Edit CCC "J" and Action Code "460."
- Line 30c - If there is a significant entry on Line 30c, see IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.

- (5) Line 30d (Line 29d for 2017 and prior) - Balance of payments. If blank, edit the sum of Lines 30a and 30b minus Line 30c (Lines 29a and 29b minus Line 29c for 2017 and prior).
- (6) Line 30e (Line 29e for 2017 and prior) - Tax deposit with Form 7004. Accept taxpayer's entry.
- (7) Line 30f (Line 30f(1) for 2022 - 2018) (Line 29f(1) for 2017 and prior).
- (Tax Period 202201-202211) - If a significant amount is present for an "Elective or Deemed Payment Election," edit RPC "J."
 - Credit from Form 2439

If...	Then...	#
	Correspond.	#
Form 2439 shows a lesser amount,	Place an "X" to the left of the entry on Line 30f (Line 30f(1) for 2022 - 2018) (Line 29f(1) for 2017 and prior) Form 1120-C. Edit the lesser amount to the left of the "X."	
	Correspond.	#

- (8) Line 30g (Line 30 f(2) for 2022 - 2018) (Line 29f (2) for 2017 and prior) - Credit from Form 4136.
- Form 4136 must be attached if there is an amount on Line 30g (Line 30 f(2) for 2022 - 2018) (Line 29f (2) for 2017 and prior). Correspond for missing Form 4136 if Line 30f(2)(Line 29f(2) for 2017 and prior) has a significant amount.
 - For Form 4136 processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.
- (9) Line 30g - Reserved for future use.
Line 30g - Refundable credits from Form 8827 - Revisions 2019 and prior (Line 29g for 2017 and prior):

If ...	Then ...	#
The amount on Line 30g (Line attached,	Correspond for Form 8827	#

- (10) Line 30h (Line 29h for 2017 -2008) - IRC 1383 credit. A schedule showing the credit computation must be attached. Correspond for the missing computation

#

- (11) Line 30i - Elective Payment - Accept taxpayer's entry.

- For Tax Periods 201712 through 202012, follow the instructions in b) and c).

- b. If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (d), Line 1
2018	Part II, Column (d), Line 2
2019	Part II, Column (d), Line 3
2020	Part II, Column (d), Line 4

- c. Edit CCC "J" and Action Code "460."

#

1099 is not attached, correspond using Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S.

- (13) Line 31 (Line 30 for 2017 and prior) - Estimated tax penalty. If blank and Form 2220 is attached with a significant entry on Line 38, edit this amount to Line 31 (Line 30 for 2017 and prior), Form 1120-C, see IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
- (14) Lines 32 and 33 (Lines 31 and 32 for 2017 and prior) - Amount owed/Overpayment. Edit the proper entry to Line 32 or 33 (Lines 31 and 32 for 2017 and prior) if **both** are blank. Do both of the following:
- For 2023 and later, add Lines 28 and 31 minus 30a through 30j credits.
 - For 2022 - 2018, add Lines 28, 29 and 31, subtract Line 30j.
 - For 2017 and prior, add Lines 28 and 30 minus Line 29j.
 - Edit the positive result on Line 32 (Line 31 for 2017 and prior) **or** the negative result (do not bracket) on Line 33 (Line 32 for 2017 and prior).
- (15) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 32 (Line 31 2017 and prior) or reduced Line 33 (Line 32 for 2017 and prior).

If...	Then...
The amount on Line 32 (Line 31 for 2017 and prior) has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> "X" Line 32 (Line 31 for 2017 and prior). Delete the interest, penalty, or additional charge from the total. Edit the correct amount owed to the left of the original entry.
The amount on Line 33 (Line 32 for 2017 and prior) has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> "X" Line 33 (Line 32 for 2017 and prior). Delete the interest, penalty, or additional charge from the total. Edit the correct Overpayment to the left of the original entry.

- (16) Line 34 (Line 33 for 2017 and prior) - Credited to estimated tax.

3.11.16.32.17
(01-01-2015)

**Paid Preparer
Information**

- (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator, and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.32.18
(01-01-2013)

**Schedule G - Allocation
of Patronage and
Nonpatronage Income
and Deductions**

- (1) Line 5, Column (a) - Total income. If blank, edit the sum of Column (a), Lines 3 and 4.
- (2) Line 5, Column (b) - Total income. If blank, edit the sum of Column (b), Lines 3 and 4.
- (3) Line 6c Column (a) - Total deductions. Accept taxpayer's entry.
- (4) Line 6c, Column (b) - Total deductions. Accept taxpayer's entry.
- (5) Line 9a, Column (a) - Net operating loss. Accept taxpayer's entry.
- (6) Line 9a, Column (b) - Net operating loss. Accept taxpayer's entry.
- (7) Line 9b, Column (a) - Special deductions. Accept taxpayer's entry.
- (8) Line 9b, Column (b) - Special deductions. Accept taxpayer's entry.
- (9) Line 12, Column (a) - Unused patronage loss. Accept taxpayer's entry.
- (10) Line 13, Column (b) - Unused nonpatronage loss. Accept taxpayer's entry.

3.11.16.32.19
(01-01-2014)

**Schedule H - Deductions
and Adjustments Under
IRC 1382**

- (1) Lines 3a and 3b. Accept taxpayer's entry.

3.11.16.32.20
(01-01-2019)

**Schedule J, Line 1 -
Controlled Group Code**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit "1" to the right of the checkbox on Line 1, if the box on Line 1 is marked.
- (3) If the box on Line 1 is not checked, edit "1" to the right of the checkbox on Line 1 if **both** of the following apply:
- a. Page 1, Line 27 is more than \$0.
 - b. Schedule O (Form 1120) is attached with the cooperative portion of the group's allocation.

3.11.16.32.21
(01-01-2024)

**Schedule J, Tax
Computation**

- (1) Line 1 (Line 2 for 2022 and prior) - Income tax. Accept taxpayer's entry.
- (2) Line 2 (Line 3 for 2022 and prior) - Base Erosion Payments (201812 and later) and Prior year Alternative minimum tax, Form 4626 (Tax periods 201811 and prior only).

If...	Then...
The tax period is 201811 and prior and Line 2 (Line 3 for 2022 and prior) has a significant entry, but Form 4626 (2017 revision) is not attached,	Correspond.

If...	Then...
The tax period is 201811 and prior and Line 2 (Line 3 for 2022 and prior) is blank and Form 4626 is attached with an amount on Line 14,	Edit the Line 14, Form 4626 amount to Schedule J, Line 2 (Line 3 for 2022 and prior).
The tax period is 201812 and later and Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts, is attached,	Do the following: a. Edit RPC "1." b. Edit the amount from Form 8991, Line 5e to Form 1120, Schedule J, Line 2.
The tax period is 201812 and later and Schedule J, Line 2 (Line 3 for 2022 and prior) has a significant entry and Form 8991 is not attached,	Correspond

(3) Line 3 - Corporate Alternative Minimum Tax (Form 4626 (2023 Revision)). Correspond for Form 4626 if Line 3 has a significant entry and Form 4626 is not attached.

(4) Line 5a - Foreign tax credit, Form 1118:

If...	Then...
	Edit CCC "P."
1118 or similar statement is not attached,	Correspond.

#

#

(5) Line 5b - Credits from Form 5735 and Form 8834:

If...	Then...
There is an entry on a 2006 Form 1120-C, Line 5b	Correspond.
1120-C, Line 5b and it can be determined the credit is from Form 8834, but Form 8834 is not attached,	Correspond.
1120-C, Line 5b and it can be determined the credit is from Form 5735, but Form 5735 is not attached,	Correspond.
1120-C, Line 5b and it cannot be determined if the credit is from Form 5735 or 8834,	Correspond for missing Line 5b documentation.

#

#

#

#

(6) Line 5c - If an amount is present or Form 3800 is attached, follow the instructions in IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

(7) Line 5d - Credit for prior year minimum tax, Form 8827:

If...	Then...
8827 is not attached,	Correspond.

#

(8) Line 8a - Recapture of investment Credit (2023 and later)

If...	Then...
is not attached,	Correspond.
Form 4255 is attached and the tax is not included on Line 8a,	Edit the amount from Line 20, Form 4255 to Schedule J, Line 8a.

#

(9) Line 8b - Recapture of Low Income Housing Credit (2023 and later)

If...	Then...
is not attached,	Correspond.
More than one Form 8611 is attached,	1. Combine Form 8611, Line 14, amounts. 2. Edit the total to Schedule J, Line 8b.
Form 8611 is attached and the tax is not included on Schedule J, Line 8b,	Edit the amount from Line 14, Form 8611 to line 8b.

#

- (10) Line 8 - (Tax period 202201 through 202212) If a significant amount is present on Line 8 and the taxpayer writes "CAMT" or "IRA AMT" or indicates the amount is for Corporate AMT, continue processing, no action is required.

- (11) Line 8 (Revision for 2022 and prior)

If ...	And ...	Then ...
Form 4255 or Form 8611 boxes are checked and the credit amount	The form is not attached.	Correspond.
Form 4255 box is checked,	An amount is present on Form 4255 Line 20	Renumber Line 8 to Line 8a and enter the Form 4255 Line 20 amount.
Form 8611 box is checked,	An amount is present on Form 8611 Line 14,	Renumber Line 8 to Line 8b and enter the Form 8611 Line 14 amount.

#

If ...	And ...	Then ...
More than one Form 8611 is attached,		<ol style="list-style-type: none"> 1. Combine Form 8611, Line 14, amounts. 2. Edit the total to Schedule J, Line 8b.

3.11.16.32.22
(01-01-2024)

**Schedule K, Line 2 -
NAICS Code**

(1) The Principal Business Activity (PBA) Code is based on the North American Industry Classification System Code (NAICS). These codes are a high priority to the Service. It is critical data for Statistics of Income, Examination, Research, and other Service organizations.

(2) The NAICS Code is a six digit code on Schedule K, Line 2a of Form 1120-C.

(3) A NAICS Code is required on all Form 1120-C returns.

Exception: Do not edit a NAICS Code on "G" coded returns (amended returns).

(4) Only one NAICS Code can be used on the return. Edit the NAICS Code as follows:

If...	Then...
A legible six digit NAICS Code is shown on Schedule K, Line 2a,	No editing is required.
A legible four digit NAICS Code is shown on Schedule K, Line 2a,	No editing is required.
There is more than one NAICS Code on Schedule K, Line 2a,	Circle all but the first NAICS Code listed.
Schedule K, Line 2a is blank, illegible or other than four or six digits,	Edit NAICS Code "999999."

3.11.16.32.23
(01-01-2010)

**Schedule K, Question 5 -
Is the Cooperative a
Subsidiary in an
Affiliated
Group/Controlled Group**

(1) If Question 5 meets one of the following conditions, a Name Control and EIN **must be edited**.

If...	Then...
<ul style="list-style-type: none"> Question 5 is checked "Yes," Both the "Yes" and "No" boxes are checked, Question 5 is checked "No" or neither box is checked but a corporation's name or EIN is present (must be different than that on the return, 	<ol style="list-style-type: none"> If something other than a corporation's name and/or EIN is present on Line 5, circle the name and/or EIN. If the name and/or EIN is the same as the tax return name and/or EIN, circle the name and/or EIN. Underline or edit (from attachments) the Name Control on Line 5. If unable to find a Name Control, edit "XXXX." Underline or edit (from attachments) the EIN on Line 5. If unable to find the EIN, edit "12-9999999."
Question 5 is answered "No" or neither box is checked and a corporation's name and EIN are not present,	No editing is required.
Question 5 is answered "No" or neither box is checked and a corporation's name and/or EIN are the same as the return name and/or EIN,	No editing is required.

- 3.11.16.32.24 (01-01-2013) (1) No entry is required for Schedule K, Line 8c unless Form 5472 is present.
- Schedule K, Line 8c - Number Form 5472(s)** (2) Edit Line 8c as follows:

If...	And...	Then...
A number is present for Schedule K, Line 8c,		No editing is required.
Schedule K, Line 8c is blank,	One or more Form 5472 is attached,	Edit the number of Form 5472(s) in the dotted line area of Line 8c.
Form 5472 is attached,	Schedule K is not present,	Dummy a Schedule K and edit the number of Form 5472(s) to Schedule K, Line 8c.

- 3.11.16.32.25 (01-01-2024) (1) If Question 20b is marked "Yes" or Question 20c is marked "No", Form 4626 must be attached. Correspond if Form 4626 is not attached.
- Schedule K, Lines 20a, 20b and 20c (Corporate AMT)** (2) Data will enter:
- "0" if no box is checked.
 - "1" if "Yes" box checked.
 - "2" if "No" box checked.
 - "3" if "Both" boxes checked. .

3.11.16.32.26
(01-01-2009)
Schedule L - Balance Sheet

- (1) Line 2a, Column (c) - Trade notes and accounts receivable. If there is no entry and:
 - a. Line 2b, Column (c) has an entry, compute and enter Line 2a(c) by adding Lines 2b(c) to Line 2b(d).
 - b. Line 2b, Column (c) is blank, edit the Line 2b(d) to Line 2a(c).
- (2) Line 4, Columns (b) and (d) - Other current assets. Accept taxpayer's entry.
- (3) Line 13, Column (d) - Total Assets. If blank, add Lines 1 through 12. Bracket if negative.
- (4) Correspond for Form 1120-C, Schedule L if blank or missing. Exception, do not correspond if:
 - a. The return is an "Amended" or "Final" return.
 - b. There are no significant entries on Page 1, Lines 1 through 24.
 - c. The "Cash" box is checked on Page 4, Schedule K, Line 1.
 - d. The "Yes" box is checked on Page 4, Schedule K, Line 14.

3.11.16.32.27
(01-01-2015)
Schedule N (Form 1120) - Foreign Operations of U.S. Corporations

- (1) For processing instructions, see IRM 3.11.16.11.37, Schedule N (Form 1120) - Foreign Operations of U.S. Corporation.

3.11.16.32.28
(01-01-2019)
Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for Controlled Groups

- (1) The instructions in this subsection (paragraphs 2 through 4) only apply to tax periods 201811 and prior. If a Schedule O is attached to a Form 1120-C for tax period 201812 and later, do the following:

If ...	Then ...
Schedule O is in sequence order,	Line through Schedule O, Parts II and III.
Schedule O is not in sequence order,	No action needed.

- (2) This subsection includes instructions for processing Schedule O (Form 1120).
- (3) Schedule O (Form 1120) replaces the Controlled Group tax computation previously included on Schedule J, Lines 2a(1) through 2b(2) for 2005 and prior.
- (4) If Controlled Group Code "1" or "4" is edited on a 2005 or prior year return, dummy a Schedule O and edit significant positive amounts as follows:
 - a. Schedule J, Line 2a(1) to Schedule O, Part II, Line 1, Column (c).
 - b. Schedule J, Line 2a(2) to Schedule O, Part II, Line 1, Column (d).
 - c. Schedule J, Line 2a(3) to Schedule O, Part II, Line 1, Column (e).
 - d. Schedule J, Line 2b(1) to Schedule O, Part III, Line 1, Column (f).
 - e. Schedule J, Line 2b(2) to Schedule O, Part III, Line 1, Column (g).

3.11.16.32.28.1 (1) The instructions in this subsection only apply to tax periods 201811 and prior.

(01-01-2019)

Taxable Income

**Apportionment - Part II,
Line 1**

(2) Edit Schedule O, Part II, Line 1 as follows:

If...	And...	Then...
Schedule O is attached and the parent corporation's taxable income apportionment amounts are present in Part II,	The amounts are entered on Line 1,	"X" any negative entries on Line 1, Columns (c), (d), and (e).
Schedule O is attached and the parent corporation's taxable income apportionment amounts are present in Part II,	The amounts are entered on a line other than Line 1,	<ol style="list-style-type: none"> 1. Line out Line 1 and renumber the parent corporation income tax apportionment amounts as Line "1." 2. "X" any negative entries on Line 1, Columns (c), (d), and (e).
<p>A Controlled Group Code was edited; there are no entries on any of Schedule O, Part II, Line 1, Columns (c), (d), and (e) or Schedule O is missing,</p> <p>Note: A taxpayer may be a member of a controlled group with an allocation of zero ("0") in each of the three taxable income brackets. In this case no entry will be necessary on Line 1, Part II, Columns (c), (d), and (e);</p>	Taxable income brackets are found on an attachment, (See Note below for examples.)	Edit the positive taxable income bracket amounts to Schedule O, Line 1, Columns (c), (d), and (e). Dummy a Schedule O if needed.

If...	And...	Then...
<p>A Controlled Group Code was edited; there are no entries on any of Schedule O, Part II, Line 1, Columns (c), (d), and (e) or Schedule O is missing,</p> <p>Note: A taxpayer may be a member of a controlled group with an allocation of zero ("0") in each of the three taxable income brackets. In this case no entry will be necessary on Line 1, Part II, Columns (c), (d), and (e);</p>	No taxable income brackets are found,	<p>Correspond for taxable income bracket amounts.</p> <p>Exception: Do not correspond if; there is no indication of an income tax liability on Form 1120-C, Schedule J, Line 2, the taxable income on Form 1120-C, Page 1, Line 27 is zero ("0") or a negative amount, or Schedule O (Form 1120), Page 1, Box 3c or Box 4a is checked.</p>
No Controlled Group Code was edited, see IRM 3.11.16.11.11(4), Schedule J, Page 3 - Controlled Group Code / Personal Service Corporation Code / Tax Computation.		Delete Schedule O.

- (3) Entries may be shown on an attached allocation/apportionment schedule. Some examples of the title of these schedules may be:
- "apportionment plan"
 - "apportionment consent plan"
 - "consent to apportionment"
 - "controlled group tax apportionment plan"
 - "surtax apportionment plan"
 - "allocation schedule"
- (4) The attachment may identify the amounts by the tax rate and/or taxable income bracket. Column (c) is the \$50,000 taxable income bracket taxed at 15 percent, Column (d) is the \$25,000 taxable income bracket taxed at 25 percent and Column (e) is the \$9,925,000 taxable income bracket taxed at 34 percent.
- (5) Any attachment labeled as "controlled group tax calculation statement" is not an apportionment plan and not used to edit tax bracket amounts on Schedule O.

3.11.16.32.28.2
(01-01-2019)

Income Tax
Apportionment -
Schedule O, Part III, Line
1

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit Part III, Line 1 as follows:

If...	And...	Then...
The parent corporation's income tax apportionment amounts are present in Part III,	The amounts are entered on Line 1,	"X" any negative entries on Line 1, Columns (f) and (g).
The parent corporation's income tax apportionment amounts are present in Part III,	The amounts are entered on a line other than Line 1,	1. Line out Line 1 and renumber the parent corporation income tax apportionment amounts as Line "1." 2. "X" any negative entries on Line 1, Columns (f) and (g).
A Controlled Group was edited,	Part III, Line 1, Column (f) is blank,	Check attachments for possible entry (additional 5 percent tax): a. If found, edit the positive amount to Line 1, Column (f). b. If not found, continue processing.
A Controlled Group was edited,	Part III, Line 1, Column (g) is blank,	Check attachments for possible entry (additional 3 percent tax): a. If found, edit the positive amount to Line 1, Column (g). b. If not found, continue processing.

3.11.16.32.29
(01-01-2024)

**Form 4626 - Corporate
Alternative Minimum Tax
(CAMT) (Tax Periods
202301 and later)**

- (1) The instructions in this subsection apply to tax periods 202301 and later.
- (2) Place Form 4626 in sequence order if significant entries are present on any of the lines:
 1. Question A is checked
 2. Question B is checked
 3. Part I, Line 1a, Column a
 4. Part I, Line 1a, Column b
 5. Part I, Line 1a, Column c
 6. Part I, Line 1f, Column a
 7. Part I, Line 1f, Column b
 8. Part I, Line 1f, Column c
 9. Part I, Line 5, Column a
 10. Part I, Line 5, Column b
 11. Part I, Line 5, Column c
 12. Part I, Line 13, Column a
 13. Part I, Line 13, Column b
 14. Part I, Line 13, Column c
 15. Part I, Line 15
 16. Part II, Line 1a
 17. Part II, Line 1f
 18. Part II, Line 4
 19. Part II, Line 5
 20. Part II, Line 8
 21. Part II, Line 9
 22. Part II, Line 13

- (3) Edit RPC "N" if Form 4626 (2023 Revision) is attached. See IRM 3.11.16.32.8, Return Processing Code.

3.11.16.32.29.1
(01-01-2024)

**Form 4626 - Alternative
Minimum Tax (Tax
Periods 201811 and
prior)**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Taxpayers may sometimes include more than one Form 4626 with the return. If more than one Form 4626 is present, compute the totals and edit the right transcription lines.
- (3) If Form 4626 is attached, perfect the following lines, as necessary:
- a. Line 3 - Pre-Adjustment AMTI. If there is no entry on Line 3, but any of Lines 1 or Lines 2a through 2o have an entry, compute Line 3. Bracket if negative.
 - b. Line 4e - ACE Adjustment. Accept taxpayer's entry.
 - c. Line 6 - Alternative tax net operating loss deduction. Accept positive entry. "X" negative entry.
 - d. Line 11 - Alternative minimum tax foreign tax credit. Accept positive entry. "X" negative entry.

3.11.16.32.30
(01-01-2012)

**Form 4136 - Credit for
Federal Tax Paid on Fuel**

- (1) For processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.32.31
(01-01-2023)

**Form 8978 and Form
8978, Schedule A**

- (1) Form 8978 is valid for tax periods ending 201712 and later.
- (2) The "Source of review Year adjustments" checkboxes on Form 8978, Partner's Additional Reporting Year Tax and Form 8978, Schedule A, Partners Additional Reporting Year Tax (Schedule of Adjustments), are valid for tax periods 202112 and later.
- (3) Place Form 8978 in sequence order if any of the following apply:
- The "Source of review year adjustments" checkboxes are checked on Form 8978.
 - The "Source of review year adjustments" checkboxes are checked on Form 8978, Schedule A.
 - Significant entries are present on Form 8978, Part I, Line 14, Part II, Line 16, or Part III, Line 18.

Note: Any information from the checkboxes on Form 8978, Schedule A will be transcribed on Form 8978.

- (4) Edit the digit to the right margin of Form 8978, Part I row as follows:

If ...	And ...	Then ...
Only Form 8978 is attached,	One or more of the boxes are checked,	Edit: a. "1" - BBA Audit is checked. b. "2" - AAR Filing is checked. c. "3" - Both boxes are checked.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked the same on both forms,	Use the Form 8978 data and edit as shown above.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked differently,	Use the Form 8978, Schedule A, data and edit as shown above.
Only Form 8978, Schedule A, is attached,		No editing is required.

Note: No editing is required on Lines 14, 16 and 18.

(5) Part I, Line 14 - Total additional reporting year tax.

(6) Part II, Line 16 - Total penalties.

(7) Part III, Line 18 - Total interest.

3.11.16.32.32
(01-01-2017)

Form 8941 - Credit for Small Employer Health Insurance Premiums

- (1) Place Form 8941 in sequence order if significant entries are present.
(2) For prior year revisions edit as follows:

If...	And...	Then...
2013 and 2012 revisions,	A significant amount is present on Line 1a or an EIN is present on Line 1b,	<ul style="list-style-type: none"> Change Line 1a to Line 1. Change Line 1b to Line B.

3.11.16.32.33
(01-02-2023)

Form 5884-B - New Hire Retention Credit

- (1) Form 5884-B, New Hire Retention Credit is historical (2010 through 2011).

3.11.16.32.34
(01-01-2024)

Form 3800 - General Business Credit

- (1) Form 3800, General Business Credit, must be filed with corporate tax returns when a significant amount is present on Schedule J, Line 5c - General Business Credit.
(2) Place Form 3800 in sequence order if significant entries are present.

- (3) If an amount is present on Form 3800, Part III for any of lines/credits 1a through 4z, follow the instructions below for each credit claimed:

If...	And...	Then...	
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	Part IV, Columns e, f, or g have entries (Part III, Box C, D, or G are checked for 202212 and prior),	No action is needed. The credit is for a carryover, and the form is not required.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The credit is for a pass-through entity (Part III, Column (d) (Column (b) for 202212 and prior) has an EIN listed),	No action is needed. The credit is from a pass-through entity, and the form is not required. Exception: If a credit is claimed on Lines 1a, 1d, 1o, 4a or 4k, Form 3468 must be attached. If a credit is claimed on lines 1l or 1f Form 8864 must be attached.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The situations above do not exist,	Correspond.	#

- (4) See IRM 3.11.16.11.15, Line 5c - General Business Credit and Exhibit 3.11.16-14, Form 3800 - Prior Year Conversion Chart.

3.11.16.32.35
(01-01-2024)

**Form 8936, Schedule A,
Clean Vehicle Credit
Amount**

- (1) Sequence up to two Form 8936, Schedule A's.
- (2) The following lines can be transcribed for the first two Form 8936, Schedule A's attached.
- Part I, Line 2
 - Part I, Line 3
 - Part II, Line 9
 - Part II, Line 11
 - Part IV, Line 17
 - Part V, Line 26
- (3) If more than two Form 8936, Schedule A's are attached, edit an indicator of "1" on the second Form 8936, Schedule A, to the bottom right margin.

Vehicle credit (Form 3800, Part III, Lines 1y or 1aa) correspond for a Form 8936 or Form 8936, Schedule A if either is missing.

3.11.16.33
(02-06-2023)

**Return Processing -
Form 1120-F (OSPC
Only)**

- (1) This subsection provides instructions for processing Form 1120-F, U.S. Income Tax Return of a Foreign Corporation.
- (2) Form 1120-F can be filed on a calendar or fiscal year basis.
- (3) Action Codes apply to Form 1120-F, see IRM 3.11.16.3.1, Action Codes.
- (4) Check for proper batching of returns and re-batch as required.
 - a. If amounts are present on Form 1120-F, Section II, the return must be batched as Effectively Connected (Doc Code 67).
Section II is located on Pages 4 and 5 (2016 and later) and Pages 3 and 4 (2015 and prior).
 - b. All others must be batched as Non-Effectively Connected (Doc Code 66).
- (5) Place Form 1120-F in a designated basket if Form 1042-S is attached, and Form 1042-S has any of the following conditions:
 - Fails to list any Withholding Agent information in Boxes 12a through 12i and claims withholding reported on Line 5i of Form 1120-F.
 - Includes a "Substantiating Evidence Form" header and may include a "Disclaimer" at the bottom.
- (6) To convert prior year tax returns, see Exhibit 3.11.16-5, Form 1120-F - Prior Year Conversion Chart.

3.11.16.33.1
(08-27-2019)

**Foreign Payments
Practice (FPP) Review**

- (1) For processing year 2017 and later, the Foreign Payments Practice (FPP) Review will take place after the Form 1120-F has been edited, numbered and transcribed. C&E will initiate the review by editing Action Code "440" and Rejects will send the return to FPP for review. Rejects will also make any corrections to the reviewed return, see IRM 3.11.16.33.39, Form 1120-F - Refund and Credit Elect Returns, for specific editing instructions.

3.11.16.33.2
(01-01-2024)

Sequence - Form 1120-F

- (1) Document Perfection is responsible for arranging Form 1120-F in the following order when transcription line entries are present:
 - Pages 1, 2, 3, 4, 5, 6, 7, and 8
 - Form 4626 (Tax periods 202301 and later (Revision 2023))
 - Form 1120, Schedule D
 - Form 8949
 - Form 8996
 - Form 4136
 - Form 8978
 - Form 8941
 - Form 3800
 - Form 8997
- (2) It is not necessary to sequence the forms or schedules listed above if there are no transcription line entries.
- (3) It is not necessary to sequence an Amended return. See IRM 3.11.16.3.9, Amended Returns, for more information."

- 3.11.16.33.3
(01-01-2009)
EIN
- (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).
- 3.11.16.33.4
(01-01-2014)
Name Control
- (1) All returns must have the Name Control underlined, see IRM 3.11.16.6.3, Entity Perfection - Name Control.
- 3.11.16.33.5
(05-11-2015)
Address
- (1) See IRM 3.11.16.6.5, Entity Perfection - Domestic Addresses and IRM 3.11.16.6.6, Entity Perfection - Foreign Address (OSPC).
- 3.11.16.33.6
(01-01-2017)
Tax Period
- (1) Edit tax period ending (except current calendar year) in YYMM format in the top right margin of the form, above the title. See IRM 3.11.16.7.1, Tax Period - Ending.
- (2) Edit the Tax Period Beginning to the top left margin, above the Form 1120-F title area in MMDDYY format on an Initial, Final or Short Period return. See IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period through IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits, for editing Short Period returns.
- 3.11.16.33.7
(01-01-2009)
Received Date
- (1) Enter in MMDDYY format.
- (2) Edit the received date in the dotted portion of Lines 1 through 4. See IRM 3.11.16.8, Received Date, and Exhibit 3.11.16-2 Due Date Charts.
- 3.11.16.33.8
(01-01-2024)
Page 1, Line A - Country of Incorporation
- (1) Edit Line A as follows:

If...	Then...
The taxpayer has entered the name of a Foreign Country in Line A,	Write the two letter "Country Code" in the dotted area of Line A if not present. If the Country Code is present, underline the Country Code. See Acceptable Foreign Countries in Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes, and Countries. Exception: Edit Country Code "OC" if the foreign country is not listed in Document 7475.
If Line A does not have an entry, or "US," "USA," "America" U.S. Possession or similar reference to the United States is present,	Edit "Country Code," "OC."

If...	Then...
More than one Foreign Country is present,	Edit the first entry only. See above for editing instructions.

Note: Use “UK” for England, Northern Ireland, Scotland, and Wales. Also, “Holland” is not an official country name, but is part of The Netherlands.

3.11.16.33.9
(01-01-2009)

**Page 1, Question D(1) -
Location of Books and
Records and
Page 1, Question D(3) -
Office or Place of
Business**

- (1) If the address (city, province or state, and country) in Question D(1) is outside the U.S. (Foreign address, for example, XYZ LTD, London, England), or is a U.S. Possession enter Area Office Code “15” in the dotted area of Question D(1).
- (2) If the address (city, province or state, and country) in Question D(1) is within the U.S. (domestic address), enter the right Area Office Code number. See Exhibit 3.11.16-1 Area Office Codes, (for example ABC Ltd., New York, NY enter “02”) in the dotted area of Question D(1).
- (3) If no address (city, province or state, and country) appears in Question D(1), or if “same as above” appears, then use the entity address data and follow step 1 or 2 above as appropriate.
- (4) The checkbox in Question D(3) referring to an office or place of business in the U.S. requires special coding. Edit a U.S. Office Code Indicator as follows:
 - a. If the box is checked, edit a “1” to the left of the checkbox in the dotted portion of Question D(3).
 - b. If the box is not checked, edit a “2” to the left of the checkbox in the dotted portion of Question D(3).

Note: This code establishes the correct due date for Form 1120-F. It is not necessary to edit CCC “R” or CCC “D.”

 - c. If Box D is not present (prior year returns) no action is required.

3.11.16.33.10
(01-01-2023)

**Computer Condition
Codes**

- (1) Computer Condition Codes are edited vertically in the blank space to the right of Questions E through G (2015 and prior, H through L). Valid codes for Form 1120-F are B, C, D, E, F, G, H, I, L, M, O, R, S, T, V, W, X, Y, Z, 3, 5, 7, and 8. See IRM 3.11.16.9.1, Computer Condition Codes, and Figure 3.11.16-29.

DRAFT

Form 1120-F U.S. Income Tax Return of a Foreign Corporation
 Department of the Treasury Internal Revenue Service
 For calendar year 2023, or tax year beginning _____, 2023, and ending _____, 20_____
 Go to www.irs.gov/Form1120F for instructions and the latest information.

OMB No. 1545-0123
2023

Name **Ash Willow Industries, Inc.**
 Number, street, and room or suite no. (see instructions) **P.O. Box 1501**
 City or town, state or province, country, and ZIP or foreign postal code **New York, NY 10001**

Employer identification number **00-5265512**

Check box(es) if:
☐ Name or address change
☐ First post-merger return
☐ Schedule M-3 attached
☒ Initial return
☐ Final return
☐ Amended return
☐ Protective return

A Country of incorporation **Switzerland** **SZ**
 B Foreign country under whose laws the income reported on this return is also subject to tax
 C Date incorporated **10-01-85**
 D (1) Location of corporation's primary books and records (city, province or state, and country) **02**
 (2) Principal location of worldwide business
 (3) If the corporation maintains an office or place of business in the United States, check here **2** ☐

E If the corporation had an agent in the United States at any time during the tax year, enter:
 (1) Type of agent **Distributor**
 (2) Name **Maxwell Beech**
 (3) Address **Newark NJ 07102** **F**

F See the instructions and enter the corporation's principal:
 (1) Business activity code number **314000**
 (2) Business activity **Textile Products**
 (3) Product or service

G Check method of accounting: (1) ☐ Cash (2) ☐ Accrual (3) ☐ Other (specify)

Computation of Tax Due or Overpayment

1 Tax from Section I, line 11, page 4 **1**
 2 Tax from Section II, Schedule J, line 9, page 6 **2**

Figure 3.11.16-29 Example of editing Computer Condition Codes.

3.11.16.33.11
 (04-20-2023)

**Return Processing Code
 (RPC)**

- (1) Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation.
- (2) RPCs are edited on Page 1, in the right margin next to Line 1 of Form 1120-F.
- (3) Refer to the table below for an explanation of when to edit each RPC.

RPC	Explanation
A	Form 5471, Schedule E, Income, War Profits, and Excess Profits Taxes Paid or Accrued, is attached.
B	Form 5471, Schedule H, Current Earnings and Profits, is attached.
C	Form 5471, Schedule I-1 Information for Global Intangible Low-Taxed Income, is attached.
D	Form 5471, Schedule P, Previously Taxed Earnings and Profits of U.S. Shareholder of Certain Foreign Corporations, is attached.
E	Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c), is attached.
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c), is attached.

RPC	Explanation
H	Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business, Part VIII, Cost Sharing Arrangement (CSA), has an entry (e.g., description, checkbox marked, percent, or an amount).
J	<p>For tax periods 202201 - 202212, taxpayer writes IRA22 DPE on Form 3800, Form 1120-F, Line 5 or on an attachment.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "J." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "DPE" in the batch ID.
K	<p>For tax periods 202201 - 202212, taxpayer writes IRA22TRE on Form 3800, an attachment or at the top of the return.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "K." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "TRE" in the batch ID.
L	Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement is attached.
M	Form 7205, Energy Efficient Commercial Buildings Deduction is attached.
N	Form 4626, Alternative Minimum Tax (Revision 2023 and later) is attached or Form 1120-F, Schedule J, Line 3 shows a significant amount.
1	Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts, is attached.
4	Form 8994, Employer Credit for Paid Family and Medical Leave, is attached.
6	Form 8996, Qualified Opportunity Fund, is attached.
7	Form 8990, Limitation on Business Interest Expense IRC 163(j), is attached.
9	Form 8997, Initial and Annual Statement of Opportunity Fund (QOF) Investments, is attached.

3.11.16.33.12
(01-01-2009)

Schedule M-3 Checkbox

- (1) Edit Computer Condition Code "B" when the "Schedule M-3 attached" box on Page 1 is marked or Schedule M-3 is attached to Form 1120-F.
- (2) Do not correspond for Schedule M-3 if the "Schedule M-3 attached" box is marked and Schedule M-3 is not attached.

3.11.16.33.13
(01-01-2024)

NAICS Code

- (1) The Principal Business Activity (PBA) Code is based on the North American Industry Classification System Code (NAICS). These codes are a high priority to the Service. It is critical data for Statistics of Income, Examination, Research and other Service organizations.
- (2) The NAICS Code is a four or six digit code on Page 1, Item F(1) of Form 1120-F.
- (3) A NAICS Code is required on all Form 1120-F returns.

Exception: Do not edit a NAICS Code on "G" coded returns (amended returns).

- (4) Only one NAICS Code can be used on the return. Edit the NAICS Code as follows:

If...	Then...
A legible six digit NAICS Code is shown on Page 1, Item F(1),	No editing is required
A legible four digit NAICS Code is shown on Page 1, Item F(1),	No editing is required.
There is more than one NAICS Code on Page 1, Item F(1),	Circle all but the first NAICS Code listed.
Page 1, Item F(1) is blank, illegible or, other than four or six digits,	Edit NAICS Code "999999".

3.11.16.33.14
(01-01-2014)

Additional Form 1120-F Perfection

- (1) This subsection addresses the editing of additional Form 1120-F information, see IRM 3.11.16.10, Additional Return Perfection.

3.11.16.33.14.1
(01-01-2024)

Form 8844 Indicator

- (1) Edit "1 - 1" in the left margin of Form 1120-F near Line 2. See IRM 3.11.16.11.15.1, Form 8844, Empowerment Zone Employment Credit.

3.11.16.33.14.2
(01-01-2024)

Audit Codes

- (1) Edit a "2 -" followed by the right Audit Code(s) in the left margin near Line 2.
- (2) Code "1" Inconsistent Filer Under IRC 6222(b) if:
 - a. Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request, is attached, or

- b. The return has an attachment with the statement "Notice of Inconsistent Treatment under IRC 6222(b)," or
 - c. A statement showing the corporation is filing its return inconsistent with the way its partnership return was filed, or.
 - d. Form 8275, Disclosure Statement, is attached, or a statement referring specifically to IRC 6662 (Disclosure).
- (3) Audit Code "2" (International) will be computer generated for Form 1120-F returns. Do not edit Audit Code "2" in the left margin of the return.
- (4) Code "3" if:
 - a. "Unusual Refundable Credits" are claimed.
 - b. Taxpayer quotes "Change of Accounting Period" under Headquarters "Grant Letter," or Revenue Procedure 2006-45 or 2006-46. Attach Form 4227, Intra-SC Reject or Routing Slip, to Examination (Audit) showing: "Taxpayer is changing accounting period pursuant to Headquarters "Grant Letter" or Revenue Procedure 2006-45 or 2006-46."
- (5) **Audit Code "C"** - Edit Audit Code "C" when Form 8283 is attached and:
 - a. Box 2b is checked, or
 - b. Box 2b1 is checked, or
 - c. Line 3, Column (h) has an entry.

3.11.16.33.14.3
(01-01-2012)

**Penalty and Interest
Code**

- (1) Edit "4 - 1" in the left margin near Line 2 when precomputed delinquency

#

situation, such as an estimated Tax Penalty, do not Code "4 - 1" and **do not** insert Condition Code "R." If only interest is shown, edit CCC "R."

#

3.11.16.33.14.4
(01-01-2012)

Reserve Code

- (1) Edit "5 - 4" in the left margin near Line 2 if Form 2220 is attached and Part II, Box 8 (prior year Part I, Box 3) is shown for a large corporation.

3.11.16.33.14.5
(01-01-2012)

**Installment Sale
Indicator Code (Form
6252)**

- (1) Edit "6 -" followed by the right Installment Sale Indicator code in the left margin near Line 2 when Form 6252, Installment Sale Income, is present (e.g., "6 - 1"), see IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252).

3.11.16.33.14.6
(06-28-2017)

**Form 1120-F Indicator
Code**

- (1) Edit "7 - 1" in the left margin near Line 2 if Form 1120-F has both Non-Effectively (Section I) and Effectively (Section II) Connected Income, (i.e., money amounts on line 1 and 2 that are greater than zero) see Figure 3.11.16-30.
- (2) Form 1120-F has two categories of income:

Categories of Income	Line Numbers
Not effectively connected - Income from U.S. sources not effectively connected with the conduct of a trade or business in the United States	<ul style="list-style-type: none">• Page 1, Line 1• Page 3, Section I, Line 11 (Page 2, Section I, Line 11, 2015 and prior)
Effectively Connected - income effectively connected with the conduct of a trade or business in the United States,	<ul style="list-style-type: none">• Page 1, Line 2• Page 5, Section II, Schedule J, Line 9, (Page 4, Section II, Schedule J, Line 9, 2015 and prior)

DRAFT

Form 1120-F U.S. Income Tax Return of a Foreign Corporation OMB No. 1545-0123

For calendar year 2023, or tax year beginning _____, 2023, and ending _____, 20 **2023**
Go to www.irs.gov/Form1120F for instructions and the latest information.

Name **ASPEN INTERNATIONAL INC.** Employer identification number **00-9889656**

Type or Print Number, street, and room or suite no. (see instructions) **PO BOX 900**

City or town, state or province, country, and ZIP or foreign postal code **Richmond, VA 23232**

Check box(es) if:
☐ Name or address change ☐ Initial return
☐ First post-merger return ☐ Final return
☐ Schedule M-3 attached ☐ Amended return
☐ Protective return

A Country of incorporation **OC** E If the corporation had an agent in the United States at any time during the tax year, enter:
 B Foreign country under whose laws the income reported on this return is also subject to tax (1) Type of agent _____
 C Date incorporated (2) Name _____

7-1 **Section I, line 11, page 4** **Section II, Schedule J, line 9, page 6**

Computation of Tax Due or Overpayment

1	Tax from Section I, line 11, page 4	2	400,000
2	Tax from Section II, Schedule J, line 9	3	50,000
3	Tax from Section III (add lines 6 and 10 on page 7)	4	450,000
4	Total tax. Add lines 1 through 3		
5a	Preceding year's overpayment credited to the current year		
5b	Current year's estimated tax payments		
5c	Refund applied for on Form 1120-F		

DRAFT

Form 1120-F (2023) Page **4**

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.

10	Other items of income		
11	Total. Enter here and on line 1, page 1	400,000	
12	Total. Enter here and include on line 5i, page 1		
13	Is the corporation fiscally transparent under the laws of the foreign jurisdiction with respect to any item of income listed above?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

DRAFT

14 Total special deductions. Add column (c), lines 8 and 12. Enter here and on line 30b, page 5

Schedule J Tax Computation (see instructions)

a	Recapture of investment credit (attach Form 4255)	8a	
b	Recapture of low-income housing credit (attach Form 8611)	8b	
c	Interest due under the look-back method—completed long term contracts (attach Form 8697)	8c	
d	Interest due under the look-back method—income forecast method (attach Form 8666)	8d	
e	Alternative tax on qualifying shipping activities (attach Form 8902)	8e	
f	Other (attach statement)	8f	
z	Total other taxes (add lines 8a through 8f)	8z	
9	Total tax. Add lines 7 and 8z. Enter here and on line 2, page 1	9	50,000

Form 1120-F (2023)

Figure 3.11.16-30 Example of editing Form 1120-F Indicator Code “7-1.”

3.11.16.33.15
(01-04-2023)**Lines 1 through 5h -
Computation of Tax Due
or Overpayment**

- (1) Line 1 - Tax from Section I, Line 11, Page 3 (Page 2, 2015 and prior), on Income from U.S. Sources Not Effectively Connected. If blank, enter from Page 3, Section I, Line 11.
- (2) Line 2 - Tax from Section II, Schedule J, Line 9, Page 5 (Page 4, 2015 and prior). If blank, enter from Page 5 (Page 4, 2015 and prior), Schedule J, Line 9.

- (3) Line 3 - Tax from Section III, Lines 6 and 10, Page 6 (Page 5, 2015 and prior). If blank, compute and enter from Page 6 (Page 5, 2015 and prior), Section III, Lines 6 and 10.
- (4) Line 4 - Total Tax.
- Compute and enter Line 4 when it is blank and there are entries on any of Lines 1 through 3.
 - If pre-computed interest or delinquency penalty or an added charge is **evident**, ensure that it has not been included in Line 4.

If...	Then...
The amount on Line 4 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> "X" the Line 4 amount. Delete the interest, penalty or additional charge from the Tax Due. Edit the correct Total Tax to the left of the original entry.

- (5) Line 5c - If there is a significant entry on Line 5c, see IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
- (6) Line 5d - Total of estimated tax payments. Compute and enter the total of Lines 5a and 5b, minus Line 5c on Line 5d.
- (7) Line 5e - Form 7004 Credit.
- (8) Line 5f - Regulated Investment Company Credit.

If ...	Then ...
The Undistributed Capital Gain 2439 is missing,	Correspond.
Form 2439 shows a lesser amount,	Place an "X" to the left of the entry on Line 5f. Edit the lesser amount to the left of the "X."
Form 2439 shows a larger	Correspond.

#

#

- (9) Line 5g - Credit for Federal tax paid on fuels.
- If Line 5g has a significant entry and Form 4136 is not present, correspond for the missing Form 4136.
 - For Form 4136 processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.
- (10) Line 5h - Reserved for future use.
Line 5h - Refundable credits from Form 8827 (revisions 2019 and prior):

If ...	Then ...
attached,	Correspond for Form 8827.

#3.11.16.33.16
(01-01-2022)**Line 5i - U.S. Income Tax
Paid or Withheld at
Source**

(1) Line 5i - U.S. Income Tax Paid or Withheld at Source. The credit on Line 5i must be substantiated with a copy of:

- Form 8288-A, Statement of Withholding on Certain Dispositions by Foreign Persons (Box 2).
- Form 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax (Line 10).
- Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding (Line 10).

If...	And...	Then...
Form 1042-S is used to substantiate the amount or part of the amount on Line 5i,	The taxpayer's name is not listed as the recipient in Box 13a of the Form 1042-S, Note: Box 13a cannot be a withholding rate pool or if the recipient is "unknown."	<ul style="list-style-type: none"> • Subtract the amount of the Form 1042-S from the amount on Line 5i. • Continue processing the return following the instructions below.

(2) When an amount is present on Line 5i, follow the instructions below:

If...	And...	Then...
An amount is claimed on Line 5i,	Supporting withholding documentation (Form 1042-S, Form 8288-A or substantial evidence, or Form 8805) is not attached, Example: Substantial evidence includes closing documents or settlement statement which shows the amount of tax withheld.	<p>Correspond for supporting withholding documentation.</p> <p>Exception: If a letter is attached, signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not correspond for the missing Form 1042-S.</p> <ol style="list-style-type: none"> 1. Attach an approved Correspondence Action Sheet. 2. Edit Action Code "215." <p>Note: If the address on Form 1120-F is domestic, edit Action Code "211."</p> <ol style="list-style-type: none"> 3. Continue processing.

If...	And...	Then...
An amount is claimed on Line 5i,	Form 1042-S, Form 8805, or a combination of these forms is attached and the total withholding substantiation is equal to or greater than the amount on Line 5i,	Continue processing. Exception: If the Form 1042-S is a consolidated Form 1042-S edit Action Code "440."
An amount is claimed on Line 5i,	Form 1042-S, Form 8805, or a combination of these forms is attached and the total withholding substantiation is less than the amount on Line 5i,	Correspond for supporting withholding documentation. Exception: If a letter is attached, signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not correspond for the missing Form 1042-S. Note: Do not correspond if the difference is due to rounding. 1. Attach an approved Correspondence Action Sheet. 2. Edit Action Code "215." Note: If the address on Form 1120-F is domestic, edit Action Code "211." 3. Continue processing.

- (3) When FIRPTA credit Form 8288-A is claimed on Form 1120-F, Line 5i, or Form 8288-A is attached, the FIRPTA Unit must verify the credit. The verified FIRPTA credit will be entered on Form 13698, Credit Verification Slip.

Caution: If FIRPTA credit is reported on a line other than Line 5i, move the FIRPTA amount to Line 5i and continue processing following the instructions below.

If...	And...	Then...
Only FIRPTA credit, Form(s) 8288-A or substantial evidence is attached and: 1. The verified FIRPTA credit, Form(s) 8288-A is equal to or greater than Line 5i,		1. "X" the credit amount on Line 5i. 2. Move the Line 5i amount to the right of Line 5i. 3. Edit action trail "CRV" to the lower left margin of the return. 4. Continue processing. See Figure 3.11.16-31

If...	And...	Then...
<p>Only FIRPTA credit, Form(s) 8288-A or substantial evidence is attached and:</p> <ol style="list-style-type: none"> 1. The verified FIRPTA credit, Form(s) 8288-A is less than Line 5i, or 2. No FIRPTA credit, Form(s) 8288-A is verified by the FIRPTA data base, 	<p>The total of attached Form(s) 8288-A, Box 2 is equal to or greater than Line 5i, (Withholding substantiation is attached.)</p>	<ol style="list-style-type: none"> 1. "X" the credit amount on Line 5i. 2. Edit the verified FIRPTA amount (Form 13698) to the right of Line 5i if greater than zero ("0"). 3. Edit action trail "CRV" to the lower left margin of the return. 4. Continue processing.
<p>Only FIRPTA credit, Form(s) 8288-A or substantial evidence is attached and:</p> <ol style="list-style-type: none"> 1. The verified FIRPTA credit, Form(s) 8288-A is less than Line 5i, or 2. No FIRPTA credit, Form(s) 8288-A is verified by the FIRPTA data base, 	<p>The total of attached Form(s) 8288-A, Box 2 is less than Line 5i, (Not all withholding substantiation is attached.)</p>	<p>Correspond for supporting withholding documentation:</p> <ol style="list-style-type: none"> 1. Attach an approved Correspondence Action Sheet. 2. Edit Action Code "215." <p>Note: If the address on Form 1120-F is domestic, edit Action Code "211."</p> <ol style="list-style-type: none"> 3. Continue processing.
<p>Form(s) 1042-S, 8805, or a combination of these forms, is attached and Form(s) 8288-A or substantial evidence is also attached and:</p> <ol style="list-style-type: none"> 1. The FIRPTA credit Form 8288-A is fully verified by the FIRPTA data base, 	<p>The total of attached Form 1042-S, Form 8805, and Form 8288-A is equal to or greater than Line 5i, (Withholding substantiation is attached.)</p>	<ol style="list-style-type: none"> 1. "X" the credit amount on Line 5i. 2. Edit the verified FIRPTA credit amount (Form 13698) to the right of Line 5i. <p>Exception: If the verified FIRPTA amount is more than the Line 5i amount, move the Line 5i amount to the right of Line 5i.</p> <ol style="list-style-type: none"> 3. Subtract the verified FIRPTA credit amount from the Line 5i amount and edit the difference to the left of Line 5i if greater than zero ("0"). 4. Edit Action Trail "CRV" to the lower left margin of the return. 5. Continue processing.

If...	And...	Then...
<p>Form(s) 1042-S, 8805, or a combination of these forms, is attached and Form(s) 8288-A or substantial evidence is also attached and:</p> <ol style="list-style-type: none"> The FIRPTA credit Form 8288-A is fully verified by the FIRPTA data base, 	<p>The total of attached Form 1042-S, Form 8805, and Form 8288-A is less than Line 5i, (Not all withholding substantiation is attached.)</p>	<p>Correspond for withholding documentation:</p> <p>Exception: If a letter is attached, signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not correspond for the missing Form 1042-S.</p> <ol style="list-style-type: none"> Attach an approved Correspondence Action Sheet. Edit Action Code "215." <p>Note: If the address on Form 1120-F is domestic, edit Action Code "211."</p> <ol style="list-style-type: none"> Continue processing.
<p>Form 1042-S, or Form 8805, or a combination of these forms is attached and one or more Form 8288-A or substantial evidence is also attached and:</p> <ol style="list-style-type: none"> The FIRPTA credit, Form(s) 8288-A is not fully verified by the FIRPTA data base, 	<p>The total of Form 1042-S, Form 8805, and Form 8288-A is equal to or greater than Line 5i, (Withholding substantiation is attached.)</p>	<ol style="list-style-type: none"> "X" the credit amount on Line 5i. Edit the verified FIRPTA credit amount (Form 13698) to the right of Line 5i. <p>Exception: If the verified FIRPTA amount is more than the Line 5i amount, move the Line 5i amount to the right of Line 5i.</p> <ol style="list-style-type: none"> Subtract the total of Form(s) 8288-A, Box 2 from the Line 5i amount and edit the difference to the left of Line 5i if greater than zero ("0"). Edit Action Trail "CRV" to the lower left margin of the return. Continue processing.

If...	And...	Then...
<p>Form 1042-S, or Form 8805, or a combination of these forms is attached and one or more Form 8288-A or substantial evidence is also attached and:</p> <ol style="list-style-type: none"> The FIRPTA credit, Form(s) 8288-A is not fully verified by the FIRPTA data base, 	<p>The total of attached Form 1042-S, Form 8805, and Form 8288-A is less than Line 5i, (Not all withholding substantiation is attached.)</p>	<p>Correspond for withholding documentation:</p> <p>Exception: If a letter is attached, signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not correspond for the missing Form 1042-S.</p> <ol style="list-style-type: none"> Attach an approved Correspondence Action Sheet. Edit Action Code "215." <p>Note: If the address on Form 1120-F is domestic, edit Action Code "211."</p> <ol style="list-style-type: none"> Continue processing.

- (4) Any questionable withholding verification documents are to be referred to Examination Classification for review before allowance of credit.

Withholding agent's name, street address, city, state, and ZIP code Hemlock LLC 229 West La Grande Avenue Edmonton Alberta T5A 3S8 Canada		1 Date of transfer 03 02 2023	Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests OMB No. 1545-0902	
Withholding agent's Federal identification number 00-9295634		2 Federal income tax withheld 3,500		
Identification number of foreign person subject to withholding (see instructions) 00-2145898	3 Amount realized 35,000	4 Gain recognized by foreign corporation	Copy A For Internal Revenue Service Center	
Name of person subject to withholding Poplar International Inc.	5 Description of property transferred Plot 4 of lot 25 South of Hwy			

DRAFT

1120-F U.S. Income Tax Return of a Foreign Corporation

Form 1120-F For calendar year 2023, or tax year beginning _____, 2023, and ending _____, 20 **2023**

Go to www.irs.gov/Form1120F for instructions and the latest information.

Name Poplar International Inc. Number, street, and room or suite no. (see instructions) Po Box 711 City or town, state or province, country, and ZIP or foreign postal code Toronto, Ontario M5A 4G2 Canada /XO/\$	Employer identification number 00-2145898 Check box(es) if: <input type="checkbox"/> Initial return <input type="checkbox"/> Name or address change <input type="checkbox"/> First post-merger return <input type="checkbox"/> Schedule M-3 attached <input type="checkbox"/> Amended return <input type="checkbox"/> Protective return
--	--

A Country of incorporation **OC**

B Foreign country under whose laws the income reported on this return is also subject to tax

C Date incorporated

E If the corporation had an agent in the United States at any time during the tax year, enter:
 (1) Type of agent
 (2) Name

i 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)) 3,500	5h 3500
j Elective payment election amount from Form 3800	5j 3500
z Total payments. Add lines 5d through 5j 3500	5z 3500
6 Estimated tax penalty (see instructions). Check if Form 2220 is attached	
7 Amount owed. If line 5z is smaller than the total of lines 4 and 6, enter amount	
8a Overpayment. If line 5z is larger than the total of lines 4 and 6, enter amount overpaid	
b Amount	
9 Enter payment	

INTERNATIONAL CREDIT(S) VERIFICATION SLIP

TIN (TP claiming credit): **00-2145898** MFT: **17** Tax Period: **202312**

Other credits Form (attached)	Form 1042S (attached)	Form 8805 (attached)	Form 8288A (attached)
Amount of credit	Amount of credit	Amount of credit	Amount of credit
			3500

Verified by: **SCMATT2**
 Date: **07132024**

Comments: _____ Total Credits: **3500**

Total Tax PD

Form **13698** (6-2005) Catalog Number 40881X Department of the Treasury Internal Revenue Service

Figure 3.11.16-31 FIRPTA Credit is Fully Verified

- (5) Line 5z (Line 5j, for 2022 and prior) - Total Payments - "X" any entry identified by the taxpayer as "Backup Withholding" and edit it to Line 5f.

1099 is not attached, correspond using Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S.

3.11.16.33.17
(01-01-2024)

**Line 5j - Elective
Payment Election**

- (1) Line 5j - (Tax Period 202201-202211) - If a significant amount is present for an "Elective or Deemed Payment Election", edit RPC "J."
- (2) Line 5j - (Tax Period 202301 and later) - "Elective Payment Election". Accept the taxpayer's entry.

3.11.16.33.18
(02-02-2023)

**Lines 6 through 9 -
Computation of Tax Due
or Overpayment**

- (1) Line 6 - Estimated Tax Penalty. If blank, edit amount from Form 2220, Line 38. See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
- (2) Lines 7 and 8a - Amount owed/Overpayment. Edit as positive only. If the taxpayer enters a negative amount, do not bracket. Edit the proper entry to Line 7 or 8a if **both** are blank. Do all the following:
 - a. Add Lines 4 and 6. Subtract Line 5z (5j for 2022 and prior).
 - b. Edit the positive result on Line 7 **or** the negative result (do not bracket) on Line 8a.
 - c. Edit Action Code "440" on Form 1120-F returns claiming a refund (over-

IRM 3.11.16.33.39, Form 1120-F - Refund and Credit Elect Returns.

- (3) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 7 or reduced Line 8a.

If...	Then...
The amount on Line 7 has pre-computed interest or penalty or added charge,	<ol style="list-style-type: none"> 1. "X" Line 7 amount. 2. Delete the interest, penalty or added charge from the amount owed. 3. Edit the correct amount owed to the left of the original entry.
The amount on Line 8a is reduced by pre-computed interest or penalty or added charge,	<ol style="list-style-type: none"> 1. "X" Line 8a amount. 2. Compute the Overpayment amount without the interest, penalty or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

- (4) Line 8b - Amount of Overpayment Withheld under Chapter 3. Accept taxpayer's entry.
- (5) Line 9 (left) - Credit to Next Year's ES Tax. Edit Action Code "440" on Form
for current and prior year returns, see IRM 3.11.16.33.39, Form 1120-F -
Refund and Credit Elect Returns, for additional instructions.

3.11.16.33.19
(01-01-2009)

Total Assets - Ending

- (1) Edit amount from Schedule L, Line 17, Column (d) (Line 15, Column (d) for 2006 and prior) to the bottom right corner of Page 1 in dollars only. Bracket if negative.
 - a. If Line 17, Column (d) is blank, compute Lines 1 through 16 if present and enter the amount to the bottom right corner of Page 1.

3.11.16.33.20 (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator and IRM
(01-01-2015) 3.11.16.11.9, Paid Preparer Section.

**Paid Preparer
Information**

3.11.16.33.21 (1) No entry is required for Line M unless Form 5472 is present.

(01-01-2013)

Page 2, Line M - Number of Forms 5472 (2) Edit Line M as follows:

If...	And...	Then...
A number is present for Line M,		No editing is required.
Line M is blank,	One or More Form 5472 is attached,	Edit the number of Form 5472(s) in the dotted line area of Line M.

3.11.16.33.22 (1) If Page 2, Question T meets one of the following conditions a Name Control and EIN must be edited:

**Page 2, Question T -
Name of Common
Parent**

If...	Then...
<ul style="list-style-type: none"> • Question T is checked "Yes" • Both the "Yes" and "No" boxes are checked • Question T is checked "No" or neither box is checked but a corporation's name or EIN is present (must be different than that on the return), 	<ul style="list-style-type: none"> a. If something other than a corporation's name and/or EIN is present on Line T, circle it out. b. If the name and/or EIN is the same as the return name and/or EIN, circle the name and/or EIN. c. Underline or edit (from attachments) the Name Control on Line T. If unable to find a Name Control, edit "XXXX." d. Underline or edit (from attachments) the TIN on Line T. If unable to find the TIN, edit "12-9999999."
Question T is answered "No" or neither box is checked and a corporation's name and EIN are not present,	No editing is required.
Question T is answered "No" or neither box is checked and a corporation's name and/or EIN are the same as the return name and/or EIN,	No editing is required.

3.11.16.33.23 (1) Edit CCC "C" when Form 1120-F, Page 2, Question CC is answered "Yes," or
(01-01-2019) if both the "Yes" and "No" boxes are checked.

**Question CC (Qualified
Derivatives Dealer)**

3.11.16.33.24
(01-01-2022)

**Question HH (Question II for 2022 and prior)
(Form 8996 - Qualified Opportunity Fund)**

- (1) If Form 1120-F, Page 3, Question HH (Question II for 2022 and prior), "Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund" is answered "Yes," search attachments for Form 8996. If Form 8996 is attached with an amount in Part III, Line 15, edit the amount to Page 3, Question HH (Question II for 2022 and prior).

Form 8996 Revisions

Prior Year Revision	Line
2020 and later	Part III, Line 15
2019	Part III, Line 14
2018 and 2017	Part III, Line 13

- (2) See IRM 3.11.16.17, Form 8996 - Qualified Opportunity Fund for transcription lines.
- (3) If Form 8996, Qualified Opportunity Fund, is attached, edit Return Processing Code (RPC) "6," see IRM 3.11.16.33.12, Return Processing Code (RPC), for more information.

3.11.16.33.25
(01-01-2024)

Question JJ(1), JJ(2), and JJ(3) (Corporate AMT)

- (1) If Question JJ(2) is marked "Yes" or Question JJ(3) is marked "No", Form 4626 must be attached. Correspond if Form 4626 is not attached.
- (2) No editing is required.
- (3) Data will enter:
- "0" if no box is checked.
 - "1" if "Yes" box checked.
 - "2" if "No" box checked.
 - "3" if "Both" boxes checked.

3.11.16.33.26
(05-27-2018)

Section II - Income and Deductions

- (1) Line 1c - Gross receipts or sales less returns and allowances. Accept taxpayer's entry.
- (2) Line 5 - Interest income. Accept taxpayer's entry.
- (3) Line 6 - Gross rents. Accept taxpayer's entry.
- (4) Line 8 - Capital gain net income. If there is a significant entry and Schedule D (Form 1120) is not attached, correspond.
- (5) Line 9 - Net gain or (loss) from Form 4797, Part II, Line 17 - If there is an schedule is not attached, correspond.
- (6) Line 11 - Total income. If blank, compute by adding Lines 3 through 10. Bracket if negative.
- (7) Line 13 - Salaries and Wages. Accept taxpayer's entry.
- (8) Line 28 - Total deductions. If blank, compute and enter Line 28 if there are entries on any of Lines 12 through 27. Bracket if negative.

#

- (9) Line 29 - Taxable income before Net Operating Loss (NOL). If blank, and there are entries on either of Lines 11 or 28, compute by subtracting Line 28 from Line 11.

3.11.16.33.27

(01-01-2024)

**Schedule J - Tax
Computation**

- (1) Line 3 - Corporate Alternative Minimum Tax (Form 4626 (2023 Revision)). Correspond for Form 4626 if Line 3 has a significant entry and Form 4626 is not attached.
- (2) For tax periods 201811 and prior, edit Tax Preference Code "1" to the bottom

#

- (3) Take the following actions for Lines 3, 5a, 5b, 5c, 5d, 8a and 8b:

If...	Then...	
The return is for tax period 201811 and prior and 4626 is missing,	Correspond.	#
1118 is missing,	Correspond.	#
There is an entry on Line 5b for General Business Credit, or Form 3800 is attached,	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit. (For Form 8834 See IRM 3.11.16.11.14.2, Schedule J, Line 5b - Form 8834 Credit and Form 5735).	
8827 is missing,	Correspond.	#
There is an entry on Line 5d for Form 8912,	See IRM 3.11.16.11.15.4, Schedule J, Line 5e - Form 8912, Credit to Holders of Tax Credit Bonds.	
The tax period is 202201 through 202212 and a significant amount is present on Line 8 and the taxpayer writes CAMT or IRA AMT or indicates the amount is for Corporate AMT,	Completely edit the return and give to the lead. The lead will: 1. Notify P&A that a return has been found (P&A will scan the Form 1120-F, pages 1 through 8 and any attachment with the new AMT calculation and email a copy to an LB&I Point of Contact (POC)), 2. Edit an action trail on the return. 3. Rebatch the return with "CAMT" in the batch ID. 4. Continue processing.	
4255 is missing, For 2022 and prior - Line 8 and the Form 4255 box is checked,	Correspond.	#

If...	Then...
8611 is missing, For 2022 and prior - Line 8 and the Form 8611 box is checked,	Correspond.

#

3.11.16.33.28
(01-01-2015)

**Schedule W -
Overpayment Resulting
from Tax Deducted and
Withheld Under Chapter
3**

- (1) The Schedule W was previously a worksheet in the instructions of the Form 1120-F. It is now part of the form to aid in the calculations of the overpayments resulting from tax deducted and withheld under Chapter 3.
- (2) If the Form 1120-F, Line 8b has a significant entry, edit Schedule W, Lines 1 and 3 as follows.
- (3) Verify that Schedule W, Line 1 matches Form 1120 -F, Line 5i.

If...	Then...
The total of Form 1120-F, Line 5i (including any amounts to the right and left of Line 5i) match the amount on the Schedule W, Line 1,	No editing is required.
The total of Form 1120-F, Line 5i (including any amounts to the right and left of Line 5i) do not match the amount on the Schedule W, Line 1,	Edit the total of Form 1120-F, Line 5i (including any amounts to the right and left of Line 5i) to Schedule W, Line 1. See Figure 3.11.16-32.

- (4) Accept the taxpayer's figure for Schedule W, Line 3.
- (5) Dummy a missing Schedule W if there is an amount on Form 1120-F, Line 8b as follows:
 - a. Edit the amount on Form 1120-F, Line 5i to Form 1120-F, Schedule W, Line 1.
 - b. Sequence the Schedule W.

Note: If correspondence is required for supporting withholding documentation for Line 5i and Schedule W is missing, correspond for Schedule W at the same time as the supporting withholding documentation.

DRAFT

Form 1120-F **U.S. Income Tax Return of a Foreign Corporation** OMB No. 1545-0123
 For calendar year 2023, or tax year beginning _____, 2023, and ending _____, 2023
 Go to www.irs.gov/Form1120F for instructions and the latest information.

Name **Birch International Inc.** Employer identification number **00-4519534**
 Number, street, and room or suite no. (see instructions) **PO Box 5209**
 City or town, state or province, country, and ZIP or foreign postal code **Columbus, OH 43216**

Type or Print

Check box(es) if:
☐ Initial return
☐ Name or address change
☐ First post-merger return
☐ Schedule M-3 attached
☐ Amended return
☐ Protective return

A Country of incorporation **OC**
 B Foreign country under whose laws the income reported on this return is also subject to tax
 C Date incorporated
 E If the corporation had an agent in the United States at any time during the tax year, enter:
 (1) Type of agent
 (2) Name

DRAFT

Form 1120-F (2023) Page **9**

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

1	Total Chapter 3 and 4 payments. Enter the amount from page 1, line 5i	1	500
2	Enter the tax amount from page 1, line 1	2	
3	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)	3	
4	Total Chapter 3 and 4 tax. Combine lines 2 and 3	4	
5	Tentative overpayment resulting from tax deducted and withheld under Chapters 3 and 4. Subtract line 4 from line 1	5	
6	Enter the amount from page 1, line 8a	6	
7	Overpayment resulting from tax deducted and withheld under Chapters 3 and 4. Enter the smaller of line 5 or line 6. Enter	7	
d	Combine lines 5a through 5c	5d	
e	Tax deposited with Form 7004	5e	
f	Credit for tax paid on undistributed capital gains (attach Form 2439)	5f	
g	Credit for federal tax paid on fuels (attach Form 4136). See instructions	5g	
h	Reserved for future use	5h	
i	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	500
j	Elective payment election amount from Form 3800	5j	
z	Total payments. Add lines 5d through 5j	5z	500
6	Estimated tax penalty (see instructions). Check if Form 2220 is attached	6	
7	Amount owed. If line 5z is smaller than the total of lines 4 and 6, enter the difference	7	
8a	Overpayment. If line 5z is larger than the total of lines 4 and 6, enter the difference	8a	1000
b	Amount of overpayment on line 8a resulting from tax deducted and withheld under Chapters 3 and 4. Enter the amount from Schedule W, line 7, page 9	8b	1000
9	Enter portion of line 8a you want Credited to 2024 estimated tax	9	

Under penalties of perjury, I declare that I have examined this return, including attachments and all information furnished to me, 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.

Sign Here **William Alder** 02/23/24 Title
 Signature of officer Date Title

Paid Preparer Use Only **Chester Cypress** 02/19/24 Check ☐ if self-employed PTIN **P00124578**
 Print/Type preparer's name Preparer's signature Date Firm's name Firm's EIN Firm's address Phone no.

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 114701 Form 1120-F (2023)

If line 5i does not match line 1, edit line 5i to Schedule W, line 1.

If Form 1120-F, line 8b, has a significant entry, edit or dummy Schedule W.

Figure 3.11.16-32 Form 1120-F Line 5i and Schedule W, Line 1

- 3.11.16.33.29
(01-01-2024)
**Form 4626 - Corporate
Alternative Minimum Tax
(CAMT) (Tax Period
202301 and later)**
- (1) The instructions in this subsection apply to tax periods 202301 and later.
 - (2) Place Form 4626 in sequence order if significant entries are present on any of the lines:
 - 1. Question A is checked
 - 2. Question B is checked
 - 3. Part I, Line 1a, Column a
 - 4. Part I, Line 1a, Column b
 - 5. Part I, Line 1a, Column c
 - 6. Part I, Line 1f, Column a
 - 7. Part I, Line 1f, Column b
 - 8. Part I, Line 1f, Column c
 - 9. Part I, Line 5, Column a
 - 10. Part I, Line 5, Column b
 - 11. Part I, Line 5, Column c
 - 12. Part I, Line 13, Column a
 - 13. Part I, Line 13, Column b
 - 14. Part I, Line 13, Column c
 - 15. Part I, Line 15
 - 16. Part II, Line 1a
 - 17. Part II, Line 1f
 - 18. Part II, Line 4
 - 19. Part II, Line 5
 - 20. Part II, Line 8
 - 21. Part II, Line 9
 - 22. Part II, Line 13
 - (3) Edit RPC "N" if Form 4626 (2023 Revision) is attached. See IRM 3.11.16.33.11, Return Processing Code.
- 3.11.16.33.30
(01-01-2020)
Form 1120 - Schedule D
- (1) The checkbox above Part I is the only transcription line on Schedule D when attached to Form 1120-F.
- 3.11.16.33.31
(01-01-2020)
**Form 8949 - Sales and
Other Dispositions of
Capital Assets**
- (1) For processing instructions, see IRM 3.11.16.16, Form 8949 - Sales and Other Dispositions of Capital Assets.
- 3.11.16.33.32
(01-01-2020)
**Form 8996 - Qualified
Opportunity Fund**
- (1) For processing instructions, see IRM 3.11.16.17, Form 8996 - Qualified Opportunity Fund.
- 3.11.16.33.33
(01-01-2012)
**Form 4136 - Credits for
Federal Tax Paid on Fuel**
- (1) For processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.33.34
(01-01-2023)
Form 8978 and Form 8978, Schedule A

- (1) Form 8978 is valid for tax periods ending 201712 and later.
- (2) The "Source of review Year adjustments" checkboxes on Form 8978, Partner's Additional Reporting Year Tax and Form 8978, Schedule A, Partners Additional Reporting Year Tax (Schedule of Adjustments), are valid for tax periods 202112 and later.
- (3) Place Form 8978 in sequence order if any of the following apply:
 - The "Source of review year adjustments" checkboxes are checked on Form 8978.
 - The "Source of review year adjustments" checkboxes are checked on Form 8978, Schedule A.
 - Significant entries are present on Form 8978, Part I, Line 14, Part II, Line 16, or Part III, Line 18.

Note: Any information from the checkboxes on Form 8978, Schedule A, will be transcribed on Form 8978.

- (4) Edit the digit to the right margin of Form 8978, Part I row as follows:

If ...	And ...	Then ...
Only Form 8978 is attached,	One or more of the boxes are checked,	Edit: a. "1" - BBA Audit is checked. b. "2" - AAR Filing is checked. c. "3" - Both boxes are checked.
Form 8978 and Form 8978 ,Schedule A, are attached,	The boxes are marked the same on both forms,	Use the Form 8978 data and edit as shown above.
Form 8978 and Form 8978 , Schedule A, are attached,	The boxes are marked differently,	Use the Form 8978, Schedule A, data and edit as shown above.
Only Form 8978, Schedule A, is attached,		No editing is required.

Note: No editing is required on Lines 14, 16 and 18.

- (5) Part I, Line 14 - Total Increase/decrease to reporting year tax.
- (6) Part II, Line 16 - Total Penalties.
- (7) Part III, Line 18 - Total Interest.

3.11.16.33.35
(01-01-2017)
Form 8941 - Credit for Small Employer Health Insurance Premiums

- (1) Place Form 8941 in sequence order if significant entries are present.
- (2) For prior year revisions edit as follows:

If...	And...	Then...
2013 and 2012 revisions,	a significant amount is present on Line 1a or an EIN is present on Line 1b,	<ul style="list-style-type: none"> Change Line 1a to Line 1. Change Line 1b to Line B.

3.11.16.33.36 (1) Form 5884-B, New Hire Retention Credit is historical (2010 through 2011).
(01-02-2023)

Form 5884-B - New Hire Retention Credit

3.11.16.33.37 (1) Form 3800, General Business Credit, must be filed with corporate tax returns when a significant amount is present on Schedule J, Line 5b - General Business Credit.
(01-01-2024)

Form 3800 - General Business Credit

(2) Place Form 3800 in sequence order if significant entries are present.

(3) If an amount is present on Form 3800, Part III for any of lines/credits 1a through 4z, follow the instructions below for each credit claimed:

If...	And...	Then...	
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	Part IV, Columns e, f, or g have entries (Part III, Box C, D, or G are checked for 202212 and prior),	No action is needed. The credit is for a carryover, and the form is not required.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The credit is for a pass-through entity (Part III, Column (d) (Column (b) for 202212 and prior) has an EIN listed),	No action is needed. The credit is from a pass-through entity, and the form is not required. Exception: If a credit is claimed on Lines 1a, 1d, 1o, 4a or 4k, Form 3468 must be attached. If a credit is claimed on lines 1l or 1ff Form 8864 must be attached.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The situations above do not exist,	Correspond.	#

(4) See IRM 3.11.16.11.15, Line 5c - General Business Credit and Exhibit 3.11.16-14, Form 3800 - Prior Year Conversion Chart.

3.11.16.33.38
(01-01-2022)

**Form 8997 - Initial and
Annual Statement of
Qualified Opportunity
Fund (QOF) Investments**

- (1) Form 8997 is valid for tax periods ending 201901 and later.
- (2) Place Form 8997 in sequence order if the form is attached and significant entries are present in any of Parts I, II, III or IV.
- (3) No editing is required except for the indicator in Parts I, II, III or IV. Transcription is from Row 1 of each part.
- (4) Part I - Total QOF Investment Holdings Due to Deferrals before Beginning of Tax Year (Row 1)
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of short-term deferred gain remaining in QOF
 - e. Column f - Amount of long-term deferred gain remaining in QOF
 - f. Part I Indicator - If more than one row of tax data is present in Part I, edit a "1" in the right margin of Part I, Row 1.
 - g. Line 2, Column e - Total amount
 - h. Line 2, Column f - Total amount
- (5) Part II - Current Tax Year Capital Gains Deferred by Investing in QOF (Row 1)
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of short-term deferred gain remaining in QOF
 - e. Column f - Amount of long-term deferred gain remaining in QOF
 - f. Part II Indicator - If more than one row of tax data is present in Part II, edit a "1" in the right margin of Part II, Row 2.
 - g. Line 2, Column e Total amount
 - h. Line 2, Column f Total amount
- (6) Part III - QOF Investments for Which Gain Is Included During Current Tax Year (Row 1)
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of previously deferred short-term gain now included in taxable income
 - e. Column f - Amount of previously deferred long-term gain now included in taxable income
 - f. Part III Indicator - If more than one row of tax data is present in Part III, edit a "1" in the right margin of Part III, Row 3.
 - g. Line 2, Column e Total amount
 - h. Line 2, Column f Total amount
- (7) Part IV - Total QOF Investment Holdings at Year End Due to Deferrals (Row 1)
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of short-term deferred gain invested in QOF
 - e. Column f - Amount of long-term deferred gain invested in QOF
 - f. Part IV Indicator - If more than one row of tax data is present in Part IV, edit a "1" in the right margin of Part IV, Row 4.

- g. Line 2, Column e Total amount
- h. Line 2, Column f Total amount

- (8) If Form 8997, Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments, is attached, edit Return Processing Code (RPC) "9." See IRM 3.11.16.33.11 Return Processing Code (RPC), for more information.

3.11.16.33.39
(02-02-2023)

**Form 1120-F - Refund
and Credit Elect Returns**

- (1) Edit an Action Code "440" on Form 1120-F returns claiming a:

prior year returns.

#

for current and prior year returns.

#

3.11.16.34
(01-01-2014)

**Return Processing -
Form 1120-FSC (OSPC
only)**

- (1) This subsection provides instructions for processing Form 1120-FSC, U.S. Income Tax Return of a Foreign Sales Corporation.
- (2) Action Codes are not applicable to this form. Computer Condition Code "U" will continue to be used.
- (3) To convert prior year tax returns, see Exhibit 3.11.16-6, Form 1120-FSC - Prior Year Conversion Chart.

3.11.16.34.1
(01-01-2009)

**Sequence - Form
1120-FSC**

- (1) Document Perfection is responsible for arranging Form 1120-FSC in the following order when transcription line entries are present:

- Pages 1, 2, 3, 4, 5, and 6
- Form 4136

Note: It is not necessary to sequence Form 4136 if there are no transcription line entries.

3.11.16.34.2
(01-01-2009)
EIN

- (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).

3.11.16.34.3
(01-01-2014)

**Entity Perfection - Name
Control and "In-Care-Of"
Name**

- (1) All returns must have the Name Control underlined, see IRM 3.11.16.6.3, Entity Perfection - Name Control and IRM 3.11.16.6.4, Entity Perfection - "In-Care-Of" Name.

3.11.16.34.4
(01-01-2009)
Address

- (1) See IRM 3.11.16.6.5, Entity Perfection - Domestic Addresses, and IRM 3.11.16.6.6, Entity Perfection - Foreign Address (OSPC).

3.11.16.34.5
(01-01-2017)
Tax Period

- (1) Edit tax period ending (except current calendar year) in YYMM format to the right of the title on Page 1 of the return, see IRM 3.11.16.7.1, Tax Period - Ending.
- (2) Edit the Tax Period Beginning to the left of Form 1120-FSC title area in MMDDYY format on an Initial, Final or Short Period return, see IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.

- (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period, through IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits, for editing Short Period returns.

3.11.16.34.6

(01-01-2009)

Received Date

- (1) Enter in MMDDYY format.
- (2) Edit the received date in the dotted portion of Line 1, see IRM 3.11.16.8, Received Date.

3.11.16.34.7

(01-01-2023)

Computer Condition Codes

- (1) Edit in the dotted portion of Line 4. Valid codes for Form 1120-FSC are A, B, C, D, E, F, G, L, M, N, O, R, S, T, U, W, X, Y, 1, 3, 7, and 8. See IRM 3.11.16.9.1, Computer Condition Codes.

3.11.16.34.8

(01-01-2024)

NAICS Code - Page 2, Schedule A, Additional Information, Line 1(a)

- (1) The Principal Business Activity (PBA) Code is based on the North American Industry Classification System Code (NAICS). These codes are a high priority to the Service. It is critical data for Statistics of Income, Examination, Research, and other Service organizations.
- (2) The NAICS Code is a four or six digit code on Page 2, Schedule A, Additional Information, Line 1a of Form 1120-FSC.
- (3) A NAICS Code is required on all Form 1120-FSC returns.

Exception: Do not edit a NAICS Code on "G" coded returns (amended returns).

- (4) Edit this code above the form title, Page 1 of Form 1120-FSC. See Figure 3.11.16-33.

Form 1120-FSC (Rev. 11-2018) Page 2

Schedule A Cost of Goods Sold Related to Foreign Trading Gross Receipts (see instructions)

1 Inventory at beginning of year

2 Purchases

(a) Using administrative pricing rules

(b) Not using administrative pricing rules

423990

Form 1120-FSC U.S. Income Tax Return of a Foreign Sales Corporation

(Rev. November 2018) For calendar year 20 or other tax year beginning and ending , 20 OMB No. 1545-0123

Department of the Treasury Internal Revenue Service

Go to www.irs.gov/Form1120FSC for instructions and the latest information.

A Foreign country or U.S. possession of incorporation (see instructions)

Name

C Employer identification number

B Check type of election made:
☐ FSC ☐ Small FSC
Enter the effective date of the election:

Number, street, and room or suite no. (see instructions)

Date incorporated

City or town, state, and ZIP code

E Total assets (see instructions)

F Check applicable boxes:
(1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory?
If "Yes," attach explanation ☐ Yes ☐ No

Additional Information (see instructions). Note: Small FSCs, complete lines 1 through 8f only.

1 See the instructions and enter the FSC's:

a Business activity code no. 423990

b Business activity Wholesale

c Product or service Durable Goods

2 Enter the amount of tax-exempt interest received or accrued during the tax year \$

f Small FSCs only: Check the applicable box if during the tax year the small FSC was a member of a controlled group of corporations that included a ☐ DISC or a ☐ FSC.

g Check the applicable box if during the tax year the FSC was a member of a controlled group of corporations that included a ☐ DISC or a ☐ FSC.

Figure 3.11.16-33 Example of editing the NAICS code from page 2 to page 1.

(5) Only one NAICS Code can be used on the return. Edit the NAICS Code as follows:

If...	Then...
A legible four or six digit NAICS Code is shown on Schedule A, Additional Information, Line 1a,	Edit the NAICS Code on Page 1 above the form title.
There is more than one NAICS Code on Schedule A, Additional Information, Line 1a,	Edit the first NAICS Code listed on Page 1 above the form title.
Schedule A, Additional Information, Line 1a is blank, illegible, other than four or six digits,	Edit NAICS Code "999999."

3.11.16.34.9 (01-01-2014)

(1) Edit Box A as follows:

Foreign Country/U.S. Possession - Box A

3.11.16.34.9

Internal Revenue Manual

Cat. No. 33500X (11-28-2023)
Any line marked with a # is for Official Use Only

33500039

If...	Then...
The taxpayer has entered the name of a Foreign Country or U.S. Possession in Box A,	Edit the two letter "Country Code" to the right of Box D. See Acceptable Foreign Countries in Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes, and Countries. Exception: Edit Country Code "OC" if the foreign country is not listed in Document 7475. See Figure 3.11.16-34.
Line A does not have an entry,	Edit "Country Code" "OC" to the right of Box D.
More than one Foreign Country or U.S. Possession is present,	Edit the "Country Code" of the first Foreign Country/U.S. Possession shown.

Note: Use "UK" for England, Northern Ireland, Scotland, and Wales. Also, "Holland" is not an official country name, but is part of The Netherlands.

The image shows Form 1120-FSC, U.S. Income Tax Return of a Foreign Sales Corporation. The form is for the calendar year 2019. The taxpayer is Pine International Inc., located at 6211 Oak Court, Fargo, ND 58102. The form includes the following information:

- Form 1120-FSC** (Rev. November 2018) Department of the Treasury Internal Revenue Service
- U.S. Income Tax Return of a Foreign Sales Corporation**
- For calendar year 2019 or other tax year beginning 2019 and ending 2019**
- OMB No. 1545-0123**
- Go to www.irs.gov/Form1120FSC for instructions and the latest information.**
- A Foreign country or U.S. possession of incorporation (see Instructions)**: Japan
- B Check type of election made:** ☒ FSC ☐ Small FSC
- C Employer identification number**: 00-2166581
- D Date incorporated**: 6-3-88
- E Total assets (see instructions)**: \$ 4,100,659
- F Check applicable boxes:** (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

The form is marked with a red "1" in the left margin and a red "JA" in the right margin, indicating the "Foreign Country Code" has been edited.

Figure 3.11.16-34 Example of editing the "Foreign Country Code" in the right margin of Form 1120-FSC.

3.11.16.34.10
(01-01-2009)

Type of Election - Box B

- (1) Edit Code "1" to the left of Box B if the "FSC" Box is marked.
- (2) Edit Code "2" to the left of Box B if the "Small FSC" box is marked.
- (3) If Box B is blank or both boxes are marked, do not enter a code.

3.11.16.34.11
(01-01-2015)

Name/Principal Shareholder - Line 1a and Name/Parent-subsidary Controlled Group - Line 2a

- (1) Underline the Name Control on Question 1a.
- (2) Underline the Name Control on Question 2a. See Figure 3.11.16-35.

Lines 1a and 2a:

- Underline Name Control.
- Perfect all EINs from attachments.
- If not found, research on IDRS.

Line 2b:

- Underline EIN

DRAFT

Form **4136**

Department of the Treasury
Internal Revenue Service

Go to www.irs.gov/Form4136 for instructions and the latest information.

OMB No. 1545-0162

2023

Attachment Sequence No. **79**

Name (as shown on your income tax return) Balsam Computer Co.

Taxpayer identification number 00-8166931

Caution: Claimant has the name and address of the person who sold the fuel to the claimant and the dates of purchase. For claims on lines 1c and 2b (type of use 13 or 14), 3d, 4c, and 5, claimant has not waived the right to make the claim. For claims on lines 1c and 2b (type of use 13 or 14), claimant certifies that a certificate has not been provided to the

511210

Form **1120-FSC** **U.S. Income Tax Return of a Foreign Sales Corporation**

(Rev. November 2018)
Department of the Treasury
Internal Revenue Service

For calendar year 20 2023 or other tax year beginning 1-1, 2023, and ending 12-31, 2023

Go to www.irs.gov/Form1120FSC for instructions and the latest information.

OMB No. 1545-0123

A Foreign country or U.S. possession of incorporation (see instructions) <u>Germany</u>	Name <u>Balsam Computer Co.</u>	C Employer identification number <u>00-8166931</u>
B Check type of election made: <input type="checkbox"/> FSC <input type="checkbox"/> Small FSC Enter the effective date of the election:	Number, street, and room or suite no. (see instructions) <u>19 Pine Ave.</u> City or town, state, and ZIP code <u>Boise, ID 83708</u>	D Date incorporated <u>Feb. 25, 1992</u> GM E Total assets (see instructions) <u>\$ 2,555,628</u>

F Check applicable boxes: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

FSC Information

1 Principal shareholder. Complete for the shareholder that was the principal shareholder at the beginning of the FSC's tax year. If two or more shareholders own equal amounts of stock, complete for the shareholder that has the same tax year as the FSC (see instructions).

a Name <u>Cypress Software Inc.</u>	b Identification number <u>00-7651112</u>
c Address (number, street, and room or suite no., city or town, state, ZIP code, or country) <u>P.O. Box 217 San Antonio, TX 78284</u>	d Total assets (corporations only) <u>\$13,651,873</u>
e Percentage of voting stock of the principal shareholder <u>33 %</u>	f Tax year ends (month and year) <u>12-31-23</u>
g Service Center where tax return is filed <u>Ogden UT</u>	h Foreign owner? (check one) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

2 Parent-subsidiary controlled group. Is the FSC a subsidiary in a parent-subsidiary controlled group? ☐ Yes ☒ No

If "Yes," and the principal shareholder (described in **1** above) is not the common parent of the group, complete lines 2a through 2g below for the common parent (see instructions).

a Name of common parent <u>Spruce Electronic Data</u>	b Identification number <u>00-4373312</u>
c Address (number, street, and room or suite no., city or town, state, ZIP code, or country) <u>75 Hemlock Freeway San Jose, CA 95101</u>	d Total assets (consolidated, if applicable) <u>\$14,638,295</u>
e Percentage of voting stock of the common parent <u>25 %</u>	f Tax year ends (month and year) <u>12-31-23</u>
g Service Center where tax return is filed <u>Ogden UT</u>	

3 Administrative pricing rules

Figure 3.11.16-35 Example of underlining the name controls on Line 1a and 2a of Form 1120-FSC.

3.11.16.34.12
(01-01-2009)EIN/Principal
Shareholder - Line 1b
and Name/Parent-
subsidiary Controlled
Group - Line 2b

- (1) Perfect the EIN on Questions 1b and 2b. If the EIN is missing check attachments. If not found, research on IDRS. If not found on IDRS, no action is required for Line 1b. An EIN is required on Line 2b if Question 2 is checked "Yes." See IRM 3.11.16.34.13, Parent-Subsidiary Controlled Group - Question 2, Page 1.

3.11.16.34.13

(01-01-2010)

**Parent-Subsidiary
Controlled Group -
Question 2, Page 1**

- (1) If Question 2, "Is the FSC a subsidiary in a parent-subsubsidiary controlled group?" meets one of the following conditions, a Name Control and EIN must be edited:

If...	Then...
<ul style="list-style-type: none"> Question 2 is checked "Yes" or Both the "Yes" and "No" boxes are checked, Question 2 is checked "No" or neither box is checked but a corporation's name or EIN is present (must be different than that on the return), 	<p>a. If something other than a corporation's name and/or EIN is present on Question 2, circle it out.</p> <p>b. If the name and/or EIN, is the same as the tax return name and/or EIN, circle the name and/or EIN.</p> <p>c. Underline or edit (from attachments) the Name Control on Question 2. If unable to find a Name Control, edit "XXXX."</p> <p>d. Underline or edit (from attachments) the TIN on Question 2. If unable to find the TIN, edit "12-9999999."</p>
Question 2 is answered "No" or neither box is checked and a corporation's name and EIN are not present,	No editing is required.
Question 2 is answered "No" or neither box is checked and a corporation's name and/or EIN are the same as the return name and/or EIN,	No editing is required.

3.11.16.34.14

(01-01-2009)

**Total Assets
(Corporations Only) -
Box 1d and
Total Assets
(Consolidated) - Box 2d**

- (1) Perfect the total assets amount in dollars only.

If...	And...	Then...
The amount in Box 1d is greater than the amount in Box 2d, or Box 2d is blank, less than \$1, negative, zero, dash, or none,	Box 1d is \$1 or more,	"X" the amount in Box 2d and edit the Box 1d amount to Box 2d.
The amount in Box 1d is greater than the amount in Box 2d, or Box 2d is blank, less than \$1, negative, zero, dash, or none,	Box 1d is less than \$1, negative, zero, dash, or none,	Edit the Box E, Total assets amount to Box 2d if the amount is \$1 or more.

If...	And...	Then...
The amount in Box 1d is greater than the amount in Box 2d, or Box 2d is blank, less than \$1, negative, zero, dash, or none,	Box E, Total assets is blank, less than \$1, negative, zero, dash, or none,	No action is required.

3.11.16.34.15
(01-01-2015)
**Paid Preparer
Information**

- (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator, and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.34.16
(01-01-2014)
**Additional Form
1120-FSC Perfection**

- (1) This subsection addresses the editing of additional Form 1120-FSC information. See IRM 3.11.16.10, Additional Return Perfection.

3.11.16.34.16.1
(01-01-2014)
Audit Codes

- (1) Edit a “**2** -” followed by the right Audit Code(s) in the left margin near Line 2 (e.g., “2 - 1”).
- (2) Code “**1**” (Inconsistent Filer Under Section 6222(b)) if:
- Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request is attached, or
 - The return has an attachment with the statement “Notice of Inconsistent Treatment under IRC 6222(b),” or
 - A statement showing the corporation is filing the return inconsistent with the way the partnership return was filed, or
 - Form 8275 is attached, or a statement referring specifically to IRC 6662.
- (3) Code “**2**” if Form 5472 is attached.
- (4) Code “**3**” if:
- “Unusual Refundable Credits” are claimed.
 - Taxpayer quotes “Change of Accounting Period” under Headquarters “Grant Letter,” or Revenue Procedure 2006-45 or 2006-46. Attach Form 4227, Intra-SC Reject or Routing Slip, to Examination (Audit) showing: “Taxpayer is changing accounting period pursuant to Headquarters “Grant Letter” or Revenue Procedure 2006-45 or 2006-46.”
- (5) Code “**4**” if return is a Joint Committee Case. For a definition of a Joint Committee Case, see IRM 3.11.16.9.1.14, CCC “N” - Joint Committee Case.

3.11.16.34.16.2
(01-01-2012)
**Penalty and Interest
Code**

- (1) Edit “**4** - 1” in the left margin near Line 2 when precomputed delinquency

#

situation, such as an estimated Tax Penalty, do not Code “4 - 1” and **do not** insert Condition Code “R.” If only interest is shown, edit CCC “R.”

3.11.16.34.16.3
(08-13-2015)

Reserve Code

- (1) Edit “5 - 4” in the left margin near Line 2 if Form 2220 is attached and Part II, Box 8 (prior year Part I, Box 3) is shown for large corporation.

3.11.16.34.16.4
(01-01-2012)

Installment Sale Indicator (Form 6252)

- (1) Edit “6 - ” followed by the right Installment Sale Indicator code in the left margin near Line 2 when Form 6252, Installment Sale Income, is present (e.g., “6 - 1”). See IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252).

3.11.16.34.17
(01-01-2014)

Total Assets - Box E

- (1) Compare the amount in Box E to the amount on Schedule L, Line 15, Column (d).
(2) If the amount to be edited will change, then resolve the difference in favor of the Schedule L amount and correct Box E. Bracket if negative. See Figure 3.11.16-36.

Exception: The return is a “Final” return, resolve the difference in favor of the Box E amount.

Form 1120-FSC (Rev. 11-2018) Page 6

Schedule L Balance Sheets per Books

	Beginning of tax year	End of tax year
Assets	(a)	(b)
	(c)	(d)

U.S. Income Tax Return of a Foreign Sales Corporation
For calendar year 20____ or other tax year beginning _____, 20____, and ending _____, 20____.
OMB No. 1545-0123
Go to www.irs.gov/Form1120FSC for instructions and the latest information.

A Foreign country or U.S. possession of incorporation (see instructions) _____
B Check type of election made:
☐ FSC ☐ Small FSC
Enter the effective date of the election: _____
C Employer identification number
00-0704167
D Date incorporated
July 10, 1992
E Total assets (see instructions)
500,000 X 50,000
F Check applicable boxes:
(1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

Chestnut Wholesale Inc.
Number, street, and room or suite no. (see instructions)
1776 Fir Street Ste. 1
City or town, state, and ZIP code
Seattle, WA 98109

12	Land (net of any amortization)			
13a	Intangible assets (amortizable only)			
b	Less accumulated amortization	()	()	100,000
14	Other assets (attach schedule)			
15	Total assets			500,000
Liabilities and Shareholders' Equity				
16	Accounts payable			

Figure 3.11.16-36 Example of editing the amount of Box E in favor of the amount on Schedule L, Line 15.

- (3) If Schedule L, Line 15, Column (d) is blank, then compute Lines 1 through 14, Columns (c) and (d) if present and compare with the amount in Box E.
(4) If Box E is blank, enter Total Assets in dollars only from Schedule L, Line 15, Column (d). Bracket if negative.

- (5) No editing is required if Schedule L is not present or if there is no significant entry on Schedule L, Line 15, Column (d).
- (6) If the amount in Box E is for cents only (e.g., \$.01 - \$.99), place an "X" to the left of the entry.

3.11.16.34.18
(04-22-2019)

**Tax Data Perfection,
Page 1 - Tax and
Payments**

- (1) Line 1 - Total tax.
- If blank, edit from Schedule J, Line 6.
 - If pre-computed interest or delinquency penalty or an additional charge is **evident**, ensure that it has not been included in Line 1.

If...	Then...
The amount on Line 1 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> "X" the Line 1 amount. Delete the interest, penalty or additional charge from the total. Edit the correct Total Tax to the left of the original entry.

- (2) Line 2c - If there is a significant entry on Line 2c, refer to CCC "O" procedures. See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
- (3) Line 2d - Total of estimated tax payments. If blank, compute and enter the total of Lines 2a and 2b, minus Line 2c on Line 2d.
- (4) Line 2e - Tax deposited with Form 7004.
- (5) Line 2f - Credit for Federal tax paid on fuels.
- If Line 2f has a significant entry and Form 4136 is not present, correspond for the missing Form 4136.
 - For Form 4136 processing instructions. See IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.
- (6) Line 2g - Tax paid or withheld at source, Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding.

If...	And...	Then...
Form 1042-S is used to substantiate the amount or part of the amount on Line 2g,	<p>The taxpayer's name is not listed as the recipient in Box 13a of the Form 1042-S,</p> <p>Note: Box 13a cannot be a withholding rate pool.</p>	<ul style="list-style-type: none"> Subtract the amount of the Form 1042-S from the amount on Line 2g. Continue processing the return following the instructions in paragraph (7) below.

If...	And...	Then...
Form 1042-S is not attached to substantiate the amount on Line 2g,		Correspond for Form 1042-S. Exception: If a letter is attached, signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not correspond for the missing Form 1042-S.

- (7) When FIRPTA credit (Form 8288-A) is claimed on Form 1120-FSC, Line 2g, or Form 8288-A is attached, the FIRPTA unit must verify the credit. The verified FIRPTA credit will be entered on Form 13698, International Credit(s) Verification Slip:

If...	Then...
The total amount of FIRPTA credit, Form 8288-A, claimed on Form 1120-FSC is verified by the FIRPTA International Unit,	Accept the taxpayer's figure and edit the verified FIRPTA credit to the right of Line 2g.
The total amount of FIRPTA credit, Form 8288-A, claimed is fully verified and Form(s) 1042/8805 credits are also present,	<ol style="list-style-type: none"> 1. "X" the amount on Line 2g and subtract the FIRPTA credit from the Form 1042-S credit. 2. Edit the FIRPTA credit to the right of Line 2g. 3. Edit the Form 1042-S credit to Line 2g.
The total amount of FIRPTA credits, Form 8288-A, are not verified or are not fully verified and Forms 1042/8805 credits are also present,	"X" the amount on Line 2g and subtract the unverified FIRPTA credit from the 2g amount.
If Line 2g has any amount and is identified as FIRPTA or Form 8288-A credit and the Form 8288-A or substantial evidence is not attached,	Correspond

- (8) Line 3 - Estimated tax penalty. If blank, edit amount from Form 2220, Line 38 to Line 3. See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
- (9) Lines 4 and 5 - Tax Due/Overpayment. Edit as positive only. If the taxpayer enters a negative amount, do not bracket. Edit the proper entry to Line 4 or 5 if **both** are blank. Do both the following:
- a. Add Lines 1 and 3. Subtract Line 2h.
 - b. Edit the positive result on Line 4 **or** the negative result (do not bracket) on Line 5.
- (10) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 4 or reduced Line 5.

If...	Then...
The amount on Line 4 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 4 amount. 2. Delete the interest, penalty or additional charge from the Tax Due. 3. Edit the correct Tax Due to the left of the original entry.
The amount on Line 5 is reduced by pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 5 amount. 2. Compute the Overpayment amount without the interest, penalty or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

(11) Line 6 (center) - Credit elect to next year tax.

3.11.16.34.19
(01-01-2009)
**Schedule B, Page 3,
Line 18 - Taxable Income
or (Loss)**

(1) Schedule B, Page 3, Line 18 - Taxable Income or (loss) is edited in dollars only.

a. If blank, total Lines 16 and 17 and enter on Line 18. Bracket if negative.

3.11.16.34.20
(01-01-2009)
**Schedule G, Page 5,
Line 4 - Depreciation
from Form 4562**

(1) Line 4, Depreciation - Column (a), Using administrative pricing rules and Column (b), Not using administrative pricing rules.

3.11.16.34.21
(08-30-2017)
**Schedule J, Page 5, Tax
Preference Code and
Foreign Tax Credit**

(1) For tax periods 201811 and prior, edit Tax Preference Code "1" to the bottom center margin, Page 1 if an amount is present on Schedule J, Line 3.

Foreign Tax Credit (Corporations), is missing, correspond.

#

3.11.16.34.22
(01-01-2012)
**Form 4136 - Credit for
Federal Tax Paid on
Fuels**

(1) For processing instructions. See IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.35
(01-01-2021)
**Return Processing -
Form 1120-H**

(1) This Subsection provides instructions for processing Form 1120-H, U.S. Income Tax Return for Homeowners Associations. Form 1120-H is an ERS return; Action Codes .

(2) A condominium management association, residential real estate management association, or timeshare association files Form 1120-H to elect the application of section 528.

(3) Action Codes apply to Form 1120-H, see IRM 3.11.16.3.1, Action Codes.

(4) To convert prior year tax returns, see Exhibit 3.11.16-7, Form 1120-H - Prior Year Conversion Chart.

- 3.11.16.35.1
(01-01-2024)
Sequence - Form 1120-H
- (1) Document Perfection is responsible for arranging Form 1120-H in the following order when transcription line entries are present:
 - Page 1
 - Form 4136
 - Form 8978
 - Form 8941
 - Form 3800
 - (2) It is not necessary to sequence the forms or schedules listed above if there are no transcription line entries.
 - (3) It is not necessary to sequence an Amended return. See IRM 3.11.16.3.9, Amended Returns, for more information.”
- 3.11.16.35.2
(01-01-2009)
EIN
- (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).
- 3.11.16.35.3
(01-01-2014)
Name Control and Address
- (1) Underline the Name Control on all Form 1120-H returns. See IRM 3.11.16.6.3, Entity Perfection - Name Control, through IRM 3.11.16.6.6, Entity Perfection - Foreign Address (OSPC).
- 3.11.16.35.4
(01-01-2017)
Tax Period
- (1) Edit tax period ending (except current calendar year) in YYMM format to the right of the title on Page 1 of the return, see IRM 3.11.16.7.1, Tax Period - Ending.
 - (2) Edit the Tax Period Beginning to the left of Form 1120-H title area in MMDDYY format on an Initial, Final or Short Period return. See IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
 - (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period through IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits, for editing Short Period returns.
- 3.11.16.35.5
(01-01-2009)
Received Date
- (1) Edit the received date in the dotted portion of Line 11. See IRM 3.11.16.8, Received Date.
- 3.11.16.35.6
(01-01-2023)
Computer Condition Codes
- (1) See IRM 3.11.16.9.1, Computer Condition Codes.
 - (2) Valid codes for Form 1120-H are D, E, F, G, M, O, R, T, W, X, Y, 3, 7, and 8.
 - (3) Edit Computer Condition Codes in the dotted portion of Line 1.
- 3.11.16.35.7
(04-20-2023)
Return Processing Code (RPC)
- (1) Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation.
 - (2) RPCs are edited on Page 1, in the right margin next to Line 1 of Form 1120-H.
 - (3) Refer to the table below for an explanation of when to edit each RPC.

RPC	Explanation
E	Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c), is attached.
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c), is attached.
J	<p>For tax periods 202201 - 202212, taxpayer writes IRA22 DPE on Form 3800, Form 1120-H, Line 23e or on an attachment.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "J." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "DPE" in the batch ID.
K	<p>For tax periods 202201 - 202212, taxpayer writes IRA22TRE on Form 3800, an attachment or at the top of the return.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "K." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "TRE" in the batch ID.
L	Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement is attached.
M	Form 7205, Energy Efficient Commercial Buildings Deduction is attached.
4	Form 8994, Employer Credit for Paid Family and Medical Leave, is attached.

3.11.16.35.8
(01-01-2017)

Additional Form 1120-H Perfection

- (1) This subsection addresses the editing of additional Form 1120-H information. See IRM 3.11.16.10, Additional Return Perfection.

3.11.16.35.8.1
(01-01-2024)
Audit Codes

- (1) Valid codes are "2", "3," and **C**. No editing is necessary for codes **2** and "3."
- (2) **Audit Code "C"** - Edit Audit Code "C" when Form 8283 is attached and:
 - a. Box 2b is checked, or
 - b. Box 2b1 is checked, or
 - c. Line 3, Column (h) has an entry.

3.11.16.35.8.2
(01-01-2013)
Penalty and Interest Code

- (1) Edit the Penalty and Interest Code in the left margin next to Line 12 of Form 1120-H.
- (2) Edit as **"3 -"** followed by the Penalty and Interest Code.
- (3) Enter code **"1"** when precomputed delinquency penalty and/or interest is

situation, such as an estimated Tax Penalty, do not code "1" and **do not** insert Condition Code "R." If only interest is shown, edit CCC "R."

3.11.16.35.8.3
(01-01-2009)
Reserve Code

- (1) No editing required.

3.11.16.35.9
(01-01-2015)
Timeshare Association Indicator

- (1) When a Timeshare Association files Form 1120-H and checks the Timeshare Association box, edit the Timeshare Association Indicator of **"1"** in the right margin of Line A, Page 1, Form 1120-H. See Figure 3.11.16-37.

DRAFT		Form 1120-H		U.S. Income Tax Return for Homeowners Associations		OMB No. 1545-0123	
Department of the Treasury Internal Revenue Service		Go to www.irs.gov/Form1120H for instructions and the latest information.				2023	
For calendar year 2023 or tax year beginning		, 2023, and ending				, 20	
TYPE OR PRINT	Name Spruce Timeshare Assoc.					Employer identification number 00-9856477	
	Number, street, and room or suite no. If a P.O. box, see instructions. 2502 Larch Ave					Date association formed	
	City or town, state or province, country, and ZIP or foreign postal code Jackson, MS 39205					1995	
Check if: (1) <input type="checkbox"/> Final return (2) <input type="checkbox"/> Name change (3) <input type="checkbox"/> Address change (4) <input type="checkbox"/> Amended return							
A Check type of homeowners association: <input type="checkbox"/> Condominium management association <input type="checkbox"/> Residential real estate association <input checked="" type="checkbox"/> Timeshare association						1	
B Total exempt function income. Must meet 60% gross income test. See instructions						B	
C Total expenditures made for purposes described in 90% expenditure test. See instructions						C	
D Association's total expenditures for the tax year. See instructions						D	
E Tax-exempt interest received or accrued during the tax year						E	
Gross Income (excluding exempt function income)							
1 Dividends						1	
2 Taxable interest						2	

Figure 3.11.16-37 Example of editing the Timeshare Association Indicator of "1."

3.11.16.35.10

(01-01-2020)

**Gross Income Items -
Lines 1 through 8**

- (1) Gross Income items can be positive or negative amounts.
- (2) Line 1 - Dividends.
- (3) Line 2 - Taxable interest.
- (4) Line 3 - Gross rents.
- (5) Line 4 - Gross royalties.
- (6) Line 5 - Capital gain net income. If there is a significant entry and Schedule D (Form 1120) is not attached, correspond.

#

has not attached Form 4684, correspond.

- (8) Line 7 - Other Income:
 - a. If the only income is "Gross Income" on Line 8, double arrow the Line 8 amount to Line 7. Bracket if negative.
- (9) Line 8 - Gross Income:
 - a. Compute Line 8 if blank and there are entries on Lines 1 through 7. Bracket if negative.

3.11.16.35.11

(01-01-2009)

**Deduction Items - Lines
9 through 17**

- (1) Deduction items can be positive or negative amounts.
- (2) Line 9 - Salaries and wages.
- (3) Line 10 - Repairs and maintenance.
- (4) Line 11 - Rents.
- (5) Line 12 - Taxes and licenses.
- (6) Line 13 - Interest.
- (7) Line 14 - Depreciation.
- (8) Line 15 - Other Deductions:
 - a. If the only deduction is "Total Deductions" on Line 16, enter the Line 16 amount on Line 15. Bracket if negative.
- (9) Line 16 - Total Deductions:
 - a. Compute Line 16 if blank and there are entries on Lines 9 through 15. Bracket if negative.
- (10) If Line 17 is the only entry then:
 - a. Edit the Line 17 amount to Lines 7 and 8 if it is a positive amount.
 - b. Edit the Line 17 amount to Lines 15 and 16 if it is a negative amount. Bracket negative amount.

3.11.16.35.12

(1) Line 21 - Tax credits:

(01-01-2024)

**Tax and Payments -
Lines 21 through 26**

If...	And...	Then...	
There is an entry for Foreign Tax	Form 1118 or similar statement is not attached,	Correspond.	#
	Form 3800 is missing,	Correspond.	#
There is an entry for fuel produced	The supporting statement is missing,	Correspond.	#
			#

(2) Line 22 - Total Tax:

- a. If Line 22 is blank, compute and enter by subtracting Line 21 from Line 20.
- b. If pre-computed interest or delinquency penalty or an additional charge is evident, ensure that it has not been included in Line 22.

If...	Then...
The amount on Line 22 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" the Line 22 amount. 2. Delete the interest, penalty or additional charge from the total. 3. Edit the correct Total Tax to the left of the original entry.

(3) Lines 23a - Preceding Year's overpayment credited to the current year.

(4) Line 23b - Current year's Estimated tax Payments.

(5) Line 23c - For 2022 and prior, if blank, add Lines 23a and 23b and enter on Line 23c.

(6) Line 23c (Line 23d for 2022 and prior) - Tax deposited with Form 7004.

(7) Line 23e (Tax Periods 202201-202211) - If a significant amount is present and "IRA22 DPE" is notated, edit RPC "J."

(8) Line 23d (Line 23e for 2022 and prior) - Credit from Regulated Investment Companies.

If...	Then...	
Line 23d (Line 23e for 2022 and prior) has an	Correspond for missing Form 2439.	#
Form 2439 shows a larger amount than Line 23d (Line 23e for 2022 and prior), Form 1120-H and	Correspond.	#
		#

If...	Then...
Line 2, Form 2439 shows a lesser amount than Line 23d (Line 23e for 2022 and prior) Form 1120-H,	Edit the lesser amount to Line 23d (Line 23e for 2022 and prior), Form 1120-H.

- (9) Line 23e (Line 23f for 2022 and prior) - Credit for Federal tax on fuels (Form 4136).
- If there is a significant entry on Line 23e (Line 23f for 2022 and prior) and Form 4136 is not present, correspond for the missing Form 4136.
 - For Form 4136 processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.
- (10) Line 23f - Elective Payment Election. Accept taxpayer entry.
- (11) Line 23g - Add Lines 23a (23c for 2022 and prior) through 23f,

If...	And...	Then...
The taxpayer has claimed backup 23g,	Form 1099 is not attached,	Correspond using Letter 118C.

#

- (12) Lines 24 and 25 - Tax due/Overpayment. Edit as positive only. If the taxpayer enters a negative amount, do not bracket. Edit the proper entry to Line 24 or 25 if **both** are blank:
- If Line 22 is more than Line 23g, subtract Line 23g from Line 22 and enter on Line 24.
 - If Line 22 is less than Line 23g, subtract Line 22 from Line 23g and enter on Line 25.
- (13) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 24 or reduced Line 25.

If...	Then...
The amount on Line 24 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> "X" Line 24 amount. Delete the interest, penalty or additional charge from the tax due. Edit the correct tax due to the left of the original entry.
The amount on Line 25 is reduced by pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> "X" Line 25 amount. Compute the Overpayment amount without the interest, penalty or additional charge. Edit the correct Overpayment to the left of the original entry.

- (14) Line 26 (center) - Credit elect.

3.11.16.35.13
(01-01-2015)
**Paid Preparer
Information**

- (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator, and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.35.14
(01-01-2012)
**Form 4136 - Credit for
Federal Tax Paid on
Fuels**

- (1) For processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.35.15
(01-01-2023)
**Form 8978 and Form
8978, Schedule A**

- (1) Form 8978 is valid for tax periods ending 201712 and later.
- (2) The "Source of review Year adjustments" checkboxes on Form 8978, Partner's Additional Reporting Year Tax and Form 8978, Schedule A, Partners Additional Reporting Year Tax (Schedule of Adjustments), are valid for tax periods 202112 and later.
- (3) Place Form 8978 in sequence order if any of the following apply:
- The "Source of review year adjustments" checkboxes are checked on Form 8978.
 - The "Source of review year adjustments" checkboxes are checked on Form 8978 Schedule A.
 - Significant entries are present on Form 8978, Part I, Line 14, Part II, Line 16, or Part III, Line 18.

Note: Any information from the checkboxes on Form 8978, Schedule A will be transcribed on Form 8978.

- (4) Edit the digit to the right margin of Form 8978, Part I row as follows:

If ...	And ...	Then ...
Only Form 8978 is attached,	One or more of the boxes are checked,	Edit: a. "1" - BBA Audit is checked. b. "2" - AAR Filing is checked. c. "3" - Both boxes are checked.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked the same on both forms,	Use the Form 8978 data and edit as shown above.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked differently,	Use the Form 8978, Schedule A, data and edit as shown above.
Only Form 8978, Schedule A, is attached,		No editing is required.

Note: No editing is required on Lines 14, 16 and 18.

(5) Part I, Line 14 - Total Increase/decrease to reporting year tax.

(6) Part II, Line 16 - Total Penalties.

(7) Part III, Line 18 - Total Interest.

3.11.16.35.16

(01-01-2017)

**Form 8941 - Credit for
Small Employer Health
Insurance Premiums**

(1) Place Form 8941 in sequence order if significant entries are present.

(2) For prior year revisions edit as follows:

If...	And...	Then...
2013 and 2012 revisions,	A significant amount is present on Line 1a or an EIN is present on Line 1b,	<ul style="list-style-type: none"> Change Line 1a to Line 1. Change Line 1b to Line B.

3.11.16.35.17

(01-01-2024)

**Form 3800 - General
Business Credit**

(1) Transcription for Form 3800 when attached to Form 1120-H is as follows:

Form 3800, Part III, Line	Credit Form	Form Title	Column(s) transcribed
1b	Form 7207	Advanced Manufacturing Production Credit	b, g, h, i, j
1f	Form 8835, Part II	Renewable Electricity Production Credit	b, g, j
1g	Form 7210,	Clean Hydrogen Production Credit	b, g, h, i, j
1s	Form 8911, Part II	Alternative Fuel Vehicle Refueling Property Credit	b, g, h, i, j
1u	Form 7213, Part II	Nuclear Power Production Credit	b, g, h, i, j
1x	Form 8933	Carbon Oxide Sequestration Credit	b, g, h, i, j
1aa	Form 8936, Part V	Qualified Plug-in Electric Drive Motor Vehicle Credit (Including Qualified Two-Wheeled Plug-In Electric Vehicles)	b, h, i, j
4e	Form 8835, Part II	Renewable Electricity Production Credit	b, g, h, i, j

- (2) See IRM 3.11.16.11.15, Line 5c - General Business Credit and Exhibit 3.11.16-14, Form 3800 - Prior Year Conversion Chart.

3.11.16.35.18
(01-01-2009)

Amended Returns

- (1) If the taxpayer is amending a previously filed Form 1120-H, enter CCC "G" and treat as any other amended return. See IRM 3.11.16.3.9, Amended Returns.
- (2) If the taxpayer is using a Form 1120-H to amend a previously filed Form 1120, staple Page 1 of a current year Form 1120 to the face of the Form 1120-H. Transfer to the overlay the name, address, EIN, name control, tax period, received date, and CCC "G." Write "Amended Return" in large letters across the top of the overlay.
- (3) If the taxpayer is using a Form 1120-H to amend a previously filed Form 990, accept Form 1120-H as an original Form 1120-H and process as such.
- (4) If it cannot be determined what type of return is being amended, enter CCC "G" on the return.

3.11.16.36
(01-01-2012)

**Return Processing -
Form 1120-L (OSPC
only)**

- (1) This subsection provides instructions for processing Form 1120-L, U.S. Life Insurance Company Income Tax Return.
- (2) Form 1120-L is processed only at the Ogden Campus.
- (3) Form 1120-L can be included as subsidiaries in a consolidated corporate return. See IRM 3.11.16.28, Consolidated Returns.
- (4) Form 1120-L can be filed on a calendar or fiscal year basis.
- (5) Action Codes apply to Form 1120-L. See IRM 3.11.16.3.1, Action Codes.
- (6) To convert prior year tax returns. See Exhibit 3.11.16-8, Form 1120-L - Prior Year Conversion Chart.

3.11.16.36.1
(01-01-2024)

Sequence - Form 1120-L

- (1) Document Perfection is responsible for arranging Form 1120-L in the following order when transcription line entries are present:
- Pages 1 through 6
 - Form 4626 (Tax periods 202301 and later Revision 2023)
 - Schedule N (Form 1120)
 - Form 4136
 - Form 8978
 - Form 965-B
 - Form 8941
 - Form 3800
- (2) It is not necessary to sequence the forms or schedules listed above if there are no transcription line entries.
- (3) It is not necessary to sequence an Amended return. See IRM 3.11.16.3.9, Amended Returns, for more information."

3.11.16.36.2
(01-01-2009)

EIN

- (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).

3.11.16.36.3
(01-01-2009)

**Name Control and
Address**

- (1) See IRM 3.11.16.6.3, Entity Perfection - Name Control, through IRM 3.11.16.6.6, Entity Perfection - Foreign Address (OSPC).

3.11.16.36.4
(01-01-2017)

Tax Period

- (1) Edit tax period ending (except current calendar year) in YYMM format in the top right margin of the form, above the title. See IRM 3.11.16.7.1, Tax Period - Ending.
- (2) Edit the Tax Period Beginning to the left of Form 1120-L title area in MMDDYY format on an Initial, Final or Short Period return. See IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period through IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits, for editing Short Period returns.

3.11.16.36.5
(01-01-2009)

Received Date

- (1) Edit the received date in MMDDYY format in the dotted portion of Lines 10 and 11. See IRM 3.11.16.8, Received Date.

3.11.16.36.6
(01-01-2023)

**Computer Condition
Codes**

- (1) Edit in the dotted portion of Line 3.
- (2) Codes valid for Form 1120-L are B, D, E, F, G, I, J, L, M, N, O, R, S, T, W, X, Y, Z, 3, 5, 6, 7, and 8. See IRM 3.11.16.9.1, Computer Condition Codes.

3.11.16.36.7
(04-20-2023)

**Return Processing Code
(RPC)**

- (1) Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation.
- (2) RPCs are edited on Page 1, in the right margin next to Line 1 of Form 1120-L.
- (3) Refer to the table below for an explanation of when to edit each RPC.

RPC	Explanation
E	Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c), is attached.
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c), is attached.
G	Form 5471, Schedule G-1, Cost Sharing Arrangement is attached.

RPC	Explanation
J	<p>For tax periods 202201 - 202212, taxpayer writes IRA22 DPE on Form 3800, Form 1120-L, Line 28g or on an attachment.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "J." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "DPE" in the batch ID.
K	<p>For tax periods 202201 - 202212, taxpayer writes IRA22TRE on Form 3800, on an attachment or at the top of the return.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "K." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "TRE" in the batch ID.
L	Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement is attached.
M	Form 7205, Energy Efficient Commercial Buildings Deduction is attached
N	Form 4626, Alternative Minimum Tax (Revision 2023 and later) is attached or Form 1120-L, Schedule K, Line 3 shows a significant amount.
1	Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts, is attached.
2	Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI), is attached.
3	Form 8993, Section 250 Deduction for Foreign-Derived Intangible Income (FDII)and Global Intangible Low-Taxed Income (GILTI), is attached.
4	Form 8994, Employer Credit for Paid Family and Medical Leave, is attached.
6	Form 8996, Qualified Opportunity Fund, is attached.
7	Form 8990, Limitation on Business Interest Expense IRC 163(j), is attached.

3.11.16.36.8 (01-01-2009) ABLM Code	(1) The ABLM Code is computer generated for Form 1120-L. No editing is required.
3.11.16.36.9 (01-01-2009) Schedule M-3 Checkbox	(1) Edit Computer Condition Code "B" when Box A3, "Schedule M-3 (Form 1120-L) attached" is marked or Schedule M-3 is attached to Form 1120-L. (2) Do not correspond for Schedule M-3 if Box A3 is checked and Schedule M-3 is not attached.
3.11.16.36.10 (01-01-2012) Consolidated Returns	(1) Form 1120-L filers may file a Consolidated return. A Consolidated 1120-L filer is found by checking Box A(1) on Page 1 of Form 1120-L. (2) A consolidated return is defined as a single income tax return having combined financial data for a parent corporation and one or more subsidiary or affiliated corporations. (3) The parent corporation files the return, and its name, which appears on the return, may include the words, "and subsidiaries," "and affiliated companies" or the like. (4) The parent corporation must submit along with the Form 1120-L a Form 851 on an annual basis. Correspond for missing or incomplete Form 851. (5) Form 851 must be processed per the instructions in IRM 3.11.16.28.3, Form 851 - Affiliations Schedule. (6) The presence of Form 1122 is another indication of a consolidated return. See IRM 3.11.16.28.4, Form 1122 - Authorization and Consent of Subsidiary Corporation to be Included in a Consolidated Income Tax Return.
3.11.16.36.11 (01-01-2014) Additional Form 1120-L Perfection	(1) This subsection addresses the editing of additional Form 1120-L information. See IRM 3.11.16.10, Additional Return Perfection.
3.11.16.36.11.1 (01-01-2013) Form 8844 Indicator	(1) Edit "1 - 1" in the left margin of Form 1120-L near Line 12. See IRM 3.11.16.11.15.1, Form 8844, Empowerment Zone Employment Credit.
3.11.16.36.11.2 (01-01-2024) Audit Codes	(1) Edit a "2" followed by the right Audit Code(s) in the left margin near Line 12 (e.g., "2-1"). (2) Valid Audit codes are 1, 2, 3, and C. See IRM 3.11.16.10.1, Audit Codes.
3.11.16.36.11.3 (01-01-2013) Penalty and Interest Code	(1) Edit "4 - 1" in the left margin near Line 12 when precomputed delinquency situation, such as an estimated Tax Penalty, do not Code "4 - 1" and do not insert Condition Code "R." If only interest is shown, edit CCC "R."

#

3.11.16.36.11.4
(08-13-2015)

Reserve Code

- (1) The Reserve Code is "4."
- (2) Edit "5 - 4" in the left margin near Line 12 if Form 2220 is attached and Part II, Box 8 is checked for Large Corporation.

3.11.16.36.12
(01-01-2019)

Income Section

- (1) Line 5 - Capital gain net income. If there is a significant entry and Schedule D (Form 1120), is not attached, correspond.

3.11.16.36.13
(01-01-2019)

Line 25 - Total Taxable Income

- (1) Edit in dollars only.
- (2) If Line 25 (Line 27 for 2017 and prior) is blank, and there are entries on Lines 23 and 24, (Lines 25 and 26 for 2017 and prior) add the entries on Lines 23 and 24 (Lines 24, 25, and 26 for 2017 and prior) and enter the total on Line 25 (Line 27 for 2017 and prior). Bracket if negative.

3.11.16.36.14
(01-01-2024)

Tax and Payments

- (1) This subsection provides editing instructions for Lines 26 through 32 (Lines 28 through 33 for 2017 and prior).
- (2) Line 26 (Line 28 for 2017 and prior) - Total tax. If pre-computed interest or delinquency penalty or an additional charge is evident, ensure that it has not been included in Line 26.

If...	Then...
The amount on Line 26 (Line 28 for 2017 and prior) has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" the Line 26 (Line 28 for 2017 and prior) amount. 2. Delete the interest, penalty or additional charge from the total. 3. Edit the correct Total Tax to the left of the original entry.

- (3) Line 27c - Refund applied from Form 4466. If there is a significant entry, enter CCC "O." See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze. (Line 28d for 2022 -2018) (Line 29e for 2017 and prior)
- (4) Line 27d - Total of payments. If blank, compute and enter total of Lines 27a, 27b minus 27c. (28e for 2022 - 2018) (Line 29f for 2017 and prior) (Add Lines 28a, 28b, and 28c minus 28d for 2022 - 2018) (Add Lines 29a, 29b, and 29c minus 29e for 2017 and prior).
- (5) Line 27(e) - Tax deposited with Form 7004. (Line 28f for 2022-2018) (Line 29g for 2017 and prior)
- (6) Line 27(f) - - Regulated Investment Co. Credit. (Line 28g(1) for 2022 - 2018)(Line 29h(1) for 2017 and prior)

If ...	Then ...
The Undistributed Capital Gain 2439 is missing,	Correspond.

#

- (7) Line 27g - Credit for Federal Tax on Fuels (Form 4136).
(Line 28g(2) for 2022 - 2018)(Line 29h for 2017 and prior).
- If there is a significant entry on Line 27g and Form 4136 is not present, correspond for the missing Form 4136.
 - For Form 4136 processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.
- (8) Line 27h - U.S. Income Tax Paid or Withheld at Source (Form 1042-S).
(Line 28h for 2022 - 2018) (Line 29i for 2017-2006)

If ...	And ...	Then ...
The taxpayer has claimed Chapter 3 or 4 withholding 27h (Line 28h for 2022 - 2018) (Line 29i for 2017 and prior),	Form 1042-S is not attached,	Correspond using Letter 118C. Exception: If a letter is attached, signed by the Competent Authority, accept the letter as proof of Form 1042-S withholding and do not correspond for the missing Form 1042-S.
The taxpayer has claimed	Form 1099 is not attached,	Correspond using Letter 118C.

#

#

- (9) Line 27i - Elective Payment Election -
- (10) Line 29 (Line 30 for 2017 and prior) - Estimated tax penalty. Edit amount from Line 38, Form 2220 to Line 29 (Line 30 for 2017 and prior), Form 1120-L, if not already entered. See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
- (11) Lines 30 and 31 (Lines 31 and 32 for 2017 and prior) - Amount owed/
Overpayment. Edit as positive only. If the taxpayer enters a negative amount,
do not bracket. Edit the proper entry to Line 30 or 31 (Lines 31 and 32 for
2017 and prior) if **both** are blank. Do both of the following:
- For 202301 and later, Add Lines 26 and 29 minus Line 28.
 - For 2022 - 2018, Add Lines 26, 27 and 29 minus Line 28K.
 - For 2017 and prior, Add Lines 28 and 30 minus Line 29k.
 - Edit the positive result on Line 30 (Line 31 for 2017 and prior) **or** the
negative result (do not bracket) on Line 31 (Line 32 for 2017 and prior).
- (12) If pre-computed interest or delinquency penalty or additional charge is evident,
ensure that it has not been included in Line 30 (Line 31 for 2017 and prior) or
reduced Line 31 (Line 32 for 2017 and prior).

If...	Then...
The amount on Line 30 (Line 31 for 2017 and prior) has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 30 (Line 32 for 2017 and prior) amount. 2. Delete the interest, penalty or additional charge from the amount owed. 3. Edit the correct amount owed to the left of the original entry.
The amount on Line 31 (Line 32 for 2017 and prior) is reduced by pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 31 (Line 31 for 2017 and prior) amount. 2. Compute the Overpayment amount without the interest, penalty or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

(13) Line 32 (center) (Line 33 (center) for 2017 and prior) - Credit to estimated tax.

3.11.16.36.14.1
(01-01-2024)

**Tax and Payment - Prior
Year Line Instructions**

(1) Line 27 - For Tax Periods 201712 through 202012, follow the instructions in a) and b).

- a. If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (k), Line 1
2018	Part II, Column (k), Line 2
2019	Part II, Column (k), Line 3
2020	Part II, Column (k), Line 4

- b. Edit CCC "J" and Action Code "460."

(2) Line 28b - The instructions for this line only apply to tax periods 201812 and prior. For tax periods 201901 and later, no action is needed. If a return is for Tax Period 201812 and prior and the taxpayer notates "Section 847" or reports SETP on Line 28b (Lines 29b and/or 29d for 2017 and prior) or Form 8816 is attached, see IRM 3.11.16.3.10, IRC 847 Deduction.

(3) Line 28g (Tax Period 202301-202311) - If a significant amount is present for an "Elective or Deemed Payment Election", edit RPC "J."

(4) Line 28i - For Tax Periods 201712 through 202012, follow the instructions in a) and b).

- a. If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (d), Line 1
2018	Part II, Column (d), Line 2

Reporting Tax Year	Form 965-B
2019	Part II, Column (d), Line 3
2020	Part II, Column (d), Line 4

b. Edit CCC "J" and Action Code "460."

- (5) Line 28j - Reserved for future use.
Line 28j - Refundable credits from Form 8827 - Revisions 2019 and prior (Line 29j for 2017 and prior):

If ...	Then ...
The amount on Line 28j (Line attached,	Correspond for Form 8827.

#

3.11.16.36.15
(01-01-2009)
**Paid Preparer
Information**

- (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator, and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.36.16
(01-01-2018)
Schedule B

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
(2) Schedule B, Line 6 - Capital gain net income. If there is a significant entry and Schedule D (Form 1120) is not attached, correspond.

3.11.16.36.17
(01-01-2020)
**Schedule F, Line 9c -
Total Tax Exempt
Interest and Increase in
Policy Cash Value**

- (1) Line 9c - No editing necessary.
(2) The instructions in paragraphs (3) and (4) only apply to tax periods 201811 and prior.
(3) Line 9 - Gross investment income.

If...	Then...
The amount on Page 2, Schedule B, Line 13 is not the same as the amount present on Schedule F, Line 9,	"X" Schedule F, Line 9 and edit the amount from Schedule B, Line 13, to Schedule F, Line 9.

- (4) Line 13 - Tax-exempt interest.

If...	Then...
The sum of Page 2, Schedule B, Lines 9 and 10 is not the same as the amount present on Schedule F, Line 13,	"X" Schedule F, Line 13 and edit the sum from Schedule B, Lines 9 and 10 to Schedule F, Line 13.

3.11.16.36.18

(01-01-2024)

**Schedule K, Line 3 -
Corporate Alternative
Minimum Tax (CAMT)
(202301 and later)**

- (1) Corporate Alternative Minimum Tax (CAMT) is claimed on Schedule K, Line 3.
- (2) If there is a significant amount on Schedule K, Line 3 for "Corporate Alternative Minimum Tax" and Form 4626 is not attached, correspond.

3.11.16.36.18.1

(01-01-2024)

**Schedule K, Line 3 - Tax
Preference Code (201811
and prior)**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Tax Preference Code - Edit a "1" to the bottom center margin of Form 1120-L, if there is an amount on Schedule K, Line 3, Form 1120-L.

Minimum Tax" and Form 4626 is not attached, correspond.

3.11.16.36.19

(01-01-2024)

**Schedule K, Lines 5a
through 9**

- (1) **Line 5a** - If Schedule K, Line 5a, has an entry, check for Form 1118, Foreign Tax Credit.

If ...	Then ...
	Correspond.
	Edit Audit Code "2."

- (3) **Line 5c** - General Business Credit.

- a. If an amount is present or Form 3800 is attached, follow the instructions in IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

- (4) Line 5d - Form 8827, Credit for Prior Year Minimum Tax - Corporations.

- (6) **Line 9** - Other Taxes - For tax periods 202201 - 202211, If a significant amount is present on Line 9 and the taxpayer writes "CAMT" or "IRA AMT" or indicates the amount is for Corporate AMT, completely edit the return and give to the lead. The lead will:

- a. Notify P&A that a return has been found (P&A will scan the Form 1120-L, pages 1 through 5 and any attachment with the new AMT calculation and email a copy to an LB&I Point of Contact (POC)),
- b. Edit an action trail on the return.
- c. Rebatch the return with "CAMT" in the batch ID.
- d. Continue processing.

- (7) **Lines 9 and 10** - Other Taxes.

If ...	Then ...	#
Form 4255 is missing, (Form 4255 box is checked for 2022 and prior)	Correspond.	#
Form 8611 is missing, (Line 9 and Form 8611 box is checked for 2022 and prior)	Correspond.	#

Reminder: Look for any Unusual Credits, see IRM 3.11.16.9.1.14, CCC “N” - Joint Committee Case, and IRM 3.11.16.10.1, Audit Codes.

- 3.11.16.36.20
(01-01-2020)
Schedule L, Part I, Line 5 - Total Assets Ending
- (1) Edit the amount from Schedule L, Part I, Line 5 Column (b) (Line 6 Column (b) for 2017 and prior), in dollars only to the bottom right hand corner of Page 1. Bracket if negative.
- a. If Line 5, Column (b) is blank, compute Lines 1 through 4 if present and edit on Page 1.

- 3.11.16.36.21
(01-01-2013)
Schedule M, Question 6, 8 and 8c
- (1) If Schedule M, Question 6 meets one of the following conditions, a Name Control and EIN must be edited:

If...	Then...
<ul style="list-style-type: none"> Question 6 is checked “Yes” or Both the “Yes” and “No” boxes are checked Question 6 is checked “No” or neither box is checked but a corporation’s name or EIN is present (must be different than that on the return), 	<p>a. If something other than a corporation’s name and/or EIN is present on Question 6, circle the name and/or EIN.</p> <p>b. If the name and/or EIN is the same as the tax return name and/or EIN, circle the name and/or EIN.</p> <p>c. Underline or edit (from attachments) the Name Control on Question 6. If unable to find a Name Control, edit “XXXX.”</p> <p>d. Underline or edit (from attachments) the TIN on Question 6. If unable to find the TIN, edit “12-9999999.”</p>
Question 6 is checked “No” or neither box is checked and no corporation’s name and EIN is present,	No editing is required.
Question 6 is checked “No” or neither box is checked and the corporation’s name and/or EIN are the same as the return name and/or EIN,	No editing is required.

- (2) If Schedule M, Question 8 is answered “Yes,” edit Audit Code “2.”

- (3) No entry is required for Schedule M, Line 8c unless Form 5472 is present. Edit Line 8c as follows:

If...	And...	Then...
A number is present for Schedule M, Line 8c,		No editing is required.
Schedule M, Line 8c is blank,	One or more Form 5472 is attached,	Edit the number of Form 5472(s) in the dotted line area of Line 8c.
Form 5472 is attached,	Schedule M is not present,	Dummy a Schedule M and edit the number of Form 5472(s) to Schedule M, Line 8c.

3.11.16.36.22
(01-01-2024)
Schedule M, Question 19a, 19b, and 19c (Corporate AMT)

- (1) If Question 19b is marked "Yes" or Question 19c is marked "No", Form 4626 must be attached. Correspond if Form 4626 is not attached.
- (2) Data will enter:
- "0" if no box is checked.
 - "1" if "Yes" box checked.
 - "2" if "No" box checked.
 - "3" if "Both" boxes checked. .

3.11.16.36.23
(01-01-2024)
Form 4626 - Corporate Alternative Minimum Tax (CAMT) (Tax Period 202301 and later)

- (1) The instructions in this subsection apply to tax periods 202301 and later.
- (2) Place Form 4626 in sequence order if significant entries are present on any of the lines:
1. Question A is checked
 2. Question B is checked
 3. Part I, Line 1a, Column a
 4. Part I, Line 1a, Column b
 5. Part I, Line 1a, Column c
 6. Part I, Line 1f, Column a
 7. Part I, Line 1f, Column b
 8. Part I, Line 1f, Column c
 9. Part I, Line 5, Column a
 10. Part I, Line 5, Column b
 11. Part I, Line 5, Column c
 12. Part I, Line 13, Column a
 13. Part I, Line 13, Column b
 14. Part I, Line 13, Column c
 15. Part I, Line 15
 16. Part II, Line 1a
 17. Part II, Line 1f
 18. Part II, Line 4
 19. Part II, Line 5
 20. Part II, Line 8
 21. Part II, Line 9
 22. Part II, Line 13

- (3) Edit RPC "N" if Form 4626 (2023 Revision) is attached. See IRM 3.11.16.36.7, Return Processing Code.

3.11.16.36.24
(01-01-2012)

**Schedule N (Form 1120)
- Foreign Operations of
U.S. Corporations**

- (1) For processing instructions, see IRM 3.11.16.11.37, Schedule N (Form 1120) - Foreign Operations of U.S. Corporations.

3.11.16.36.25
(01-01-2012)

**Form 4136 - Credit for
Federal Tax Paid on
Fuels**

- (1) For processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.36.26
(01-01-2023)

**Form 8978 and Form
8978, Schedule A**

- (1) Form 8978 is valid for tax periods ending 201712 and later.
- (2) The "Source of review Year adjustments" checkboxes on Form 8978, Partner's Additional Reporting Year Tax and Form 8978, Schedule A, Partners Additional Reporting Year Tax (Schedule of Adjustments), are valid for tax periods 202112 and later.
- (3) Place Form 8978 in sequence order if any of the following apply:
- The "Source of review year adjustments" checkboxes are checked on Form 8978.
 - The "Source of review year adjustments" checkboxes are checked on Form 8978, Schedule A.
 - Significant entries are present on Form 8978, Part I, Line 14, Part II, Line 16, or Part III, Line 18.

Note: Any information from the checkboxes on Form 8978, Schedule A will be transcribed on Form 8978.

- (4) Edit the digit to the right margin of Form 8978, Part I row as follows:

If ...	And ...	Then ...
Only Form 8978 is attached,	One or more of the boxes are checked,	Edit: a. "1" - BBA Audit is checked. b. "2" - AAR Filing is checked. c. "3" - Both boxes are checked.
Form 8978 and Form 8978 , Schedule A, are attached,	The boxes are marked the same on both forms,	Use the Form 8978 data and edit as shown above.
Form 8978 and Form 8978, Schedule A are attached,	The boxes are marked differently,	Use the Form 8978, Schedule A, data and edit as shown above.

If ...	And ...	Then ...
Only Form 8978, Schedule A is attached,		No editing is required.

Note: No editing is required on Lines 14, 16 and 18.

(5) Part I, Line 14 - Total Increase/decrease to reporting year tax.

(6) Part II, Line 16 - Total Penalties.

(7) Part III, Line 18 - Total Interest.

3.11.16.36.27
(01-01-2020)

**Form 965-B - Corporate
and Real Estate
Investment Trust (REIT)
Report of Net 965 Tax
Liability and Electing
REIT Report of 965
Amounts**

- (1) Form 965-B is valid for tax periods ending 201712 and later.
- (2) Place Form 965-B in sequence order if a significant amount (other than the pre-printed date) is present on any of the following lines:
 1. Part I, Lines 1 through 5, col (a), Year of Section 965(a) Inclusion or Liability Assumed.
 2. Part I, Lines 1 through 5, col (h), Net 965 Tax Liability Transferred (Out) Transferred (In), or Subsequent Adjustments, if any.
 3. Part I, Lines 1 through 5, col (i), Tax Identification Number of buyer/ transferee or Seller/transferor.
- (3) Edit "1" in the right margin of Part I if more than five lines of entries are present.

3.11.16.36.28
(01-01-2017)

**Form 8941 - Credit for
Small Employer Health
Insurance Premiums**

- (1) Place Form 8941 in sequence order if significant entries are present.
- (2) For prior year revisions edit as follows:

If...	And...	Then...
2013 and 2012 revisions,	a significant amount is present on Line 1a or an EIN is present on Line 1b,	<ul style="list-style-type: none"> • Change Line 1a to Line 1. • Change Line 1b to Line B.

3.11.16.36.29
(01-02-2023)

**Form 5884-B - New Hire
Retention Credit**

- (1) Form 5884-B, New Hire Retention Credit is historical (2010 through 2011).

3.11.16.36.30

(01-01-2024)

Form 3800 - General Business Credit

- (1) Form 3800, General Business Credit, must be filed with corporate tax returns when a significant amount is present on Schedule K, Line 5c - General Business Credit.
- (2) Place Form 3800 in sequence order if significant entries are present.
- (3) If an amount is present on Form 3800, Part III for any of lines/credits 1a through 4z, follow the instructions below for each credit claimed:

If...	And...	Then...	
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	Part IV, Columns e, f, or g have entries (Part III, Box C, D, or G are checked for 202212 and prior),	No action is needed. The credit is for a carryover, and the form is not required.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The credit is for a pass-through entity (Part III, Column (d) (Column (b) for 202212 and prior) has an EIN listed),	No action is needed. The credit is from a pass-through entity, and the form is not required. Exception: If a credit is claimed on Lines 1a, 1d, 1o, 4a or 4k, Form 3468 must be attached. If a credit is claimed on lines 1l or 1ff Form 8864 must be attached.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The situations above do not exist,	Correspond.	#

- (4) See IRM 3.11.16.11.15, Line 5c - General Business Credit and Exhibit 3.11.16-14, Form 3800 - Prior Year Conversion Chart.

3.11.16.36.31

(01-01-2020)

Annual Statement - Form 1120-L

- (1) Life insurance companies must include a copy of their annual statement with Form 1120-L. The annual statement must be in the format approved by the National Association of Insurance Commissioners (NAIC). The following reports/statements are not acceptable:
 - Annual Reports
 - Financial Statements
 - Financial Reports

Note: The above list is not all inclusive.

- (2) Verify that annual statements for life insurance companies are attached to return.
- (3) If attached, continue normal processing of return.
- (4) If an annual statement is not attached, use the following chart to determine if it is required:

If...	Then...
The taxpayer indicates that the State does not require the firm to file an annual statement and a pro-forma annual statement is not attached,	Correspond for a pro-forma annual Statement using Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S.
<ul style="list-style-type: none"> The taxpayer indicates "Bankruptcy" or "in receivership," or Amended Form 1120-L, 	Do not correspond for the missing annual statement.
A re-entry mixed component return was originally filed electronically,	Do not correspond for the missing annual statement. See IRM 3.11.16.28.1, Consolidated Return - Mixed Components.

- (5) If an annual statement **is required** and is missing, prepare an approved Correspondence Action Sheet requesting correspondence for the missing annual statement.
- (6) Annotate in upper left margin of return, "Annual Statement Requested on _____," filling in the blank with the date correspondence was initiated.
- (7) Photocopy Page 1 of Form 1120-L.
- (8) Attach the photocopy of Page 1, Form 1120-L to the Correspondence Action Sheet and send to Correspondence.
- (9) Continue normal processing of the Form 1120-L return. Return is not to be rejected or suspended for any correspondence regarding missing annual statements.

3.11.16.37
(01-01-2014)
**Return Processing -
Form 1120-ND (OSPC
only)**

- (1) This subsection provides instructions for processing Form 1120-ND, Return for Nuclear Decommissioning Funds and Certain Related Persons.
- (2) Form 1120-ND returns can be filed on a calendar or fiscal year.
- (3) Action Codes are not applicable to this form. Computer Condition Code "U" will continue to be used.

3.11.16.37.1
(01-01-2020)
**Sequence - Form
1120-ND**

- (1) Document Perfection is responsible for arranging Form 1120-ND in the following order when transcription line entries are present:
 - Pages 1, 2

3.11.16.37.2
(01-01-2009)
EIN

- (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).

3.11.16.37.3
(01-01-2015)
Name Control

- (1) The Name Control is obtained from the "Name of Fund" line, see IRM 3.11.16.6.3, Entity Perfection - Name Control.
- (2) The "Name of Trustee" should be established as the second name line on the Entity Module. To achieve this: Input TC "016" on all Form 1120-ND returns **if a name is present** on the "Name of trustee or disqualified person" line.

(3) Notate "TC 016" in the upper left margin of the return. See Figure 3.11.16-38.

- Underline the complete address including city, state, and ZIP.
- Input TC016 on all Forms 1120-ND if a name is present on the "Name of trustee or disqualified person" line.
- Edit Audit Code "2 - 3" on ALL Forms 1120-ND.
- Edit Total Assets to the bottom right margin, page 1.

Form 1120-ND **Return for Nuclear Decommissioning Funds and Certain Related Persons** OMB No. 1545-0954
(Rev. October 2013)
Department of the Treasury
Internal Revenue Service

► Information about Form 1120-ND and its separate instructions is at www.irs.gov/form1120nd.

For calendar year 20 01-01-2023, or fiscal year beginning 01-01-2023, and ending 12-31-2023

Name of fund
Alder-Cypress Inc.

A Employer identification number of fund
(see instructions)
00-4022387

Name of trustee or disqualified person (complete if filing to report section 4951 taxes)
Daniel Alder

B Identifying number of trustee or disqualified person (see instructions)
000-00-2915

Address of filer, Number, street, and room or suite no. If a P.O. box, see instructions.
212 E 68th St.

City or town, state or province, country, ZIP or foreign postal code
Chicago, IL 60607

C Return filed for (see Specific Instructions, check applicable box): ☐ Fund ☐ Trustee ☐ Disqualified person

D Check applicable boxes: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

E The books are in care of ► Phone no. ►
Located at ►

Part I—Computation of Fund Income Tax

Income	1	Taxable interest	1	586,000
	2	Capital gain net income (attach Schedule D (Form 1120))	2	
	3	Other income (attach schedule)	3	1,656,000
	4	Gross income. Add lines 1 through 3	4	2,242,000
	5	Trustees fees	5	

18 Enter amount of line 17 you want: **Credited to next year's estimated tax** ► Refunded ► 18

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.

Sign Here Samuel Cypress 3/5/24 Director
Signature of officer Date Title

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

Paid Preparer Use Only

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

For Paperwork Reduction and Privacy Act Notice, see separate instructions. Cat. No. 11507K Form **1120-ND** (Rev. 10-2013)

17265890

Form 1120-ND (Rev. 10-2013) Page 2

Schedule L Balance Sheets

	(a) Beginning of year	(b) End of year
Assets		
1 Cash	4,000,000	5,000,000
2 Certificates of deposit	8,500,000	9,265,000
3 U.S. government obligations		
4 State and local government obligations		
5 Other assets (attach schedule)	2,500,000	3,000,890
6 Total assets. Add lines 1 through 5	15,000,000	17,265,890
Liabilities and Fund Assets		

Figure 3.11.16-38 Example of editing Name Control on Form 1120-ND.

3.11.16.37.4

(1) See IRM 3.11.16.6.4, Entity Perfection - "In-Care-Of" Name.

(01-01-2009)

"In-Care-Of" Name

- 3.11.16.37.5
(01-01-2009)
Address
- (1) Always underline complete address of filer including city, state and ZIP.
- 3.11.16.37.6
(01-01-2017)
Tax Period
- (1) Edit tax period ending (except current calendar year) in YYMM format to the right of the title on Page 1 of the return, see IRM 3.11.16.7.1, Tax Period - Ending.
- (2) Edit the Tax Period Beginning to the left of Form 1120-ND title area in MMDDYY format on an Initial, Final or Short Period return. See IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period, through IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits, for editing Short Period returns.
- 3.11.16.37.7
(01-01-2009)
Received Date
- (1) Enter in MMDDYY format.
- (2) Edit the received date in the dotted portion of Lines 5 through 11, see IRM 3.11.16.8, Received Date.
- 3.11.16.37.8
(01-01-2023)
Computer Condition Codes
- (1) Valid Codes for Form 1120-ND are C, D, E, F, G, M, O, R, T, U, W, X, Y, 1, 3, 7, and 8. See IRM 3.11.16.9.1, Computer Condition Codes.
- (2) Edit in the dotted portion of Lines 1 through 4.
- 3.11.16.37.9
(01-01-2014)
Additional Form 1120-ND Perfection
- (1) This subsection addresses the editing of additional Form 1120-ND information. See IRM 3.11.16.10, Additional Return Perfection.
- 3.11.16.37.9.1
(01-01-2012)
Audit Codes
- (1) Audit Code “3” must be present on all Form 1120-ND returns and is the only valid code.
- (2) Edit “2 - 3” in the left margin near the deduction section (Lines 5 through 11).
- 3.11.16.37.9.2
(01-01-2012)
Penalty and Interest Code
- (1) Edit “4 - 1” in the left margin near the Deduction section (Lines 5 through 11) when precomputed delinquency penalty and/or interest is shown on a return
- situation, such as an estimated Tax Penalty, do not Code “4 - 1” and **do not** insert Computer Condition Code “R.” If only interest is shown, edit CCC “R.”
- 3.11.16.37.9.3
(08-13-2015)
Reserve Code
- (1) The Reserve Code is “4.”
- (2) Edit “5 - 4” in the left margin near Lines 5 through 11 if Form 2220 is attached and Part II, Box 8 is checked for Large Corporation.

3.11.16.37.10
(01-01-2009)

Total Assets Ending

- (1) Edit Total Assets in dollars only to the bottom right margin of Page 1, Form 1120-ND from Page 2, Schedule L, Line 6 (End of Year). Bracket if negative.
 - a. If Line 6 (End of Year) is blank, compute Lines 1 through 5 if present and edit on Page 1.

3.11.16.37.11
(01-01-2018)

**Tax Data Perfection -
Page 1**

- (1) Line 2 - Capital gain net income. If there is a significant entry and Schedule D (Form 1120) is not attached, correspond.
- (2) Line 12 - Modified Gross Income:
 - a. If blank, compute by subtracting Line 11 from Line 10. Do not edit zero. Bracket, if negative.
- (3) Line 13 - Total Tax. If pre-computed interest or delinquency penalty or an additional charge is **evident**, ensure that it has not been included in Line 13.

If...	Then...
The amount on Line 13 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" the Line 13 amount. 2. Delete the interest, penalty or additional charge from the total. 3. Edit the correct Total Tax to the left of the original entry.

- (4) Line 14c - If there is a significant entry on Line 14c, refer to CCC "O" procedures. See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
- (5) Line 14d - Estimated Tax Payments. If blank, enter the total of Lines 14a and 14b minus Line 14c.
- (6) Line 14e - Form 7004 Credit.
- (7) Line 14f - Total Payments. Add Lines 14d through 14e,

If ...	And ...	Then ...
The taxpayer has claimed backup 14f,	Form 1099 is not attached,	Correspond using Letter 118C.

#

- (8) Line 15 - Estimated Tax Penalty. If blank and Form 2220 is attached with a significant entry on Line 38, edit this amount to Line 15, Form 1120-ND. See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
- (9) Line 16 and 17 - Tax due/Overpayment. Edit as positive only. If the taxpayer enters a negative amount, do not bracket. Edit the proper entry to Line 16 or 17 if **both** are blank. Do both of the following:
 - a. Add Lines 13 and 15. Subtract Line 14f.
 - b. Edit the positive result on Line 16 **or** the negative result (do not bracket) on Line 17.
- (10) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 16 or reduced Line 17.

If...	Then...
The amount on Line 16 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 16 amount. 2. Delete the interest, penalty, or additional charge from the tax due. 3. Edit the correct tax due to the left of the original entry.
The amount on Line 17 is reduced pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 17 amount. 2. Compute the Overpayment amount without the interest, penalty or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

(11) Line 18 (center) - Credit to next year tax.

3.11.16.37.12
(01-01-2009)
**Paid Preparer
Information**

- (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator, and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.37.13
(01-01-2009)
**Special Return
Conditions**

- (1) If there are significant (other than zero) entries on Page 1, Part I and Page 2, Part II, the return is unprocessable.
- (2) Edit CCC "U" and attach a Form 4227, Intra-SC Reject or Routing Slip to the face of the return. Check the Reject Correction box on Form 4227 and notate "Form 1120-ND with initial taxes on self-dealing."

3.11.16.38
(01-01-2012)
**Return Processing -
Form 1120-PC (OSPC
only)**

- (1) This subsection provides instructions for processing Form 1120-PC, U.S. Property and Casualty Insurance Company Income Tax Return.
- (2) Form 1120-PC is processed only at the Ogden Campus.
- (3) Form 1120-PC can be filed on a calendar or fiscal year basis.
- (4) Action Codes apply to Form 1120-PC, see IRM 3.11.16.3.1, Action Codes.
- (5) To convert prior year tax returns, see Exhibit 3.11.16-9, Form 1120-PC - Prior Year Conversion Chart.

3.11.16.38.1
(01-01-2024)
**Sequence - Form
1120-PC**

- (1) Document Perfection is responsible for arranging Form 1120-PC in the following order when transcription line entries are present:
- Pages 1 through 9
 - Form 4626 (Tax periods 202301 and later (Revision 2023)
 - Schedule N (Form 1120)
 - Form 4136
 - Form 8978
 - Form 965-B
 - Form 8941
 - Form 3800
- (2) It is not necessary to sequence the forms or schedules listed above if there are no transcription line entries.

- (3) It is not necessary to sequence an Amended return. See IRM 3.11.16.3.9, Amended Returns, for more information.”

3.11.16.38.2
(01-01-2009)

- EIN** (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).

3.11.16.38.3
(01-01-2009)

- Name Control/“In-Care-Of” Name** (1) See IRM 3.11.16.6.3, Entity Perfection - Name Control, and IRM 3.11.16.6.4, Entity Perfection - “In-Care-Of” Name.

3.11.16.38.4
(01-01-2009)

- Address** (1) See IRM 3.11.16.6.5, Entity Perfection - Domestic Addresses, and IRM 3.11.16.6.6, Entity Perfection - Foreign Address.

3.11.16.38.5
(01-01-2017)

- Tax Period** (1) Edit tax period ending (except current calendar year) in YYMM format to the right of the title on Page 1 of the return. See IRM 3.11.16.7.1, Tax Period - Ending.
- (2) Edit the Tax Period Beginning to the left of Form 1120-PC title area in MMDDYY format on an Initial, Final or Short Period return. See IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period, through IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits, for editing Short Period returns.

3.11.16.38.6
(01-01-2009)

- Received Date** (1) Enter in MMDDYY format.
- (2) Edit the received date in the dotted portion of Lines 5 through 12. See IRM 3.11.16.8, Received Date.

3.11.16.38.7
(01-01-2023)

- Computer Condition Codes** (1) Valid Codes for 1120-PC are B, D, E, F, G, I, J, L, M, N, O, R, S, T, W, X, Y, Z, 3, 5, 6, 7, and 8.
- (2) Edit in the dotted portion of Lines 1 through 3. See IRM 3.11.16.9.1, Computer Condition Codes.

3.11.16.38.8
(04-20-2023)

- Return Processing Code (RPC)** (1) Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation.
- (2) RPCs are edited on Page 1, in the right margin next to Line 1 of Form 1120-PC.
- (3) Refer to the table below for an explanation of when to edit each RPC.

RPC	Explanation
E	Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c), is attached.

RPC	Explanation
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c), is attached.
G	Form 5471, Schedule G-1, Cost Sharing Arrangement is attached.
J	<p>For tax periods 202201 - 202212, taxpayer writes IRA22 DPE on Form 3800, Form 1120-PC, Line 15j or on an attachment.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "J." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "DPE" in the batch ID.
K	<p>For tax periods 202201 - 202212, taxpayer writes IRA22TRE on Form 3800 an attachment or at the top of the return.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "K." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "TRE" in the batch ID.
L	Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement is attached.
M	Form 7205, Energy Efficient Commercial Buildings Deduction is attached.
N	Form 4626, Alternative Minimum Tax (Revision 2023 and later) is attached or Form 1120-PC, Page 1, Line 6.
1	Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts, is attached.
2	Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI), is attached.
3	Form 8993, Section 250 Deduction for Foreign-Derived Intangible Income (FDII) and Global Intangible Low-Taxed Income (GILTI), is attached.
4	Form 8994, Employer Credit for Paid Family and Medical Leave, is attached.

RPC	Explanation
6	Form 8996, Qualified Opportunity Fund, is attached.
7	Form 8990, Limitation on Business Interest Expense IRC 163(j), is attached.

3.11.16.38.9
(01-01-2009)
ABLM Code

- (1) Do not edit the ABLM Code. It will be computer generated.

3.11.16.38.10
(01-01-2012)
Schedule M-3 Checkbox

- (1) Edit Computer Condition Code "B" when Box A3 (Box A2 for 2006), "Schedule M-3 (Form 1120-PC) attached" is marked or Schedule M-3 (Form 1120-PC) is attached to Form 1120-PC.

Note: Audit Code "2" may also be required, see IRM 3.11.16.10.1, Audit Codes.

- (2) Do not correspond for Schedule M-3 if Box A3 is checked and Schedule M-3 is not attached.

3.11.16.38.11
(01-01-2012)
Consolidated Returns

- (1) Form 1120-PC filers may file a Consolidated return. A Consolidated 1120-PC filer is identified by checking Box A(1) on Page 1 of Form 1120-PC.
- (2) A consolidated return is defined as a single income tax return having combined financial data for a parent corporation and one or more subsidiary or affiliated corporations.
- (3) The parent corporation files the return, and its name, which appears on the return, may include the words, "and subsidiaries," "and affiliated companies", or the like.
- (4) The parent corporation must submit along with the Form 1120-PC a Form 851 on an annual basis. Correspond for missing or incomplete Form 851.
- (5) Form 851 must be processed per the instructions in IRM 3.11.16.28.3, Form 851 - Affiliations Schedule.
- (6) The presence of Form 1122 is another indication of a consolidated return. See IRM 3.11.16.28.4, Form 1122 - Authorization and Consent of Subsidiary Corporation to be included in a Consolidated Income Tax Return.

3.11.16.38.12
(01-01-2014)
Additional Form 1120-PC Perfection

- (1) This subsection addresses the editing of additional Form 1120-PC information. See IRM 3.11.16.10, Additional Return Perfection.

3.11.16.38.12.1
(01-01-2013)
Form 8844 Indicator

- (1) Edit "1 - 1" in the left margin of Form 1120-PC near Line 12. See IRM 3.11.16.11.15.1, Form 8844, Empowerment Zone Employment Credit.

3.11.16.38.12.2
(01-01-2024)

Audit Codes

- (1) Edit a "2" followed by the right Audit Code(s) in the left margin near Line 12 (e.g., "2-1").
- (2) Valid Audit codes are 1, 2, 3, and C. See IRM 3.11.16.10.1, Audit Codes.

3.11.16.38.12.3
(01-01-2013)

Penalty and Interest Code

- (1) Edit "4 - 1" in the left margin near Line 12 when precomputed delinquency

situation, such as an estimated Tax Penalty, do not Code "4 - 1" and **do not** insert Condition Code "R." If only interest is shown, edit CCC "R."

3.11.16.38.12.4
(08-13-2015)

Reserve Code

- (1) The Reserve Code is "4."
- (2) Edit "5 - 4" in the left margin near Line 12 if Form 2220 is attached and Part II, Box 8 is checked for Large Corporation.

3.11.16.38.13
(01-01-2009)

Line 1 - Taxable Income

- (1) If blank, edit Line 1 amount from Schedule A, Line 37. Bracket if negative.

3.11.16.38.14
(01-01-2024)

Line 6 - Corporate Alternative Minimum Tax (CAMT) (202301 and later)

- (1) Corporate Alternative Minimum Tax (CAMT)
- (2) If there is a significant amount on Line 6 for "Corporate Alternative Minimum Tax" and Form 4626 is not attached, correspond.

3.11.16.38.15
(01-01-2024)

Line 6 - Tax Preference Code (201811 and prior)

- (1) For Tax Periods 201811 and prior:
 - a. Enter Code "1" to Page 1, bottom center margin if a significant amount is present on Line 6.

Tax" and Form 4626 is not attached, Correspond.

Note: If an amount is present on Line 6 for tax period 201812 and later, this amount is for the base erosion minimum tax, no editing in necessary.

3.11.16.38.16
(01-01-2024)

Lines 8a through 12z

- (1) **Line 8a** - If Line 8a, has an entry, check for Form 1118., Foreign Tax Credit (Corporations).

If ...	Then ...
Form 1118. is missing,	Correspond.

If ...	Then ...
	Edit Audit Code "2."

#

- (2) **Line 8b** - Form 8834, Qualified Electric Vehicle Credit. If Form 8834 is not

#

- (3) **Line 8c** - General Business Credit.

- a. If an amount is present or Form 3800 is attached, follow the instructions in IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

- (4) "Line 8d"- Form 8827, Credit for Prior Year Minimum Tax Corporations.

#

- (6) Line 12 - For Tax period 202201 - 202212, if a significant amount is present on Line 12 and the taxpayer writes "CAMT" or "IRA AMT" or indicates the amount is for Corporate AMT, continue processing, no action is required.

- (7) **Lines 12a - 12z** - Other Taxes

If ...	Then ...
Form 4255 is missing, (Line 12 and the Form 4255 box is checked, for 2022 and prior.)	Correspond.
Form 8611 is missing, (Line 12 and the Form 8611 box is checked, for 2022 and prior.)	Correspond.

#

#

Reminder: Look for any Unusual Credits. See IRM 3.11.16.9.1.14, CCC "N" - Joint Committee Case, and IRM 3.11.16.38.12.2, Audit Codes.

3.11.16.38.17
(01-01-2024)

**Lines 14 through 19 -
Tax Computation and
Payments**

- (1) Line 14 (Line 13 for 2022 and prior) - Total Tax.
- a. If blank and there are entries on Lines 9 through 13, add entries from Lines 9, 10, 11 and 13. For 2022 and prior, add lines 9 through 12 and edit on Line 13.
- b. If pre-computed interest or delinquency penalty or an additional charge is **evident**, ensure that it has not been included in Line 14 (Line 13 for 2022 and prior).

If...	Then...
The amount on Line 14 (Line 13 for 2022 and prior) has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" the Line 14 (Line 13 for 2022 and prior) amount. 2. Delete the interest, penalty, or additional charge from the total. 3. Edit the correct Total Tax to the left of the original entry.

- (2) Line 15c - If there is a significant entry on Line 15c, refer to CCC "O" procedures. See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
(Line 15e for 2022 -2018) (Line 14e for 2017 and prior)
- (3) Line 15d - Total ES Credits. If blank and there are entries on Lines 15a through 15c, add Lines 15a and 15b minus Line 15c and enter on Line 15d.
(Line 15f for 2022 - 2018) (Line 14f for 2017 and prior)
For 2022 - 2018, add lines 5a through 5d minus Line 5e.
For 2017 and prior, Add Lines 14a through 14c minus 14e.
- (4) Line 15e - Form 7004 Credits.
(Line 15g for 2022 - 2018) (Line 14g for 2017 and prior)
- (5) Line 15f - Credit by Reciprocal for Tax Paid by Attorney-In Fact Under IRC 835(d) (Positive Only.)
(Line 15h for 2022-2018) (Line 14h for 2017 and prior)
- (6) Line 15g - Elective Payment Election.
- (7) Line 15z - Other Refundable Credits and Payments.
(Line 15i for 2022 - 2018) (Line 14i for 2017 and prior)

If ...	And ...	Then ...
The taxpayer has claimed backup with- on Line 15z	Form 1099 is not attached,	Correspond using Letter 118C.

#

- (8) Line 17 - Estimated Tax Penalty. If blank and Form 2220 is attached with a significant entry on Line 38, edit this amount to Line 17 of Form 1120-PC. See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
(Line 16 for 2022 - 2018) (Line 15 for 2017 and prior)
- (9) Lines 18 and 19 - Amount owed/Overpayment. Edit as positive only. If the taxpayer enters a negative amount, do not bracket. Edit the proper entry to Line 18 or 19
(Lines 17 and 18 2022 - 2018) (Line 16 and 17 for 2017 and prior)
If **both** are blank. Do both of the following:
 - a. Add Lines 14 and 17 minus 16.
For 2022-2018, add Lines 13, 14, and 16 minus 15k.
For 2017 and prior, add Lines 13 and 15 minus Line 15k.
 - b. Edit the positive result on Line 18 **or** the negative result (do not bracket) on Line 19 .
- (10) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 18 or reduced Line 19 .

If...	Then...
The amount on Line 18 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 18 amount. 2. Delete the interest, penalty, or additional charge from the amount owed. 3. Edit the correct amount owed to the left of the original entry.
The amount on Line 19 is reduced by pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 19 amount. 2. Compute the Overpayment amount without the interest, penalty, or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

- (11) Line 20 (center) - Estimated Tax Credit.
(Line 19 (center) for 2022 - 2018) (Line 18 (center) for 2017 and prior)

3.11.16.38.17.1
(01-01-2024)

**Tax and Payments -
Prior Year Returns**

- (1) Line 14 - Reserved - For Tax Periods 201712 through 202012, follow the instructions in a) and b).
- a. If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (k), Line 1
2018	Part II, Column (k), Line 2
2019	Part II, Column (k), Line 3
2020	Part II, Column (k), Line 4

- b. Edit CCC "J" and Action Code "460."

- (2) Lines 15b -The instructions for this line only apply to tax periods 201812 and prior. For tax periods 201901 and later, no action is needed. If a return is for tax period 201812 and prior and the taxpayer notates "Section 847" or reports SETP on Line 15b (Lines 14b and/or 14d for 2017 and prior) or Form 8816 is attached. See IRM 3.11.16.3.10, IRC 847 Deduction.
- (3) Line 15d - Reserved - For Tax Periods 201712 through 202012, follow the instructions in a) and b).
- a. If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (d), Line 1
2018	Part II, Column (d), Line 2
2019	Part II, Column (d), Line 3

Reporting Tax Year	Form 965-B
2020	Part II, Column (d), Line 4

b. Edit CCC "J" and Action Code "460."

- (4) Line 15j -
Line 15j - Refundable credits from Form 8827 - Revisions 2019 and prior (Line 14j for 2017 and prior):

If ...	Then ...
The amount on Line 15j (Line attached,	Correspond for Form 8827.

#

3.11.16.38.18
(01-01-2009)
**Paid Preparer
Information**

- (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator, and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.38.19
(02-01-2023)
Schedule A, Page 2

- (1) Line 3b - Interest Exempt Under IRC 103.
- If there is a positive amount on Page 3, Schedule B, Line 1b, Column (a), edit the amount to Page 2, Schedule A, Line 3b, Column (a).
 - Dummy a Page 2 if necessary.
 - "X" if negative.
- (2) Line 6 - Capital gain net income. If there is a significant entry and Schedule D (Form 1120) is not attached, correspond.

#

Form 4684, correspond.

- (4) Line 14 - If Line 14 is blank and there are entries on Lines 1 through 13, add Lines 1 through 13 and edit the amount on Line 14.
- (5) Line 16 - Salaries and Wages, no editing is required.

3.11.16.38.20
(01-11-2022)
**Schedule C, Page 4 -
Dividends, Inclusions,
Dividends-Received
Deduction, and Other
Special Deductions**

12a, 12b, 12c, 13, and/or 14 (Lines 3, 6, 7, 8, 10, 11, and/or 12 for 2017 and prior) edit Audit Code "2."

#

- 3.11.16.38.21
(01-01-2015)
**Schedule I, Page 7,
Boxes 2a and 2b - Kind
of Company Code**
- (1) Code “1” if Page 7, Schedule I, Box 2a is checked.

(2) Code “2” if Page 7, Schedule I, Box 2b is checked.

(3) Code “1” if neither box is checked or both boxes are checked.

(4) Edit the code to the right of Line 2. See Figure 3.11.16-39.

(5) If Page 7 of Form 1120-PC is not present, dummy a Page 7 and edit the right code.

DRAFT

Form 1120-PC (2023)

Page 7

Schedule I

Other Information (see instructions)

1

Check method of accounting:

a

☒ Cash

b

☐ Accrual

c

☐ Other (specify) _____

2

Check box for kind of company:

a

☐ Mutual

b

☒ Stock

3

At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)

If “Yes,” attach a statement showing (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.

Yes

No

Figure 3.11.16-39 Example of editing the Kind of Company Code to the right of Line 2.

- 3.11.16.38.22
(01-01-2013)
**Schedule I, Page 7,
Question 4 - Name and
EIN of Common Parent**
- (1) If Schedule I, Question 4 meets one of the following conditions, a Name Control and EIN must be edited:

If...	Then...
<div><div><div>• Question 4 is checked “Yes”, or</div><div>• Both the “Yes” and “No” boxes are checked,</div><div>• Question 4 is checked “No” or neither box is checked but a corporation’s name or EIN is present (must be different than that on the return),</div></div></div>	<div><div>a. If something other than a corporation’s name and/or EIN is present on Question 4, circle it out.</div><div>b. If the name and/or EIN are the same as the tax return name and/or EIN, circle the name and/or EIN.</div><div>c. Underline or edit (from attachments) the Name Control on Question 4. If unable to find a Name Control, edit “XXXX.”</div><div>d. Underline or edit (from attachments) the EIN on Question 4. If unable to find the EIN, edit “12-9999999.”</div></div>
Question 4 is answered “No” or neither box is checked and a corporation’s name and EIN are not present,	No editing is required.

If...	Then...
Question 4 is answered "No" or neither box is checked and a corporation's name and/or EIN are the same as the return name and/or EIN,	No editing is required.

3.11.16.38.23

(01-01-2013)

**Schedule I, Line 6c -
Number of Forms 5472**

(1) No entry is required for Schedule I, Line 6c unless Form 5472 is present.

(2) Edit Line 6c as follows:

If...	And...	Then...
A number is present for Schedule I, Line 6c,		No editing is required.
Schedule I, Line 6c is blank,	One or more Forms 5472 is attached,	Edit the number of Form 5472(s) in the dotted line area of Line 6c.
Form 5472 is attached,	Schedule I is not present,	Dummy a Schedule I and edit the number of Form 5472(s) to Schedule I, Line 6c.

3.11.16.38.24

(01-01-2024)

**Schedule I, Lines 20a,
20b, and 20c**

(1) If Question 20b is marked "Yes" or Question 20c is marked "No", Form 4626 must be attached. Correspond if Form 4626 is not attached.

(2) No editing is required.

(3) Data will enter:

- "0" if no box is checked.
- "1" if "Yes" box checked.
- "2" if "No" box checked.
- "3" if "Both" boxes checked. .

3.11.16.38.25

(01-01-2009)

**Total Assets Ending -
Page 8**

(1) Edit the amount from Schedule L, Line 15, Column (d) to the bottom right corner of Page 1.

- a. If Line 15, Column (d) is blank, compute Lines 1 through 14 if present and edit on Page 1.

3.11.16.38.26

(01-01-2020)

**Annual Statement -
Form 1120-PC**

(1) Property and Casualty insurance companies must include a copy of their annual statement with Form 1120-PC. The annual statement must be in the format approved by the National Association of Insurance Commissioners (NAIC). The following reports/statements are not acceptable:

- Annual Reports
- Financial Statements

- Financial Reports

Note: The above list is not all inclusive.

- (2) Verify that annual statements for Property and Casualty insurance companies are attached to return.
- (3) If attached, continue normal processing of return.
- (4) If an annual statement is not attached, use the following chart to determine if it is required:

If ...	Then ...
The taxpayer indicates that the State does not require the firm to file an annual statement and a pro-form annual statement is not attached,	Correspond for a pro-forma annual Statement using Letter 118C.
<ul style="list-style-type: none"> • The taxpayer indicates “Bankruptcy” or “in receivership,” or • Amended Form 1120-PC, 	Do not correspond for the missing annual statement.
A re-entry mixed component return was originally filed electronically,	Do not correspond for the missing annual statement. See IRM 3.11.16.28.1, Consolidated Return - Mixed Components.

- (5) If annual statement **is required** and is missing, prepare an approved Correspondence Action Sheet requesting correspondence for missing annual statement.
- (6) Annotate upper left margin of return; “Annual Statement Requested on _____,” filling in the blank with the date correspondence was initiated.
- (7) Photocopy Page 1 of Form 1120-PC.
- (8) Attach photocopy to the Correspondence Action Sheet and send to Correspondence.
- (9) Continue normal processing of the return. Return is not to be rejected or suspended for any correspondence regarding missing Annual Statements.

3.11.16.38.27
(01-01-2024)

**Form 4626 - Corporate
Alternative Minimum Tax
(CAMT) (Tax Period
202301 and later)**

- (1) The instructions in this subsection apply to tax periods 202212 and later.
- (2) Place Form 4626 in sequence order if significant entries are present on any of the lines:
 1. Question A is checked
 2. Question B is checked
 3. Part I, Line 1a, Column a
 4. Part I, Line 1a, Column b

5. Part I, Line 1a, Column c
6. Part I, Line 1f, Column a
7. Part I, Line 1f, Column b
8. Part I, Line 1f, Column c
9. Part I, Line 5, Column a
10. Part I, Line 5, Column b
11. Part I, Line 5, Column c
12. Part I, Line 13, Column a
13. Part I, Line 13, Column b
14. Part I, Line 13, Column c
15. Part I, Line 15
16. Part II, Line 1a
17. Part II, Line 1f
18. Part II, Line 4
19. Part II, Line 5
20. Part II, Line 8
21. Part II, Line 9
22. Part II, Line 13

- (3) Edit RPC "N" if Form 4626 (2023 Revision) is attached. See IRM 3.11.16.38.8, Return Processing Code.

3.11.16.38.28
(01-01-2012)

**Schedule N (Form 1120)
- Foreign Operations of
U.S. Corporations**

- (1) For processing instructions, see IRM 3.11.16.11.37, Schedule N (Form 1120) - Foreign Operations of U.S. Corporations.

3.11.16.38.29
(01-01-2012)

**Form 4136 - Credit for
Federal Tax Paid on
Fuels**

- (1) For processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.38.30
(01-01-2023)

**Form 8978 and Form
8978, Schedule A**

- (1) Form 8978 is valid for tax periods ending 201712 and later.
- (2) The "Source of review Year adjustments" checkboxes on Form 8978, Partner's Additional Reporting Year Tax and Form 8978, Schedule A, Partners Additional Reporting Year Tax (Schedule of Adjustments), are valid for tax periods 202112 and later.
- (3) Place Form 8978 in sequence order if any of the following apply:
- The "Source of review year adjustments" checkboxes are checked on Form 8978.
 - The "Source of review year adjustments" checkboxes are checked on Form 8978, Schedule A.
 - Significant entries are present on Form 8978, Part I, Line 14, Part II, Line 16, or Part III, Line 18.

Note: Any information from the checkboxes on Form 8978, Schedule A, will be transcribed on Form 8978.

- (4) Edit the digit to the right margin of Form 8978, Part I row as follows:

If ...	And ...	Then ...
Only Form 8978 is attached,	One or more of the boxes are checked,	Edit: a. "1" - BBA Audit is checked. b. "2" - AAR Filing is checked. c. "3" - Both boxes are checked.
Form 8978 and Form 8978, Schedule A , are attached,	The boxes are marked the same on both forms,	Use the Form 8978 data and edit as shown above.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked differently,	Use the Form 8978, Schedule A, , data and edit as shown above.
Only Form 8978, Schedule A, is attached,		No editing is required.

Note: No editing is required on Lines 14, 16 and 18.

(5) Part I, Line 14 - Total Increase/decrease to reporting year tax.

(6) Part II, Line 16 - Total Penalties.

(7) Part III, Line 18 - Total Interest.

3.11.16.38.31
(01-01-2020)

Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts

- (1) Form 965-B is valid for tax periods ending 201712 and later.
- (2) Place Form 965-B in sequence order if a significant amount is present (other than the pre-printed date) on any of the following lines:
 1. Part I, Lines 1 through 5, col (a), Year of Section 965(a) Inclusion or Liability Assumed.
 2. Part I, Lines 1 through 5, col (h), Net 965 Tax Liability Transferred (Out) Transferred (In), or Subsequent Adjustments, if any.
 3. Part I, Lines 1 through 5, col (i), Tax Identification Number of buyer/ transferee or Seller/transferor.
- (3) Edit "1" in the right margin of Part I if more than five lines of entries are present.

3.11.16.38.32
(01-01-2017)

Form 8941 - Credit for Small Employer Health Insurance Premiums

- (1) Place Form 8941 in sequence order if significant entries are present.
- (2) For prior year revisions edit as follows:

If...	And...	Then...
2013 and 2012 revisions,	a significant amount is present on Line 1a or an EIN is present on Line 1b,	<ul style="list-style-type: none"> • Change Line 1a to Line 1. • Change Line 1b to Line B.

3.11.16.38.33
(01-02-2023)

Form 5884-B - New Hire Retention Credit

- (1) Form 5884-B, New Hire Retention Credit is historical (2010 through 2011).

3.11.16.38.34
(01-01-2024)

Form 3800 - General Business Credit

- (1) Form 3800, General Business Credit, must be filed with corporate tax returns when a significant amount is present on Page 1, Line 8c - General Business Credit.
- (2) Place Form 3800 in sequence order if significant entries are present.
- (3) If an amount is present on Form 3800, Part III for any of lines/credits 1a through 4z, follow the instructions below for each credit claimed:

If...	And...	Then...	
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	Part IV, Columns e, f, or g have entries (Part III, Box C, D, or G are checked for 202212 and prior),	No action is needed. The credit is for a carryover, and the form is not required.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The credit is for a pass-through entity (Part III, Column (d) (Column (b) for 202212 and prior) has an EIN listed),	No action is needed. The credit is from a pass-through entity, and the form is not required. Exception: If a credit is claimed on Lines 1a, 1d, 1o, 4a or 4k, Form 3468 must be attached. If a credit is claimed on lines 1l or 1f Form 8864 must be attached.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The situations above do not exist,	Correspond.	#

- (4) See IRM 3.11.16.11.15, Line 5c - General Business Credit and Exhibit 3.11.16-14, Form 3800 - Prior Year Conversion Chart.

3.11.16.39
(01-01-2018)
**Return Processing -
Form 1120-REIT**

- (1) This subsection provides instruction for processing Form 1120-REIT, Real Estate Investment Trust.
- (2) Form 1120-REIT can be filed on a calendar or fiscal year basis.
- (3) Action Codes apply to Form 1120-REIT. See IRM 3.11.16.3.1, Action Codes.
- (4) To convert prior year tax returns. See Exhibit 3.11.16-10, Form 1120-REIT - Prior Year Conversion Chart.

3.11.16.39.1
(01-01-2024)
**Sequence - Form
1120-REIT**

- (1) Document Perfection is responsible for arranging Form 1120-REIT in the following order when transcription line entries are present:
 - Pages 1, 2, 3, 4, 5
 - Schedule N (Form 1120)
 - Form 1120, Schedule D
 - Form 8949
 - Form 8996
 - Schedule O (Form 1120) (Tax periods 201811 and prior only)
 - Form 4626 (Tax periods 201811 and prior only)
 - Form 4136
 - Form 8978
 - Form 965-B
 - Form 8941
 - Form 3800
 - Form 8997
- (2) It is not necessary to sequence the forms or schedules listed above if there are no transcription line entries.
- (3) It is not necessary to sequence an Amended return. See IRM 3.11.16.3.9, Amended Returns, for more information."

3.11.16.39.2
(01-01-2009)
EIN

- (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).

3.11.16.39.3
(01-01-2009)
**Name Control/"In-Care-
Of" Name**

- (1) See IRM 3.11.16.6.3, Entity Perfection - Name Control, and IRM 3.11.16.6.4, Entity Perfection "In-Care-Of" Name.

3.11.16.39.4
(01-01-2009)
Address

- (1) See IRM 3.11.16.6.5, Entity Perfection - Domestic Addresses, and IRM 3.11.16.6.6, Entity Perfection - Foreign Address.

3.11.16.39.5
(01-01-2017)
Tax Period

- (1) Edit tax period ending (except current calendar year) in YYMM format to the right of the title on Page 1 of the return, see IRM 3.11.16.7.1, Tax Period - Ending.
- (2) Edit the Tax Period Beginning to the left of Form 1120-REIT title area in MMDDYY format on an Initial, Final or Short Period return, see IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period, through

IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits, for editing Short Period returns.

3.11.16.39.6
(01-01-2009)

Received Date

- (1) Enter in MMDDYY format.
- (2) Edit the received date in the dotted portion of Lines 9 through 22, see IRM 3.11.16.8, Received Date.

3.11.16.39.7
(01-01-2023)

Computer Condition Codes

- (1) Valid Codes for Form 1120-REIT are D, E, F, G, J, L, M, O, P, R, S, T, W, X, Y, 1, 3, 7, 8, and 9.
- (2) Edit to the dotted portion of Lines 1 through 8. See IRM 3.11.16.9.1, Computer Condition Codes.

3.11.16.39.8
(04-20-2023)

Return Processing Code (RPC)

- (1) Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation.
- (2) RPCs are edited on Page 1, in the right margin next to Line 1 of Form 1120-REIT.
- (3) Refer to the table below for an explanation of when to edit each RPC.

RPC	Explanation
E	Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c), is attached.
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c), is attached.
G	Form 5471, Schedule G-1, Cost Sharing Arrangement is attached.
J	<p>For tax periods 202201 - 202212, taxpayer writes IRA22 DPE on Form 3800, Form 1120-REIT, Line 25f(1) or on an attachment.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "J." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "DPE" in the batch ID.

RPC	Explanation
K	For tax periods 202201 - 202212, taxpayer writes IRA22TRE on Form 3800, Form 3800 or at the top of the return. 1. Completely edit the return. 2. Edit RPC "K." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. Note: P&A will provide the pre-printed half-sheets for C&E to use. 4. Give the return to the lead. 5. The lead will have the returns rebatched with "TRE" in the batch ID.
L	Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement is attached.
M	Form 7205, Energy Efficient Commercial Buildings Deduction is attached.
2	Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI), is attached.
4	Form 8994, Employer Credit for Paid Family and Medical Leave, is attached.
6	Form 8996, Qualified Opportunity Fund, is attached.
7	Form 8990, Limitation on Business Interest Expense IRC 163(j), is attached.
9	Form 8997, Initial and Annual Statement of Opportunity Fund (QOF) Investments, is attached.

3.11.16.39.9
(01-01-2009)
ABLM Code

- (1) Edit "001" to the left of Box B when:
- Page 1, Box B2 is checked.
 - Page 3, Schedule J, Line 5 has an entry.
 - Schedule PH (Form 1120) is attached.

3.11.16.39.10
(01-01-2009)
Initial Return Code

- (1) Edit in the margin to the right of Box D. See IRM 3.11.16.9.4, Initial Return Code.

3.11.16.39.11
(01-01-2014)
Additional Form 1120-REIT Perfection

- (1) This subsection addresses the editing of additional Form 1120-REIT information. See IRM 3.11.16.10, Additional Return Processing.

3.11.16.39.11.1
(01-01-2024)
Form 8844 Indicator

- (1) Edit "1 - 1" in the left margin of Form 1120-REIT near Line 12. See IRM 3.11.16.11.15.1, Form 8844, Empowerment Zone Employment Credit.

3.11.16.39.11.2
(01-01-2024)

Audit Codes

- (1) Edit a “2” followed by the right Audit Code(s) in the left margin near Line 12 (e.g., “2 - 1”).
- (2) The valid Audit Codes are 1, 2, 3, 4, and C. See IRM 3.11.16.10.1, Audit Codes.

3.11.16.39.11.3
(01-01-2013)

**Penalty and Interest
Code**

- (1) Enter a Code “4 - 1” in the left margin near Line 12 when precomputed delin-

situation, such as an estimated Tax Penalty, do not Code “4 - 1” and **do not** insert Computer Condition Code “R.” If only interest is shown, edit CCC “R.”

3.11.16.39.11.4
(08-13-2015)

Reserve Code

- (1) The Reserve Code is “4.”
- (2) Edit “5 - 4” in the left margin near Line 12 if Form 2220 is attached and Part II, Box 8 is checked for Large Corporation.

3.11.16.39.11.5
(01-01-2013)

**Installment Sale
Indicator (Form 6252)**

- (1) Edit “6 -” followed by the right Installment Sale Indicator code in the left margin near Line 12 when Form 6252, Installment Sale Income, is present (e.g., “6 - 1”). See IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252).

3.11.16.39.12
(01-01-2009)

Total Assets - Box E

- (1) Compare the amount in Box E to the amount on Schedule L, Line 13, Column (d).
- (2) If the amount to be edited will change, then resolve the difference in favor of the Schedule L amount and correct Box E. Bracket if negative.

Exception: The return is a “Final” return, resolve the difference in favor of the amount in Box E.

- (3) If Schedule L, Line 13, Column (d) is blank, compute Lines 1 through 12, Columns (c) and (d) if present and compare with the amount in Box E.
- (4) If Box E is blank, enter Total Assets from Schedule L, Line 13, Column (d). Bracket if negative.
- (5) No editing is required if Schedule L is not present or if there is no significant entry on Schedule L, Line 13, Column (d). (If Line 13, Column (d) is blank, compute Lines 1 through 12, Columns (c) and (d) if present.)

3.11.16.39.13

(04-11-2018)

**Page 1 - Gross Income
Items, Lines 1 through 8**

- (1) Line 1 - Dividends.
- (2) Line 2 - Interest.
- (3) Line 3 - Gross Rents from Real Property.
- (4) Line 4 - Other Gross Rents.
- (5) Line 5 - Capital Gain. For Schedule D processing instructions, see IRM 3.11.16.11.4.7, Line 8 - Capital Gain.

#

has not attached Form 4684, correspond.

- (7) Line 7 - Other Income: If the taxpayer inserts "Other Income" items that should be on Line 7, but are on Lines 1 through 6.
 - 1. Add the items and edit the total to Line 7. Bracket if negative.
 - 2. "X" the "Other Income" items from Lines 1 through 6.
- (8) Line 8 - Total Income:
 - a. Compute and enter significant amount if blank. Bracket if negative.
 - b. If the only income on the return is "Total Income" on Line 8 and no detailed schedule is found, enter the Line 8 amount on Line 7. Bracket if negative.

3.11.16.39.14

(01-01-2024)

**Page 1 - Deduction
Items, Lines 9 through
21**

- (1) Line 9 - Compensation of Officers.
- (2) Line 10 - Salaries and Wages (less employment Credits). Accept taxpayer's entry.
- (3) Line 11 - Repairs and Maintenance.
- (4) Line 12 - Bad Debts.
- (5) Line 13 - Rents.
- (6) Line 14 - Taxes and licenses.
- (7) Line 15 - Interest.
- (8) Line 16 - Depreciation.
- (9) Line 17 - Advertising.
- (10) Line 18 - Energy Efficient Commercial Buildings Deduction - If Form 7205, Energy Efficient Commercial Buildings Deduction, is attached, edit RPC "M" See IRM 3.11.16.39.8, Return Processing Code.
- (11) Line 19 (Line 18 for 2022 and prior) - Other deductions: If the taxpayer used "Other Deductions" on Lines 9 through 18.
 - 1. Add the items and edit the total to Line 19 (Line 18 for 2022 and prior), "Other Deductions." Bracket if negative.
 - 2. "X" the "Other Deductions" items from Lines 9 through 18 (Line 17 for 2022 and prior).

- (12) Line 20 (Line 19 for 2022 and prior) - Total deductions:
- If missing or illegible, add Lines 9 through 19 and enter total on Line 20. Bracket if negative.
 - If the only deduction entry is on Line 20 and no detailed schedules are found showing allocation of deductions, enter this amount on Line 19 as "Other Deductions." Bracket if negative.
- (13) Line 22a (Line 21a for 2022 and prior) - Net Operating Loss Deduction.
- (14) Line 22b (Line 21b for 2022 and prior) - Deduction for dividends paid.
- (15) Line 22c (Line 21c for 2022 and prior) - IRC 857 Deduction.

3.11.16.39.15
(01-01-2024)

**Tax Computation - Lines
24 through 28**

- (1) Edit Line 24 (Line 23 for 2022 and prior) - Total Tax as follows:
- If blank, enter from Page 3, Schedule J, Line 11 (Line 8 for 2021 and 2022) (Line 7 for 2020 and prior).
 - If pre-computed interest or delinquency penalty or an additional charge is **evident**, ensure that it has not been included in Line 24 (Line 23 for 2022 and prior) .

If...	Then...
The amount on Line 24 (Line 23 for 2022 and prior) has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> "X" the Line 24 (Line 23 for 2022 and prior) amount . Delete the interest, penalty, or additional charge from the total. Edit the correct Total Tax to the left of the original entry.

- (2) Line 25c (Line 24c for 2017 and prior) - If there is a significant entry on Line 25c (Line 24c for 2017 and prior), refer to CCC "O" procedures, see IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
- (3) Line 25d (Line 24d for 2017 and prior) - ES Credits. If blank, add Lines 25a and 25b (Line 24a and 24b 2017 and prior), subtract Line 25c (Line 24c for 2017 and prior) and enter the total amount on Line 25d (Line 24d 2017 and prior).
- (4) Line 25e (Line 24e for 2017 and prior) - 7004 Credit.
- (5) Line 25f(1) (Tax Periods 202201-202211) - If a significant amount is present and "IRA22 DPE" is notated, edit RPC "J."
- (6) Line 25f - Undistributed long-term capital gains from both RICs and REITs. (Line 25f(1) for 2022 - 2018) (Line 24f for 2017 and prior)

If ...	Then ...
The Undistributed Capital Gain 2439 is missing,	Correspond.

#

If ...	Then ...
Form 2439 shows a lesser amount,	Place an "X" to the left of the entry on Line 25f. (Line 2f(1) for 2022 and prior) Edit the lesser amount to the left of the "X."
Form 2439 shows a larger amount	Correspond.

#

- (7) Line 25g - Credit for Federal tax on fuels (Form 4136).
(Line 25f(2) for 2022 - 2018) (Line 24f for 2017 and prior)
- If there is a significant entry on Line 25g and Form 4136 is not present, correspond for the missing Form 4136.
 - For Form 4136 processing instructions, see IRM 3.11.16.19, Form 4136-Credit for Federal Tax Paid on Fuels.
- (8) Line 25h - Elective Payment Election
- (9) Line 25i (Line 24h for 2017 and prior).

#

25i (Line 24h for 2017 and prior) and Form 1099 is not attached, correspond using Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S.

- (10) Line 26 (Line 25 for 2017 and prior) - Estimated Tax Penalty. Edit amount from Line 38, Form 2220 to Line 26 (Line 25 for 2017 and prior), Form 1120-REIT, if not already entered. See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
- (11) Lines 27 and 28 (Lines 26 and 27 for 2017 and prior) - Tax Due/Overpayment. Edit as positive only. If the taxpayer enters a negative amount, do not bracket. Edit the proper entry to Line 27 or 28 (Line 26 or 27 for 2017 and prior) if **both** are blank. Do both of the following:
- For 202301 and later, add lines 24 and 26 minus Line 25z.
 - For 2022 -2018, Add Lines 23, 24, and 26 minus 25i,
 - For 2017 and prior, Add Lines 23 and 25 minus Line 25i.
 - Edit the positive result on Line 27 (Line 26 for 2017 and prior) **or** the negative result (do not bracket) on Line 28 (Line 27 for 2017 and prior).
- (12) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 27 (Line 26 for 2017 and prior) or reduced Line 28 (Line 27 for 2017 and prior).

If...	Then...
The amount on Line 27 (Line 26 for 2017 and prior) has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> "X" Line 27 (Line 26 for 2017 and prior) amount. Delete the interest, penalty, or additional charge from the tax due. Edit the correct tax due to the left of the original entry.

If...	Then...
The amount on Line 28 (Line 27 for 2017 and prior) is reduced by pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 28 (Line 27 for 2017 and prior) amount. 2. Compute the Overpayment amount without the interest, penalty, or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

(13) Line 29 (center) (Line 28 (center) for 2017 and prior) - Credit to Estimated Tax.

3.11.16.39.15.1
(01-01-2024)

**Tax and Payments Prior
Year Instructions**

- (1) Line 24 - Reserved - For Tax Periods 201712 through 202012, follow the instructions in a) and b).
- a. If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts:

Reporting Tax Year	Form 965-B
2017	Part II, Column (k), Line 1
2018	Part II, Column (k), Line 2
2019	Part II, Column (k), Line 3
2020	Part II, Column (k), Line 4

b. Edit CCC "J" and Action Code "460."

- (2) Line 25h - Reserved - For Tax Periods 201712 through 202012, follow the instructions in a) and b).
- a. If blank enter amount from the following lines from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (d), Line 1
2018	Part II, Column (d), Line 2
2019	Part II, Column (d), Line 3
2020	Part II, Column (d), Line 4

b. Edit CCC "J" and Action Code "460."

- (3) Line 25g - Reserved for future use.
Line 25g - Refundable credits from Form 8827 - Revisions 2019 and prior (Line 24g for 2017 and prior):

If ...	Then ...
The amount on Line 25g (Line attached,	Correspond for Form 8827.

#3.11.16.39.16
(01-01-2009)**Paid Preparer
Information**

- (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.39.17
(01-01-2019)**Schedule J, Line 1 -
Controlled Group Code**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit the right Controlled Group Code to the left of the box on Page 3, Schedule J, Line 1.

#

- a. The box on Page 3, Schedule J, Line 1 is checked.
- b. There is a sign on an attachment that the taxpayer is a member of a controlled group as defined in IRC 1561 or IRC 1563.
- c. A statement or attachment stating a surtax apportionment plan.

#

- a. The box on Page 3, Schedule J, Line 1 is checked.
- b. There is indication that the taxpayer is a member of a controlled group as defined in IRC 1561 or 1563.
- c. A statement or an attachment stating a surtax apportionment plan.

Note: If there is any doubt whether an attachment is a surtax apportionment plan refer the document to the lead tax examiner.

- (5) If Controlled Group Code “4” or “1” is edited, process Schedule O (Form 1120) per IRM 3.11.16.11.38, Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for a Controlled Group.
- (6) If neither Controlled Group Code “4” or “1” was edited, delete Schedule O (Form 1120), if present.

3.11.16.39.18
(01-01-2024)**Schedule J, Lines 2b
through 2g - Taxes**

- (1) Line 2b - Tax from Part II.
- (2) Line 2c - Tax from Part III.

Note: If the taxpayer attaches a statement of “reasonable cause” with regards to relief from failure to meet the gross income tests (Sections 856(c)(2) and 856(c)(3)), leave these documents attached to the return and take no action.

- (3) Line 2d - Tax from Part IV.
- (4) Line 2e - Tax imposed under IRC 857.

(5) Line 2f - Tax imposed under IRC 856(c)(7).

Note: If the taxpayer attaches a statement of "reasonable cause" with regards to relief from failure to meet the asset tests (Sections 856(c)(7)) leave these documents attached to the return and take no action.

(6) Line 2g - Tax imposed under IRC 856(g)(5).

Note: If the taxpayer attaches a statement of "reasonable cause" with regards to relief from failure to meet the asset tests (Sections 856(g)(5)) leave these documents attached to the return and take no action.

(7) Line 2g - Alternative minimum tax (AMT) (Tax periods 201811 and prior only).

- a. If the tax period is 201811 and prior and Schedule J, Line 2g (prior year revision) has an amount for AMT, edit the amount to the right margin of Schedule J, Line 2g.
- b. If the tax period is 201811 and prior and Schedule J, Line 2g (prior year revision) is blank and Form 4626 is attached with an amount on Line 14, edit the amount from Line 14, Form 4626 to the right margin of Schedule J, Line 2g.
- c. If the tax period is 201811 and prior and Schedule J, Line 2g (prior year revision) has a significant entry and Form 4626 is not attached, correspond for Form 4626.

(8) Line 2g (Line 2h for 2017 and prior) - Income tax. If blank, add significant amounts from Lines 2a through 2f (Line 2g for 2017 and prior) and enter on Line 2g (Line 2h for 2017 and prior). If the taxpayer has included backup with-

1099 is not attached, correspond using Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S.

3.11.16.39.19
(01-01-2018)

**Schedule J, Line 3a -
Foreign Tax Credit, Form
1118**

(1) If Line 3a has an entry, check for attached Form 1118 or similar statement:

If...	Then...	
	Edit CCC "P."	#
Form 1118 is missing,	Correspond.	#
	Edit Audit Code "2."	#

3.11.16.39.20
(01-01-2020)

**Schedule J, Line 3b -
Form 8834 Credit**

(1) Line 3b - Form 8834, Qualified Electric Vehicle Credit. If Form 8834 is not

- 3.11.16.39.21 (01-01-2020)
Schedule J, Line 3c - General Business Credit
- (1) If Schedule J, Line 2g (Line 2h for 2017 and prior) shows no tax and there is a significant entry on Line 3c, "X" out the credits.
 - (2) If an amount is present or Form 3800 is attached, follow the instructions in IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

3.11.16.39.22 (01-01-2018)

Schedule J, Line 5 - Schedule PH

Note: A significant entry on Schedule J, Line 5 would also require editing of an ABLM Code "001." See IRM 3.11.16.39.9, ABLM Code.

#

3.11.16.39.23 (01-01-2024)

Schedule J, Lines 6 and 7 - Interest on Deferred Tax Liability

- (1) Line 6 - Interest on deferred tax liability for installments under section 453A(c). If a significant amount is present on Line 6 or the 453A(c) checkbox is checked (for 2022 and prior), enter a **1** in the right margin of Line 6. .
- (2) Line 7 - Interest on deferred tax liability for installments under section 453(l)(3). If a significant amount is present on Line 7 or the 453A(l)(3) checkbox is checked (for 2022 and prior), enter a "1" in the right margin of Line 7.
- (3) Add Lines 6 and 7 and edit the total on Line 7.

3.11.16.39.24 (01-01-2024)

Schedule J, Lines 8 and 9- Recapture of Investment Credit

- (1) Line 8 - See IRM 3.11.16.11.18.1, Schedule J, Line 9a - Recapture of Investment Credit (Form 4255). .
- (2) Line 9 - See IRM 3.11.16.11.18.2, Schedule J, Line 9b - Recapture of Low-Income Housing Credit (Form 8611).

3.11.16.39.25 (01-01-2020)

Schedule K, Question 3 - Name of Common Parent

- (1) If Schedule K, Question 3 meets one of the following conditions, a Name Control and EIN must be edited:

If...	Then...
<ul style="list-style-type: none"> • Question 3 is checked "Yes," • Both the "Yes" and "No" boxes are checked, • Question 3 is checked "No" or neither box is checked but a corporation's name or EIN is present (must be different than that on the return), 	<ol style="list-style-type: none"> a. If something other than a corporation's name and/or EIN is present on Line 3, circle the name/or EIN. b. If the name and/or EIN are the same as tax return name and/or EIN, circle the name and/or EIN. c. Underline or edit (from attachments) the Name Control on Line 3. If unable to find a Name Control, edit "XXXX." d. Underline or edit (from attachments) the TIN on Line 3. If unable to find the TIN, edit "12-9999999."
Question 3 is answered "No" or neither box is checked and corporation's name and EIN are not present,	No editing is required.
Question 3 is answered "No" or neither box is checked and a corporation's name and/or EIN are the same as the return name and/or EIN,	No editing is required.

3.11.16.39.26 (1) Edit Line 5b as follows:

(03-01-2019)

**Schedule K, Line 5b and
Line 5c**

If...	Then...
The taxpayer has entered the name or abbreviation of a Foreign Country or U.S. Possession on Line 5b,	<p>Edit the two letter "Country Code" to the left margin of Line 5b (right margin of Line 5b for 2017 and prior). See Acceptable Foreign Countries in Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes, and Countries.</p> <p>Exception: Edit Country Code "OC" if the foreign country is not listed in Document 7475.</p>
If Schedule K, Question 5 is answered "Yes" and Line 5b does not have an entry,	Edit "Country Code" "OC" to the left margin of Line 5b (right margin of Line 5b for 2017 and prior).
More than one Foreign Country or U.S. Possession is present,	Edit the "Country Code" of the first Foreign Country/U.S. Possession shown, to the left margin of Line 5b (right margin of Line 5b for 2017 and prior).

Note: Use "UK" for England, Northern Ireland, Scotland, and Wales. Also, "Holland" is not an official country name, but is part of The Netherlands.

(2) Edit Line 5c as follows:

If...	And...	Then...
A number is present for Schedule K, Line 5c,		No editing is required.
Schedule K, Line 5c is blank,	One or more Form 5472 is attached,	Edit the number of Form 5472(s) in the dotted line area of Line 5c.
Form 5472 is attached,	Schedule K is not present,	Dummy a Schedule K and edit the number of Form 5472(s) to Schedule K, Line 5c.

3.11.16.39.27 (1) No editing is required.

(01-01-2022)

Schedule K, Question 10

3.11.16.39.28 (1) No editing is required.

(01-01-2022)

Schedule K, Question 11

3.11.16.39.29 (1) If Form 1120-REIT, Schedule K, Question 12, "Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund" is answered "Yes," search attachments for Form 8996. If Form 8996 is attached with an amount in Part III, Line 15, edit the amount to Schedule K, Question 12.

Schedule K, Question 12 (Qualified Opportunity Fund - Form 8996)

Prior Year Revision	Line
2020 and later	Part III, Line 15
2019	Part III, Line 14
2018 and 2017	Part III, Line 13

(2) See IRM 3.11.16.17, Form 8996 - Qualified Opportunity Fund for transcription lines.

(3) If Form 8996, Qualified Opportunity Fund, is attached, edit Return Processing Code (RPC) "6." See IRM 3.11.16.39.8, Return Processing Code (RPC), for more information.

3.11.16.39.30 (1) For processing instructions, see IRM 3.11.16.11.37, Schedule N (Form 1120) - Foreign Operations of U.S. Corporations.

(01-01-2012)

Schedule N (Form 1120) - Foreign Operations of U.S. Corporations

3.11.16.39.31 (1) The checkbox above Part I is the only transcription line on Schedule D when attached to Form 1120-REIT.

(01-01-2020)

Form 1120 - Schedule D

3.11.16.39.32
(01-01-2020)

**Form 8949 - Sales and
Other Dispositions of
Capital Assets**

- (1) For processing instructions, see IRM 3.11.16.16, Form 8949 - Sales and Other Dispositions of Capital Assets.

3.11.16.39.33
(01-01-2020)

**Form 8996 - Qualified
Opportunity Fund**

- (1) For processing instructions, see IRM 3.11.16.17, Form 8996 - Qualified Opportunity Fund.

3.11.16.39.34
(01-01-2019)

**Schedule O (Form 1120)
- Consent Plan and
Apportionment Schedule
for a Controlled Group**

- (1) The instructions in this subsection (paragraphs 2 through 4) only apply to tax periods 201811 and prior. If a Schedule O is attached to a Form 1120-REIT for tax period 201812 and later, do the following:

If ...	Then ...
Schedule O is in sequence order,	Line through Schedule O, Parts II and III.
Schedule O is not in sequence order,	No action needed.

- (2) This subsection includes instructions for processing Schedule O (Form 1120).
- (3) Schedule O (Form 1120) replaces the Controlled Group tax computation previously included on Schedule J, Lines 2a(1) through 2b(2) for 2005 and prior.
- (4) If Controlled Group Code "1" or "4" is edited on a prior year return, dummy a Schedule O and edit significant positive amounts as follows:
- Schedule J, Line 2a(1) to Schedule O, Part II, Line 1, Column (c).
 - Schedule J, Line 2a(2) to Schedule O, Part II, Line 1, Column (d).
 - Schedule J, Line 2a(3) to Schedule O, Part II, Line 1, Column (e).
 - Schedule J, Line 2b(1) to Schedule O, Part III, Line 1, Column (f).
 - Schedule J, Line 2b(2) to Schedule O, Part III, Line 1, Column (g).

3.11.16.39.34.1
(01-01-2019)

**Taxable Income
Apportionment - Part II,
Line 1**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit Schedule O, Part II, Line 1 as follows:

If...	And...	Then...
Schedule O is attached and the parent corporation's taxable income apportionment amounts are present in Part II,	The amounts are entered on Line 1,	"X" any negative entries on Line 1, Columns (c), (d), or (e).

If...	And...	Then...
Schedule O is attached and the parent corporation's taxable income apportionment amounts are present in Part II,	The amounts are entered on a line other than Line 1,	<ol style="list-style-type: none"> Line out Line 1 and renumber the parent corporation taxable income apportionment amounts as Line "1." "X" any negative entries on Line 1, Columns (c), (d), or (e).
<p>A Controlled Group Code was edited; there are no entries on any of Schedule O, Part II, Line 1, Columns (c), (d), and (e) or Schedule O is missing,</p> <p>Note: A taxpayer may be a member of a controlled group with an allocation of zero ("0") in each of the three taxable income brackets. In this case no entry will be necessary on Line 1, Part II, Columns (c), (d), and (e);</p>	Taxable income brackets are found on an attachment, (See Note below for examples.)	Edit the positive taxable income bracket amounts to Schedule O, Line 1, Columns (c), (d), and (e). Dummy a Schedule O if needed.
<p>A Controlled Group Code was edited; there are no entries on any of Schedule O, Part II, Line 1, Columns (c), (d), and (e) or Schedule O is missing,</p> <p>Note: A taxpayer may be a member of a controlled group with an allocation of zero ("0") in each of the three taxable income brackets. In this case no entry will be necessary on Line 1, Part II, Columns (c), (d), and (e);</p>	No taxable income brackets are found,	<p>Correspond for taxable income bracket amounts.</p> <p>Exception: Do not correspond if; there is no indication of an income tax liability on Form 1120-REIT, Schedule J, Line 2h, the taxable income on Form 1120-REIT, Page 1, Line 22 is zero ("0") or a negative amount, or Schedule O (Form 1120, Page 1, Box 3c or Box 4a is checked.</p>

If...	And...	Then...
No Controlled Group Code was edited, see IRM 3.11.16.11.11(4), Schedule J, Page 3 - Controlled Group Code / Personal Service Corporation Code / Tax Computation.		Delete Schedule O.

- (3) Entries may be shown on an attached allocation/apportionment schedule. Some examples of the title of these schedules may be:
- “apportionment plan”
 - “apportionment consent plan”
 - “consent to apportionment”
 - “controlled group tax apportionment plan”
 - “surtax apportionment plan”
 - “allocation schedule”
- (4) The attachment may identify the amounts by the tax rate and/or taxable income bracket. Column (c) is the \$50,000 taxable income bracket taxed at 15 percent, Column (d) is the \$25,000 taxable income bracket taxed at 25 percent and Column (e) is the \$9,925,000 taxable income bracket taxed at 34 percent.
- (5) Any attachment labeled as “controlled group tax calculation statement” is not an apportionment plan and not used to edit tax bracket amounts on Schedule O.

3.11.16.39.34.2
(01-01-2019)

Income Tax

Apportionment - Part III, Line 1

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit Part III, Line 1 as follows:

If...	And...	Then...
The parent corporation's income tax apportionment amounts are present in Part III,	The amounts are entered on Line 1,	“X” any negative entries on Line 1, Columns (f) and (g).
The parent corporation's income tax apportionment amounts are present in Part III,	The amounts are entered on a line other than Line 1,	<ol style="list-style-type: none"> 1. Line out Line 1 and renumber the parent corporation income tax apportionment amounts as Line “1.” 2. “X” any negative entries on Line 1, Columns (f) and (g).
A Controlled Group was edited,	Part III, Line 1, Column (f) is blank,	Check attachments for possible entry (additional 5 percent tax): <ol style="list-style-type: none"> a. If found, edit the positive amount to Line 1, Column (f). b. If not found, continue processing.

If...	And...	Then...
A Controlled Group was edited,	Part III, Line 1, Column (g) is blank,	Check attachments for possible entry (additional 3 percent tax): a. If found, edit the positive amount to Line 1, Column (g). b. If not found, continue processing.

3.11.16.39.35
(01-01-2019)

Form 4626 - Alternative Minimum Tax

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Taxpayers may sometimes include more than one Form 4626 with the return. If more than one Form 4626 is present, compute the totals and edit the right transcription lines.
- (3) If Form 4626 is attached, perfect the following lines, as necessary:
 - a. Line 3 - Pre-Adjustment AMTI. If there is no entry on Line 3, but any of Lines 1 or Lines 2a through 2o have an entry, compute Line 3. Bracket if negative.
 - b. Line 4e - ACE Adjustment. Accept taxpayer's entry.
 - c. Line 6 - Alternative tax net operating loss deduction. Accept positive entry. "X" negative amount.
 - d. Line 11 - Alternative minimum tax foreign tax credit. Accept positive entry. "X" negative amount.

3.11.16.39.36
(01-01-2012)

Form 4136 - Credit for Federal Tax Paid on Fuels

- (1) For Form 4136 processing instruction, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.39.37
(01-01-2023)

Form 8978 and Form 8978, Schedule A

- (1) Form 8978 is valid for tax periods ending 201712 and later.
- (2) The "Source of review Year adjustments" checkboxes on Form 8978, Partner's Additional Reporting Year Tax and Form 8978, Schedule A., Partners Additional Reporting Year Tax (Schedule of Adjustments), are valid for tax periods 202112 and later.
- (3) Place Form 8978 in sequence order if any of the following apply:
 - The "Source of review year adjustments" checkboxes are checked on Form 8978.
 - The "Source of review year adjustments" checkboxes are checked on Form 8978, Schedule A.
 - Significant entries are present on Form 8978, Part I, Line 14, Part II, Line 16, or Part III, Line 18.

Note: Any information from the checkboxes on Form 8978, Schedule A will be transcribed on Form 8978.

- (4) Edit the digit to the right margin of Form 8978, Part I row as follows:

If ...	And ...	Then ...
Only Form 8978 is attached,	One or more of the boxes are checked,	Edit: a. "1" - BBA Audit is checked. b. "2" - AAR Filing is checked. c. "3" - Both boxes are checked.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked the same on both forms,	Use the Form 8978 data and edit as shown above.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked differently,	Use the Form 8978, Schedule A, data and edit as shown above.
Only Form 8978, Schedule A, is attached,		No editing is required.

Note: No editing is required on Lines 14, 16 and 18.

- (5) Part I, Line 14 - Total Increase/decrease to reporting year tax.
- (6) Part II, Line 16 - Total Penalties.
- (7) Part III, Line 18 - Total Interest.

3.11.16.39.38
(01-01-2020)

Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts

- (1) Form 965-B is valid for tax periods ending 201712 and later.
- (2) Place Form 965-B in sequence order if a significant amount (other than the pre-printed date) is present on any of the following lines:
 - 1. Part I, Lines 1 through 5, col (a), Year of Section 965(a) Inclusion or Liability Assumed.
 - 2. Part I, Lines 1 through 5, col (h), Net 965 Tax Liability Transferred (Out) Transferred (In), or Subsequent Adjustments, if any.
 - 3. Part I, Lines 1 through 5, col (i), Tax Identification Number of buyer/transferee or Seller/transferor.
- (3) Edit "1" in the right margin of Part I if more than five lines of entries are present.
- (4) Form 1120-REIT has the following additional transcription for Form 965-B:
 - 1. Part III, Line 1a, Column (b), Amount Elected to be Accounted for Over Time.
 - 2. Part III, Line 1b, Column (b), Amount Elected to be Accounted for Over Time.
 - 3. Part III, Line 2a, Column (b), Amount Elected to be Accounted for Over Time.
 - 4. Part III, Line 2b, Column (b), Amount Elected to be Accounted for Over Time.

5. Part III, Line 3a, Column (b), Amount Elected to be Accounted for Over Time.
6. Part III, Line 3b, Column (b), Amount Elected to be Accounted for Over Time.

3.11.16.39.39
(01-01-2017)

**Form 8941 - Credit for
Small Employer Health
Insurance Premiums**

- (1) Place Form 8941 in sequence order if significant entries are present.
- (2) For prior year revisions edit as follows:

If...	And...	Then...
2013 and 2012 revisions,	A significant amount is present on Line 1a or an EIN is present on Line 1b,	<ul style="list-style-type: none"> • Change Line 1a to Line 1. • Change Line 1b to Line B.

3.11.16.39.40
(01-02-2023)

**Form 5884-B - New Hire
Retention Credit**

- (1) Form 5884-B, New Hire Retention Credit is historical (2010 through 2011).

3.11.16.39.41
(01-01-2024)

**Form 3800 - General
Business Credit**

- (1) Form 3800, General Business Credit, must be filed with corporate tax returns when a significant amount is present on Schedule J, Line 3c - General Business Credit.
- (2) Place Form 3800 in sequence order if significant entries are present.
- (3) If an amount is present on Form 3800, Part III for any of lines/credits 1a through 4z, follow the instructions below for each credit claimed:

If...	And...	Then...
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	Part IV, Columns e, f, or g have entries (Part III, Box C, D, or G are checked for 202212 and prior),	No action is needed. The credit is for a carryover, and the form is not required.
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The credit is for a pass-through entity (Part III, Column (d) (Column (b) for 202212 and prior) has an EIN listed),	No action is needed. The credit is from a pass-through entity, and the form is not required. Exception: If a credit is claimed on Lines 1a, 1d, 1o, 4a or 4k, Form 3468 must be attached. If a credit is claimed on lines 1l or 1ff Form 8864 must be attached.

#

#

If...	And...	Then...
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The situations above do not exist,	Correspond.

#

- (4) See IRM 3.11.16.11.15, Line 5c - General Business Credit and Exhibit 3.11.16-14, Form 3800 - Prior Year Conversion Chart.

3.11.16.39.42
(01-01-2022)

Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments

- (1) Form 8997 is valid for tax periods ending 201901 and later.
- (2) Place Form 8997 in sequence order if the form is attached and significant entries are present in any of Parts I, II, III or IV.
- Note:** Transcription is different for Form 1120-REIT than Form 1120.
- (3) No editing is required except for the indicator in Part III.
- (4) Part I - Total QOF Investment Holdings Due to Deferrals before Beginning of Tax Year (Row 1)
- Line 2, Column e - Total amount
 - Line 2, Column f - Total amount
- (5) Part II - Current Tax Year Capital Gains Deferred by Investing in QOF (Row 1)
- Line 2, Column e - Total amount
 - Line 2, Column f - Total amount
- (6) Part III - QOF Investments for Which Gain Is Included During Current Tax Year (Row 1)
- Column a - EIN
 - Column b - Date
 - Column d - Special Gain Code
 - Column e - Amount of previously deferred short-term gain now included in taxable income
 - Column f - Amount of previously deferred long-term gain now included in taxable income
 - Part III Indicator - If more rows are present in Part III, edit a "1" in the right margin of Part III.
 - Line 2, Column e - Total amount
 - Line 2, Column f - Total amount
- (7) Part IV - Total QOF Investment Holdings at Year End Due to Deferrals (Row 1)
- Line 2, Column e - Total amount
 - Line 2, Column f - Total amount
- (8) If Form 8997, Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments, is attached, edit Return Processing Code (RPC) "9." See IRM 3.11.16.39.8, Return Processing Code (RPC), for more information.

3.11.16.40
(01-01-2018)
**Return Processing -
Form 1120-RIC**

- (1) This subsection provides instructions for processing of Form 1120-RIC, Regulated Investment Companies.
- (2) Form 1120-RIC can be filed on a calendar or fiscal year basis.
- (3) Action Codes apply to Form 1120-RIC. See IRM 3.11.16.3.1, Action Codes.
- (4) To convert prior year tax returns. See Exhibit 3.11.16-11, Form 1120-RIC - Prior Year Conversion Chart.

3.11.16.40.1
(01-01-2023)
**Sequence - Form
1120-RIC**

- (1) Document Perfection is responsible for arranging Form 1120-RIC in the following order when transcription line entries are present:
 - Pages 1, 2, 3, and 4
 - Schedule N (Form 1120)
 - Form 1120, Schedule D
 - Form 8949
 - Form 8996
 - Schedule O (Form 1120)(Tax periods 201811 and prior only)
 - Form 4626 (Tax periods 201811 and prior only)
 - Form 4136
 - Form 8978
 - Form 965-B
 - Form 8941
 - Form 3800
 - Form 8997
- (2) It is not necessary to sequence the forms or schedules listed above if there are no transcription line entries.
- (3) It is not necessary to sequence an Amended return. See IRM 3.11.16.3.9, Amended Returns, for more information."

3.11.16.40.2
(01-01-2009)
EIN

- (1) See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).

3.11.16.40.3
(01-01-2009)
**Name Control/"In-Care-
Of" Name**

- (1) See IRM 3.11.16.6.3, Entity Perfection - Name Control and IRM 3.11.16.6.4, Entity Perfection - "In-Care-Of" Name.

3.11.16.40.4
(01-01-2009)
Address

- (1) See IRM 3.11.16.6.5, Entity Perfection - Domestic Addresses and IRM 3.11.16.6.6, Entity Perfection - Foreign Address.

3.11.16.40.5
(01-01-2017)
Tax Period

- (1) Edit tax period ending (except current calendar year) in YYMM format to the right of the title on Page 1 of the return. See IRM 3.11.16.7.1, Tax Period - Ending.
- (2) Edit the Tax Period Beginning to the left of Form 1120-RIC title area in MMDDYY format on an Initial, Final or Short Period return. See IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period through

IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits for editing Short Period returns.

3.11.16.40.6
(01-01-2009)

Received Date

- (1) Enter in MMDDYY format.
- (2) Edit the received date in the dotted portion of Lines 9 through 22. See IRM 3.11.16.8, Received Date.

3.11.16.40.7
(01-01-2023)

Computer Condition Codes

- (1) Valid codes for Form 1120-RIC are D, E, F, G, J, L, M, O, P, R, S, T, W, X, Y, 3, 7, 8, and 9.
- (2) Edit to the dotted portion of Lines 1 through 8. See IRM 3.11.16.9.1, Computer Condition Codes.

3.11.16.40.8
(04-20-2023)

Return Processing Code (RPC)

- (1) Return Processing Code (RPC) is an alpha or numeric character used to alert the computer to a special condition or computation.
- (2) RPCs are edited on Page 1, in the right margin next to Line 1 of Form 1120-RIC.
- (3) Refer to the table below for an explanation of when to edit each RPC.

RPC	Explanation
E	Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c), is attached.
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c), is attached.
G	Form 5471, Schedule G-1, Cost Sharing Arrangement, is attached.
J	<p>For tax periods 202201 - 202212, taxpayer writes IRA22 DPE on Form 3800,, Form 1120-RIC Line 29f or on an attachment.</p> <ol style="list-style-type: none"> 1. Completely edit the return. 2. Edit RPC "J." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. <p>Note: P&A will provide the pre-printed half-sheets for C&E to use.</p> <ol style="list-style-type: none"> 4. Give the return to the lead. 5. The lead will have the returns rebatched with "DPE" in the batch ID.

RPC	Explanation
K	For tax periods 202201 - 202212, taxpayer writes IRA22TRE on Form 3800, on an attachment or at the top of the return. 1. Completely edit the return. 2. Edit RPC "K." 3. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. Note: P&A will provide the pre-printed half-sheets for C&E to use. 4. Give the return to the lead. 5. The lead will have the returns rebatched with "TRE" in the batch ID.
L	Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement is attached.
M	Form 7205, Energy Efficient Commercial Buildings Deduction is attached.
2	Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI), is attached.
4	Form 8994, Employer Credit for Paid Family and Medical Leave, is attached.
6	Form 8996, Qualified Opportunity Fund, is attached.
7	Form 8990, Limitation on Business Interest Expense IRC 163(j), is attached.
9	Form 8997, Initial and Annual Statement of Opportunity Fund (QOF) Investments, is attached.

3.11.16.40.9
(01-01-2009)
ABLM Code

- (1) Edit "001" to the left of the line between Box A and Box B when:
- Box F, Page 1 is checked.
 - Schedule PH (Form 1120) is attached.
 - Page 3, Schedule J, Line 5 has an entry.

3.11.16.40.10
(01-01-2009)
Initial Return Code

- (1) Edit in the margin to the right of Box D (determined from Box B).
- (2) See IRM 3.11.16.9.4, Initial Return Code.

3.11.16.40.11
(01-01-2014)
Additional Form 1120-RIC Perfection

- (1) This subsection addresses the editing of additional Form 1120-RIC information. See IRM 3.11.16.10, Additional Return Perfection.

3.11.16.40.11.1
(01-01-2024)
Form 8844 Indicator

- (1) Edit "1 - 1" in the left margin of Form 1120-RIC near Line 12. See IRM 3.11.16.11.15.1, Form 8844, Empowerment Zone Employment Credit.,

3.11.16.40.11.2
(01-01-2024)

Audit Codes

- (1) Edit a "2 -" followed by the right Audit Code(s) in the left margin near Line 12 (e.g., "2 - 1").
- (2) The valid Audit Codes are 1, 2, 3, 4 and C.
- (3) For specific Audit Code requirements, follow the instructions in IRM 3.11.16.10.1, Audit Codes.

3.11.16.40.11.3
(01-01-2013)

Penalty and Interest

- (1) Enter a Code "4 - 1" in the left margin near Line 12 when precomputed delin-

situation, such as an estimated Tax Penalty, do not Code "4 - 1" and **do not** insert Condition Code "R." If only interest is shown, edit CCC "R."

3.11.16.40.11.4
(08-13-2015)

Reserve Code

- (1) The Reserve Code is "4."
- (2) Edit "5 - 4" in the left margin near Line 12 if Form 2220 is attached and Part II, Box 8 is checked for Large Corporation.

3.11.16.40.11.5
(01-01-2013)

**Installment Sale
Indicator (Form 6252)**

- (1) Edit "6 -" followed by the right Installment Sale Indicator code in the left margin near Line 12 when Form 6252, Installment Sale Income, is present (e.g., "6 - 1"). See IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252).

3.11.16.40.12
(01-01-2009)

Total Assets - Box D

- (1) Compare the amount in Box D to the amount on Schedule L, Line 13, Column (d).
- (2) If the amount to be edited will change, then resolve the difference in favor of the Schedule L amount and correct Box D. Bracket if negative.

Exception: The return is a "Final" return, resolve the difference in favor of the Box D amount.

- (3) If Schedule L, Line 13, Column (d) is blank, compute Lines 1 through 12, Columns (c) and (d) if present and compare with the amount in Box D.
- (4) If Box D is blank, enter Total Assets from Schedule L, Line 13, Column (d). Bracket if negative.
- (5) No editing is required if Schedule L is not present or there is no significant entry is on Schedule L, Line 13, Column (d).

3.11.16.40.13

(04-11-2018)

**Page 1 - Gross Income
Items, Lines 1 through 8**

- (1) Line 1 - Dividends.
- (2) Line 2 - Interest.
- (3) Line 3 - Net Foreign Currency Gains.
- (4) Line 4 - Payments with respect to securities loans.
- (5) Line 5 - Excess of net short-term capital gain over net long-term capital loss. Positive only. If Line 5 is negative, see IRM 3.11.16.11.4.7, Line 8 - Capital Gain.

#

attached Form 4684, correspond.

- (7) Line 7 - Other Income: If the taxpayer inserts **Other Income** items that should be on Line 7 but are on Lines 1 through 6.
 - 1. Add the items and edit the total to Line 7. Bracket if negative.
 - 2. "X" the "Other Income" items from Lines 1 through 6.
- (8) Line 8 - Total Income:
 - a. If blank, add Lines 1 through 7 and edit the total to Line 8. Bracket if negative.
 - b. If the only income on the return is "Total Income" on Line 8 and no detailed schedule is found showing allocation of income, edit the Line 8 amount on Line 7.

3.11.16.40.14

(01-01-2024)

**Page 1 - Deduction
Items, Lines 9 through
25**

- (1) Line 9 - Compensation of Officers.
- (2) Line 10 - Salaries and Wages (less employment credits).
- (3) Line 11 - Rents.
- (4) Line 12 - Taxes and licenses.
- (5) Line 13 - Interest.
- (6) Line 14 - Depreciation.
- (7) Line 15 - Advertising.
- (8) Line 16 - Registration Fees.
- (9) Line 17 - Insurance.
- (10) Line 18 - Accounting and Legal Services.
- (11) Line 19 - Management and Investment Advisory Fees.
- (12) Line 20 - Transfer Agency, Shareholders Servicing and Custodian Fees.
- (13) Line 21 - Report to Shareholders.
- (14) Line 22 - Other Deductions. If the taxpayer inserts "Other Deduction" items on Lines 9 through 21:
 - 1. Add the items and edit the total to Line 22. Bracket if negative.

2. "X" the "Other Deduction" items from Lines 9 through 21.

(15) Line 23 - Total Deductions:

- a. If blank, add Lines 9 through 22 and edit the total on Line 23. Bracket if negative.
- b. If the only deduction on the return is "Total Deductions" on Line 23 and no detailed schedule is found showing allocation of deductions, edit the Line 23 amount on Line 22. Bracket if negative.

(16) Line 25a - Deduction for Dividends Paid. If blank, edit the amount from Page 2, Schedule A, Line 8a for 2011 and prior change line 25 to 25a. (Line 25 for 2011 and prior).

(17) Line 25b - Section 851(d)(2) and section 851(i) deductions. If blank, edit the total of Schedule J, Lines 2c and 2d. If blank for 2022 and prior , edit the amount from Page 2, Schedule J, line 2c.

3.11.16.40.15
(01-01-2015)
**Paid Preparer
Information**

(1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.40.16
(01-01-2024)
**Page 2 - Tax and
Payments, Lines 27
through 33**

(1) Line 27 - Total Tax.

- a. If blank enter the amount from Schedule J, Line 10 (Line 8 for 2021 and 2022) (Line 7 for 2020 and prior).
- b. If pre-computed interest or delinquency penalty or an additional charge is **evident**, ensure that it has not been included in Line 27.

If...	Then...
The amount on Line 27 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" the Line 27 amount. 2. Delete the interest, penalty, or additional charge from the total. 3. Edit the correct Total Tax to the left of the original entry.

(2) Line 28c - If there is a significant entry on Line 28c, refer to CCC "O" procedures. See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze. (Line 29c for 2022 - 2018) (Line 28c for 2017 and prior)

(3) Line 28d - ES Credits. If blank, add Lines 28a and 28b, subtract Line 28c and enter on Line 28d. (Line 29d for 2022 - 2018) (Line 28d for 2017 and prior)

(4) Line 28e (- 7004 Credit. (Line 29e for 2022 - 2018) (Line 28e for 2017 and prior)

(5) Line 29f (Tax Periods 202301-202311) - If a significant amount is present and "IRA22 DPE" is notated, edit RPC "J."

(6) Line 28f - Regulated Investment Co. Credit, Form 2439. (Line 29f for 2022 - 2018) (Line 28f for 2017 and prior)

If ...	Then ...
The Undistributed Capital	Correspond.
Form 2439 shows a lesser amount,	Place an "X" to the left of the entry on Line 28f . Edit the lesser amount to the left of the "X."
Form 2439 shows a larger	Correspond.

#

#

- (7) Line 28g - Credit for Federal tax on fuels (Form 4136).
(Line 29g for 2022-2018) (Line 28g for 2017 and prior)
- If there is a significant entry on Line 28g and Form 4136 is not present, correspond for the missing Form 4136.
 - For Form 4136 processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.
- (8) Line 29h - Elective Payment Election.
- (9) Line 29 Total Payments and Credits
(Line 29j for 2022 - 2018) (Line 28i for 2017 and prior).

#

29 and Form 1099 is not attached, correspond using Letter 118C,
Corporate Return Incomplete for Processing: Form 1120, Form 1120
Series, Form 1120-S.

- (10) Line 30 (Line 29 for 2017 and prior) - Estimated Tax Penalty. If blank, edit the Estimated Tax Penalty from Line 39 (Line 38 for 2017-2008), Form 2220 to Line 30 (Line 29 for 2017-2008). See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
- (11) Line 31 (Line 30 for 2017 and prior) and 32 (Line 31 for 2017 and prior) - Amount owed/Overpayment. Edit as positive only. If the taxpayer enters a negative amount, do not bracket. Edit the proper entry to Line 31 or 32 (Line 30 or 31 for 2017 and prior) if **both** are blank. Do both of the following:
- For 202301 and later, add Lines 27 and 30 minus Line 29.
 - For 2022 - 2018, add Lines 27, 28 and 30 minus 29j.
 - For 2017 and prior, add Lines 27 and 29 minus 28i.
 - Edit the positive result on Line 31 (Line 30 for 2017 and prior) **or** the negative result (do not bracket) on Line 32 (Line 31 for 2017 and prior).
- (12) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 31 (Line 30 for 2017 and prior) or reduced Line 32 (Line 31 for 2017 and prior).

If...	Then...
The amount on Line 31 (Line 30 for 2017 and prior) has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 31 (Line 30 for 2017 and prior) amount. 2. Delete the interest, penalty, or additional charge from the amount owed. 3. Edit the correct amount owed to the left of the original entry.
The amount on Line 32 (Line 31 for 2017 and prior) is reduced by pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 32 (Line 31 for 2017 and prior) amount. 2. Compute the Overpayment amount without the interest, penalty, or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

(13) Line 33 (Line 32 for 2017 and prior) - Estimated Tax Credit.

3.11.16.40.16.1
(01-01-2024)

**Tax and Payments -
Prior Year Instructions**

- (1) Line 28 - Reserved - For Tax Periods 201712 through 202012, follow the instructions in a) and b).
- a. If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (k), Line 1
2018	Part II, Column (k), Line 2
2019	Part II, Column (k), Line 3
2020	Part II, Column (k), Line 4

b. Edit CCC "J" and Action Code "460."

- (2) Line 29h - Reserved for future use.
Line 29h - Refundable credits from Form 8827 - Revisions 2019 and prior (Line 28h for 2017 and prior):

If ...	Then ...
The amount on Line 29h (Line attached,	Correspond for Form 8827.

#

- (3) Line 29i - Reserved - For Tax Periods 201712 through 202012, follow the instructions in a) and b).
- a. If blank enter amount from Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts, as follows:

Reporting Tax Year	Form 965-B
2017	Part II, Column (d), Line 1
2018	Part II, Column (d), Line 2
2019	Part II, Column (d), Line 3
2020	Part II, Column (d), Line 4

b. Edit CCC “J” and Action Code “460.”

3.11.16.40.17
(01-01-2019)

**Schedule J, Line 1 -
Controlled Group Code**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit the right Controlled Group Code on the dotted line portion of Page 2, Schedule J, Line 1.

#

criteria:

- a. The box on Page 2, Schedule J, Line 1 is checked.
- b. There is indication that the taxpayer is a member of a controlled group as defined in IRC 1561 or IRC 1563.
- c. A statement or attachment stating a surtax apportionment plan.

#

- a. The box on Page 2, Schedule J, Line 1 is checked.
- b. There is indication that the taxpayer is a member of a controlled group as defined in IRC 1561 or IRC 1563.
- c. A statement or an attachment stating a surtax apportionment plan.

Note: If there is any doubt whether an attachment is a surtax apportionment plan refer the document to the lead tax examiner.

- (5) If Controlled Group Code “4” or “1” is edited, process Schedule O (Form 1120) per IRM 3.11.16.40.33, Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for a Controlled Group.
- (6) If neither Controlled Group Code “4” or “1” was edited, delete Schedule O (Form 1120) if significant entries are present.

3.11.16.40.18
(01-01-2024)

**Schedule J - Lines 2b
through 2d**

- (1) **Line 2b**, Tax on undistributed net capital gain - If Line 2b is blank and Part II, Line 4 has an entry, edit the amount from Part II, Line 4 to Line 2b.
- (2) **Line 2c**, Tax imposed under sections 851(d)(2) and 851(i) - accept the taxpayer's figure.
- (3) Line 2d - Tax imposed under Section 851i.
- (4) **Line 2d**- Alternative Minimum Tax (tax periods 201811 and prior only).
 - a. If the tax period is 201811 and prior and Schedule J, Line 2d (prior year revision) has an amount for AMT, edit the amount to the right margin of Schedule J, Line 2d.

- b. If the tax period is 201811 and prior and Schedule J, Line 2d (prior year revision) is blank and Form 4626 is attached with an amount on Line 14, edit the amount to the right margin of Schedule J, Line 2d.
- c. If the tax period is 201811 and prior and Schedule J, Line 2d (prior year revision) has a significant entry and Form 4626 is not attached, correspond for Form 4626.

(5) **Line 2e** (Line 2d for 2018 through 2022) - Income tax. If blank, add the significant amounts from Lines 2a through 2d (Line 2c for 2018 through 2022).

3.11.16.40.19
(01-01-2019)

**Schedule J, Line 3a -
Form 1118**

- (1) If Line 3a has an entry, check for attached Form 1118 or similar statement:

If...	Then...	
	Edit CCC "P."	#
	Correspond.	# #
	Edit Audit Code "2."	# #

3.11.16.40.20
(01-01-2020)

**Schedule J, Line 3b -
Form 8834, Qualified
Electric Vehicle Credit**

- (1) Line 3b - Form 8834, Qualified Electric Vehicle Credit. If Form 8834 is not

#

3.11.16.40.21
(01-01-2020)

**Schedule J, Line 3c -
General Business Credit**

- (1) If Schedule J, Line 2d shows no tax and there is a significant entry on Line 3c, "X" the credits.
(Line 2e for 2012-2017).
- (2) If an amount is present or Form 3800 is attached, follow the instructions in IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

3.11.16.40.22
(01-14-2021)

**Schedule J, Line 3d -
Other Credits**

attached, correspond.

#

3.11.16.40.23
(01-01-2018)

**Schedule J, Line 5 -
Schedule PH**

and Schedule 1120-PH is not attached, correspond.

#

Note: A significant entry on Schedule J, Line 5 would also require editing an ABLM Code "001." See IRM 3.11.16.40.9, ABLM Code.

3.11.16.40.24
(01-01-2024)

**Schedule J. Line 6 and 7
- Interest on Deferred
Tax Liability**

- (1) Line 6 - Interest on deferred tax liability for installments under section 453A(c). If a significant amount is present on Line 6 or the 453A(c) checkbox is checked (for 2022 and prior), enter a "1" in the right margin of Line 6.
- (2) Line 7 - Interest on deferred tax liability for installments under section 453(l)(3). If a significant amount is present on Line 7 or the 453A(l)(3) checkbox is checked (for 2022 and prior), enter a "1" in the right margin of Line 7.
- (3) Add Lines 6 and 7 and edit the total on Line 7.

3.11.16.40.25
(01-01-2024)

**Schedule J, Line 8 -
Form 4255**

- (1) Recapture of Investment Credit. This amount is entered on Form 1120-RIC, Schedule J, Line 8 and reported from Form 4255.
 - a. If Schedule J, Line 8, has a significant amount or Form 4255 is attached and:

If...	Then...
not attached,	Correspond.
Form 4255 is attached and the tax is not entered on the return,	Edit the amount from Line 20, Form 4255 to Schedule J, Line 8. (
It appears the tax computed on Form 4255 has been offset by current year investment credit,	Recompute the amounts reported on Schedule J, Line 3c and/or Line 8. Note: Current year investment credit cannot be used to offset Recapture of Investment Credit. Enter corrected amounts on Schedule J, Line 8.

#

3.11.16.40.26
(01-01-2024)

Line 9 - Other Taxes

- (1) Recapture of Low-Income Housing Credit. This amount is entered on Form 1120-RIC, Schedule J, Line 9 (Line 7 for 2022 and prior) and reported from Form 8611.
 - a. If Schedule J, Line 9 (Line 7 for 2022 and prior), has an entry or Form 8611 is attached and:

If...	Then...
is not attached,	Correspond.
Form 8611 is included in a total for Schedule J, Line 9,	1. "X" Line 9, Form 1120-RIC and if present, edit the total of the other taxes included on Schedule J, Line 9. 2. Edit the Form 8611, Line 14 amount in the area to the left of Schedule J, Line 9.
More than one Form 8611 is attached,	1. Combine Form 8611, Line 14 amounts. 2. Edit the total in the area to the left of Schedule J, Line 9.

#

If...	Then...
Schedule J, Line 9 indicates the tax is from Form 8611, or Form 8611 is attached, or the Form 8611 box is checked,	Edit CCC "9."

(2) Recapture of Indian Employment Credit.

- a. This amount is entered on Form 1120-RIC, Schedule J, Line 9 (Line 7 for 2022 and prior).
- b. The taxpayer will note "IEC Recapture" on the dotted line to the left of Schedule J, Line 9 and include the amount in the total for Schedule J, Line 9.

(3) If Schedule J, Line 9, Other taxes box is checked for tax(es) imposed for relief from failure to meet the asset test and/or the gross income test accept the taxpayer's figure.

Note: If the taxpayer attaches a statement of "reasonable cause" with regards to relief from failure to meet the asset test (Section 851(d)(2)) and/or the gross income test (Section 851(i)), leave these documents attached to the return and take no action.

3.11.16.40.27
(01-01-2021)

**Schedule K, Question 3 -
Subsidiary Member of a
Controlled Group**

(1) If Schedule K, Question 3 meets one of the following conditions, a Name Control and EIN must be edited:

If...	Then...
<ul style="list-style-type: none"> Question 3 is checked "Yes," or Both the "Yes" and "No" boxes are checked, Question 3 is checked "No" or neither box is checked but a corporation's name or EIN is present (must be different than that on the return), 	<ol style="list-style-type: none"> a. If something other than a corporation's name and/or EIN is present on Line 3, circle it out. b. If the name and/or EIN are the same as the tax return name and/or EIN, circle the name and/or EIN. c. Underline or edit (from attachments) the Name Control on Line 3. If unable to find a Name Control, edit "XXXX." d. Underline or edit (from attachments) the TIN on Line 3. If unable to find the TIN, edit "12-9999999."
Question 3 is answered "No" or neither box is checked and corporation's name and EIN are not present,	No editing is required.
Question 3 is answered "No" or neither box is checked and corporation's name and/or EIN are the same as the return name and/or EIN,	No editing is required.

(2) No editing is required **unless** one of the conditions in (1) above is present.

3.11.16.40.28 (1) Edit Line 5b(2), Owner's Country as follows:

(01-01-2019)

Schedule K, Line 5(b)(2)

If...	Then...
The taxpayer has entered the name or abbreviation of a Foreign Country or U.S. Possession on Line 5b(2),	Edit the two letter "Country Code" to the left margin of Line 5b(2). See Acceptable Foreign Countries in Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes, and Countries. Exception: Edit Country Code "OC" if the foreign country is not listed in Document 7475.
If Schedule K, Question 5b is answered "Yes" and Line 5b(2) does not have an entry,	Edit "Country Code" "OC" to the left margin of Line 5b(2).
More than one Foreign Country or U.S. Possession is present,	Edit the "Country Code" of the first Foreign Country/U.S. Possession shown, to the left margin of Line 5b(2).

Note: Use "UK" for England, Northern Ireland, Scotland, and Wales. Also, "Holland" is not an official country name, but is part of The Netherlands.

(2) Edit Line 5(b)(2), Number of Forms 5472 as follows:

If...	And...	Then...
A number is present for Schedule K, Line 5(b)(2),		No editing is required.
Schedule K, Line 5(b)(2) is blank,	One or more Form 5472 is attached,	Edit the number of Form 5472(s) in the dotted line area of Line 5(b)(2).
Form 5472 is attached,	Schedule K is not present,	Dummy a Schedule K and edit the number of Form 5472(s) to Schedule K, Line 5(b)(2).

3.11.16.40.29

(01-01-2012)

**Schedule N (Form 1120)
- Foreign Operations of
U.S. Corporations**

(1) For processing instructions, see IRM 3.11.16.11.37, Schedule N (Form 1120) - Foreign Operations of U.S. Corporations.

3.11.16.40.30

(01-01-2020)

Form 1120, Schedule D

(1) The checkbox above Part I is the only transcription line on Schedule D when attached to Form 1120-RIC.

3.11.16.40.31
(01-01-2020)

**Form 8949 - Sales and
Other Dispositions of
Capital Assets**

- (1) For processing instructions, see IRM 3.11.16.16, Form 8949 - Sales and Other Dispositions of Capital Assets.

3.11.16.40.32
(01-01-2022)

**Form 8996 - Reserved
for Future Use**

- (1) No action is needed for Form 8996 on Form 1120-RIC.

3.11.16.40.33
(01-01-2019)

**Schedule O (Form 1120)
- Consent Plan and
Apportionment Schedule
for a Controlled Group**

- (1) The instructions in this subsection (paragraphs 2 through 4) only apply to tax periods 201811 and prior. If a Schedule O is attached to a Form 1120-RIC for tax period 201812 and later, do the following:

If ...	Then ...
Schedule O is in sequence order,	Line through Schedule O, Parts II and III.
Schedule O is not in sequence order,	No action needed.

- (2) This subsection includes instructions for processing Schedule O (Form 1120).
- (3) Schedule O (Form 1120) replaces the Controlled Group tax computation previously included on Schedule J, Lines 2a(1) through 2b(2) for 2005 and prior.
- (4) If Controlled Group Code "1" or "4" is edited on a prior year return, dummy a Schedule O and edit significant **positive** amounts as follows:
- Schedule J, Line 2a(1) to Schedule O, Part II, Line 1, Column (c).
 - Schedule J, Line 2a(2) to Schedule O, Part II, Line 1, Column (d).
 - Schedule J, Line 2a(3) to Schedule O, Part II, Line 1, Column (e).
 - Schedule J, Line 2b(1) to Schedule O, Part III, Line 1, Column (f).
 - Schedule J, Line 2b(2) to Schedule O, Part III, Line 1, Column (g).

3.11.16.40.33.1
(01-01-2019)

**Taxable Income
Apportionment - Part II,
Line 1**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit Schedule O, Part II, Line 1 as follows:

If...	And...	Then...
Schedule O is attached and the parent corporation's taxable income apportionment amounts are present in Part II,	The amounts are entered on Line 1,	"X" any negative entries on Line 1, Columns (c), (d), or (e).

If...	And...	Then...
Schedule O is attached and the parent corporation's taxable income apportionment amounts are present in Part II,	The amounts are entered on a line other than Line 1,	<ol style="list-style-type: none"> 1. Line out Line 1 and renumber the parent corporation taxable income apportionment amounts as Line "1". 2. "X" any negative entries on Line 1, Columns (c), (d), or (e).
<p>A Controlled Group Code was edited; there are no entries on any of Schedule O, Part II, Line 1, Columns (c), (d), and (e) or Schedule O is missing,</p> <p>Note: A taxpayer may be a member of a controlled group with an allocation of zero ("0") in each of the three taxable income brackets. In this case no entry will be necessary on Line 1, Part II, Columns (c), (d), and (e);</p>	Taxable income brackets are found on an attachment, (See Note below for examples.)	Edit the positive taxable income bracket amounts to Schedule O, Line 1, Columns (c), (d), and (e). Dummy a Schedule O if needed.
<p>A Controlled Group Code was edited; there are no entries on any of Schedule O, Part II, Line 1, Columns (c), (d), and (e) or Schedule O is missing,</p> <p>Note: A taxpayer may be a member of a controlled group with an allocation of zero ("0") in each of the three taxable income brackets. In this case no entry will be necessary on Line 1, Part II, Columns (c), (d), and (e);</p>	No taxable income brackets are found,	<p>Correspond for taxable income bracket amounts.</p> <p>Exception: Do not correspond if; there is no indication of an income tax liability on Form 1120-RIC, Schedule J, Line 2e, the taxable income on Form 1120-RIC, Page 1, Line 26 is zero ("0") or a negative amount, or Schedule O (Form 1120), Page 1, Box 3c or Box 4a is checked.</p>
No Controlled Group Code was edited, see IRM 3.11.16.11.11(4), Schedule J, Page 3 - Controlled Group Code / Personal Service Corporation Code / Tax Computation,		Delete Schedule O.

- (3) Entries may be shown on an attached allocation/apportionment schedule. Some examples of the title of these schedules may be:
- “apportionment plan”
 - “apportionment consent plan”
 - “consent to apportionment”
 - “controlled group tax apportionment plan”
 - “surtax apportionment plan”
 - “allocation schedule”
- (4) The attachment may identify the amounts by the tax rate and/or taxable income bracket. Column (c) is the \$50,000 taxable income bracket taxed at 15 percent, Column (d) is the \$25,000 taxable income bracket taxed at 25 percent and Column (e) is the \$9,925,000 taxable income bracket taxed at 34 percent.
- (5) Any attachment labeled as “controlled group tax calculation statement” is not an apportionment plan and not used to edit tax bracket amounts on Schedule O.

3.11.16.40.33.2
(01-01-2019)

Income Tax

Apportionment - Part III, Line 1

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Edit Part III, Line 1 as follows:

If...	And...	Then...
The parent corporation's income tax apportionment amounts are present in Part III,	The amounts are entered on Line 1,	“X” any negative entries on Line 1, Columns (f) and (g).
The parent corporation's income tax apportionment amounts are present in Part III,	The amounts are entered on a line other than Line 1,	1. Line out Line 1 and renumber the parent corporation income tax apportionment amounts as Line “1”. 2. “X” any negative entries on Line 1, Columns (f) and (g).
A Controlled Group was edited,	Part III, Line 1, Column (f) is blank,	Check attachments for possible entry (additional 5 percent tax): a. If found, edit the positive amount to Line 1, Column (f). b. If not found, continue processing.
A Controlled Group was edited,	Part III, Line 1, Column (g) is blank,	Check attachments for possible entry (additional 3 percent tax): a. If found, edit the positive amount to Line 1, Column (g). b. If not found, continue processing.

3.11.16.40.34
(01-01-2019)

**Form 4626 - Alternative
Minimum Tax**

- (1) The instructions in this subsection only apply to tax periods 201811 and prior.
- (2) Taxpayers may sometimes include more than one Form 4626 with the return. If more than one Form 4626 is present, compute the totals and edit the right transcription lines.
- (3) If Form 4626 is attached, perfect the following lines:
 - a. Line 3 - Pre-Adjustment AMTI. If there is no entry on Line 3, but any of Lines 1 or Lines 2A through 2o have an entry, compute Line 3. Bracket if negative.
 - b. Line 4e - ACE Adjustment. Accept taxpayer's entry.
 - c. Line 6 - Alternative tax net operating loss deduction. Accept positive entry. "X" if negative.
 - d. Line 11 - Alternative minimum tax foreign tax credit. Accept positive entry. "X" if negative.

3.11.16.40.35
(01-01-2012)

**Form 4136 - Credit for
Federal Tax Paid on
Fuels**

- (1) For Form 4136 processing instructions, see IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels.

3.11.16.40.36
(01-01-2023)

**Form 8978 and Form
8978, Schedule A**

- (1) Form 8978 is valid for tax periods ending 201712 and later.
- (2) The "Source of review Year adjustments" checkboxes on Form 8978, Partner's Additional Reporting Year Tax and Form 8978, Schedule A, Partners Additional Reporting Year Tax (Schedule of Adjustments), are valid for tax periods 202112 and later.
- (3) Place Form 8978 in sequence order if any of the following apply:
 - The "Source of review year adjustments" checkboxes are checked on Form 8978.
 - The "Source of review year adjustments" checkboxes are checked on Form 8978, Schedule A.
 - Significant entries are present on Form 8978, Part I, Line 14, Part II, Line 16, or Part III, Line 18.

Note: Any information from the checkboxes on Form 8978, Schedule A will be transcribed on Form 8978.

- (4) Edit the digit to the right margin of Form 8978, Part I row as follows:

If ...	And ...	Then ...
Only Form 8978 is attached,	One or more of the boxes are checked.	Edit: <ol style="list-style-type: none"> a. "1" - BBA Audit is checked. b. "2" - AAR Filing is checked. c. "3" - Both boxes are checked.

If ...	And ...	Then ...
Form 8978 and Form 8978, , Schedule A, are attached,	The boxes are marked the same on both forms,	Use the Form 8978 data and edit as shown above.
Form 8978 and Form 8978, Schedule A, are attached,	The boxes are marked differently,	Use the Form 8978, Schedule A, data and edit as shown above.
Only Form 8978, Schedule A, is attached,		No editing is required.

Note: No editing is required on Lines 14, 16 and 18.

(5) Part I, Line 14 - Total Increase/decrease to reporting year tax.

(6) Part II, Line 16 - Total Penalties.

(7) Part III, Line 18 - Total Interest.

3.11.16.40.37
(01-01-2020)

Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts

- (1) Form 965-B is valid for tax periods ending 201712 and later.
- (2) Place Form 965-B in sequence order if a significant amount is present on any of the following lines:
 1. Part I, Lines 1 through 5, col (a), Year of Section 965(a) Inclusion or Liability Assumed.
 2. Part I, Lines 1 through 5, col (h), Net 965 Tax Liability Transferred (Out) Transferred (In), or Subsequent Adjustments, if any.
 3. Part I, Lines 1 through 5, col (i), Tax Identification Number of buyer/ transferee or Seller/transferor.
- (3) Edit "1" in the right margin of Part I if more than five lines of entries are present.

3.11.16.40.38
(01-01-2017)

Form 8941 - Credit for Small Employer Health Insurance Premiums

- (1) Place Form 8941 in sequence order if significant entries are present.
- (2) For prior year revisions edit as follows:

If...	And...	Then...
2013 and 2012 revisions,	A significant amount is present on Line 1a or an EIN is present on Line 1b,	<ul style="list-style-type: none"> • Change Line 1a to Line 1. • Change Line 1b to Line B.

3.11.16.40.39 (1) Form 5884-B, New Hire Retention Credit is historical (2010 through 2011).
(01-02-2023)

Form 5884-B - New Hire Retention Credit

3.11.16.40.40 (1) Form 3800, General Business Credit, must be filed with corporate tax returns when a significant amount is present on Schedule J, Line 3c - General Business Credit.
(01-01-2024)

Form 3800 - General Business Credit

(2) Place Form 3800 in sequence order if significant entries are present.

(3) If an amount is present on Form 3800, Part III for any of lines/credits 1a through 4z, follow the instructions below for each credit claimed:

If...	And...	Then...	
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	Part IV, Columns e, f, or g have entries (Part III, Box C, D, or G are checked for 202212 and prior),	No action is needed. The credit is for a carryover, and the form is not required.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The credit is for a pass-through entity (Part III, Column (d) (Column (b) for 202212 and prior) has an EIN listed),	No action is needed. The credit is from a pass-through entity, and the form is not required. Exception: If a credit is claimed on Lines 1a, 1d, 1o, 4a or 4k, Form 3468 must be attached. If a credit is claimed on lines 1l or 1ff Form 8864 must be attached.	#
The sum of column (e) and (f), for any credit claimed in and the supporting form is not attached,	The situations above do not exist,	Correspond.	#

(4) See IRM 3.11.16.11.15, Line 5c - General Business Credit and Exhibit 3.11.16-14, Form 3800 - Prior Year Conversion Chart.

3.11.16.40.41
(01-01-2022)

Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments

(1) Form 8997 is valid for tax periods ending 201901 and later.

(2) Place Form 8997 in sequence order if the form is attached and significant entries are present in any of Parts I, II, III or IV.

Note: Transcription is different for Form 1120-RIC than Form 1120.

(3) No editing is required except for the indicator in Part III.

(4) Part I - Total QOF Investment Holdings Due to Deferrals before Beginning of Tax Year (Row 1)

- a. Line 2, Column e - Total amount
- b. Line 2, Column f - Total amount

- (5) Part II - Current Tax Year Capital Gains Deferred by Investing in QOF (Row 1)
 - a. Line 2, Column e - Total amount
 - b. Line 2, Column f - Total amount
- (6) Part III - QOF Investments for Which Gain Is Included During Current Tax Year (Row 1)
 - a. Column a - EIN
 - b. Column b - Date
 - c. Column d - Special Gain Code
 - d. Column e - Amount of previously deferred short-term gain now included in taxable income
 - e. Column f - Amount of previously deferred long-term gain now included in taxable income
 - f. Part III Indicator - If more rows are present in Part III, edit a "1" in the right margin of Part III.
 - g. Line 2, Column e - Total amount
 - h. Line 2, Column f - Total amount
- (7) Part IV - Total QOF Investment Holdings at Year End Due to Deferrals (Row 1)
 - a. Line 2, Column e - Total amount
 - b. Line 2, Column f - Total amount

3.11.16.41
(01-01-2014)
**Return Processing -
Form 1120-SF (OSPC
Only)**

- (1) This subsection provides instructions for processing Form 1120-SF, U.S. Income Tax Return for Settlement Funds.
- (2) Form 1120-SF can be filed on a calendar or fiscal year basis.
- (3) Action Codes are not applicable to this form. Computer Condition Code "U" will continue to be used.

3.11.16.41.1
(01-01-2020)
**Sequence - Form
1120-SF**

- (1) Document Perfection is responsible for arranging Form 1120-SF in the following order when transcription line entries are present:
 - Pages 1, 2

3.11.16.41.2
(01-01-2009)
EIN of Fund

- (1) Perfect EIN in the upper right box under the tax year on Form 1120-SF. See IRM 3.11.16.6.2, Entity Perfection - Employer Identification Number (EIN).

3.11.16.41.3
(01-01-2014)
Name of Fund

- (1) All returns must have the Name Control underlined. See IRM 3.11.16.6.3, Entity Perfection - Name Control.

3.11.16.41.4
(01-01-2009)
Address of Fund

- (1) See IRM 3.11.16.6.5, Entity Perfection - Domestic Addresses.

3.11.16.41.5
(01-01-2017)
Tax Period

- (1) Edit tax period ending (except current calendar year) in YYMM format to the right of the title on Page 1 of the return. See IRM 3.11.16.7.1, Tax Period - Ending.
- (2) Edit the Tax Period Beginning to the left of Form 1120-SF title area in MMDDYY format on an Initial, Final or Short Period return. See IRM 3.11.16.7.2, Tax Period Beginning - Initial, Final, or Short Period.
- (3) See IRM 3.11.16.7.3, Early Filed Returns - Full Year and Short Period through IRM 3.11.16.7.9, Short Period Returns - With Prepaid Credits for editing Short Period returns.

3.11.16.41.6
(01-01-2009)
Received Date

- (1) Enter in MMDDYY format.
- (2) Edit the received date in the dotted portion of Lines 7 through 8. See IRM 3.11.16.8, Received Date.

3.11.16.41.7
(01-01-2023)
Computer Condition Codes

- (1) Edit in the dotted portion of Lines 1 through 6. Valid codes for Form 1120-SF are C, D, E, F, G, M, N, O, R, T, U, W, X, Y, 1, 3, 7, and 8. See IRM 3.11.16.9.1, Computer Condition Codes.

3.11.16.41.8
(01-01-2014)
Additional Form 1120-SF Perfection

- (1) This subsection addresses the editing of additional Form 1120-SF information. See IRM 3.11.16.10, Additional Return Perfection.

3.11.16.41.8.1
(01-01-2015)
Audit Codes

- (1) Edit a "2 -" followed by the right Audit Code(s) in the left margin near Line 12 (e.g., "2 - 1").
- (2) Edit Audit Code "1" Inconsistent Filer Under IRC 6222(b) if Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request, is attached, or;
 - a. The return has an attachment with the statement "Notice of Inconsistent Treatment under IRC 6222(b)(b)"; or
 - b. A statement showing the corporation is filing its return inconsistent with the way its partnership return was filed, or
 - c. Form 8275, Disclosure Statement is attached.
- (3) Edit Audit Code "3" if:
 - a. "Unusual Refundable Credits" are claimed on Lines 16a through 16e. For a list of these credits, see IRM 3.11.16.9.1.14, CCC "N" - Joint Committee Case.
 - b. Taxpayer quotes "Change of Accounting Period" under Headquarters "Grant Letter", or Revenue Procedure 2006-45 or 2006-46. Attach Form 4227, Intra-SC Reject or Routing Slip to Examination (Audit) showing: "Taxpayer is changing accounting period pursuant to Headquarters "Grant Letter", or Revenue Procedure 2006-45 or 2006-46. "

3.11.16.41.8.2
(01-01-2013)

**Penalty and Interest
Code**

- (1) Enter a Code “4 - 1” in the left margin near Line 12 when precomputed delin-

#

#

situation, such as an estimated Tax Penalty, do not Code “4 - 1” and **do not** insert Computer Condition Code “R.” If only interest is shown, edit CCC “R.”

#

3.11.16.41.8.3
(08-13-2015)

Reserve Code

- (1) The Reserve Code is “4.”
(2) Edit “5 - 4” in the left margin near Line 12 if Form 2220 is attached and Part II, Box 8 is checked for Large Corporation.

3.11.16.41.9
(01-01-2009)

**Paid Preparer
Information**

- (1) See IRM 3.11.16.11.8, Paid Preparer Checkbox Indicator and IRM 3.11.16.11.9, Paid Preparer Section.

3.11.16.41.10
(01-01-2015)

Total Assets End

- (1) Edit the amount from Page 2, Schedule L, Line 6 (End of Year) in dollars only to the bottom right corner of Page 1. Bracket if negative. Figure 3.11.16-40.

If...	Then...
Schedule L, Line 6 (End of Year) is blank,	Compute Lines 1 through 5 if present and edit the amount to the bottom right corner of Page 1.

Form **1120-SF**
(Rev. November 2018)
Department of the Treasury
Internal Revenue Service

**U.S. Income Tax Return for Settlement Funds
(Under Section 468B)**

▶ Go to www.irs.gov/Form1120SF for instructions and the latest information.
For calendar year 20 23

OMB No. 1545-0123

Please Type or Print

Name of fund
Hickory Settlement Fund

Employer identification number of fund (see instructions)
00-5535162

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

City or town, state or province, country, and ZIP or foreign postal code
Buffalo, NY 14240

Name and address of administrator (see instructions for definition)

20 Enter amount of line 19 you want: Credited to next year's estimated tax ▶
Refunded ▶

20

Sign Here
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Tom Hickory 3/16/24 President
Signature of fund administrator Date Title

May the IRS discuss this return with the preparer shown below? See instructions. ☒ Yes ☐ No

Paid Preparer Use Only
Print/Type preparer's name J.J. Tupelo Preparer's signature J.J. Tupelo Date 3-16-24 Check ☐ if self-employed PTIN
Firm's name ▶ J.J. Tupelo Firm's EIN ▶
Firm's address ▶ 244 W 10th St. Buffalo, NY 14240 Phone no.

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 149691 Form **1120-SF** (Rev. 11-2018)

230000

Edit Total Assets (end of year), in dollars only, from pg. 2, Sch. L, line 6(b) to the bottom right margin of pg. 1.

Form 1120-SF (Rev. 11-2018) Page **2**

Schedule L	Balance Sheets		(a) Beginning of year	(b) End of year
	Assets			
1	Cash	1	50,000	80,000
2	U.S. Government obligations	2	100,000	100,000
3	State and local government obligations	3		
4	Other investments (attach statement)	4		
5	Other assets (attach statement)	5	50,000	50,000
6	Total assets. Add lines 1 through 5	6	200,000	230,000
	Liabilities and Net Assets			

Figure 3.11.16-40 Example of editing the amount from Page 2, Schedule L, Line 6 to the bottom right corner of Page 1.

3.11.16.41.11
(01-01-2009)
Income and Deductions
of Fund - Line 14

(1) Line 14 - Modified Gross Income. Line 14 is edited in dollars only.

(2) If blank, compute by subtracting Line 13 from Line 6. Bracket if negative. Do not edit a "0" if the result is zero.

3.11.16.41.11

Internal Revenue Manual

Cat. No. 33500X (11-28-2023)
Any line marked with a #
is for **Official Use Only**

33500046

3.11.16.41.12
(02-01-2017)

**Tax Computation - Lines
15 through 20**

- (1) Line 15 - Total Tax. If pre-computed interest or delinquency penalty or an additional charge is **evident**, ensure that it has not been included in Line 15.

If...	Then...
The amount on Line 15 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" the Line 15 amount. 2. Delete the interest, penalty or additional charge from the total. 3. Edit the correct Total Tax to the left of the original entry.

- (2) Line 16c - Refund of overpaid estimated tax applied for on Form 4466. If there is a significant entry on Line 16c, refer to CCC "O" procedures. See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
- (3) Line 16d - Total estimated payments. If blank, subtract Line 16c from the total of Lines 16a and 16b and enter the total amount on Line 16d. For CCC "O" instructions. See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
- (4) Line 16e - Tax deposited with Form 7004.

Reminder: Look for any Unusual Credits, see IRM 3.11.16.9.1.14, CCC "N" - Joint Committee Case and IRM 3.11.16.41.8.1, Audit Codes.

- (5) Line 17 - Estimated Tax Penalty. Edit amount of Estimated Tax Penalty from Form 2220, Line 38 to Line 17, if not already entered. See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
- (6) Lines 18 and 19 - Tax due/Overpayment. Edit as positive only. If the taxpayer enters a negative amount, do not bracket. Edit the proper entry to Line 18 or 19 if **both** are blank. Do both of the following:
- a. Add Lines 15 and 17. Subtract Line 16f.
 - b. Edit the positive result on Line 18 **or** the negative result (do not bracket) on Line 19.
- (7) If pre-computed interest or delinquency penalty or additional charge is evident, ensure that it has not been included in Line 18 or reduced Line 19.

If...	Then...
The amount on Line 18 has pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 18 amount. 2. Delete the interest, penalty or additional charge from the tax due. 3. Edit the correct tax due to the left of the original entry.
The amount on Line 19 is reduced by pre-computed interest or penalty or additional charge,	<ol style="list-style-type: none"> 1. "X" Line 19 amount. 2. Compute the Overpayment amount without the interest, penalty or additional charge. 3. Edit the correct Overpayment to the left of the original entry.

- (8) Line 20 (center) - Overpayment Credit to Estimated Tax.

3.11.16.41.13
(01-01-2013)

**Schedule L, Page 2 -
Balance Sheet**

- (1) Do not correspond for missing or incomplete Schedule L (Balance Sheet) on Form 1120-SF. Edit in dollars only.
- (2) Line 6, Total Asset - Column (a), Beginning of Year.
- (3) Line 6, Total Asset - Column (b), End of Year. If blank, add Lines 1 through 5, Column (b).
- (4) Line 9, Total - Column (a), Beginning of Year.
- (5) Line 9, Total - Column (b), End of Year. If blank, add Lines 7 and 8, column (b).

3.11.16.41.14
(01-01-2018)

**Additional Information,
Page 2**

- (1) Line 1a - Amount of Transfers.
- (2) Line 2 - Tax Exempt Interest.
- (3) Line 3b - Direct and Indirect Distributions.
- (4) Line 4a - Distributions to Transferor.
- (5) Line 5a - Liability (or Liabilities). Edit the applicable Codes to the left of the box checked. Codes 1 through 5 may be entered.
 - a. Tort - Code 1
 - b. Breach of Contract - Code 2
 - c. Violation of Law - Code 3
 - d. CERCLA - Code 4
 - e. Other - Code 5

Note: More than one code can be edited.

3.11.16.42
(01-01-2023)

**Form 4876-A - Election
To Be Treated as an
Interest Charge DISC
(KCSPC Only)**

- (1) This subsection provides instructions for the processing of Form 4876-A, Election to be treated as an Interest Charge DISC.
- (2) Form 4876-A is processed only at the Kansas City Processing Center.
- (3) When corresponding with the corporation, use Letter 599C, Request for more information for Form 1120-IC-DISC, Form 4876-A and Form 8404.

3.11.16.42.1
(01-01-2009)

**Form 4876-A and Form
1120-IC-DISC "Data File"**

- (1) Maintain a "Data File" to capture pertinent information related to the processing of Form 4876-A and Form 1120-IC-DISC.
- (2) The "Data File" should include (but not limited to) the following information for all processed Form 4876-A and Form 1120-IC-DISC:
 - a. Name of corporation
 - b. EIN
 - c. Received date - Form 4876-A
 - d. Received date - Form 1120-IC-DISC
 - e. Tax period - Form 1120-IC-DISC
 - f. DLN - Form 1120-IC-DISC
 - g. Notate and "date" any action(s) taken (e.g., Form 1120-IC-DISC sent to Entity to delete Filing Requirement, correspondence issued to taxpayer).

3.11.16.42.2
(01-01-2023)
Filing Requirements

- (1) Time for making Election:
 - a. If it is the corporation's first tax year, Form 4876-A must be filed within 90 days after the beginning of the tax year.
 - b. If it is not the corporation's first tax year, Form 4876-A must be filed during the 90-day period immediately preceding the first day of that tax year.
- LEM III, 3113.
- d. If the election is not timely made, treat as a disapproved election.
- (2) Ineligible Corporations - The following corporations shall not be eligible to be treated as an interest charge DISC. If an ineligible corporation files, treat as a disapproved election.
 - a. A corporation exempt from tax by reason of IRC 501 (Form 990).
 - b. A personal holding company, IRC 542 (Form 1120).
 - c. A financial institution, IRC 581 or IRC 593.
 - d. An insurance company subject to tax imposed by Subchapter L (Form 1120-L).
 - e. A regulated investment company as defined in IRC 851(a) (Form 1120-RIC).
 - f. An S Corporation (Form 1120-S).

#

3.11.16.42.3
(01-01-2023)
Document Perfection

- (1) Shareholders Consents - For the election to be valid, all shareholders must consent. The consents must be attached to or appear in Part II of Form 4876-A. If a shareholder failed to consent timely to the election but then showed to the satisfaction of the service center that there was reasonable cause for such failure, and if such shareholder then files a proper consent to the election within the extend period of time as may be granted by the Service, the service center can treat the election as valid.
- (2) The consents will appear on a separate statement attached to Form 4876-A or filed as a separate statement within the time specified for the filing of a consent. (See Part II on Form 4876-A.)
- (3) Statement of consent shall state:
 - a. The name, address, and identification number of the corporation and each of the shareholders.
 - b. The number of shares the shareholder owned (or expects to own) at the beginning of the tax year the election takes effect.
 - c. The number of stock shares owned by shareholder when making the consent.
- (4) Submission Processing can grant extension of time for filing consents in certain circumstances.
 - a. If the shareholder who failed to consent at the time of the election consents and demonstrates reasonable cause for the failure.
 - b. If shares are transferred before a consent is filed, the transferee shareholder may consent to the IC-DISC election as long as the transfer occurs and the consent is filed with-in the 90 days of the tax year.
 - c. If shares are transferred more than 90 days after the tax year began, an extension can be granted only if the transferror was eligible for one.

- d. In any event, any extension of time for filing of a consent by any shareholder shall not extend beyond the day before the last day of the first taxable year to which a corporation's election to be treated as an interest charge DISC applies.
- (5) Supplemental Form 4876-A - If between the date the election is filed and the date it takes effect, the corporation issues more stock or the stock ownership changes, it must file a supplemental Form 4876-A, with "SUPPLEMENTAL" written across the top of the form. The form must be filed within the first 90 days of the tax year the election takes place. If not timely disapprove the election.
 - a. The supplemental form will include all the information from the earlier form except for the list of owners claimed in Parts I and II. Only the owners of the new or additional shares with their consents will be reported in Part I, and in Part II. Each new shareholder or holder of additional shares must consent to the IC-DISC election for the Supplemental Form 4876-A to be valid.
- (6) Eligibility - Ensure that the election is signed by an authorized officer of the corporation, that the corporation is eligible to be treated as an interest-charge DISC, that it is accompanied by (or was supplemented with) a complete set of shareholder consents, and that it was timely filed.
- (7) Other data to be examined - Verify that all questions on the election are answered. Use the Letter 599C, Request for more information for Form 1120-IC-DISC, Form 4876-A and Form 8404 for all correspondence where the election is incomplete. The taxpayer will be given 30 days to respond. Suspend for 45 days.

If...	Then...
The corporation provides the requested information,	Approve the election.
No reply, or information requested was not provided,	Treat as a disapproved election.

3.11.16.42.4
(01-02-2015)
Approved Elections

- (1) When an election is approved, correspond to inform the taxpayer of the approval. See IRM 3.11.16.42.8, Taxpayer Notification of Action Taken On Form 4876-A. Attach the suspense copy of the letter to the back of the Form 4876-A.
- (2) Research the Business Master File (BMF).
 - a. If no filing requirements are found, take no action.
 - b. If Form 1120 filing requirements are found, prepare Form 4227, Intra SC Reject or Routing Slip to Entity Control and attach to a photocopy of Form 4876-A (notate "COPY" on the photocopy). Include a brief notation on Form 4227, "1120-IC-DISC election approved, delete Form 1120 filing requirement."

3.11.16.42.5
(07-23-2015)
Disapproved Elections

- (1) When an election is not approved, correspond to inform the taxpayer of the disapproval.
- (2) Prepare Form 4227, Intra-SC Reject or Routing Slip.
 - a. Include the taxpayer's name and EIN, along with a brief notation to Entity Control to research the BMF and establish the Form 1120 filing requirements for the corporation if needed.
 - b. Attach a copy of the taxpayer's response to the back of the Form 4876-A.

3.11.16.42.6
(01-01-2023)
Termination of Election

- (1) A corporation can revoke its election for any taxable year of the corporation after the first taxable year for which the election is effective. The revocation can be made as follows:
- (2) The corporation must file a statement that it revokes its election under IRC 992(b) of the IR Code to be treated as an interest charge DISC.
- (3) The statement must include the corporation's name, address, employer identification number (EIN), and the first taxable year of the corporation for which the revocation is to be effective.
- (4) The statement shall be signed by any person authorized to sign a corporation return under IRC 6062.
- (5) Years for which this revocation is effective:
 - a. For the taxable year in which the revocation was made and for all taxable years thereafter, if the revocation was made during the first 90 days of that year.
 - b. For the taxable year following in which the revocation was made, and for all succeeding taxable years thereafter, if the revocation was made after the first 90 days of that year.
- (6) Submission Processing Centers receiving the revocation must route the revocation to KCSPC via Form 4227, Intra-SC Reject or Routing Slip. Prepare Letter 86C, Referring Taxpayer Inquiry/Forms to Another Office, to inform the taxpayer IRS sent the revocation to Kansas City.
- (7) If a corporation is not an IC-DISC every year for five consecutive taxable years of a corporation for which an election is effective, **the election shall be terminated** and not be in effect for any taxable year of the corporation after such 5th year. The corporation may make a new IC-DISC election, subject to applicable requirements.
- (8) The sale of stock to another shareholder does not require an "Amended" election. The election remains in effect until terminated.
- (9) The failure of an IC-DISC to meet the requirements outlined in, IRM 3.11.16.42.2, Filing Requirements, in any one year does not terminate the election. When it qualifies in a succeeding taxable year, the corporation is titled "Former IC- DISC."
- (10) When an election is revoked or terminated, correspond to determine the taxpayer's liability and filing requirements (e.g., whether the Form 1120-IC-DISC was terminated, intends to file as a corporation), if the taxpayer has not already done so.

- (11) If the taxpayer's reply indicates that the IC-DISC election was terminated, but they will continue to file corporation (or other) returns:
 - a. Research the BMF to establish or reopen the filing requirement, if it was previously deleted.
 - b. Attach a copy of the reply to the Form 4876-A.
- (12) If the taxpayer's reply indicates that both the IC-DISC election and the business were terminated, attach a copy of the reply to the Form 4876-A. Take no other action.
- (13) If the taxpayer does not reply, research the BMF.
 - a. If BMF research shows that the business was terminated, take no action.
 - b. If BMF research does not show the business to have been terminated, prepare Form 4227, Intra-SC Reject or Routing Slip. Include the taxpayer's name and EIN, along with a brief notation to Entity to research the BMF and establish the corporation's Form 1120 filing requirement (see IRM 20.1).
 - c. Attach the revocation or termination notice to the back of the corporation's Form 4876-A.

Reminder: Current IRS Regulations Section 1.992-2 mention revocations initiated by the corporation as well as terminations of elections resulting from circumstances under which the corporation that has elected to be treated as an IC-DISC does not qualify as an IC-DISC (and is not treated as an IC-DISC pursuant to IRC 1.992-1(g)) for each of any 5 consecutive taxable years. The procedures in this IRM only apply to voluntary revocations submitted by the corporate entities.

3.11.16.42.7
(01-01-2024)
Form 4876-A Files

- (1) Maintain the Form 4876-A in Document Perfection.
 - a. File "approved" elections in an "Approved" file. The "approved" file is organized by tax period ending date and then alphabetically.
 - b. File "disapproved" elections alphabetically in a "Disapproved" File.
 - c. File revoked or terminated elections alphabetically in a "Revoked" file.
 - d. If a corporation has filed its "final" Form 1120-IC-DISC, then file Form 4876-A alphabetically in a "Final" file.
 - e. Maintain other Form 4876-A files as needed.
- (2) Form 4876-A will be used as a validation file when the returns are subsequently received.

3.11.16.42.8
(01-01-2023)
Taxpayer Notification of Action Taken on Form 4876-A

- (1) When an election is approved, initiate correspondence to inform the taxpayer that:
 - a. The election has been approved; and
 - b. The beginning and ending dates of the first tax period and;
 - c. The correct EIN to be used by the IC-DISC.
- (2) When an election is disapproved, initiate correspondence to inform the taxpayer the election has not been approved, include:
 - a. The reason(s) for disapproval:
 - b. That other correct returns should be filed; and

- c. That an election for a subsequent tax period (or, if time remains, for the same tax period) may be filed.

(3) When an election is terminated, initiate correspondence to inform the taxpayer that the election has been terminated. Include the following:

- a. The effective date of termination; and
- b. The reason for termination.

3.11.16.42.9
(01-01-2024)
Form 4876-A File Review

- (1) Review the Form 4876-A file monthly, pulling those which have been tagged with the delinquency check month (e.g., a Form 1120-IC-DISC is due in the month being checked).
- (2) If the data file has not been updated to indicate receipt of a return for the right period, check the taxable year ending date to determine if a Form 1120-IC-DISC is due. If the taxable year ending is unknown or blank, check the taxable year beginning date. The latest return due date is twenty and one-half months following the beginning of the taxable year (or, the 15th day of the 9th month following the close of the tax year). If the taxpayer has not filed Form 1120-IC-DISC, treat as follows:
 - a. Perform research to determine whether the taxpayer filed Form 1120, U.S. Corporation Income Tax Return, for the current tax year.
 - b. If a Form 1120 has been filed, update the data file to reflect Form 1120 was filed for which tax period. No further action is required.
 - c. If Form 1120 has not been filed, correspond with the taxpayer to request submission of the return. Include a paragraph asking why the return was not filed and if he/she plans to file future returns.
 - d. If the taxpayer responds and gives reasonable cause that meets the criteria in IRM 20.1.1, Introduction and Penalty Relief, attach the response to the back of the return and continue processing.
 - e. If the taxpayer does not reply, follow procedures as outlined in (f) through (h), below.
 - f. Photocopy the Form 4876-A, Election to Be Treated as an IC-DISC.
 - g. Prepare Form 3465, Adjustment Request and attach the Form 4876-A photocopy. Notate on Form 3465 that "the taxpayer has failed to file a Form 1120-IC-DISC - Assess Civil Penalty per IRC 6686."
 - h. Route Form 3465 and attached photocopy to Accounts Management (Adjustments).
- (3) Dispose of Form 4876-A, ten years after the election is effective, if the corporation has not filed a Form 1120-IC-DISC for any of the taxable years that the election was effective. DO NOT DISPOSE OF ANY Form 4876-A, IF A CORPORATION HAS EVER FILED A Form 1120-IC-DISC.

3.11.16.43
(01-01-2023)
Form 1120-IC-DISC - Interest Charge Domestic International Sales - Corporation Return (KCSPC Only)

- (1) This subsection provides instructions for the examination of Form 1120-IC-DISC, Interest Charge Domestic International Sales Corporation Return.
- (2) Form 1120-IC-DISC is processed only at the Kansas City Processing Center.
- (3) When corresponding with the taxpayer, use Letter 118C, Corporate Return Incomplete for Processing: Form 1120, Form 1120 Series, Form 1120-S or Letter 599C, Request for Additional Information for Form 1120-IC-DISC, Form 4876-A and Form 8404.

- (4) References to Computer Condition Codes, Audit Codes and Transaction Codes in Exhibit 3.11.16-17, Routing Guide for Attachments, are not applicable to Form 1120-IC-DISC.
- (5) Update the "Data File" with any pertinent information related to the processing of Form 1120-IC-DISC. See Form 4876-A and IRM 3.11.16.42.1, Form 4876-A and Form 1120-IC-DISC "Data File."

3.11.16.43.1
(01-01-2014)
Due Date

- (1) Form 1120-IC-DISC must be filed on or before the 15th day of the 9th month
- (2) No extension of time to file Form 1120-IC-DISC will be granted.
- (3) If it is determined that Form 1120-IC-DISC is delinquent, correspond with the taxpayer using Letter 599C to determine why the return was late. Suspend the Form 1120-IC-DISC for 45 days.
- (4) If the taxpayer responds and gives reasonable cause that meets the criteria in IRM 20.1, Penalties, attach the response to the back of the return and continue processing.
- (5) If the taxpayer responds and does not meet the criteria in IRM 20.1.1, or the taxpayer does not respond, attach a copy of the reply or the suspense copy of the correspondence to the return as right and continue processing. Also, follow the failure to supply information instructions in IRM 3.11.16.43.7, Civil Penalty - IRC 6686.

#

3.11.16.43.2
(01-12-2023)
Eligibility Determination

- (1) If the words "Former DISC" or "Former IC-DISC" appear across the top of the return, check the Form 4876-A files for all Form 1120-IC-DISC returns for verification of eligibility and to prevent delinquency notices.
- (2) A former DISC is a corporation that was a DISC on or before December 31, 1984 but failed to qualify as a DISC sometime before December 31, 1984, or did not elect to be a Form 1120-IC-DISC after 1984; and at the beginning of the year, it had undistributed income that was previously taxed on accumulated DISC income. A former IC-DISC is a corporation that was an IC-DISC in an earlier year but did not qualify as an IC-DISC for the current tax year, and at the beginning of the current tax year, it had undistributed income that was previously taxed or accumulated IC-DISC income.
- (3) Page 1 and the schedules for figuring taxable income need not be completed by a former DISC or former IC-DISC. "X" any taxable income items on "Former Form 1120-IC-DISC" or "Former Form 1120-IC-DISC" returns. Schedules J, L, M, and K must be completed. If not, follow the following correspondence guidelines:
 - a. Issue Letter 599C, Request for more information for Form 1120-IC-DISC, Form 4876-A and Form 8404, to secure the completed Schedules J, L, M, and K. Suspend the Form 1120-IC-DISC for 45 days.
 - b. If the taxpayer responds and/or has provided the missing schedules, continue processing the return.
 - c. If it has been determined that the taxpayer's response is incomplete, issue a follow-up Letter 599C for the missing information. Inform the

taxpayer that penalties are assessed for failure to provide information. Attach a copy of the reply or the suspense copy of the correspondence to the return.

- d. If the taxpayer does not respond, follow procedures for Civil Penalty - IRC 6686. (Penalties of \$100 are assessed for failure to provide information.) Attach the suspense copy of the correspondence to the return, see IRM 3.11.16.43.7, Civil Penalty - IRC 6686.
- (4) Accept Form 1120-IC-DISC filed to show distribution of a "Former DISC" as long as the correct schedules are completed.
 - (5) Accept short period liquidating "Former DISC" returns.
 - (6) For other returns, verify that the corporation is eligible to file Form 1120-IC-DISC.
 - (7) Search the "Accepted" file or data file. If an accepted Form 4876-A is on file, update the "Data File" to indicate that a return was received for that corporation.
 - (8) If an accepted Form 4876-A is not found, search for a "Revoked" Form 4876-A. If the Form 4876-A has been "Revoked", advise the corporation that the election has been terminated, the effective date of the termination, and the reason for the termination.
 - (9) If neither an accepted or revoked Form 4876-A can be found, initiate correspondence with the corporation to determine if Form 4876-A was filed. Request a photocopy of Form 4876-A and the acceptance letter when corresponding. Suspend the Form 1120-IC-DISC for 45 days.
 - a. When a reply is received:

If...	Then...
The corporation provides a copy of the acceptance letter,	<ol style="list-style-type: none"> 1. File the acceptance letter in the "Accepted" file. 2. Process Form 1120-IC-DISC. 3. Update the "Data File." See IRM 3.11.16.42.1, Form 4876-A and Form 1120-IC-DISC "Data File."
The corporation provides a completed, eligible Form 4876-A election and a copy of a Certified Mail Receipt, with the receipt date making the election timely filed,	Process the Form 4876-A election and the Form 1120-IC-DISC normally. Update the Data File appropriately.
The corporation failed to file a Form 4876-A or does not provide a copy of the acceptance letter,	Treat as an ineligible filer.

- (10) Examine the following data on the return and schedules. A corporation may **not qualify** as an 1120-IC-DISC if:
 - a. Either Question 2a or Question 2b (Schedule O) is answered "No," **and** 2c (Schedule O) is also answered "No."
 - b. Question "3" is answered "Yes."
 - c. Question "4" is answered "No."

- d. Question 2c is answered "No." IMPORTANT: If Question 2c is blank, but the taxpayer has indicated "No" to Questions 2a and/or 2b, correspond for the missing information, using Letter 599C. Continue processing the return as correct, upon receipt of the taxpayer's reply. If the taxpayer fails to reply, follow procedures for Civil Penalty - IRC 6686. (Penalties of \$100 are assessed for failure to provide information.) Attach a copy of the reply or the suspense copy of the correspondence to the return, see IRM 3.11.16.43.7, Civil Penalty - IRC 6686.

If...	And...	Then...
<ul style="list-style-type: none"> The responses to Question 2a or Question 2b is answered "No" and 2c is also answered "No," The response to Question 4 is answered "No," 	a. Page 1, Line 1 has no significant entry and Schedule L, Column (a) (Beginning of tax year) is blank, or b. Page 1, Line 1 has no significant entry and Schedule J, Part III, Line 3 has no significant entry,	Process Form 1120-IC-DISC as an eligible filer.
The responses to any of the questions above indicates ineligibility,		a. Correspond with the corporation to verify the response. b. Suspend Form 1120-IC-DISC for 45 days.
The response to correspondence explains that the corporation qualifies as an IC-DISC even though the response to question 2(c) indicates ineligibility (such a response may quote IRC 992 or Treas. Reg. 1.992-2 or -3)		Process Form 1120-IC-DISC as an eligible filer.
The response to correspondence confirms the initial responses to the questions above,		Treat Form 1120-IC-DISC as an ineligible filer.
There is no reply to the correspondence,		Treat Form 1120-IC-DISC as an ineligible filer.

3.11.16.43.3
(01-21-2023)

Ineligible Filers

- (1) If a corporation files as an IC-DISC but does not qualify as an IC-DISC, initiate correspondence to return any inappropriately filed Form 1120-IC-DISC and explain to the corporation why it does not qualify as an IC-DISC. Also, indicate any other tax returns that should be filed as a result of this ineligibility. (A former DISC or former IC-DISC must file a Form 1120-IC-DISC in addition to any other return required.)

3.11.16.43.4
(01-01-2023)

Document Perfection

- (1) Examine all returns for timeliness and completeness. The name, address, EIN, and tax period of the corporation must be present along with a signature.
- (2) If Line F, Box 2, Page 1 of Form 1120-IC-DISC is checked or there is a sign this is a "Final" return, research INOLES for filing requirement.
- (3) If no 1120-IC-DISC filing requirement was established, correspond to determine the taxpayer's liability and filing requirement (e.g., was the IC-DISC election terminated, does the taxpayer intend to file as a corporation).
- (4) If the taxpayer's reply indicates that the IC-DISC was terminated but they will continue to file corporate (or other) returns then:
 - a. Send the information to Entity to establish an 1120 filing requirement. Update the "Data File."
 - b. Attach a copy of the reply to Form 4876-A.
 - c. Continue processing the "Final" return.
- (5) If the taxpayer's reply indicates that both the Form 1120-IC-DISC and the business were terminated, attach letter to Form 4876-A. Take no further actions.
- (6) Verify that the other questions under "Other Information" on Page 7 (Schedule O) are answered and that the required schedules (or attachments) are present and properly completed.
- (7) If Schedule J indicates a deemed or actual distribution to Shareholders (Part I, Line 24; Part III, Line 3; Part IV, Lines 4(a), 4(b) or 4(d); or Part V, Line 3) there must be Schedule(s) K present. Correspond for Schedule K if missing.
- (8) If there are any export receipts in Columns b and d, Lines 1c, 2a, 2b, 2c, and 2d on Schedule B of Form 1120-IC-DISC, verify that Schedule(s) N, Export Gross Receipts of the Form 1120-IC-DISC and Related U.S. Persons is attached and completed. Initiate correspondence action if Schedule N is missing or incomplete. Schedule N requires at least the following:
 - a. There is at least one product code number and percent of export receipts entered on Line 1. If the percent of export receipts is less than 100 percent, Line 2 must also be complete.
 - b. An amount is present on Line 2a.
- (9) If Question G(1) Page 1, Form 1120-IC-DISC, is answered "Yes," then at least one line below Question G(1) must be completed. Correspond for missing entries only if correspondence is initiated for another reason. Do not correspond if only Question G(1) is incomplete.
- (10) If correspondence is necessary, suspend the Form 1120-IC-DISC for 45 days. If no response, attach the suspense copy of the correspondence to the return and continue processing. Also, follow the failure to supply information instructions in IRM 3.11.16.43.7, Civil Penalty - IRC 6686.

3.11.16.43.5
(01-01-2019)

Math Verification

- (1) For any of the following math verifications, correspond if it is necessary to obtain additional information. Only correspond with the taxpayer for missing amounts and/or if the tax examiner cannot compute the correct amount with the information given.

- (2) Verify that the amounts, if any, on the following lines on Page 1 have been correctly computed and carried forward from the proper schedules or attachments. Verify Lines 1, 2, 4, 6a, 6b, and Box E in the upper right corner of Page 1.
- (3) Line 3 - Math verify the total by subtracting the amount on Line 2 from Line 1.
- (4) Line 5 - Math verify by subtracting Line 4 from Line 3.
- (5) Line 6c - Math verify by adding Lines 6a and 6b.
- (6) Line 7 - Math verify by subtracting Line 6c from Line 5.
- (7) Line 8 - If an amount is entered on Line 8, math verify the attached Form 4136, **Column (d)**. Verify the amounts in Column (d) are equal to Form 1120-IC-DISC, Line 8.
- (8) Math verify Schedule A as follows:
 - a. Verify Line 6 by adding the amounts on Lines 1 through 5.
 - b. Verify Line 8 by subtracting Line 7 from Line 6.
- (9) Math verify Schedule B as follows:
 - a. Verify Line 1c, Column (e) by adding the amounts in Columns (c) and (d), Lines 1a(i), 1a(ii), 1a(iii), 1a(iv), 1b(i), and 1b(ii).
 - b. Verify Line 2k, Column (e) by adding the amounts in Columns (c) and (d), Lines 2a through 2j.
 - c. Verify Line 3g, Column (e) by adding the amounts in Columns (c) and (d), Lines 3a through 3f.
 - d. Verify Line 4 by adding Lines 1c, 2k, and 3g Column (e).
- (10) Math verify Schedule C as follows:
 - a. Verify Line 9 by adding the amounts on Lines 1 through 8.
 - b. Verify Line 18 (Line 14 for 2017 and prior) by adding the amounts on Lines 9 through 16, Column a (Lines 1 through 13, Column a for 2017 and prior).
 - c. Verify Line 21 by adding line 9, 10, 12(a), 14, and 17 Column (c) (For 2017 and prior: verify Line 16 by subtracting Line 15 from Line 14).
- (11) Math verify Schedule E as follows:
 - a. Verify Line 1n by adding amounts Lines 1a through 1m.
 - b. Verify Line 2h by adding amounts Lines 2a through 2g.
 - c. Verify Line 3 by adding amounts on Lines 1n and 2h.
- (12) Math verify Schedule L as follows:
 - a. Verify Line 3, Total assets, Column B, by totaling the amounts in the respective columns (the line for "Less allowance for bad debts" and the line for "Less accumulated depreciation" are minus amounts).
 - b. Verify Line 15, Column B, by totaling Lines 4 through 14 in the respective columns (Line 14 is a minus amount).
- (13) If math verification from the information given is not possible, correspond for

#

- (14) Suspend Form 1120-IC-DISC for 45 days. Attach a copy of the reply or the suspense copy of the correspondence to the return.
- (15) When the taxpayer responds, perfect the return and continue processing.
- (16) If the taxpayer fails to respond, follow the Civil Penalty procedures, see IRM 3.11.16.43.7, Civil Penalty - IRC 6686.

3.11.16.43.6
(01-01-2019)
**Disposition of
Documents**

- (1) Sort the returns into the following groups in EIN order:
 - a. Returns with a refund due.
 - b. All others.
- (2) To complete the processing of Form 1120-IC-DISC, take the following actions:
 - a. Hand carry returns to the Control unit.
 - b. Hand carry returns to the Numbering unit.

Note: Numbering will hand carry returns back to C&E.

 - c. Record the Form 1120-IC-DISC DLN in the data file. See IRM 3.11.16.42.1, Form 4876-A and Form 1120-IC-DISC "Data File."
 - d. Hand carry returns to Accounting.
- (3) Update the data file to reflect Form 1120-IC-DISC processing information. See IRM 3.11.16.42.1, Form 4876-A and Form 1120-IC-DISC "Data File."

3.11.16.43.7
(01-01-2015)
Civil Penalty - IRC 6686

- (1) IRC 6686 enacted by the Revenue Act of 1971 provides for a penalty to be imposed on any person required to supply information or to file a return under IRC 6011(c) and who fails to supply information or file a return at the time prescribed, or who files a return which does not show the information required. The penalties provided under IRC 6686 are subject to reasonable cause provisions. The penalties are calculated as follows:
 - a. \$100 for each failure to supply information (the total amount imposed for all failures during any calendar year shall not exceed \$25,000).
 - b. \$1,000 for each failure to file a return.
- (2) When it is determined the taxpayer has failed to file Form 1120-IC-DISC, treat as follows:
 - a. Research to determine whether taxpayer filed Form 1120, U.S. Corporation Income Tax, for the period in question.
 - b. If a Form 1120 has been filed, notate on the Form 4876-A, "Form 1120 filed for the tax year." No further action is required.
- (3) If Form 1120 has not been filed, follow procedures as outlined in (a) through (d), below.
 - a. Photocopy the Form 4876-A, Election To Be Treated as an IC-DISC.
 - b. Prepare Form 3465, Adjustment Request and attach the Form 4876-A photocopy.
 - c. Notate on Form 3465 that "the taxpayer has failed to file a Form 1120-IC-DISC - possible Civil Penalty per IRC 6686."
 - d. Route Form 3465 and attached photocopy to Accounts Management Non-Master File (AM NMF).

- (4) When it is determined that AM NMF should assess the penalty under IRC 6686 for failure to supply information or for late filing, treat as follows:
- Hand carry the Form 1120-IC-DISC for blocking and numbering.
 - Photocopy Page 1 of the numbered return and annotate the copy "Copy, DO NOT Process."
 - Prepare Form 3465 and attach the copy. Indicate on the Form 3465 why the penalty may need to be accessed.

Example: "Late filed return possible Civil Penalty per IRC 6686."

- Indicate on the Form 1120-IC-DISC "Form 3465 prepared."
- Route the Form 3465 and attached photocopy to AM NMF.
- Continue processing the Form 1120-IC-DISC and then route to Non-Master File (NMF) Accounting.

3.11.16.43.8
(01-01-2023)
**Taxable Year of Form
1120-IC-DISC**

- The first Form 1120-IC-DISC filed by a corporation will establish the taxable year ending date. Verify the date is the same as shown on the election form. The tax year must conform to the tax year of the majority shareholder.
- If the tax year is the same, continue processing the return.
- If the tax year is not the same and there is a sign the tax year is being changed to meet the tax year requirements of IRC 441(h), continue processing the return.
- If the tax year is not the same and there is no indication the tax year is being changed to meet the tax year requirements of IRC 441(h), issue Letter 599C, Request for more information for Form 1120-IC-DISC, Form 4876-A and Form 8404. to inform the taxpayer that the return must be re-submitted so that the tax year is the same as stated on the election form.
 - Attach a blank Form 1120-IC-DISC and a copy of the election form on file.
 - Suspend for 45 days.
 - Attach a copy of the correspondence to the back of the election form.
- If the taxpayer submits a return with the correct tax period, attach a copy of the reply to the back of the return and process as directed.
- If the taxpayer fails to respond, or fails to file a return with the correct tax period, treat as an ineligible filer. See IRM 3.11.16.43.3, Ineligible Filers.

3.11.16.43.9
(01-01-2012)
**Amended Returns and
Secured Form
1120-IC-DISC**

- In some cases, Submission Processing Centers may receive amended copies of Form 1120-IC-DISC.

If...	Then...
Research indicates that a Form 1120-IC-DISC was previously filed,	Send the amended return to Accounts Management for processing.
Research indicates that a Form 1120-IC-DISC was not previously filed,	Process the amended return as an original. Notate "Process as an original" on the top of the return.

- (2) In some cases, Document Perfection may receive Form 1120-IC-DISC with a “599” or “TC-599” in the margin. These may be forms received by Collection from the taxpayer as proof that he/she has filed his/her return. It is possible that Collection may have asked the taxpayer to file a Form 1120 to meet the filing requirement on record with the service, since it may not have been deleted when the taxpayer’s Form 4876-A was approved.
- a. Search the “Accepted” file or the “Data File” to verify the corporation is eligible to file Form 1120-IC-DISC.

If...	Then...
An “Accepted” Form 4876-A is on file,	<ol style="list-style-type: none"> 1. Update the “Data File” to indicate a Form 1120-IC-DISC was received. 2. Route Form 1120-IC-DISC to Files. <ol style="list-style-type: none"> a. Prepare Form 9856, Attachment Alert. b. Use the Form 1120 DLN, EIN, name control, form, and tax period in the applicable boxes of Form 9856., Attachment Alert
A Form 4876-A is not on file, the corporation is not eligible to file Form 1120-IC-DISC,	Follow Ineligible Filers procedures. See IRM 3.11.16.43.3, Ineligible Filers.

3.11.16.44
(01-01-2024)

**Form 8404, Interest
Charge on DISC-Related
Deferred Tax Liability**

- (1) This subsection has instructions for Document Perfection handling of Form 8404, Interest Charge on DISC-Related Deferred Tax Liability.
- (2) Address - Ensure that a 5-digit ZIP Code is present. If it is not present, research the ZIP Code Directory and edit the right code. See *Look Up a Zip Code*.
- (3) Tax Period - Ensure the tax year is in YYYY format and edited under the Office of Management and Budget (OMB) number of the form.
- (4) Verify the taxpayer’s computation of the interest charge amount following the instructions below. Edit any corrections needed.
- a. Line 4 - Add Lines 1, 2, and 3. If the taxpayer has erroneously figured his income (sum of Lines 1, 2, and 3), correspond using Letter 599C, Request for more information for Form 1120-IC-DISC, Form 4876-A and Form 8404.
 - b. Line 7 - Subtract Line 6 from Line 5.
 - c. Line 8 - If not present, and the return is a calendar year, 365-day return, edit the base period Treasury bill (T-Bill) rate factor as follows:

Tax Year	Base Period T-Bill Rate
2022	.017246634
2021	.000800319
2020	.007306546
2019	.023470459

Tax Year	Base Period T-Bill Rate
2018	.020813051
2017	.010151036
2016	.005414566
2015	.002402874
2014	.001100604

Note: The entry on Line 8 of Form 8404 for a fiscal year filer is determined by an annual revenue ruling that is referenced in the instructions for Line 8.

d. Line 9 - Multiply Line 7 by Line 8.

Caution: SPECIAL TO LINE 9 (Interest Charge Due). If the amount on Line 9 exceeds the product of Line 7 multiplied by Line 8, it may be due to the inclusion of additional interest owed by the taxpayer to the Service. DO NOT "X" THIS AMOUNT. This might result in an erroneous refund to the taxpayer. Instead, do as follows:

If...	Then...
Line 9 exceeds the product of Line 7 multiplied by Line 8,	a. Flag the return. b. Make a notation in the bottom margin of Form 8404 alerting NMF Accounting that additional interest needs to be assessed. Include the following in the notation: a. The amount Line 9 would be by multiplying Line 7 by Line 8. b. The amount of additional interest paid (excess of the product of Lines 7 and 8).

- (5) Check for signature, correspond if missing. See (6) below for correspondence instructions.
- (6) When corresponding with the taxpayer, correspond for all missing information using Letter 599C, Request for more information for Form 1120-IC-DISC, Form 4876-A and Form 8404 or Letter 131C, Information Insufficient or Incomplete for Processing Inquiry. DO NOT CORRESPOND MORE THAN ONCE.
 - a. When corresponding for missing information only, advise the taxpayer the information requested is needed to complete processing of the return.
 - b. Advise the taxpayer additional interest may be charged on the unpaid interest from the due date until the date the interest is paid.
- (7) If there is no reply to correspondence, process the return using the information provided.
- (8) If the Form 8404 tax period exceeds 12 months, allow the excess by creating a dummy Form 8404 to cover the excess months. Attach the dummied Form

8404 to the back of the original Form 8404 with a note explaining the circumstances and follow instructions in either (9) or (10), below, as correct. DO NOT IGNORE ANY TAXPAYER DATA.

- (9) Send all other edited non-remit Form 8404 to the Numbering function.
- (10) Send numbered with-remit Form 8404 to NMF Accounting.
- (11) See Exhibit 3.11.16-21, Form 8404, Interest Charge on DISC-Related Deferred Tax Liability for an example of Form 8404.

3.11.16.45
(01-01-2020)
**Return Processing -
Form 990-C**

- (1) All Form 990-C, Farmers' Cooperative Association Income Tax Returns, must be converted to Form 1120-C. Follow Form 1120-C procedures for processing Form 990-C.
- (2) If a taxpayer files a Form 990-C, refer the return to the lead for conversion. Form 990-C has been obsolete since 2005.

This Page Intentionally Left Blank

Exhibit 3.11.16-1 (01-01-2020)**Area Office Codes**

The following table provides a list of Area Office Codes.

Exhibit 3.11.16-1 (Cont. 1) (01-01-2020)**Area Office Codes**

State	Abbreviation	Area Office
Alabama	AL	08
Alaska	AK	12
Arizona	AZ	11
Arkansas	AR	08
California Note: California is the only state that has been broken out by post of duty and is covered by Areas 13, 14, and 16. Use Area Office 13 if a code cannot be determined from the list provided.	CA	13 Bakersfield Bishop Chico Eureka Fresno Modesto Nevada City Oakland Peninsula Redding Redwood City Sacramento Salinas San Francisco San Jose San Rafael Santa Cruz Santa Rosa South Lake Tahoe Ukiah Vallejo Visalia Walnut Creek Yuba City

Exhibit 3.11.16-1 (Cont. 2) (01-01-2020)

Area Office Codes

State	Abbreviation	Area Office
		14 Anaheim Blythe Chino El Cajon El Centro High Desert Irvine Laguna Niguel Long Beach Los Alamitos Low Desert Poway Riverside San Bernadino San Diego San Marcos Santa Ana Torrance
		16 Beverly Hills Carson Crenshaw Culver City El Monte El Monte 1 El Monte/LaMirada Fairfax Glendale Griffith Park Hawthorne Hollywood Huntington Park LaMirada Lancaster Los Angeles North Hollywood Oxnard Pasadena San Fernando San Luis Obispo Santa Barbara Santa Maria Van Nuys West Los Angeles Wilshire
Colorado	CO	11

Exhibit 3.11.16-1 (Cont. 3) (01-01-2020)**Area Office Codes**

State	Abbreviation	Area Office
Connecticut	CT	01
Delaware	DE	04
District of Columbia	DC	04
Florida	FL	05
Georgia	GA	08
Hawaii	HI	12
Idaho	ID	12
Illinois	IL	07
Indiana	IN	07
Iowa	IA	09
Kansas	KS	09
Kentucky	KY	06
Louisiana	LA	08
Maine	ME	01
Maryland	MD	04
Massachusetts	MA	01
Michigan	MI	06
Minnesota	MN	09
Mississippi	MS	08
Missouri	MO	09
Montana	MT	11
Nebraska	NE	09
Nevada	NV	11
New Hampshire	NH	01
New Jersey	NJ	03
New Mexico	NM	11
New York	NY	02
North Carolina	NC	04
North Dakota	ND	09
Ohio	OH	06
Oklahoma	OK	10

Exhibit 3.11.16-1 (Cont. 4) (01-01-2020)**Area Office Codes**

State	Abbreviation	Area Office
Oregon	OR	12
Pennsylvania	PA	03
Rhode Island	RI	01
South Carolina	SC	04
South Dakota	SD	09
Tennessee	TN	08
Texas	TX	10
Utah	UT	11
Vermont	VT	01
Virginia	VA	04
Washington	WA	12
West Virginia	WV	06
Wisconsin	WI	07
Wyoming	WY	11
A/C International		15
Foreign Addresses		15
Puerto Rico	PR	15
U.S. Possessions		15

Exhibit 3.11.16-2 (01-01-2022)**Due Date Charts**

Public Law 114-41 changed the return due date for C Corporations to the 15th day of the fourth month following the close of the corporations tax year. The change affects all Forms 1120 except Form 1120-S, Form 1120-C and Form 1120-IC-DISC.

Exception: The due date for a corporation that ends its tax year on June 30 remains due on or before the 15th day of the third month.

Note: Certain non-farm Cooperative (“Co-Op”) returns are filed on Form 1120 instead of the usual Cooperative Form 1120-C. These filers are entitled to a return due date of eight and one half months following the end of the tax year. See IRM 3.11.16.9.1.18, CCC “R” - Reasonable Cause for Failing to Timely File Return.

New due dates are reflected in the tables below:

Exhibit 3.11.16-2 (Cont. 1) (01-01-2022)

Due Date Charts

Due Date Chart for Forms 1120, 1120-F (Box D(3) checked), 1120-FSC, 1120-H, 1120-L, 1120-ND, 1120-PC, 1120-SF, 1120-REIT, and 1120-RIC (Due by the 15th day of the 4th month after the tax period ends)

Tax Period Ending Date	Return Due Date (weekends and holidays considered)		Extended Due Date, 6 - Months <i>Exception: Fiscal filers with a tax period ending of June 30, have a 7 - month extension.</i>	#
Sept. 2023	1-16-2024		7-15-2024	#
Oct. 2023	2-15-2024		8-15-2024	#
Nov. 2023	3-15-2024		9-16-2024	#
Dec. 2023	4-15-2024		10-15-2024	#
Jan. 2024	5-15-2024		11-15-2024	#
Feb. 2024	6-17-2024		12-16-2024	#
Mar. 2024	7-15-2024		1-16-2025	#
Apr. 2024	8-15-2024		2-17-2025	#
May 2024	9-16-2024		3-17-2025	#
Jun. 2024	9-15-2024		4-15-2025	#
Jul. 2024	11-15-2024		5-15-2025	#
Aug. 2024	12-16-2024		6-16-2025	#
Sept. 2024	1-16-2025		7-15-2025	#

Exhibit 3.11.16-2 (Cont. 2) (01-01-2022)
Due Date Charts

***Due Date Chart for Forms 1120-C and 1120-IC-DISC (Due the 15th day of the 9th month
after its tax period ends)***

Tax Period Ending Date	Return Due Date (weekends and holidays considered)		Extended Due Date, 6 - Months <i>Exception: Form 1120-IC- DISC is not allowed an extension. Form 1120-C fiscal year filers with a tax period ending on June 30, have a 7 - month extension.</i>	#
Sept. 2023	6-17-2024		12-16-2024	#
Oct. 2023	7-15-2024		1-16-2025	#
Nov. 2023	8-15-2024		2-17-2025	#
Dec. 2023	9-16-2024		3-17-2025	#
Jan. 2024	10-15-2024		4-15-2025	#
Feb. 2024	11-15-2024		5-15-2025	#
Mar. 2024	12-16-2024		6-16-2025	#
Apr. 2024	1-16-2025		7-15-2025	#
May 2024	2-17-2025		8-15-2025	#
Jun. 2024	3-17-2025		10-15-2025	#
Jul. 2024	4-15-2025		10-15-2025	#
Aug. 2024	5-15 -2025		11-17-2025	#
Sept. 2024	6-16-2025		12-15-2025	#

Exhibit 3.11.16-2 (Cont. 3) (01-01-2022)
Due Date Charts

Due Date Chart for Form 1120-F (Box D(3) is not checked (Due the 15th day of the 6th month after its tax period ends)

Tax Period Ending Date	Return Due Date (weekends and holidays considered)		Extended Due Date, 6 - Months <i>Exception:</i> Fiscal filers with a tax period ending of June 30, have a 7 - month extension.	#
Sept. 2023	3-15-2024		9-16-2024	#
Oct. 2023	4-15-2024		10-15-2024	#
Nov. 2023	5-15-2024		11-15-2024	#
Dec. 2023	6-17-2024		12-16-2024	#
Jan. 2024	7-15-2024		1-16-2025	#
Feb. 2024	8-15-2024		2-17-2025	#
Mar. 2024	9-16-2024		3-17-2025	#
Apr. 2024	10-15-2024		4-15-2025	#
May 2024	11-15-2024		5-15-2025	#
June 2024	12-16-2024		7-15-2025	#
Jul. 2024	1-16-2025		7-15-2025	#
Aug. 2024	2-17-2025		8-15-2025	#
Sept. 2024	3-17-2025		9-15-2025	#

Exhibit 3.11.16-3 (01-01-2024)**Form 1120 - Prior Year Conversion Chart**

- **2022-2018**

Schedule J
Line through Part III
Change Line 2 to Line 1
Change Line 3 to Line 2

- **2020 - 2018**

Schedule J
Change Line 9f to Line 9g

- **2017 - 2012**

Page 1
Change Line 32 to 33
Change Line 33 to 34
Change Line 34 to 35
Change Line 35 to 36
Change Line 36 to 37

201811 and prior - Schedule J, Part I

If ...	And ...	Then ...
201811 and prior,	The return is a personal service corporation,	Edit the Personal Service Corporation Code. See IRM 3.11.16.11.11, Schedule J, Page 3 - Controlled Group Code / Personal Service Corporation Code / Tax Computation. Note: The computer will need this code to determine the correct tax (35%) for the prior year.
201811 and prior,	The return is a part of a controlled group,	Edit a Controlled Group Code. See IRM 3.11.16.11.11, Schedule J, Page 3 - Controlled Group Code / Personal Service Corporation Code / Tax Computation. Note: The computer will need this code to determine the correct tax (Schedule O, tax brackets) for the prior year.
201811 and prior,	The return has an entry on Schedule J, Line 3 - Alternative Minimum Tax,	See IRM 3.11.16.11.12, Schedule J, Line 3 - Alternative Minimum Tax or Tax on Base Erosion Payments.

Exhibit 3.11.16-3 (Cont. 1) (01-01-2024)
Form 1120 - Prior Year Conversion Chart

Page 3, Schedule J
Change Part I, Line 9f to Line 9g
Change Part II, Line 12 to Part III, Line 13
Change Part II, Line 13 to Part III, Line 14
Change Part II, Line 14 to Part III, Line 15
Change Part II, Line 15 to Part III, Line 16
Change Part II, Line 16 to Part III, Line 17
Change Part II, Line 17 to Part III, Line 18
Change Part II, Line 18 to Part III, Line 19
Change Part II, Line 19a to Part III, Line 20a
Change Part II, Line 19b to Part III, Line 20b
Change Part II, Line 19c to Part III, Line 20c
Change Part II, Line 19d to Part III, Line 20d
Change Part II, Line 20 to Part III, Line 21
Change Part II, Line 21 to Part III, Line 23

Exhibit 3.11.16-4 (01-01-2024)**Form 1120-C - Prior Year Conversion Chart**

- **2022-2018**

Schedule J
Change Line 2 to Line 1
Change Line 3 to Line 2

- **2017 - 2011**

Page 1
Change Line 29a to 30a
Change Line 29b to 30b
Change Line 29c to 30c
Change Line 29d to 30d
Change Line 29e to 30e
Change Line 29f to 30f
Change Line 29g to 30g
Change Line 29h to 30h
Change Line 30 to 31
Change Line 31 to 32
Change Line 32 to 33
Change Line 33 to 34

If ...	And ...	Then ...
201811 and prior,	The return is a part of a controlled group,	Edit a Controlled Group Code. See IRM 3.11.16.32.20, Schedule J, Line 1 - Controlled Group Code. Note: The computer will need this code to determine the correct tax (Schedule O, tax brackets) for the prior year.
201811 and prior,	The return has an entry on Schedule J, Line 3 - Alternative Minimum Tax,	See IRM 3.11.16.32.21, Schedule J, Lines 2 through 8.

Exhibit 3.11.16-5 (01-01-2024)**Form 1120-F - Prior Year Conversion Chart**

- **2022 and prior**

Schedule K
Change Line 2 to Line 1
Change Line 3 to Line 2

Other Information
Change Line II to HH

Exhibit 3.11.16-6 (03-08-2010)

Form 1120-FSC - Prior Year Conversion Chart

- No recent changes to Form 1120-FSC

Exhibit 3.11.16-7 (01-01-2024)**Form 1120-H - Prior Year Conversion Chart**

- **2022 and prior**

Page 1
Lines 23a and 23b are now transcribed rather than Line 23c
Change Line 23d to Line 23c
Change Line 23e to Line 23d
Change Line 23f to Line 23e

Exhibit 3.11.16-8 (01-01-2024)**Form 1120-L - Prior Year Conversion Chart**

- **2022-2018**

Page 1
Change Line 28e to Line 27d
Change Line 28f to Line 27e
Change Line 28g(1) to 27f
Change Line 28h to Line 27h

- **2017-2007**

Page 1
Change 27 to 25
Change Line 28 to 26
Line through Line 29a
Line through Line 29b
Line through Line 29c
Line through Line 29e
Change Line 29f to 27d
Change Line 29g to 27e
Change Line 29h to 27f
Change Line 29i to 27h
Line through Line 29j
Change Line 30 to 29
Change Line 31 to 30
Change Line 32 to 31
Change Line 33 to 32

Exhibit 3.11.16-9 (01-01-2024)**Form 1120-PC - Prior Year Conversion Chart**

- **2022-2018**

Page 1
Change Line 6 to Line 5
Change Line 13 to 14
Change Line 15f to 15d
Change Line 15g to 15e
Change Line 15h to Line 15f
Change Line 15i to Line 15z
Change Line 16 to Line 17
Change Line 17 to Line 18
Change Line 18 to Line 19
Change Line 19 to Line 20

- **2017-2007**

Page 1
Line through Line 14a
Line through Line 14b
Line through Line 14c
Line through Line 14e
Change Line 14f to Line 15d
Change Line 14g to Line 15e
Change Line 14h to Line 15f
Change Line 14i to Line 15z
Change Line 14j to Line 15j
Change Line 15 to Line 17
Change Line 16 to Line 18
Change Line 17 to Line 19
Change Line 18 to Line 20

Exhibit 3.11.16-10 (01-01-2024)**Form 1120-REIT - Prior Year Conversion Chart**

- 2022-2018**

Pages 1 and 2
Change Line 18 to 19
Change Line 19 to 20
Change Line 21a to 22a
Change Line 21b to 22b
Change Line 121c to 22c
Change Line 23 to 24

Schedule J
Number box 856(c)(7) to 2f
Number box 856(g)(5) to 2g
Change Line 2g to 2h
Number box 453(c) to Line 6
Number box 453(l)(3) to Line 7
Number box Form 4255 to Line 8
Number box Form 8611 to Line 9

- 2020-2018**

Schedule J
Change Line 6 to Line 7

- 2017-2008**

Schedule J
Change Line 6 to Line 7

Page 1
Change Line 24a to Line 25a
Change Line 24b to Line 25b
Change Line 24c to Line 25c
Change Line 24d to Line 25d
Change Line 24e to Line 25e

Exhibit 3.11.16-10 (Cont. 1) (01-01-2024)
Form 1120-REIT - Prior Year Conversion Chart

Page 1
Change Line 24f to Line 25f
Change Line 24g to Line 25g
Change Line 25 to Line 26
Change Line 26 to Line 27
Change Line 27 to Line 28
Change Line 28 to Line 29
Schedule J
Change Line 2h to Line 2g

If ...	And ...	Then ...
201811 and prior,	The return is a part of a controlled group,	Edit a Controlled Group Code. See IRM 3.11.16.39.17, Schedule J, Line 1 - Controlled Group Code. Note: The computer will need this code to determine the correct tax (Schedule O, tax brackets) for the prior year.
201811 and prior,	The return has an entry on Schedule J, Line 2g - Alternative Minimum Tax,	See IRM 3.11.16.39.18, Schedule J, Lines 2b through 2g.

Exhibit 3.11.16-11 (01-01-2024)**Form 1120-RIC - Prior Year Conversion Chart**

- 2022-2018**

Page 2
Change Line 29d to Line 28d
Change Line 29e to Line 28e
Change Line 29f to Line 28f

Schedule J
Number box 851(d)(2) Line 2c
Number box 851(i) Line 2d
Change Line 2d to 2e
Number box 453(c) Line 6
Number box 453(l)(3) Line 7
Number Form 4255 Line 8
Change Line 8 to Line 9
Change Line 9 to Line 10

- 2020-2018**

Schedule J
Change line 6 to Line 7

- 2017-2012**

Schedule J
Change line 6 to Line 7

Page 2
Change Line 28a to Line 29a
Change Line 28b to Line 29b
Change Line 28c to Line 29c
Change Line 28d to Line 29d
Change Line 28e to Line 29e
Change Line 28f to Line 29f
Change Line 28g to Line 29g

Exhibit 3.11.16-11 (Cont. 1) (01-01-2024)
Form 1120-RIC - Prior Year Conversion Chart

Page 2
Change Line 28h to Line 29h
Change Line 29 to Line 30
Change Line 30 to Line 31
Change Line 31 to Line 32
Change Line 32 to Line 33
Schedule J
Delete Line 2d and edit the prior year AMT amount in the right margin

If ...	And ...	Then ...
201811 and prior,	The return is a part of a controlled group,	Edit a Controlled Group Code. See IRM 3.11.16.40.17, Schedule J, Line 1 - Controlled Group Code. Note: The computer will need this code to determine the correct tax (Schedule O, tax brackets) for the prior year.
201811 and prior,	The return has an entry on Schedule J, Line 2d - Alternative Minimum Tax,	See IRM 3.11.16.40.18, Schedule J, Lines 2b through 2d.

Exhibit 3.11.16-12 (01-01-2015)
Form 8941 - Prior Year Conversion Chart

- 2013 and 2012

Page 1
Change Line 1a to Line 1
Change Line 1b to Line B

Exhibit 3.11.16-13 (01-01-2021)
Form 8996 - Prior Year Conversion Chart

- 2020 and 2019

Part II
Change Line 6 to 7
Change Line 7 to 8
Change Line 9 to 10
Change Line 10 to 11

Part III
Change Line 13 to Line 14
Change Line 14 to Line 15

- 2018 and 2017

Part II
Change Line 5 to 7
Change Line 6 to 8
Change Line 8 to 10
Change Line 9 to 11

Part III
Change Line 12 to Line 14
Change Line 13 to Line 15

Exhibit 3.11.16-14 (01-01-2024)**Form 3800 - Prior Year Conversion Chart**

For prior year returns, transcription of some credits is no longer needed. If a prior year return has amounts on Lines 1d, 1g, 1o, 1q, 1u, 1v, 1z, 1aa or 1bb, no editing is required.

The other credits are either new for 202301 and later or are the same.

Change Part III Column C to Part III, Column J.

If a prior year Form 3800 has multiple copies of Form 3800, Page 3, attached, follow the instructions below:

If...	And...	Then...
More than one copy of Form 3800, Page 3, is attached,	Box I is checked on one copy of Page 3,	<ol style="list-style-type: none"> 1. Place copy with Box I checked behind Form 3800, Page 2. 2. Staple all copies of Page 3 together. 3. Change Column c to Column j.
More than one copy of Page 3, Form 3800 is attached,	Box I is checked on more than one copy of Page 3,	<ol style="list-style-type: none"> 1. Place first copy of Page 3 with Box I checked behind Page 2, Form 3800. 2. Staple all copies of Page 3 together. 3. Change Column c to Column j.
More than one copy of Form 3800, Page 3, is attached,	Box I is not checked on any copy of Page 3,	Staple all copies of Page 3 to Page 2. No transcription of Page 3 is necessary.

Exhibit 3.11.16-15 (03-10-2016)**◆ Potential Frivolous Arguments for Examination Review ◆**

Potential Frivolous Argument	Description
Alleged Churches/First Amendment	Income from non-religious sources and may claim a vow of poverty.
Altered Form	Altering any or all line items with the intent of facilitating non-compliance with the tax laws.
Altered Jurat/UCC (Uniform Commercial Code) 1-207 or UCC 1-308.	Return has income and deductions but the jurat was altered or stricken. May include reference to UCC 1-207/ UCC 1-308 or a statement that the return was not signed under penalties of perjury.
Amended Returns/Form 843 Claim	Amended return or a Form 843 filed to obtain a total refund of all taxes paid in prior years, based on a tax avoidance argument.
C-Fillings	This frivolous position includes the following four categories: <ul style="list-style-type: none"> a. Files a return claiming several types of deductions, credits, or overpayments/refunds that have no relation to reality and because of their outrageous character, qualify as frivolous returns. b. Files a return having the filers identifying information but does not request a refund, often lacking sufficient information to determine a tax liability. c. Files a return with several types of rambling dialogue or arguments that no one could reasonably view as a good faith attempt to comply with the law. d. Files a return that attempts to send some type of message or protest to the IRS, but does not to include sufficient identifying information for the IRS to either determine the identity of the taxpayer or correspondent or return address.
Challenges to Authority/Due Process	Questions several administrative authorities such as delegation orders, summons authority, Privacy Act, etc. Argues that they must be afforded a hearing or a trial before taxes can be assessed or before property can be seized.
Challenges to Authority/Title 26 or "law" in Other Documents	Argues that Title 26 of the United States Code is not law because it was never enacted as named.
Collections Issues	Files frivolous documents contending that several collections issues are invalid (e.g., Offers in Compromise, Collection Due Process Requests, Installment Agreements, Appeals Requests) because they are not filed and signed by someone with delegated authority. They may have no certificate of assessment attached, do not comply in form or content with a State or Local law, are not in a certain format or lack a valid OMB (Office of Management and Budget) number or other frivolous positions.

Exhibit 3.11.16-15 (Cont. 1) (03-10-2016)**◆ Potential Frivolous Arguments for Examination Review ◆**

Potential Frivolous Argument	Description
Disclaimer	Submits a disclaimer stating, “disclaims the liability for the tax due,” making the liability on the return zero.
Fifth Amendment	Assertion of the Fifth Amendment right against self-incrimination as a basis for not providing any financial information.
Foreign Income	Argues that United States citizens and residents are not subject to tax on their wages or other income derived from sources within the United States, as only foreign-based income or income received by nonresident aliens and foreign corporations from sources within the United States is taxable.
Form 1099-OID (Original Issue Discount)	An individual or business files a return reporting false amounts of income (generally “Other” or “Miscellaneous” income) and claims a false amount of income tax withholding approximately equal to the amount of falsely reported income. Although the returns report income, they do not calculate any tax due. Some of the returns have Form 1099-OID (Original Issue Discount) attached and some have Form 1096. Other false forms or financial instruments may be filed in the place of or in addition to the Form 1099-OID such as Form 2439, promissory notes, bonds, sight drafts, etc.
IRC 861 Business Employment Tax (BMF 861)	Argument targets employers and advises them that wages are exempt from withholding. Based on 26 Code of Federal Regulations (CFR) Section 1.861, promoters of this scheme advise employers to stop withholding and paying payroll taxes on their employee’s wages. In addition, some employers file amended payroll tax returns and request refunds of previously paid payroll taxes.
IRS is a Private Organization/Collects Tribute, Not Taxes	Argues that the IRS is an entity named the Internal Revenue and Tax Service, Inc., which was incorporated in Delaware in 1933, it is a collection agency for the Federal Reserve Bank, or is part of the United Nations and is clandestinely leading the tax-paying public into a “new world order.”
Not a Person	Argues that a taxpayer is not a “person” within the meaning of IRC 7701(a)(14).
Obscene, Vulgar, Harassing	Submits documents or other materials showing that non-filing is due to dissatisfaction with tax policies or taxation in general. Often, this argument is expressed with obscene, vulgar, or crude language and characters in an extremely demeaning manner.
Protest Against Government Action/Inaction	Argues that refusal to file or pay is justified because they disagree with government policies or spending plans.

Exhibit 3.11.16-15 (Cont. 2) (03-10-2016)**◆ Potential Frivolous Arguments for Examination Review ◆**

Potential Frivolous Argument	Description
Sixteenth Amendment	Argues the Sixteenth Amendment was not properly ratified and therefore the federal government does not have the legal authority to collect an income tax without apportionment.
Straw Men	Argues the government has created an entity separate and distinct from the taxpayer - a "straw man" and any tax obligations are exclusively those of the "straw man."
Taxes are Voluntary/Law Does Not Require	Submits a return, amended return or correspondence that argues income taxes are voluntary.
U.S. v. Long	Submits a return with zero money amounts. To explain the zeros inserted on the return, the individual references "U.S. v. Long."
Unsigned Returns	The individual completes a return but does not sign a statement showing disagreement with the tax system is attached or added to the return.
Valuation	Income is not taxable because of the declining fair market value of the dollar, because the dollar is not backed by gold/silver, because the value of services is offset by the value of the labor (barter income), etc.
Zero Returns	Submits a return with zero money amounts on all or most line items on the form (e.g., IRC 861, Form 2439, OID and other BMF filings that claim no income and request refunds). See Revenue Ruling 2004-34. A statement is attached claiming there is no section of the Internal Revenue Code that established an income tax liability. The statement may also have arguments regarding the definition of income. There are several variations on this type of filing such as those bearing the words "nunc pro tunc" and "not liable."

#

Exhibit 3.11.16-15 (Cont. 3) (03-10-2016)**◆ Potential Frivolous Arguments for Examination Review ◆**

Potential Frivolous Argument	Description
Other	<p>All others including those in Notice 2010-33 or any later superseding Notice. See also http://www.irs.gov/Tax-Professionals/The-Truth-About-Frivolous-Tax-Arguments-Introduction on irs.gov. This category includes non-filer accounts resulting from initial compliance check such as cross-reference TINs.</p> <p>Note: Frivolous arguments citing “Collection Due Process” (CDP) must be reviewed by Collections for possible referral to Appeals. Refer to IRM 5.19.8, Collection Appeal Rights, for more information.</p>

Exhibit 3.11.16-16 (01-01-2009)**Province, Foreign State and Territory Abbreviations*****Australia State***

Australia State	Abbreviation
Australian Capital Territory	ACT
New South Wales	NSW
Northern Territory	NT
Queensland	QLD
South Australia	SA
Tasmania	TAS
Victoria	VIC
Western Australia	WA

Brazil State

Brazil State	Abbreviation
Acre	AC
Alagoas	AL
Amapa	AP
Amazonas	AM
Bahia	BA
Ceara	CE
Distrito Federal	DF
Espirito Santo	ES
Goiias	GO
Maranhao	MA
Mato Grasso	MT
Mato Grosso do Sul	MS
Minas Gerais	MG
Para	PA
Paraiba	PB
Parana	PR
Pernambuco	PE
Piaui	PI
Rio de Janeiro	RJ

Exhibit 3.11.16-16 (Cont. 1) (01-01-2009)**Province, Foreign State and Territory Abbreviations**

Brazil State	Abbreviation
Rio Grande do Norte	RN
Rio Grande do Sul	RS
Rondonia	RO
Roraima	RR
Santa Catarina	SC
Sao Paulo	SP
Sergipe	SE
Tocantins	TO

Canada Province/Territory

Canada Province/Territory	Abbreviation
Alberta	AB
British Columbia	BC
Manitoba	MB
New Brunswick	NB
Newfoundland and Labrador	NL
Northwest Territories	NT
Nova Scotia	NS
Nunavut	NU
Ontario	ON
Prince Edward Island	PE
Quebec	QC
Saskatchewan	SK
Yukon	YT

Cuba Province

Cuba Province	Abbreviation
Camaguey	CG
Ciego de Avila	CA
Cienfuegos	CF
Ciudad de La Habana	CH

Exhibit 3.11.16-16 (Cont. 2) (01-01-2009)**Province, Foreign State and Territory Abbreviations**

Cuba Province	Abbreviation
Granma (Bayamo)	GR
Guantanamo	GT
Holguin	HO
La Habana	HA
Matanzas	MT
Municipio Especial Isla de La Juventud	IJ
Pinar del Rio	PR
Sancti Spiritus	SS
Santiago de Cuba	SC
(Victoria de) Las Tunas	LT
Villa Clara	VC

Italy Province

Italy Province	Abbreviation
Agrigento	AG
Alessandria	AL
Ancona	AN
Aosta/Aoste	AO
Arezzo	AR
Ascoli Piceno	AP
Asti	AT
Bari	BA
Belluno	BL
Benevento	BN
Bergamo	BG
Biella	BI
Bologna	BO
Bolzano Bozen	BZ
Brescia	BS
Brindisi	BR
Cagliari	CA

Exhibit 3.11.16-16 (Cont. 3) (01-01-2009)**Province, Foreign State and Territory Abbreviations**

Italy Province	Abbreviation
Caltanissetta	CL
Campobasso	CB
Caserta	CE
Catania	CT
Catanzaro	CZ
Chieti	CH
Como	CO
Cosenza	CS
Cremona	CZ
Crotone	KR
Cuneo	CV
Enna	EN
Ferrara	FE
Firenze	FI
Foggia	FG
Forli	FO
Frosinone	FR
Genoa	GE
Gorizia	GO
Grosseto	GR
Imperia	IM
Isernia	IS
L'Aquila	AQ
La Spezia	SP
Latina	LT
Lecce	LE
Livorno	LI
Lodi	LO
Lucca	LU
Macerata	MC
Mantova	MN

Exhibit 3.11.16-16 (Cont. 4) (01-01-2009)**Province, Foreign State and Territory Abbreviations**

Italy Province	Abbreviation
Massa-Carrara	MS
Matera	MT
Messina	ME
Milan	MI
Modena	MO
Napoli	NA
Novara	NO
Nuoro	NU
Oristano	OR
Padova	PD
Palermo	PA
Parma	PR
Pavia	PV
Perugia	PG
Pesaro-Urbino	PS
Pescara	PE
Piacenza	PC
Pisa	PI
Pistoia	PT
Pordenone	PN
Potenza	PZ
Prato	PO
Ragusa	RG
Ravenna	RA
Reggio de Calabria	RC
Reggio nell'Emilia	RE
Rieti	RI
Rimini	RN
Roma	RM
Rovigo	RO
Salerno	SA

Exhibit 3.11.16-16 (Cont. 5) (01-01-2009)**Province, Foreign State and Territory Abbreviations**

Italy Province	Abbreviation
Sassari	SS
Savona	SV
Siena	SI
Siracusa	SR
Sondrio	SO
Taranto	TA
Teramo	TE
Terni	TR
Torino	TO
Trapani	TP
Trento	TN
Treviso	TV
Trieste	TS
Udine	UD
Varese	VA
Venezia	VE
Verbania	VB
Vercelli	VC
Verona	VR
Vibo Valentia	VV
Vicenza	VI
Viterbo	VT

Mexico State

Mexico State	Abbreviation
Aguascalientes	AGS
Baja California Norte	BCN
Baja California Sur	BCS
Campeche	CAM
Chiapas	CHIS
Chihuahua	CHIH

Exhibit 3.11.16-16 (Cont. 6) (01-01-2009)**Province, Foreign State and Territory Abbreviations**

Mexico State	Abbreviation
Coahuila	COAH
Colima	COL
Distrito Federal	DF
Durango	DGO
Guanajuato	GTO
Guerrero	GRO
Hidalgo	HGO
Jalisco	JAL
Mexico	MEX
Michoacan	MICH
Morelos	MOR
Nayarit	NAY
Nuevo Leon	NL
Oaxaca	OAX
Puebla	PUE
Queretaro	QRO
Quintana Roo	QROO
San Luis Potosi	SLP
Sinaloa	SIN
Sonora	SON
Tabasco	TAB
Tamaulipas	TAMPS
Tlaxcala	TLAX
Veracruz	VER
Yucatan	YUC
Zacatecas	ZAC

The Netherlands Province

The Netherlands Province	Abbreviation
Drenthe	DR
Flevoland	FLD

Exhibit 3.11.16-16 (Cont. 7) (01-01-2009)**Province, Foreign State and Territory Abbreviations**

The Netherlands Province	Abbreviation
Friesland	FR
Gelderland	GLD
Groningen	GN
Limburg	LB
North Brabant	NB
North Holland	NH
Overijssel	OV
South Holland	ZH
Utrecht	UT
Zeeland	SLD

Exhibit 3.11.16-17 (01-01-2024)**◆ Routing Guide for Attachments ◆**

Review all attachments to the tax return before the return can be considered processable.

- a. Only detach attachments when specifically instructed.

Note: Consider a return or document an “original” if it has an original signature or has been stamped “Process as Original.”

- b. Edit Action Trail(s) (e.g., “2848 DETACHED”) in the lower left corner of the return going vertically up the side of the return.

Note: Edit the name and EIN (if not present) on the detached document. Also, edit the return received date (e.g., Rec’d MM/DD/YY) in the lower left margin of the detached document before routing.

Caution: The Attachment Guide is included as an exhibit only for use in assisting in the identification of possible forms or conditions that require action or routing to other functions. The guide should not be used in place of the completed IRM section governing those conditions, since space limitations do not always allow for full instructions in the Attachment Guide.

Follow the general guidelines below for each attachment:

Exhibit 3.11.16-17 (Cont. 1) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
CP 259 or CP 959 (Spanish version) Note: Do not route to Statute Control Unit for clearance. See IRM 3.11.16.3.7, Statute Returns, for more information.	All	No	<p>Correspondence is attached or taxpayer's response indicates:</p> <ul style="list-style-type: none"> • Taxpayer disagrees that they must file the return. • Only page one of the return is attached. • EIN on notice does not match EIN on return. • Return requested on notice not the same as return submitted. • Taxpayer asking question(s) or requesting IRS take action(s) on their account. • Case involves any other IRS action(s) C&E not trained to complete. <p>Then, Route to Compliance Services Collection Operations (CSCO). Use return address on CP notice:</p> <ul style="list-style-type: none"> • Brookhaven - Stop #662 • Memphis - Stop #81 • Philadelphia - 4-N31.142 <p>If none of the above apply, correspondence or written response to the notice is not attached and/or, "599" is notated:</p> <ol style="list-style-type: none"> 1. Move the notice to the back of the return. 2. Continue processing the return. <p>Note: If the return is unsigned, but the taxpayer signed the CP notice under the jurat, it is not necessary to correspond for the signature.</p>
CP 259 A through h	All	No	OSPC BMF Entity Mail Stop 6273.
CP 504/ CP 504B	All	No	<ol style="list-style-type: none"> 1. Pull CP 504/ CP 504B to the front. 2. Route notice and return to Accounts Management.

Exhibit 3.11.16-17 (Cont. 2) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
CP 518 Note: Do not route to Statute Control Unit for clearance. See IRM 3.11.16.3.7, Statute Returns, for more information.	All	No	<p>Correspondence is attached or taxpayer's response indicates:</p> <ul style="list-style-type: none"> • Taxpayer disagrees that they must file the return. • Only page one of the return is attached. • EIN on notice does not match EIN on return. • Return requested on notice not the same as return submitted. • Taxpayer asking question(s) or requesting IRS take action(s) on their account. • Case involves any other IRS action(s) C&E not trained to complete. <p>Then, Route to Compliance Services Collection Operations (CSCO). Use return address on CP notice:</p> <ul style="list-style-type: none"> • Brookhaven - Stop #662 • Memphis - Stop #81 • Philadelphia - 4-N31.142 <p>If none of the above apply, correspondence or written response to the notice is not attached and/or, "599" is notated:</p> <ol style="list-style-type: none"> 1. Move the notice to the back of the return. 2. Continue processing the return. <p>Note: If the return is unsigned, but the taxpayer signed the CP notice under the jurat, it is not necessary to correspond for the signature.</p>
For Tax Periods 202201-202212, if "IRA22DPE" or "IRA22TRE" is written on the return or attachments.	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.2.13, Elective or Deemed Payment Election and Credit Transfers

Exhibit 3.11.16-17 (Cont. 3) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Letters 112C, 282C, 2255C or 2284C Note: Do not route to Statute Control Unit for clearance. See IRM 3.11.16.3.7, Statute Returns, for more information.	All	No	<ol style="list-style-type: none"> 1. Identify which organization initiated the letter to the taxpayer (e.g., what organization signed the letter?). 2. Route letters initiated by Accounts Management (AM) to Accounts Maintenance Research (AMRH): <ul style="list-style-type: none"> • Ogden - Mail Stop 6712 • Kansas City - N2 6800

Exhibit 3.11.16-17 (Cont. 4) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
			<p>3. Route letters initiated by Collections as follows:</p> <p>a. If correspondence is attached or taxpayer's response indicates any of the following:</p> <ul style="list-style-type: none"> • Taxpayer disagrees that they must file the return. • Only page one of the return is attached. • EIN on letter does not match EIN on return. • Return requested on letter not the same as return submitted. • Taxpayer asking question(s) or requesting IRS take action(s) on their account. • Case involves any other IRS action(s) C&E not trained to complete. <p>Then, Route to Compliance Services Collection Operations (CSCO). Use return address on letter:</p> <ul style="list-style-type: none"> • Brookhaven - Stop #662 • Memphis - Stop #81 • Philadelphia - 4-N31.142 <p>b. If none of the above apply, correspondence or written response to the letter is not attached and/or, no "599" is notated:</p> <p>Then, Move the letter to the back of the return and continue processing.</p> <p>Note: If the return is unsigned, but the taxpayer has signed the letter under the jurat, it is not necessary to correspond for the signature.</p>
Letter 2030 Letter 2531	All	No	Put letter in front of return and route both to BMF Automated Underreporter (AUR) in Compliance.

Exhibit 3.11.16-17 (Cont. 5) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Includes tax liability for Multiple Tax Periods or Types of Tax	All	No	<ul style="list-style-type: none"> • Numbered Return - Route to Rejects. • Unnumbered Return - Prepare a dummy return if possible; otherwise, correspond.
Other Tax Returns (Original Signature)	All	Yes	<ol style="list-style-type: none"> 1. Edit the received date to the detached return. 2. Route to right function unless specifically directed otherwise. <p>Exception: Subsidiary Returns attached to a consolidated return will NOT be detached. Conversions of Form 1120-S to Form 1120 will NOT be detached. See IRM 3.11.16.5.2, Conversion of Form 1120-S to Form 1120.</p>
Petitions in opposition of tax law provisions	All	Yes Note: Do not edit an action trail when detaching a petition.	<p>Route to: IRS</p> <p>1111 Constitution Avenue, NW Washington, DC 20224</p>
IRC 965 Transition Tax Statement (or similar Language)	1120 1120-C 1120-L 1120-PC 1120-REIT 1120-RIC	No	<p>Edit CCC "J" and Action Code "460" on the return and continue processing. Do not issue correspondence on the return. ERS will correspond for any missing information. See IRM 3.11.16.2.12, Section 965 Returns (201712 through 202012).</p>
Statement establishing Election to be subject to the Tonnage Tax Regime - Sect 1354	All	No	<p>Route a copy of the election to: Brenda E. Sarini, Internal Revenue Agent 1719 C. Route 10 Parsippany, NJ 07054-4507</p>

#

Exhibit 3.11.16-17 (Cont. 6) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Pro Forma Form 1120 for New York State or Blank (no tax data) Form 1120 with a Form 5472 attached	All	No	See IRM 3.11.16.11, Return Processing - Form 1120.
Statement establishing Reasonable Cause for delinquent filing	All	No	<ol style="list-style-type: none"> 1. Send Letter 1382C, Penalty Removal Request Incomplete. 2. Continue editing the return. 3. See IRM 3.11.16.9.1.18, CCC "R" - Reasonable Cause for Failing to File a Timely Return and IRM 3.11.16.3.4.2, Issuing Correspondence.
Remittance found	All	No	Immediately hand carry return and remittance to supervisor.
Request for Acknowledgement	All	No	No action required.
Request for e-File Waiver Statement notating: "Form 1120 e-File Waiver Request"	1120	Yes	"Yes:" Ogden - Route request to: Mail Stop 1057.
Requests for Installment Agreement	All	Yes	Route as follows: <ul style="list-style-type: none"> • Ogden - Route to Collections Mail Sop 5500. • Kansas City - Route to Mail Stop P4 5000.
Request for Form 8109 , Deposit Slips, or Coupon Books	All	No	No action required.
Request for Forms or Schedules	All	No	<ul style="list-style-type: none"> • If requesting current year forms: <ol style="list-style-type: none"> 1. Prepare Form 4190. 2. Forward to National Distribution Center for processing. • If requesting prior year forms: <ol style="list-style-type: none"> 1. Prepare Form 6112. 2. Send to National Distribution Center for processing. <p>Note: Use the write-in sections of Form 4190 and Form 6112 for all BMF forms and schedule requests.</p>

Exhibit 3.11.16-17 (Cont. 7) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Request for Information or Inquiries	All	Yes	<ol style="list-style-type: none"> 1. Photocopy any data necessary to process the return. 2. Attach the photocopy to the return. 3. Route original attachment to the proper office for necessary action.
Request for Adjustment to Another Document	All	Yes	Route to right function. Attachment must have Name, Address, EIN, and received date. Edit if missing.
Request for Money Transfer	All	No/Yes	<ul style="list-style-type: none"> • No - Taxpayer notates transfer of money TO the tax return being processed: <ol style="list-style-type: none"> 1. Prepare Form 3465, Adjustment Request and: <ol style="list-style-type: none"> a. Indicate in the "Routing" box "Rejects." b. Notate "See attached money transfer request" in the "Remarks" box. 2. Edit Action Code "450" to route the request to Rejects for Form 1120, Form 1120-C, Form 1120-F, Form 1120-H, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC. All others edit CCC "U." • Yes - Taxpayer notates transfer of money FROM the tax return being processed: <ol style="list-style-type: none"> 1. Edit CCC "X" to freeze overpayment. 2. Detach transfer request. 3. Prepare Form 3465 and: <ol style="list-style-type: none"> a. Indicate in the "Routing" box "Adjustments." b. Notate the requested action in the "Remarks" box. 4. Attach Form 3465 to the request and route to Accounts Management. 5. Continue editing the return.

Exhibit 3.11.16-17 (Cont. 8) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
State Tax Returns Original or copy with an original signature	All	Yes	Route to Receipt and Control (R&C).
State Tax Returns Photocopy, facsimile or no signature	All	No	Leave attached.
Indication of FINAL return	All	No	Enter CCC "F." See IRM 3.11.16.9.1.6, CCC "F" - Final Return.
NOTICES - Payment Agreement or Disagreement with notice amount	All		Follow local Submission Processing Center procedures. May involve inputting a STAUP and routing attachment to another function.
Form SS-4 , Application for Employer ID Number	All	Original - Yes Copy - No	<ul style="list-style-type: none"> • Original: Route to Entity. • Copy: No action required.
Schedule D, Form 1120	1120 1120-H 1120-REIT 1120-RIC	No	Form 1120 <ul style="list-style-type: none"> • Perfect necessary lines. • Place in sequence order. See IRM 3.11.16.11.4.7, Line 8 - Capital Gain and IRM 3.11.16.14, Schedule D - Capital Gains and losses. Form 1120-H, Form 1120-REIT and Form 1120-RIC See IRM 3.11.16.11.4.7, Line 8 - Capital Gain.
Schedule F (Form 1040) , Profit or Loss From Farming	1120	No	Transfer data to Form 1120. See IRM 3.11.16.11.4.10, Line 11 - Total Income and IRM 3.11.16.11.5.16, Line 27 - Total Deductions See Exhibit 3.11.16-18, Schedule F Transfer Lines.

Exhibit 3.11.16-17 (Cont. 9) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Schedule M-3 (Form 1120), Net Income (Loss) Reconciliation for Corporations With Total Assets of \$10 Million or More	1120	No	<ul style="list-style-type: none"> Edit CCC "B." Audit Code "2," "7" and/or "8" may be required. See IRM 3.11.16.9.1.2, CCC "B" - Schedule M-3 and IRM 3.11.16.10.1, Audit Codes. Form 1120-PC: <ul style="list-style-type: none"> Edit CCC "B." Audit Code "2" may be required. See IRM 3.11.16.9.1.2, CCC "B" - Schedule M-3 and IRM 3.11.16.10.1, Audit Codes. Forms 1120-C, 1120-F and 1120-L: Edit CCC "B." See IRM 3.11.16.9.1.2, CCC "B" - Schedule M-3. All Others: No action required.
Schedule N (Form 1120), Foreign Operations of U.S. Corporations	1120 1120-C 1120-L 1120-PC 1120-REIT 1120-RIC	No	<ul style="list-style-type: none"> Editing may be required. See IRM 3.11.16.11.37, Schedule N (Form 1120) - Foreign Operations of U.S. Corporations. Edit Audit Code "2" if Questions 1a, 3, 4a (2019 and prior revisions), 5 or 7a are checked "Yes." See IRM 3.11.16.10.1, Audit Codes All Others: No action required.
Schedule O (Form 1120), Consent Plan and Apportionment Schedule for a Controlled Group	1120 1120-C 1120-REIT 1120-RIC	No	Follow the instructions below for tax periods 201811 and prior only: <ol style="list-style-type: none"> Possible Controlled Group Code. IRM 3.11.16.11.11, Schedule J, Page 3 - Controlled Group Code / Personal Service Corporation Code / Tax Computation. Editing may be required. IRM 3.11.16.11.38, Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for a Controlled Group All Others: No action required.

Exhibit 3.11.16-17 (Cont. 10) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Schedule PH (Form 1120), U.S. Personal Holding Company Tax	1120 1120-RIC 1120-REIT	No	Edit ABLM Code "001." See IRM 3.11.16.9.3, ABLM Code and Schedule M-3 Checkbox. All Others: No action required.
Schedule UTP (Form 1120), Uncertain Tax Position Statement	1120 1120-F 1120-L 1120-PC	No	<ul style="list-style-type: none"> • This is a high priority form. • Edit CCC "Z" if attached and not blank. • IRM 3.11.16.9.1.26, CCC "Z" Form 1120, (Schedule UTP), Uncertain Tax Position Statement.)
Form T (Timber), Forest Activities Schedule	All	No	No action required.
Form 56, Notice concerning Fiduciary Relationship	All	Yes	<ol style="list-style-type: none"> 1. Edit received date. 2. Route to Entity Control.
Form 433-B, Collection Information Statement for Businesses	All	Yes	Route as follows: <ul style="list-style-type: none"> • Ogden - Route to Collections. • Kansas City - Route to Mail Stop P4 5000.
Form 433-D, Installment Agreement	All	Yes Parts 1, 2 or 3	Route as follows: <ul style="list-style-type: none"> • Ogden - Route to Collections. • Kansas City - Mail Stop P4 5000. • If present, leave Parts 2 and/or 3 attached to Part 1 when routing.

Exhibit 3.11.16-17 (Cont. 11) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 637, Application for Registration (For Certain Excise Tax Activities)	All	Yes/No	<ul style="list-style-type: none"> Yes: TC 150 has not posted to the tax module: <ol style="list-style-type: none"> Edit received date. Route to: Department of the Treasury Internal Revenue Service Excise Operations Unit - Form 637 , Mail Stop 5701G. Cincinnati, Ohio 45999. No: TC 150 has posted to the tax module: <ol style="list-style-type: none"> Route Form 637 and return to: Department of the Treasury Internal Revenue Service Excise Operations Unit - Form 637 , Mail Stop 5701G. Cincinnati, Ohio 45999
Form 843, Claim for Refund and Request for Abatement	All	Yes	<ol style="list-style-type: none"> Edit received date. Route to Accounts Management.
Form 851, Affiliations Schedule	1120	No	<ul style="list-style-type: none"> Edit ABLM Code "010." See IRM 3.11.16.9.3, ABLM Code and Schedule M-3 Checkbox. Input TC "590" with Closing Code "014." See IRM 3.11.16.28.3, Form 851 - Affiliations Schedule. <p>Forms 1120-C, 1120-L and 1120-PC Input TC "590" with Closing Code "014." See IRM 3.11.16.28.3, Form 851 - Affiliations Schedule.</p> <p>All Others: No action required.</p>
Form 872, Consent to Extend Statute of Limitations	990-C	Original Yes, if not signed by the Area Director - Copy - No	<p>Original that is not signed by the Area Director - Detach and route to KCSPC.</p> <p>Copy Do not detach. No action required.</p>

Exhibit 3.11.16-17 (Cont. 12) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 911 , Request for Taxpayer Advocate Service Assistance (Prior year revision dated 3-2000), Application for Taxpayer Assistance Order (TAO) Taxpayer's Application for Relief from Hardship	All	Yes	Send to Taxpayer Advocate Service (TAS).
Form 926 , Return by Transferor of Property to a foreign Corp., Foreign Estate or Trust or Foreign Partnership	1120 1120-PC 1120-REIT 1120-RIC	No	Edit Audit Code "2." See IRM 3.11.16.10.1, Audit codes. All Others: No action required.
Form 965 , Inclusion of Deferred Foreign Income Upon Transition to Participation Exemption System	1120 1120-C 1120-L 1120-PC 1120-REIT 1120-RIC	No	Edit CCC "J" and Action Code "460" on the return and continue processing. Do not issue correspondence on the return. ERS will correspond for any missing information. See IRM 3.11.16.2.12, Section 965 Returns (201712 through 202012).
Form 965 , <ul style="list-style-type: none"> Schedule A Schedule B Schedule C Schedule D Schedule E Schedule F Schedule G Schedule H 	1120 1120-C 1120-L 1120-PC 1120-REIT 1120-RIC	No	For Tax Periods 201712 through 202012, edit CCC "J" and Action Code "460" on the return and continue processing. Do not issue correspondence on the return. ERS will correspond for any missing information. See IRM 3.11.16.2.12, Section 965 Returns (201712 through 202012).

Exhibit 3.11.16-17 (Cont. 13) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 965-B , Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts	1120 1120-L 1120-PC 1120-REIT 1120-RIC	No	Form 1120, Form 1120-L, Form 1120-PC, Form 1120-RIC: See IRM 3.11.16.21, Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts. Form 1120-REIT : See IRM 3.11.16.39.38, Form 965-B - Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts. All Others: No Action Required.
Form 966 , Dissolution Indicator	All	No	Possible CCC "F." See IRM 3.11.16.9.1.6, CCC "F" - Final return.
Form 1042 , Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	All	Yes	<ul style="list-style-type: none"> • KSPC - Route to OSPC. • OSPC - Route to Receipt and Control.
Form 1042-S , Foreign Person's US Source Income Subject to Withholding	All	No	<ul style="list-style-type: none"> • Form 1120: See IRM 3.11.16.11.6.5, FIRPTA, Form 1042-S , Form 8805 , and Form 8288-A Credits. • Form 1120-F: See IRM 3.11.16.33.16, Line 5i - U.S. Income Tax Paid or Withheld at Source. • Form 1120-FSC: IRM 3.11.16.34.18, Tax Data Perfection, Page 1 - Tax and Payments. • Form 1120-L: See IRM 3.11.16.36.14, Tax and Payments. • All Others: No Action Required.
Form 1096 , Annual Summary and Transmittal Returns of U.S. Information	All	Yes	Route to Receipt and Control.
Form 1099 , Information Return of Income and Payments (Copy A only)	All	Yes	Route to Receipt and Control.

Exhibit 3.11.16-17 (Cont. 14) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 1116 , Foreign Tax Credit (Individual, Fiduciary or Nonresident Alien Individual)	1120 1120-L 1120-PC 1120-REIT 1120-RIC	No	Form 1120 <ul style="list-style-type: none"> Edit Audit Code “2” if foreign tax Edit Audit Code “7” if foreign tax See IRM 3.11.16.10.1, Audit codes. Forms 1120-L, 1120-PC, 1120-REIT and 1120-RIC: Edit Audit Code “2” if foreign tax credit on See IRM 3.11.16.10.1, Audit codes.
Form 1118 , Computation of Foreign Tax Credit (Corporations)	1120 1120-C 1120-F 1120-FSC 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	Form 1120: <ul style="list-style-type: none"> See IRM 3.11.16.11.14.1, Schedule J, Line 5a - Form 1118, Foreign Tax Credit Form 1120-C: <ul style="list-style-type: none"> See IRM 3.11.16.32.21, Schedule J, Lines 2 through 8 Form 1120-F: <ul style="list-style-type: none"> See IRM 3.11.16.33.27, Page 5, Schedule J - Tax Computation Tax Preference Code Form 1120-FSC: <ul style="list-style-type: none"> See IRM 3.11.16.34.21, Schedule J, Page 5, Tax Preference Code and Foreign Tax Credit Form 1120-H: <ul style="list-style-type: none"> See IRM 3.11.16.35.12, Tax and Payments - Lines 21 through 26 Form 1120-L: <ul style="list-style-type: none"> See IRM 3.11.16.36.19, Schedule K, Lines 5a through 9 Form 1120-PC: <ul style="list-style-type: none"> See IRM 3.11.16.38.16, Lines 8a through 12 1120-REIT: <ul style="list-style-type: none"> See IRM 3.11.16.39.19, Schedule J, Line 3a - Foreign Tax Credit, Form 1118 1120-RIC: <ul style="list-style-type: none"> See IRM 3.11.16.40.19, Schedule J, Line 3a - Form 1118

#

Exhibit 3.11.16-17 (Cont. 15) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 1120-POL , 501(c) U.S. Income Tax Return for Certain Political Organizations	All	Yes	Route to OSPC.
Form 1120-X , Amended U.S. Corporation Income Tax Return	All	No	Route the entire return to Accounts Management.
Form 1122 , Authorization and Consent of Subsidiary Corporation to be Included in a Consolidated Income Tax Return	1120	No	<ul style="list-style-type: none"> Edit ABLM Code "010." See IRM 3.11.16.9.3, ABLM Code and Schedule M-3 Checkbox. Correspond for Form 851 if not present. See IRM 3.11.16.28.3, Form 851 - Affiliations Schedule and IRM 3.11.16.28.4, Form 1122 - Authorization and Consent of Subsidiary Corporation to be Included in a Consolidated Income Tax Return. <p>All Others: No action required.</p>
Form 1125-A, Cost of Goods Sold	All	No	See IRM 3.11.16.11.4.2, Line 2 - Cost of Goods Sold and IRM 3.11.16.18 Form 1125-A - Cost of Goods Sold.
Form 1128 , Application to Adopt, Change or Retain a Tax Year	All		<ul style="list-style-type: none"> APPROVED - See IRM 3.11.16.7.4, Short Period - Editing Proof of Entitlement. NOT APPROVED. See IRM 3.11.16.7.6, Short Period Returns - Editing a Disapproved Application (Form 1128). NO INDICATION of Approval or Disapproval. See IRM 3.11.16.7.7, Short Period Returns - Editing Form 1128 With no Indication of Approval or Disapproval.

Exhibit 3.11.16-17 (Cont. 16) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 1138, Extension of Time for Payment of Taxes by a Corporation Expecting a Net Loss Carryback	All	Yes	<ol style="list-style-type: none"> Edit received date and route to Accounts Management. Disallow the credit if included on Form 1120, Schedule J, Line 17 (Line 16 2017-2010). <ul style="list-style-type: none"> IRM 3.11.16.11.21.3, Schedule J, Part III, Line 17 - Tax Deposited with Form 7004.
Form 1139, Corporation Application for Tentative Refund	1120		<ul style="list-style-type: none"> Form 1139 is attached to a complete Form 1120 (Pages 1 - 5): <ol style="list-style-type: none"> TC 150 Posted: Attach Form 1139 to the front of Form 1120 and route to Image Control Team (ICT). TC 150 Not Posted: Attach Form 1139 to a copy of Form 1120, Page 1 and route to Image Control Team (ICT). Form 1139 is attached to Form 1120, Page 1 or Pages 1 and 2 only: <ol style="list-style-type: none"> Attach Form 1139 to the front of Form 1120 and route to Image Control Team (ICT). <p>Note: If multiple tax periods are present, route with one Form 1139.</p>
Form 2220, Underpayment of Estimated Tax by Corporations	1120 Series Exception: Form 1120-H, Reserve Code "4" does not apply.	No	<ul style="list-style-type: none"> Conditions may require editing CCC "8" and/or Reserve Code "4." See IRM 3.11.16.9.1.33, CCC "8" - Waiver of Estimated Tax Penalty and IRM 3.11.16.10.3, Reserve Code. May need to edit Line 38, Form 2220 to right Estimated Tax Penalty line on the return if no entry is present. See IRM 3.11.16.11.6.6, Line 34 - Estimated Tax Penalty.
Form 2438, Undistributed Capital Gains Tax Return	All	No	No action required.

Exhibit 3.11.16-17 (Cont. 17) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains	1120 1120-C 1120-F 1120-H 1120-L 1120-REIT 1120-RIC	No	<ul style="list-style-type: none"> • Form 1120, See IRM 3.11.16.11.21.6, Schedule J, Part II, Line 20a - Regulated Investment Co. Credit, Form 2439 • Form 1120-C, See IRM 3.11.16.32.16, Tax and Payments - Lines 27 through 34. • Form 1120-F, See IRM 3.11.16.33.15, Lines 1 through 5h - Computation of Tax Due or Overpayment. • Form 1120-H, See IRM 3.11.16.35.12, Tax and Payments - Lines 21 through 26 • Form 1120-L, See IRM 3.11.16.36.14, Tax and Payments. • Form 1120-REIT, See IRM 3.11.16.39.15, Tax Computation - Lines 23 through 28. • Form 1120-RIC, See IRM 3.11.16.40.16, Page 2 - Tax and Payments, Lines 27 through 33.
Form 2553, Election by a Small Business Corporation	All	Yes/No	<ul style="list-style-type: none"> • Yes: a. Original - Route to Entity. • NO: a. Copy - No action required.
Form 2848, Power of Attorney and Declaration of Representative	All	Yes/No	<p>Route as follows:</p> <ul style="list-style-type: none"> • Yes: <ol style="list-style-type: none"> a. Ogden - route to Stop 6737. b. Kansas City - route to: Internal Revenue Service 5333 Getwell Road Mail Stop 8423 Memphis, TN 38118. • NO: <ol style="list-style-type: none"> a. No action is required if a General Power of Attorney, Durable Power of Attorney, or Tax Information Authorization is submitted on any document other than Form 2848 or Form 8821.

Exhibit 3.11.16-17 (Cont. 18) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 3115 , Application for Change in Accounting Method	All	No	Form 1120: Edit Audit Code "6." See IRM 3.11.16.10.1, Audit codes. All: <ul style="list-style-type: none"> Original stays with the return. If a copy of the original is present, route the copy to: CC:PA:LPD:DRU Ben Franklin Station P.O. Box 7604 Washington, DC 20044. For Private Delivery Carriers: Internal Revenue Service Attn: CC:PA:LPD:DRU Room 5336 1111 Constitution Ave., NW Washington, DC 20224. Duplicate Form 3115 attached to a subsidiary should also be pulled and routed to the address above. Original stays with return.
Form 3468 , Computation of Investment Credit	1120 1120-F	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 3520 , U.S. Information Return - Creation of or Transfers to Certain Foreign Trusts Form 3520-A , Annual Return of Foreign Trust with U.S. Beneficiaries	All	Original - Yes Copy - No	Original: All Forms: Edit Audit Code "2." Route to OSPC. Copy: Forms 1120, 1120-L, 1120-PC, 1120-REIT and 1120-RIC: Edit Audit Code "2." See IRM 3.11.16.10.1, Audit codes. All Others: No action required.
Form 3753 , Manual Refund Posting Voucher	All	No	Possible CCC "O." See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.

Exhibit 3.11.16-17 (Cont. 19) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 3800 , General Business Credit	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	Place in sequence order. See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 3949 , Information Report Referral	All	Yes	<ul style="list-style-type: none"> Route Form 3949 according to page 2 of Form 3949 to CI, Exam, Disclosure, etc., following local procedures. Continue processing the return.
Form 3949-A , Information Referral	All	Yes	Route as follows: Ogden - <ul style="list-style-type: none"> Route Form 3949-A to Receipt & Control. Continue processing the return. Kansas City - <ul style="list-style-type: none"> Route Form 3949-A to Ogden Service Center. Continue processing the return.
Form 4136 , Credit for Federal Tax Paid on Fuel	1120 1120-C 1120-F 1120-FSC 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	Perfect necessary lines. Place Form 4136 in sequence order. See IRM 3.11.16.19, Form 4136 - Credit for Federal Tax Paid on Fuels. Forms 1120-SF and 1120-ND: No action required.
Form 4255 , Recapture of Investment Credit	1120 1120-C 1120-RIC 1120-REIT	No	Edit Line 20 of Form 4255 to Schedule J, Line 9a if blank. See IRM 3.11.16.11.18.1, Schedule J, Line 9a - Recapture of Investment Credit (Form 4255).
Form 4466 , Corporation Application for Quick Refund of Overpayment of Estimated Tax	All	No	No action required.
Form 4571 , Explanation for Filing Late or Paying Tax Late	All	No	No action required.

Exhibit 3.11.16-17 (Cont. 20) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 4626 , Alternative Minimum Tax (2023 Revision)	1120 1120-C 1120-F 1120-L 1120-PC	No	Sequence Form 4626 if transcription lines are present. See IRM 3.11.16.13, Form 4626 - Corporate Alternative Minimum Tax (CAMT) (Tax Period 202301 and later).
Form 4626 , Form 4626 - Alternative Minimum Tax (Tax Period 201811 and prior)	All	No	Follow the instructions below for tax periods 201811 and prior only: <ul style="list-style-type: none"> If more than one Form 4626, compute totals and edit to form. Perfect transcription lines. See IRM 3.11.16.13.1, Form 4626 - Alternative Minimum Tax (Tax Period 201811 and prior). Forms 1120-F, 1120-FSC, 1120-L, 1120-PC: Possible Tax Preference Code "1." See IRM 3.11.16.33.27, Page 5, Schedule J - Tax Computation Tax Preference Code and Page 5, Schedule J - Lines 3, 5a, 5b, 5c, 5d and 8. (1120-F), See IRM 3.11.16.34.21, Schedule J, Page 5, Tax Preference Code and Foreign Tax Credit. (1120-FSC), See IRM 3.11.16.36.18, Schedule K, Line 3 - Alternative Minimum Tax. (1120-L) See IRM 3.11.16.38.14, Line 6 - Tax Preference Code (1120-PC) , IRM 3.11.16.39.35, Form 4626 - Alternative Minimum Tax Forms 1120-H, 1120-ND, 1120-SF: No action required
Form 4684 , Casualties and Thefts	1120 Series	No	See IRM 3.11.16.11.4.8, Line 9 - Net Gain or Loss from Form 4797.
Form 4797 , Sales of Business Property	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-RIC 1120-REIT	No	Support for Form 1120, Line 9 (or applicable line on other corporate returns). See IRM 3.11.16.11.4.8, Line 9 - Net Gain or Loss from Form 4797. See IRM 3.11.16.15, Form 4797 - Sales of Business Property (Form 1120 Only) Forms 1120-FSC, 1120-ND, 1120-SF: No action required

Exhibit 3.11.16-17 (Cont. 21) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 4810, Prompt Assessment	All	Yes/No	<p>Yes: TC 150 Not Posted: Unnumbered and Numbered - Route a copy of the return and original Form 4810 to the Examination Function. Process the original return. See IRM 3.11.16.3.11, Prompt Assessment (Form 4810)/Prompt Determination.</p> <p>No: TC 150 Posted: Unnumbered - Route Form 4810 and return to the Examination Function.</p> <p>Numbered - Edit Action Code "370." See IRM 3.11.16.3.11, Prompt Assessment (Form 4810) / Prompt Determination.</p>
Form 4848, Annual Employer's Return for Employee's Pension or Profit Sharing Plan	All	Yes	Route to Files.
Form 5471, Information Return of U.S. Persons With Respect to a Certain Foreign Corporation (Including 5471 Schedules J, M, N and O)	1120 1120-L 1120-PC 1120-REIT 1120-RIC	No	<p>Edit Audit Code "2." See IRM 3.11.16.10.1, Audit codes.</p> <p>(Form 1120, Form 1120-PC, Form 1120-REIT, Form 1120-RIC, Form 1120-L: Edit the Number of Forms 5471 to Line 4b, Schedule N if blank. Dummy a Schedule N if not present and edit the number of Forms 5471 to Line 4b. See IRM 3.11.16.11.37.4, Schedule N, Line 4 - Form 5471 , Controlled Foreign Corporation.</p> <p>All Others: No action required.</p>
Form 5471, Schedule E, Income, War Profits, and Excess Profits Taxes Paid or Accrued,	1120 1120-F	No	Edit RPC "A." See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 5471, Schedule G-1, Cost Sharing Arrangement,	1120 1120-C 1120-L 1120-PC 1120-REIT 1120-RIC	No	Edit RPC G. See IRM 3.11.16.9.2, Return Processing Code (RPC).

Exhibit 3.11.16-17 (Cont. 22) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 5471 , Schedule H, Current Earnings and Profits,	1120 1120-F	No	Edit RPC "B." See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 5471 , Schedule I-1, Information for Global Intangible Low-Taxed Income,	1120 1120-F	No	Edit RPC "C." See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 5471 , Schedule P, Previously Taxed Earnings and Profits of U.S. Shareholder of Certain Foreign Corporations,	1120 1120-F	No	Edit RPC "D." See IRM 3.11.16.9.2, Return Processing Code (RPC).

Exhibit 3.11.16-17 (Cont. 23) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business (Under Sections 6038A and 6038C of the Internal Revenue Code)	1120 1120-C 1120-F 1120-FSC 1120-L 1120-PC 1120-REIT 1120-RIC	No	Form 1120: <ul style="list-style-type: none"> Audit Code "2." See IRM 3.11.16.10.1, Audit codes. Possible RPC Code "H." See IRM 3.11.16.9.2, Return Processing Code (RPC). See IRM 3.11.16.11.25, Schedule K, Line 7c - Number of Form 5472. See IRM 3.11.16.11, Return Processing - Form 1120. 1120-C: <ul style="list-style-type: none"> See IRM 3.11.16.32.24, Schedule K, Line 8c - Number Form 5472(s) Form 1120-F <ul style="list-style-type: none"> Possible RPC Code "H." See IRM 3.11.16.9.2, Return Processing Code (RPC). See IRM 3.11.16.33.22, Page 2, Line M - Number of Forms 5472 for editing of Line M. Form 1120-FSC: <ul style="list-style-type: none"> Audit Code "2." See IRM 3.11.16.10.1, Audit codes. Form 1120-L: <ul style="list-style-type: none"> Audit Code "2." See IRM 3.11.16.10.1, Audit codes. See IRM 3.11.16.36.21, Schedule M, Question 6, 8 and 8c Form 1120-PC: <ul style="list-style-type: none"> Audit Code "2." See IRM 3.11.16.10.1, Audit codes. See IRM 3.11.16.38.23, Schedule I, Line 6c - Number of Forms 5472. Form 1120-REIT: <ul style="list-style-type: none"> Audit Code "2." See IRM 3.11.16.10.1, Audit codes. See IRM 3.11.16.39.26, Schedule K, Line 5b and Line 5c. 1120-RIC <ul style="list-style-type: none"> Audit Code "2." See IRM 3.11.16.10.1, Audit codes. See IRM 3.11.16.40.28, Schedule K, Line 5(b)(2). Forms 1120-SF, 1120-H and 1120-ND: No action required.

Exhibit 3.11.16-17 (Cont. 24) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 5500 , Annual Return/Report of Employee Benefit Plan	All	Yes	Route to the right area or Submission Processing Center. Attach Form 4227, Intra-SC Reject or Routing Slip with the following information: <ul style="list-style-type: none"> Type of return, DLN, received date, Notation of either "original" or "substitute" return.
Form 5713 , International Boycott Report	All	No	Keep original and copy attached. Form 1120: Edit Audit Code "2" if both questions on Line 7(f), Form 5713 are answered Yes . Edit Audit Code "7" if both questions on Line 7(f) are not answered Yes . See IRM 3.11.16.10.1, Audit codes . Forms 1120-PC, 1120-REIT, 1120-RIC: Edit Audit Code "2" if both questions on Line 7(f), Form 5713 are answered "Yes." See IRM 3.11.16.10.1, Audit codes . All Others: No action required.
Form 5735 , Revision Date March 2007 - American Samoa Economic Development Credit Revision Date April 2003 - Computation of Posses- sions Corporation Tax Credit Allowed Under Section 936	1120 1120-C 1120-L 1120-PC	No	Supports Schedule J, Line 5b (or applicable line). See IRM 3.11.16.11.14.2, Schedule J, Line 5b - Form 8834 Credit and Form 5735. All Others: No action required.
Form 5792 , Request for IDRS Generated Refund (IGR)	All	No	Possible CCC "O." See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
Form 5884 , Work Opportunity Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 5884-A Employee Retention Credit For 2006 Revision - Credits for Employers Affected by Hurricane Katrina, Wilma, or Rita	All	No	No Action Required.

Exhibit 3.11.16-17 (Cont. 25) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 5884-B, New Hire Retention Credit	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	For 2010 and 2011, place in sequence order if a significant entry is present on Line 10 or 11. For 2012 and later, see IRM 3.11.16.23, Form 5884-B - New Hire Retention Credit.
Form 6252, Installment Sale Income	1120 1120-C 1120-F 1120-FSC 1120-REIT 1120-RIC	No	Form 1120: Sequence Form 6252 if transcription lines are present. See IRM 3.11.16.25 - Form 6252 - Installment Sale Income. Edit Installment Sale Indicator Code. See IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252). Form 1120-C, Form 1120-F, Form 1120-FSC, Form 1120-REIT, Form 1120-RIC: Edit Installment Sale Indicator Code. See IRM 3.11.16.10.4, Installment Sale Indicator (Form 6252). All Others: No action required.
Form 6478, Biofuel Producer Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 6765, Credit for Increasing Research Activities	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 6781, Gains and Losses from Section 1256 Contracts and Straddles	All	No	Form 1120, 1120-C, 1120-F, 1120-L, 1120-PC: Edit CCC "I." See IRM 3.11.16.9.1.9, CCC - "I" Form 6781, Gains and Losses from Section 1256 Contracts and Straddles. Forms 1120-FSC, 1120-H, 1120-ND, 1120-REIT, 1120-RIC, 1120-SF: No action required.
Form 7004, Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns	All	Yes/No	Yes: If Form 7004 is for other than the tax return or tax period being filed, route to Receipt and Control. No: If Form 7004 is for the tax return being filed.

Exhibit 3.11.16-17 (Cont. 26) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 7204 , Consent To Extend the Time To Assess Tax Related To Contested Foreign Income Taxes—Provisional Foreign Tax Credit Agreement.	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	Edit RPC L . See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 7205 , Energy Efficient Commercial Buildings Deduction.	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	Edit RPC M . See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 7207 . Advanced Manufacturing Production Credit.	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 7208 , Excise Tax on Recapture of Corporate Stock	All	No	No Action Required
Form 8023 , Elections Under Section 338 for Corporations Making Qualified Stock Purchases.	1120 Series	No	Possible indication of Proof of Entitlement for a Short Period. See IRM 3.11.16.7.4, Short Period - Editing Proof of Entitlement.
Form 8027 , Employer's Annual Information Return of Tip Income and Allocated Tips Form 8027-T , Transmittal for Form 8027	All	Yes	Route to Ogden Submission Processing Center.

Exhibit 3.11.16-17 (Cont. 27) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8050 , Direct Deposit of Corporate Tax Refund	1120	No	Place in page order if entries are present, and continue processing. See IRM 3.11.16.11.1, Sequence - Form 1120. All Others: No action required.
Form 8082 , Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)	1120-C 1120-H 1120-ND	No	No action required. All Others: Edit Audit Code "1." See IRM 3.11.16.10.1, Audit codes.
Form 8275 , Disclosure Statement Form 8275-R , Regulated Disclosure Statement	1120-C 1120-H 1120-ND	No	No action required. All Others: Edit Audit Code "1." See IRM 3.11.16.10.1, Audit codes.
Form 8283 , Non-Cash Charitable Contribution	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.10.1, Audit codes.
Form 8288 , U.S. Withholding Tax Return for Disposition by Foreign Persons of U.S. Real Property Interests	All	Original - Yes/Copy - No	Original: Ogden - Route to C&E Foreign/FIRPTA Team. Kansas City- Route to OSPC. Copy: No action required.
Form 8288-A , Statement of Withholding on Certain Dispositions by Foreign Persons	All	No	Ogden - Route to C&E Foreign/FIRPTA Team. See IRM 3.11.16.11.6.5, FIRPTA, Form 1042-S, Form 8805, and Form 8288-A Credits. Kansas City - Route to OSPC.
Form 8288-B , Application for Withholding Certificate for Dispositions by Foreign Persons of U.S. Real Property Interests	All	Original - Yes/Copy - No	Original - Ogden - Route to C&E Foreign/FIRPTA Team. Kansas City- Route to OSPC. Copy: No action required.

Exhibit 3.11.16-17 (Cont. 28) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8302 , Direct Deposit of Tax Refund of \$1 Million or More	1120-C 1120-F 1120-FSC 1120-H 1120-L 1120-ND 1120-PC 1120-REIT 1120-RIC 1120-SF	No	Notate "Form 8302 attached" on Form 4227, Intra-SC Reject or Routing Slip and: - Enter Action Code "341" for Form 1120-C, Form 1120-H, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC. - Enter CCC "U" for all other 1120 series return.
Form 8404 , Interest-Charge on DISC- Related Deferred Tax Liability	All	Yes	KSPC: Route to R&C. OSPC: Route to Kansas City.
Form 8586 , Low-Income Housing Credit	1120 1120-C 1120-REIT 1120-RIC	No	Possible CCC "9." See IRM 3.11.16.9.1.34, CCC "9" - Low-Income Housing Credit
Form 8594 , Asset Acquisition Statement	1120 1120-PC 1120-REIT 1120-RIC	No	Edit Audit Code "3" if Form 8594 has an See IRM 3.11.16.10.1, Audit Codes. Forms 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-L, 1120-ND, 1120-SF: No action required.
Form 8609 , Low-Income Housing Credit Allocation and Certi- fication Form 8609-A , Annual Statement for Low-Income Housing Credit	1120 1120-C 1120-REIT 1120-RIC	No	Edit CCC "9." See IRM 3.11.16.9.1.34, CCC "9" - Low-Income Housing Form.

#

Exhibit 3.11.16-17 (Cont. 29) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8611 , Recapture of Low-Income Housing Credit	1120 1120-C 1120-REIT 1120-RIC	No	Form 8611 and 4255 amounts are included in Other Taxes. See IRM 3.11.16.11.18.2, Form 1120: See IRM 3.11.16.32.21. Form 1120-C: See IRM 3.11.16.39.24 Form 1120-REIT: See IRM 3.11.16.40.25 Form 1120-RIC: Edit CCC "9." See IRM 3.11.16.9.1.34, CCC "9" - Low-Income Housing Form. All Others: Edit CCC "9." See IRM 3.11.16.9.1.34, CCC "9" - Low-Income Housing Form.
Form 8621 , Information Return by a Shareholder of a Passive Foreign Investment Co. or Qualified Electing Fund	1120	No	Edit Audit Code "2" if Part V, Line 15a-16f Edit Audit Code "7" if Part V Line 15a-16f See IRM 3.11.16.10.1, Audit codes. Forms 1120, 1120-L, 1120-PC, 1120-REIT and 1120-RIC: Edit Audit Code "2" if Part V, Line 15a -16f See IRM 3.11.16.10.1, Audit codes. All Others: No action required.
Form 8697(Refund) , Interest Computation Under the Look-Back Method for Completed Long-Term Contracts	All	Yes	Edit tax period and EIN on Form 8697 and route to AM if a refund is shown on Part I, Line 9 or Part II, Line 10 of Form 8697.
Form 8697(Balance Due) , Interest Computation Under the Look-Back Method for Completed Long-Term Contracts	1120	No	Possible CCC "K." See IRM 3.11.16.9.1.11, CCC "K" - Form 8697. Verify the amount owed, Part I, Line 10 or Part II, Line 11 of Form 8697, is included in Other Taxes. See IRM 3.11.16.11.18.3, Schedule J, Line 9c - Interest Computation Under the Look-Back Method for Completed Long-Term Contracts (Form 8697). All Others: No action required.

#

#

#

Exhibit 3.11.16-17 (Cont. 30) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8716, Election to Have A Tax Year Other Than a Required Tax Year	1120 Series	No	If "ACCEPTED," edit CCC "Y." See IRM 3.11.16.9.1.25, CCC "Y" - Short Period Return for Change of Accounting Period and IRM 3.11.16.7.5, Short Period Returns - Missing Proof of Entitlement.
Form 8752, Required Payment of Refund Under Section 7519	All	Yes/No	Kansas City and Ogden: Yes: Original - Route to Receipt and Control. No: Copy - No action required.
Form 8816, Special Loss Account and Special Estimated Tax Payments for Insurance Companies	1120, 1120-L 1120-PC	No	Refer to IRC 847 Deduction instructions if the tax period is 201812 and prior and there are entries on: - Form 1120, Schedule J, Part III Line 14 (Part II, Line 13 2017-2010) . - Form 1120-L, Line 28b (Lines 29b and/or 29d for 2017 and prior). - Form 1120-PC, Line 15b (Lines 14b and/or 14d for 2017 and prior). See IRM 3.11.16.3.10 (The presence of Form 8816 is also a sign of a IRC 847 Deduction.) All Others: No action required.
Form 8820, Orphan Drug Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8821, Tax Information Authorization	All	Yes/No	Route as follows: Ogden - Route to Stop 6737. Kansas City - Route to: Internal Revenue Service 5333 Getwell Road Mail Stop 8423. Note: No action is required if a "General Power of Attorney," "Durable Power of Attorney," or "Tax Information Authorization(TIA) "is submitted on any document other than Form 2848 or Form 8821.

Exhibit 3.11.16-17 (Cont. 31) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8822 , Change of Address, or Form 8822-B , Change of Address or Responsible Party -Business	All	Yes/No	<p>Yes: Route Form 8822 or Form 8822-B to Entity if any of the following applies:</p> <ul style="list-style-type: none"> • Mailing address information is different. • Location address is listed on Form 8822 or Form 8822-B, Line 7. • An entry is listed on Form 8822-B, Lines 8 or 9. <p>No: No action is needed if all the following applies:</p> <ul style="list-style-type: none"> • Mailing address information is the same. • No location address is listed on Form 8822 or Form 8822-B, Line 7. • No entry on Form 8822-B, Lines 8 or 9.
Form 8824 , Like-Kind Exchanges	1120 1120-FSC 1120-SF 1120-ND 1120-REIT	No	<p>Edit CCC "1" if Form 8824 is attached. IRM 3.11.16.9.1.27, CCC "1" - Like-Kind Exchange.</p> <p>All Others: No action required.</p>
Form 8825 , Rental Real Estate Income and Expenses of a Partnership or an S-Corporation	All	No	No action required.
Form 8826 , Disabled Access Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8827 , Credit for Prior Year Minimum Tax - Corporations	All	No	<p>Credit is valid for tax periods 8812 and later.</p> <p>See IRM 3.11.16.11.15.3, Schedule J, Line 5d - Form 8827, Credit for Prior Year Minimum Tax - Corporations.</p>
Form 8830 , Enhanced Oil Recovery Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8832 , Entity Classification Election	1120 1120-PC 1120-REIT 1120-RIC	No	<p>Edit Audit Code "2" if either Box 6(d), (e), or (f) is checked.</p> <p>See IRM 3.11.16.10.1, Audit Codes.</p>

Exhibit 3.11.16-17 (Cont. 32) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8833 , Treaty-Based Return Position Disclosure	1120 1120-C 1120-F 1120-FSC 1120-L 1120-PC 1120-REIT 1120-RIC	No	For Forms 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT and 1120-RIC: Edit CCC "L." See IRM 3.11.16.9.1.12, CCC "L" - Treaty Based Positions. For Forms 1120, 1120-L, 1120-PC, 1120-REIT and 1120-RIC: Edit Audit Code "2." See IRM 3.11.16.10.1, Audit Codes. All Others: No action required.
Form 8834 , Qualified Electric Vehicle Credit	All	No	See IRM 3.11.16.11.14.2, Schedule J, Line 5b - Form 8834 Credit and Form 5735.
Form 8835 , Renewable Electricity Pro- duction Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8842 , Election to Use Different Annualization Periods for Corporate Estimated Tax	All	No	No action required.
Form 8844 , Empowerment Zone Em- ployment Credit	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	Possible line editing on Form 3800. Edit "1 - 1." IRM 3.11.16.11.15.1, Form 8844, Empow- erment Zone Employment Credit. All Others: No action required.
Form 8845 , Indian Employment Credit	All	No	No Action Required.
Form 8846 , Credit for Employer Social Security and Medicare Taxes Paid on Employee Tips	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8858 , Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs)	1120 1120-L 1120-PC 1120-REIT 1120-RIC	No	Edit Audit Code "2." IRM 3.11.16.10.1, Audit Codes. All Others: No action required.

Exhibit 3.11.16-17 (Cont. 33) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8864, Biodiesel, Renewable Diesel or Sustainable Aviation Fuel Mixture Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships	1120 1120-L 1120-PC 1120-REIT 1120-RIC	No	Edit Audit Code "2." See IRM 3.11.16.10.1, Audit Codes Edit the number of Forms 8865 to Line 2 of the Schedule N. Dummy a Schedule N if not present and edit the number of Forms 8865 to Line 2, Schedule N. See IRM 3.11.16.11.37.2, Schedule N, Line 2 - Number of Forms 8865. All Others: No action required.
Form 8865, Schedule G, Statement of Application for the Gain Deferral Method Under Section 721(c)	All	No	Edit RPC "E." See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)	All	No	Edit RPC "F." See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 8866 (Refund), Interest Computation Under the Look-Back Method for Property Depreciated Under the Income Forecast Method	All	Yes	Edit tax period and EIN on Form 8866 and route to AM if a refund is shown on Line 9, Form 8866.
Form 8866 (Balance Due), Interest Computation Under the Look-Back Method for Property Depreciated Under the Income Forecast Method	All	No	If an amount is present on Form 8866, Line 10, edit the amount to Form 1120, Schedule J, Line 9d.

Exhibit 3.11.16-17 (Cont. 34) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8869 , Qualified Subchapter S Subsidiary Election	All	Original Yes Copy No	Original Detach Route to Entity Copy If a copy is present or Form 8869 is stamped IRS Accepted, IRS Approved , (or similar language), then no action required.
Form 8870 , Information Return for Transfers Associated with Certain Personal Benefit Contracts	All	Yes	Route to: EO Entity IRS Ogden Campus Mail Stop 6273.
Form 8871 , Political Organization Notice of Section 527 Status	All	Yes	Route to Receipt and Control to be re-batched.
Form 8872 , Political Organization Report of Contributions and Expenditures	All	Yes	Route to Receipt and Control to be re-batched.
Form 8873 , Extraterritorial Income Exclusion	ALL	No	Forms 1120, 1120-C, 1120-L, 1120-PC, 1120-REIT and 1120-RIC , See IRM 3.11.16.11.37.9, Form 8873 - Extraterritorial Income Exclusion, for Schedule N editing. See IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion, for TC 971 input. See IRM 3.11.16.10.1, Audit Codes. All Others: See IRM 3.11.16.12, Form 8873 - Extraterritorial Income Exclusion for TC 971 input.
Form 8874 , New Markets Tax Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8875 , Taxable REIT Subsidiary Election	All	Yes/No	KSPC and OSPC: Yes: Original - Route to OSPC BMF Entity - Mail Stop 6273. No: Copy - No action required.

Exhibit 3.11.16-17 (Cont. 35) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8881 , Credit for Small Employer Pension Plan Startup Costs, Auto-Enrollment, and Military Spouse Retirement Plan	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8882 , Credit for Employer-Provided Child Care Facilities and Services	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8883 , Asset Allocation Statement Under Section 338	1120 1120-C 1120-F 1120-FSC 1120-L 1120-PC 1120-REIT 1120-RIC	No	Forms 1120, 1120-PC, Form 1120-REIT and 1120-RIC: Edit CCC "S" if Form 8883 is attached. Edit Audit Code "3" if Form 8883 is See IRM 3.11.16.10.1, Audit Codes and See IRM 3.11.16.9.1.19, CCC "S" - Form 8883, Asset Allocation Statement. All Others: No action required.
Form 8886 , Reportable Transaction Disclosure Statement	All	No	Edit CCC "T" and Edit Audit Code "1." See IRM 3.11.16.9.1.20, CCC "T" Form 8886 , Reportable Transaction Disclosure Statement and IRM 3.11.16.10.1, Audit Codes.
Form 8896 , Low Sulfur Diesel Fuel Production Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8900 , Qualified Railroad Track Maintenance Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

#

Exhibit 3.11.16-17 (Cont. 36) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8902, Alternative Tax on Qualified Shipping Activities	1120 1120-PC 1120-REIT 1120-RIC	No	Edit Audit Code "2." See IRM 3.11.16.10.1, Audit Codes. Forms 1120, 1120-C and 1120-F Support for Schedule J, Line 9e (or equivalent line). Edit the tax from Line 30 to Schedule J, Line 9e (or equivalent line) if not already entered. All Others: No action required.
Form 8903, Domestic Production Activities Deduction	1120	No	Support for Line 25, Form 1120. Delete the deduction if the tax period beginning date is before 01/01/2005. See IRM 3.11.16.11.5.14, Line 25 - Reserved for Future Use. All Others: No action required.
Form 8904, Credit for Oil and Gas Production from Marginal Wells	1120	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit .
Form 8906, Distilled Spirits Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8907, Nonconventional Source Fuel Credit	All	No	No Action Required.
Form 8908, Energy Efficient Home Credit	All	No	No Action Required.
Form 8909, Energy Efficient Appliance Credit	All	No	No Action Required.
Form 8910, Alternative Motor Vehicle Credit	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

Exhibit 3.11.16-17 (Cont. 37) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8911 , Alternative Fuel Vehicle Refueling Property Credit	All	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8912 , Credit to Holders of Tax Credit Bonds	All	No	See IRM 3.11.16.11.15.4, Schedule J, Line 5e - Form 8912, Credit to Holders of Tax Credit Bonds.
Form 8923 , Mine Rescue Team Training Credit	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	No Action Required.
Form 8931 , Agricultural Chemicals Security Credit	1120 1120-F	No	No Action Required.
Form 8932 , Credit for Employer Differential Wage Payments	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8933 , Carbon Oxide Sequestra- tion Credit	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8936 , Qualified Plug-in Electric Drive Motor Vehicle Credit (Including Qualified Two- Wheeled Plug-In Electric Vehicles)	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.

Exhibit 3.11.16-17 (Cont. 38) (01-01-2024)

◆ Routing Guide for Attachments ◆

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8936-A , Qualified Commercial Clean Vehicle Credit.	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.11.15, Schedule J, Line 5c - General Business Credit.
Form 8936, Schedule A	1120 1120-C		See IRM 3.11.16.27, Form 8936, Schedule A, Clean Vehicle Credits.
Form 8938 , Statement of Specified Foreign Financial Assets	1120	No	Edit CCC "2" if attached. See IRM 3.11.16.11.37.10, Schedule N, Line 8 - Form 8938, Statement of Specified Foreign Financial Assets All Others: No action required.
Form 8941 , Credit for Small Employer Health Insurance Premiums	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	Place in sequence order if significant entries are present. See IRM 3.11.16.22, Form 8941 - Credit for Small Employer Health Insurance Premiums.
Form 8949 , Sales and Other Dispositions of Capital Assets	All	No	Forms 1120, 1120-F, 1120-REIT and 1120-RIC: Sequence Form 8949. See IRM 3.11.16.16 - Form 8949 - Sales and Other Dispositions of Capital Assets. and IRM 3.11.16.9.1.13, CCC "M" - Opportunity Zones. All Others: Possible CCC "M." See IRM 3.11.16.9.1.13, CCC "M" - Opportunity Zones.

Exhibit 3.11.16-17 (Cont. 39) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8978 - Partner's Additional Reporting Year Tax and Form 8978 , Schedule A, Partners Additional Reporting Year Tax (Schedule of Adjustments),	1120 1120-C 1120-F 1120-FSC 1120-H 1120-L 1120-ND 1120-PC 1120-REIT 1120-RIC 1120-SF	No	Sequence Form 8978 on forms: Form 1120 Form 1120-C Form 1120-F Form 1120-H Form 1120-L Form 1120-PC Form 1120-REIT Form 1120-RIC See IRM 3.11.16.20, Partner's Additional Reporting Year Tax. Edit CCC "C" on forms: Form 1120-FSC Form 1120-ND Form 1120-SF See IRM 3.11.16.9.1.3, CCC "C" - Qualified Derivatives Dealers (Form 1120-F) or Partner's Additional Reporting Year Tax (Forms 1120-FSC, 1120-ND or 1120-SF).
Form 8990 , Limitation on Business Interest Expense IRC 163(j)	1120 1120-C 1120-F 1120-L 1120-PC 1120-REIT 1120-RIC	No	Edit RPC "7." See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 8991 , Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts	1120 1120-C 1120-F 1120-L 1120-PC	No	Form 1120: See IRM 3.11.16.11.12, Schedule J, Line 3 - Alternative Minimum Tax or Base Erosion Minimum Tax and IRM 3.11.16.9.2, Return Processing Code (RPC). Form 1120-C: See IRM 3.11.16.32.21, Schedule J, Lines 2 through 8 and IRM 3.11.16.9.2, Return Processing Code (RPC). For Form 1120-F, Form 1120-L and 1120-PC: See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 8992 , U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)	1120 1120-C 1120-L 1120-PC 1120-REIT 1120-RIC	No	Edit RPC "2," See IRM 3.11.16.9.2, Return Processing Code (RPC).

Exhibit 3.11.16-17 (Cont. 40) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8993 , Section 250 Deduction for Foreign-Derived Intangible Income (FDII) and Global Intangible Low-Taxed Income (GILTI)	1120 1120-C 1120-L 1120-PC	No	Edit RPC "3." See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 8994 , Employer Credit for Paid Family and Medical Leave	1120 1120-C 1120-F 1120-H 1120-L 1120-PC 1120-REIT 1120-RIC	No	See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 8996 , Qualified Opportunity Fund	1120 1120-F 1120-REIT 1120-RIC	No	Sequence Form 8996 if significant entries are present. See IRM 3.11.16.17 - Form 8996 - Qualified Opportunity Fund Edit RPC "6." See IRM 3.11.16.9.2, Return Processing Code (RPC). Also See <ul style="list-style-type: none"> Form 1120 - IRM 3.11.16.11.31, Schedule K, Question 25 (Form 8996 - Qualified Opportunity Fund). Form 1120-F - IRM 3.11.16.33.24, Page 3, Question II (Form 8996 - Qualified Opportunity Fund) Form 1120-REIT - IRM 3.11.16.39.29, Schedule K, Question 12 (Qualified Opportunity Fund - Form 8996). Form 1120-RIC - , Form 8996 - Qualified Opportunity Fund. Note: Transcription and RPC editing is different for Form 1120-RIC.

Exhibit 3.11.16-17 (Cont. 41) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 8997 , Initial and Annual Statement of Opportunity Fund (QOF) Investments, is attached.	1120 1120-F 1120-REIT 1120-RIC	No	Form 1120: and Form 1120-F: See IRM 3.11.16.26, Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments. Form 1120-REIT and Form 1120-RIC: See IRM 3.11.16.33.38, Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments. Edit RPC "9." See IRM 3.11.16.9.2, Return Processing Code (RPC).
Form 9358 , Information About Your Tax Return	All	Yes	Route to SC Collections.
Form 9465 , Installment Agreement Request	All	Yes	Route as follows: <ul style="list-style-type: none"> Ogden - Route Form 9465 and any Pre-Assessed Installment Agreement to Collections. Kansas City - Route to Mail Stop P4 5000.
Form 12857 , Refund Transfer Posting Voucher	All	No	Possible CCC "O." See IRM 3.11.16.9.1.15, CCC "O" - Module Freeze.
Form 14039-B , Business Identity Theft Affidavit	All	No	<p>If a specific function is shown by the envelope address or an IRS CP notice or IRS letter, place the Form 14039-B on top and route Form 14039-B and the return to the specific function.</p> <p>If Kansas City or Ogden, receives a Form SS-4, Application for Employer ID Number and Form 14039-B route the returns to: Ogden BMF Entity, Mail Stop 6273.</p> <p>For the following returns:</p> <ul style="list-style-type: none"> Loose Form 14039-B. No correspondence attached (e.g., no IRS CP notice or IRS letter). The envelope is not addressed to a specific function. <p>Place the Form 14039-B on top of the return and route to the local Image Control Team (ICT). Ogden - Mail Stop 6552. Kansas City - Mail Stop C1 6525.</p>

Exhibit 3.11.16-17 (Cont. 42) (01-01-2024)**◆ Routing Guide for Attachments ◆**

Form/Document	Applicable Return	Detach	Descriptions/Actions
Form 14157 , Complaint: Tax Return Preparer	All	Yes	Route to: Attn: Return Preparer Office 401 W. Peachtree Street NW Mail Stop 421-D Atlanta, Georgia 30308.

Exhibit 3.11.16-18 (01-01-2009)
Schedule F - Transfer Lines

DRAFT

SCHEDULE F (Form 1040)

Department of the Treasury
Internal Revenue Service

Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, 1041, or 1065.
Go to www.irs.gov/ScheduleF for instructions and the latest information.

OMB No. 1545-0074
2023
Attachment Sequence No. **14**

Name of proprietor _____ Social security number (SSN) _____

A Principal crop or activity _____ B Enter code from Part IV _____ C Accounting method: _____ D Employer ID number (EIN) (see instr.) _____

E Did you "materially participate" in the business? ☐ Yes ☐ No
 F Did you make any payments to yourself? ☐ Yes ☐ No
 G If "Yes," did you or will you report the payments as wages, salaries, or dividends? ☐ Yes ☐ No

Part I Farm Income—Cash Method. Complete Parts I and II. (Accrual method. Complete Parts II and III, and Part I, line 9.)

1a Sales of purchased livestock and other resale items _____ 1a
 b Cost or other basis of purchased livestock or other items _____ 1b
 c Subtract line 1b from line 1a _____ 1c
 2 Sales of livestock, produce, grains, and other products _____ 2
 3a Cooperative distributions (Form(s) 1099-PATR) _____ 3b
 4a Agricultural program payments (see instructions) _____ 4b
 5a Commodity Credit Corporation (CCC) loans reported under election _____ 5a
 b CCC loans forfeited _____ 5b
 6 Crop insurance proceeds and federal crop disaster payments (see instructions) _____ 6a
 a Amount received in 2023 _____ 6b
 b If election to defer to 2024 is attached, check here ☐ 6d Amount deferred from 2022 _____ 6d
 7 Custom hire (machine work) income _____ 7
 8 Other income, including federal and state gasoline or fuel tax credit _____ 8
 9 **Gross income.** Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 6b, 7, and 8). If using the accrual method, enter the amount from Part III, line 50. See instructions. _____ 9

Part II Farm Expenses—Cash and Accrual Method. Do not include personal or living expenses. See instructions.

10 Car and truck expenses (see instructions). Also attach Form 4562 _____ 10
 11 Chemicals _____ 11
 12 Conservation expenses (see instructions) _____ 12
 13 Custom hire (machine work) _____ 13
 14 Depreciation and section 179 expense (see instructions) _____ 14
 15 Employee benefit programs other than on line 23 _____ 15
 16 Feed _____ 16
 17 Fertilizers and lime _____ 17
 18 Freight and trucking _____ 18
 19 Gasoline, fuel, and oil _____ 19
 20 Insurance (other than health) _____ 20
 21 Interest (see instructions):
 a Mortgage (paid to bank or other lender) _____ 21a
 b Other _____ 21b
 22 Labor hired (less employment credits) _____ 22
 23 Pension and profit-sharing plans _____ 23
 24 Rent or lease (see instructions):
 a Vehicles, machinery, equipment _____ 24a
 b Other (land, animals, etc.) _____ 24b
 25 Repairs and maintenance _____ 25
 26 Seeds and plants _____ 26
 27 Storage and warehousing _____ 27
 28 Supplies _____ 28
 29 Taxes _____ 29
 30 Utilities _____ 30
 31 Veterinary, breeding, and medicine _____ 31
 32 Other expenses (specify):
 a _____ 32a
 b _____ 32b
 c _____ 32c
 d _____ 32d
 e _____ 32e
 f _____ 32f
 33 **Total expenses.** Add lines 10 through 32f. If line 32f is negative, see instructions _____ 33
 34 **Net farm profit or (loss).** Subtract line 33 from line 9. _____ 34

35 Reserved for future use.
 36 Check the box that describes your investment in this activity and see instructions for where to report your loss:
 a ☐ All investment is at risk. b ☐ Some investment is not at risk.

For Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 11346H Schedule F (Form 1040) 2023

Edit Income and Deduction items to Form 1120.

Gross Receipts –

- Combine 1a and 2 and edit to line 1a, page 1.
- Combine line 1b and 2 and edit to line 1b, page 1.

Cost of Goods Sold –

Edit line 1b to line 2, page 1.

Other income –

Edit to line 10, page 1.

Gross Income –

Edit to line 11, page 1.

Compute

Combine

Edit to the appropriate lines, as required.

Combine and edit all other entries to "Other deductions."

Exhibit 3.11.16-18 (Cont. 1) (01-01-2009)

Schedule F - Transfer Lines

DRAFT

Edit Income and Deduction items to Form 1120.

Schedule F (Form 1040) 2023 Page **2**

Part III Farm Income—Accrual Method (see instructions)

37	Sales of livestock, produce, grains, and other products (see instructions)	Gross Receipts – Edit to line 1a, page 1.	37
38a	Cooperative distributions (Form(s) 1099-PATR)	38a	38b Taxable amount
39a	Agricultural program payments	39a	39b Taxable amount
40	Commodity Credit Corporation (CCC) loans:		
a	CCC loans reported under election		40a
b	CCC loans forfeited	40b	40c
41	Crop insurance proceeds		41
42	Custom hire (machine work) income		42
43	Other income (see instructions)		43
44	Add amounts in the right column for lines 37, 38b, 39b, 40a, 40c, 41, 42, and 43	Beginning inventory – Edit to line 1, Form 1125-A.	44
45	Inventory of livestock, produce, grains, and other products sold, not include sales reported on Form 1099-B		45
46	Cost of livestock, produce, grains, and other products sold	Total – Edit to line 6, Form 1125-A.	46
47	Add lines 45 and 46		47
48	Inventory of livestock, produce, grains, and other products sold	Ending inventory – Edit to line 7, Form 1125-A.	48
49	Cost of livestock, produce, grains, and other products sold. Subtract line 48 from line 47*		49
50	Gross income. Subtract line 49 from line 44. Enter the result here and on Part I, line 9		50

* If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 48 is larger than the amount on line 47, subtract line 47 from line 48. Enter the result on line 49. Add lines 44 and 49. Enter the total on line 50 and on Part I, line 9.

Part IV Principal Agricultural Activity Codes

CAUTION Do not file Schedule F (Form 1040) to report the following.

- Income from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural services if your principal source of income is from providing such services. Instead, see the Instructions for Schedule C (Form 1040).
- Income from breeding, raising, or caring for dogs, cats, or other pet animals. Instead, see the Instructions for Schedule C (Form 1040).
- Income from managing a farm for a fee or on a contract basis. Instead, see the Instructions for Schedule C (Form 1040).
- Sales of livestock held for draft, breeding, sport, or dairy purposes. Instead, see the Instructions for Form 4797.

These codes for the Principal Agricultural Activity classify farms by their primary activity to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS). Select the code that best identifies your primary farming activity and enter the six-digit number on line B.

Crop Production

111100	Oilseed and grain farming	111300	Fruit and tree nut farming
111210	Vegetable and melon farming	111400	Greenhouse, nursery, and floriculture production
		111900	Other crop farming

Animal Production

112111	Beef cattle ranching and farming	112900	Other animal production
112112	Cattle feedlots		
112120	Dairy cattle and milk production		
112210	Hog and pig farming		
112300	Poultry and egg production		
112400	Sheep and goat farming		
112510	Aquaculture		

Forestry and Logging

113000	Forestry and logging (including forest nurseries and timber tracts)
113110	Timber tract operations
113210	Forest nurseries and gathering of forest products
113310	Logging

**Cost of Goods Sold –
Edit to line 2, page 1.**

Schedule F (Form 1040) 2023

Exhibit 3.11.16-19 (01-01-2009)
U.S. Possessions ZIP Codes

American Samoa (AS)

American Samoa (AS) City	American Samoa (AS) ZIP Code
Faga'itua	96799
Leone	96799
Olosega Manua'	96799
Pago Pago	96799

Federated States of Micronesia (FM)

Federated States of Micronesia (FM) City	Federated States of Micronesia (FM) ZIP Code
Chuuk	96942
Kosrae	96944
Pohnpei	96941
Yap	96943

Guam (GU)

Guam (GU) City	Guam (GU) ZIP Code
Agana	96910
Inarajan	96917
Merizo	96916
Tamuning	96931
Umatac	96915
Yona	96915

Marshall Islands (MH)

Marshall Islands (MH) City	Marshall Islands (MH) ZIP Code
Ebeye	96970
Majuro	96960

Northern Marianna Islands (MP)

Northern Marianna Islands (MP) City	Northern Marianna Islands (MP) ZIP Code
Capitol Hill	96950
Rota	96951

Exhibit 3.11.16-19 (Cont. 1) (01-01-2009)**U.S. Possessions ZIP Codes**

Northern Marianna Islands (MP) City	Northern Marianna Islands (MP) ZIP Code
Saipan	96950
Tinian	96952

Palau (PW)

Palau (PW) City	Palau (PW) ZIP Code
Koror	96940
Palau	96940

Puerto Rico (PR)

Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Adjuntas	00601
Aguada	00602
Aguadilla	00603
Aguas Buenas	00703
Aguirre	00704
Aibonito	00705
Anasco	00610
Angeles	00611
Arecibo	00612
Arroyo	00714
Bajadero	00616
Barceloneta	00617
Barranquitas	00794
Barrio Obrero Station	00935
Bayamon	00956
Boqueron	00622
Cabo Rojo	00623
Caguas	00725
Camuy	00627
Canovanas	00729
Caparra Heights	00920

Exhibit 3.11.16-19 (Cont. 2) (01-01-2009)
U.S. Possessions ZIP Codes

Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Carolina	00982
Catano	00962
Cayey	00736
Ceiba	00735
Cerro Gordo	00754
Ciales	00638
Cidra	00739
Coamo	00769
Comerio	00782
Condado	00907
Corozal	00783
Coto Laurel	00780
Culebra	00775
Dorado	00646
Ensenada	00647
Esperanza	00765
Fajardo	00738
Fernandez Juncos	00936
Florida	00650
Fort Buchanan	00934
Garrachales	00652
Guanica	00653
Guayama	00784
Guayanilla	00656
Guaynabo	00965
Gurabo	00778
Hatillo	00659
Hato Rey	00936
Hormigueros	00660
Humacao	00791
Isabela	00662

Exhibit 3.11.16-19 (Cont. 3) (01-01-2009)**U.S. Possessions ZIP Codes**

Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Jayuya	00664
Juana Diaz	00795
Juncos	00777
La Cumbre	00926
Lajas	00667
La Plata	00786
Lares	00669
Las Marias	00670
Las Piedras	00771
Levittown	00949
Loiza	00772
Loiza Street Station	00936
Luquillo	00773
Manati	00674
Maricao	00606
Maunabo	00707
Mayaguez	00680
Mercedita	00715
Minillas Center	00936
Moca	00676
Morovis	00687
Naguabo	00718
Naranjito	00719
Orocovis	00720
Palmer	00721
Patillas	00723
Penuelas	00624
Ponce	00731
Puerta de Tierra	00936
Puerta Real	00740
Punta Santiago	00741

Exhibit 3.11.16-19 (Cont. 4) (01-01-2009)
U.S. Possessions ZIP Codes


Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Quebradillas	00678
Ramey	00603
Rincon	00677
Rio Blanco	00744
Rio Grande	00721
Rio Piedras	00927
Rosario	00636
Sabana Grande	00637
Sabana Hoyos	00688
Sabana Seca	00952
Saint Just	00978
Salinas	00751
San Antonio	00690
San Francisco	00927
San German	00683
San Juan	00936
San Lorenzo	00754
San Sebastian	00685
Santa Isabel	00757
Santurce	00936
Toa Alta	00953
Toa Baja	00949
Trujillo Alto	00976
University	00936
Utuado	00641
Vega Alta	00692
Vega Baja (Box 1 - 9049)	00694
Vieques	00765
Villalba	00766
Yabucoa	00767
Yauco	00698

Exhibit 3.11.16-19 (Cont. 5) (01-01-2009)**U.S. Possessions ZIP Codes***Virgin Islands - U.S. (VI)*

Virgin Islands - U.S. (VI) City	Virgin Islands - U.S. (VI) ZIP Code
Charlotte Amalie	00802
Christiansted	00820
Cruz Bay	00830
Downtown	00840
Frederiksted	00840
Kingshill	00850
Saint Croix	00820
Saint John	00830
Saint Thomas	00805
Sunny Isle	00850
Veterans Annes	00820

Exhibit 3.11.16-20 (01-01-2013)
USPS.com Track and Confirm

English Customer Service USPS Mobile



Quick Tools Ship a Package Send Mail Manage Your Mail

Track & Confirm

PRINT DETAILS

S

YOUR LABEL NUMBER	SERVICE	STATUS OF YOUR ITEM	DATE & TIME
0010309000163721544	First-Class Mail	Delivered	April 24, 2024, 12:48 PM
		Arrival at Unit	April 16, 2024, 2:48 PM
		Acceptance	April 15, 2024, 12:48 PM

Check on Another Item

What's your label (or receipt) number?

Find

Exhibit 3.11.16-21 (01-01-2018)

Form 8404, Interest Charge on DISC-Related Deferred Tax Liability

DRAFT

Form **8404** Interest Charge on DISC-Related Deferred Tax Liability

OMB No. 1545-0123

Department of the Treasury Internal Revenue Service

File Form 8404 separately from your income tax return. See *Where to file* below.
Go to www.irs.gov/Form8404 for the latest information.

TP **2023**
YYMM

A Check applicable box to show type of taxpayer.

☐ Corporation
☐ Individual
☐ Trust or Decedent's estate

Name of shareholder

Address (number, street, room, suite, or P.O. box number)

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

ZIP Code required

B Shareholder's identifying number

C IC-DISC's identifying number

D Shareholder's tax year for which interest charge is required to be paid (see instructions)

E Name of IC-DISC

Note: See *Line-by-Line Instructions*, later.

1	Taxable income or loss on tax return (actual or estimated)	1	
2	Deferred DISC income from line 10, Part III, Schedule K (Form 1120-IC-DISC)	2	
3	Section 995(f)(2) adjustments to line 1 income or loss	3	
4	Combine lines 1, 2, and 3. If zero or less, don't file this form	4	
5	Tax liability on line 4 amount	5	
6	Tax liability per return (actual or estimated)	6	
7	DISC-related deferred tax liability. Subtract line 6 from line 5	7	Compute
8	Base period T-bill rate factor	8	
9	Interest charge due. Multiply line 7 by line 8. (See <i>Paying the interest charge</i> below.)	9	Verify

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, this return and the accompanying schedules and statements are true, correct, and complete. All information of which preparer has any knowledge.

Sign Here

Signature _____ 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. _____

Future Developments

For the latest information about developments related to Form 8404 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form8404.

General Instructions

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

Purpose of form. Shareholders of Interest Charge Domestic International Sales Corporations (IC-DISCs) use Form 8404 to figure and report their interest owed on DISC-related deferred tax liability.

Who must file. If you are an IC-DISC shareholder, you must file Form 8404 on line 1120-IC income tax return for the tax year.

When to file. If you are an IC-DISC shareholder, you must file Form 8404 on or before July 31, 2023, for the tax year ending July 31, 2022. Because your tax year ends with the IC-DISC's tax year, you are required to file Form 8404 on or before November 15, 2022 (3½ months after your tax year ends).

Where to file. File Form 8404 at the following address:
Department of the Treasury
Internal Revenue Service
Kansas City, MO 64999

Paying the interest charge. You must pay the interest charge shown on line 9 by the date your federal income tax for the tax year is required to be paid. For individuals and corporations, the interest is generally due on the 15th day of the 4th month following the close of the tax year. For corporations with a tax year ending on June 30, see section 2006(a)(3)(B) of P.L. 114-41.

Amended Form 8404. You are required to file an amended Form 8404 only if the amount of the DISC-related deferred tax liability (line 7) changes as a result of audit adjustments, changes you make by the filing of an amended return, or if estimates were used on your original Form 8404 and changes were made to these estimates when you filed your tax return. See Proposed Regulations section 1.995(f)-1(j)(4) for details.

Specific Instructions

Name and address. Enter the name and address as shown on your tax return from which the income or loss on line 1 of Form

If line 9 exceeds the product of line 7 times line 8:

- Flag the return for NMF Accounting
- Make a notation in the bottom margin including:
 - Interest needs to be assessed,
 - The total of line 7 times line 8, and
 - The difference between line 7 times line 8, and the taxpayer's entry on line 9.

For corporations, the annual interest charge is deductible as an interest expense for the tax year it is paid or accrued. See Proposed Regulations section 1.995(f)-1(j)(2) for details on the tax year of deductibility. For other filers, this interest isn't deductible.

from the Schedule K (Form 1120-IC-DISC) on which the deferred DISC income was reported to you. If income is reported to you from more than one IC-DISC, enter each IC-DISC's identifying number in item C, each IC-DISC's

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Cat. No. 62423Z Form **8404** (2023)

Exhibit 3.11.16-22 (01-01-2020)**Terms/Definitions/Acronyms**

For Terms, Definitions and acronyms see the following tables:

Interpretation Words

Word	Definition	Example
Fair	Accurate and professional service to all persons without regard to personal bias.	Taxpayers have the right to expect a fair and just tax system.
Significant entry	Any entry other than zero or blank.	If line 1 has a significant entry, edit CCC A.
Usually	Exceptions when something is not required or what would create the unusual circumstance.	A return for a Political Organization can usually be determined by the name.
Timely	Coming early or at the right time.	Taxpayers have the right to receive help from the Taxpayer Advocate Service (TAS) if they are experiencing financial difficulty or if the IRS has not resolved their tax issues properly and timely through normal channels.

Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
ACE	Adjusted Current Earning
ADP	Automatic Data Processing
AM	Accounts Management
AMRH	Accounts Maintenance Research
AMTI	Alternative Minimum Taxable Income
APO	Army Post office
AUR	Automated Underreporter
BMF	Business Master File
C&E	Code and Edit
CC	Chief Counsel
CCC	Computer Condition Code
CDP	Collection Due Process
CI	Criminal Investigation
CII	Correspondence Imaging Inventory

Exhibit 3.11.16-22 (Cont. 1) (01-01-2020)**Terms/Definitions/Acronyms**

Acronyms and Abbreviations	Definition
C/O	Care of
CP	Computer Paragraph
CRN	Credit Reference Number
CSCO	Compliance Services Collection Operations
CTW	Chapter Three Withholding
DLN	Document Locator Number
DPO	Diplomatic Post Office
DPO	Document Perfection Operation
EEFax	Enterprise Electronic Fax
E-File	Electronic Filing
e.g.	For Example
EIN	Employer Identification Number
ERS	Error Resolution System
etc.	Et Cetera
Exam	Examination
FAX	Facsimile
FIRPTA	Foreign Investment in Real Property Tax Act
FDII	Foreign Derived Intangible Income
FPO	Fleet Post Office
FPP	Foreign Payments Practice
FRP	Frivolous Return Program
FTF	Failure To File
ICS	Integrated Collection System
ICT	Image Control Team
ID	Identification or Identity
IDRS	Integrated Data Retrieval System
IMF	Individual Master File
IRC	Internal Revenue Code
IRS	Internal Revenue Service
ISRP	Integrated Submission and Remittance Processing
ITIN	IRS Individual Taxpayer Identification Number

Exhibit 3.11.16-22 (Cont. 2) (01-01-2020)**Terms/Definitions/Acronyms**

Acronyms and Abbreviations	Definition
KSPC	Kansas City Submission Processing Center
LB&I	Large Business and International
MeF	Modernized Electronic Filing
MFT	Master File Tax
MMDDYY	Month Month Day Day Year Year
NAICS	North American Industry Classification System
NCOA	National Change of Address
NMF	Non-Master File
N/A	Not Applicable
OC	Other Country
OID	Original Issue Discount
OMB	Office of Management and Budget
OSPC	Ogden Submission Processing Center
PBA	Principal Business Activity
PTIN	Preparer Tax Identification Number
P.O.	Post Office
QOF	Qualified Opportunity Fund
R&C	Receipt and Control
Rec'd	Received
RO	Revenue Officer
RPC	Return Processing Code
SB/SE	Small Business/Self-Employed
SCAMPS	Service Center Automated Mail Processing System
SERP	Servicewide Electronic Research Program (SERP)
SETP	Special Estimated Tax Payments
SFR	Substitute for Return
SLA	Service Level Agreement
SOI	Statistics of Income
SP	Submission Processing
SSN	Social Security Number
TAC	Taxpayer Assistance Center

Exhibit 3.11.16-22 (Cont. 3) (01-01-2020)**Terms/Definitions/Acronyms**

Acronyms and Abbreviations	Definition
TAS	Taxpayer Advocate Service
T-Bill	Treasury Bill
TBOR	Taxpayer Bill of Rights
TC	Transaction Code
TE	Tax Examiner
TEGE	Tax Exempt Government Entities
TIA	Tax Information Authorization
TPE	Tax Period Ending
TY	Tax Year
UCC	Uniform Commercial Code
U.S.	United States
USPS	United States Postal Service
W&I	Wage and Investment
ZIP	Zone Improvement Plan

