

**SCHEDULE Q
(Form 1120-F)**

Tax Liability of Qualified Derivatives Dealer (QDD)

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

Attach to Form 1120-F.

2023

Go to www.irs.gov/Form1120F for the latest information.

Name of corporation	Employer identification number
Name of QDD	QI-EIN
QDD Taxable Year (enter month, day, and year for beginning and ending dates) Beginning , 20 , and ending , 20	Schedule _____ of _____
Indicate the year or portion of the year to which the schedule relates (enter month, day, and year for beginning and ending dates) Beginning , 20 , and ending , 20	

Summary of QDD Tax Liability		(a) Gross Amount	(b) Withholding Tax Rate	(c) Amount of Tax Liability (column (a) x column (b))
1	Total section 871(m) amount	1		
2	Total dividends received in equity derivatives dealer capacity	2		
3	Total QDD tax liability pursuant to section 3.09(A) of the Qualified Intermediary Agreement	3		
4	Total QDD tax liability pursuant to section 3.09(B) of the Qualified Intermediary Agreement	4		
5	Total QDD tax liability pursuant to section 3.09(C) of the Qualified Intermediary Agreement:			
a	Income Type: _____	5a		
b	Income Type: _____	5b		
c	Income Type: _____	5c		
d	Income Type: _____	5d		
6	Total of line 5 amounts	6		

What's New

Schedule Q (Form 1120-F) has been amended to reflect Notice 2022-37, 2022-37 I.R.B. 234, which further delays the effective/applicability date of certain rules in the section 871(m) regulations and extends the phase-in period provided in Notice 2020-2, 2020-3 I.R.B. 327, for certain provisions of the section 871(m) regulations.

Who Must File

If the corporation or any branch of the corporation was a qualified derivatives dealer (QDD) (defined below) during the tax year, Schedule Q must be completed and filed for each of those QDDs. The corporation must file Schedule Q as an attachment to Form 1120-F even if the QDD has zero tax liability.

Qualified derivatives dealer (QDD). A QDD is a home office or branch that, in accordance with the qualified intermediary agreement (QIA) (defined below), qualifies and has been approved for QDD status and satisfies the requirements of the QIA. See the QIA for additional information.

Qualified intermediary agreement (QIA). The QIA is section 6 of Rev. Proc. 2022-43, 2022-52 I.R.B. 570.

General Instructions

A separate Schedule Q is required for each QDD. In addition, if a corporation has a fiscal year rather than a calendar year, the corporation must provide a separate Schedule Q for each QDD for each portion of the fiscal year that falls within the calendar year.

Example: A QDD with a fiscal year beginning September 1 and ending August 31 would complete two schedules (one for the period of September 1, 2023 through December 31, 2023, and one for the period of January 1, 2024 through August 31, 2024).

Specific Instructions

Name of QDD. The name of the QDD should follow the naming protocol used for applying to be a QDD.

Number of schedules filed. A QDD may be required to file multiple Schedules Q, for example, if it has multiple branches that are QDDs or if it is a fiscal year taxpayer (as explained in *General Instructions* above). Indicate the number of each Schedule Q filed, as well as the total number of Schedules Q being filed by the corporation in the entry spaces provided.

Column (c), Amount of Tax Liability. Except as provided in the *Note* that immediately follows this paragraph, the amount in column (c) is determined by multiplying column (a) by column (b). This column is not reduced by any withholding that has occurred.

Note: For calendar years 2018 through 2024, certain information is not required, as indicated in the line instructions below. However, if the corporation has a fiscal year (rather than a calendar year) that begins in 2024 and ends in 2025, information is required for any amounts paid or accrued on or after January 1, 2025.

Line 1. The gross amount to be entered in column (a) is the sum of each section 871(m) amount for the QDD for the relevant period. See section 2.73 of the QIA for the definition of section 871(m) amount.

Note: For calendar years 2019 through 2024, this information is not required.

Line 2. For calendar years 2019 through 2024, only the gross amount (column (a)) and tax rate (column (b)) are required.

Line 3. Column (c) is the sum of each section 3.09(A) amount for the QDD for the relevant period.

Note: For calendar years 2019 through 2024, this information is not required.

Line 4. Enter the information requested in columns (a), (b), and (c).

Line 5. In addition to specifying the type of income (for example, dividends or interest), enter the information requested in columns (a), (b), and (c) separately for each income type. For dividends, include all dividends, including dividends separately stated on line 2.

Note: For calendar years 2019 through 2024, do not include dividends included on line 2.