



Note: *The draft you are looking for begins on the next page.*

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**SCHEDULE K-2
(Form 1120-S)**

Department of the Treasury
Internal Revenue Service

Name of corporation

Shareholders' Pro Rata Share Items—International

▶ Attach to Form 1120-S.

▶ Go to www.irs.gov/Form1120S for instructions and the latest information.

OMB No. 1545-0123

2021

Employer identification number (EIN)

A Check to indicate the parts of Schedule K-2 that apply.

- 1 Does Part I apply? If "Yes," complete and attach Part I
- 2 Does Part II apply? If "Yes," complete and attach Part II
- 3 Does Part III apply? If "Yes," complete and attach Part III
- 4 Does Part IV apply? If "Yes," complete and attach Part IV
- 5 Does Part V apply? If "Yes," complete and attach Part V
- 6 Does Part VI apply? If "Yes," complete and attach Part VI
- 7 Does Part VII apply? If "Yes," complete and attach Part VII

	Yes	No
1		
2		
3		
4		
5		
6		
7		

Part I Corporation's Other Current Year International Information

Check box(es) for additional specified attachments. See instructions.

- | | | | |
|--|---|---|--|
| <input type="checkbox"/> 1. Gain on personal property sale | <input type="checkbox"/> 4. Foreign tax translation | <input type="checkbox"/> 7. Form 8858 information | <input type="checkbox"/> 10. Shareholder loan transactions |
| <input type="checkbox"/> 2. Foreign oil and gas taxes | <input type="checkbox"/> 5. High-taxed income | <input type="checkbox"/> 8. Form 5471 information | <input type="checkbox"/> 11. Entity treatment for certain S corporations |
| <input type="checkbox"/> 3. Splitter arrangements | <input type="checkbox"/> 6. Section 267A disallowed deduction | <input type="checkbox"/> 9. Other forms | <input type="checkbox"/> 12. Other international items
(attach description and statement) |

Part II Foreign Tax Credit Limitation

Section 1—Gross Income

Description	(a) U.S. source	Foreign Source				(f) Sourced by shareholder	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____)		
1 Sales							
A _____							
B _____							
C _____							
2 Gross income from performance of services							
A _____							
B _____							
C _____							
3 Gross rental real estate income							
A _____							
B _____							
C _____							
4 Other gross rental income							
A _____							
B _____							
C _____							

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Part II Foreign Tax Credit Limitation *(continued)*

Section 1 – Gross Income *(continued)*

Description	(a) U.S. source	Foreign Source				(f) Sourced by shareholder	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____)		
5 Reserved for future use							
6 Interest income							
A _____							
B _____							
C _____							
7 Ordinary dividends (exclude amount on line 8)							
A _____							
B _____							
C _____							
8 Qualified dividends							
A _____							
B _____							
C _____							
9 Reserved for future use							
10 Royalties and license fees							
A _____							
B _____							
C _____							
11 Net short-term capital gain							
A _____							
B _____							
C _____							
12 Net long-term capital gain							
A _____							
B _____							
C _____							
13 Collectibles (28%) gain							
A _____							
B _____							
C _____							
14 Unrecaptured section 1250 gain							
A _____							
B _____							
C _____							

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Part II Foreign Tax Credit Limitation *(continued)*

Section 1 – Gross Income *(continued)*

Description	Foreign Source					(f) Sourced by shareholder	(g) Total
	(a) U.S. source	(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____)		
15 Net section 1231 gain							
A _____							
B _____							
C _____							
16 Section 986(c) gain							
17 Section 987 gain							
18 Section 988 gain							
19 Section 951(a) inclusions							
A _____							
B _____							
C _____							
20 Other income (see instructions)							
A _____							
B _____							
C _____							
21 Section 951A(a) inclusions (see instructions)							
22 Reserved for future use							
A _____							
B _____							
C _____							
23 Reserved for future use							
A _____							
B _____							
C _____							
24 Total gross income (combine lines 1 through 23) ▶							
A _____							
B _____							
C _____							

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Part II Foreign Tax Credit Limitation *(continued)*
Section 2—Deductions

Description	(a) U.S. source	Foreign Source				(f) Sourced by shareholder	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____)		
25 Expenses allocable to sales income							
26 Expenses allocable to gross income from performances of services							
27 Net short-term capital loss							
28 Net long-term capital loss							
29 Collectibles loss							
30 Net section 1231 loss							
31 Other losses							
32 Research & experimental (R&E) expenses							
A SIC code							
B SIC code							
C SIC code							
33 Allocable rental expenses—depreciation, depletion, and amortization							
34 Allocable rental expenses—other than depreciation, depletion, and amortization							
35 Allocable royalty and licensing expenses—depreciation, depletion, and amortization							
36 Allocable royalty and licensing expenses—other than depreciation, depletion, and amortization							
37 Depreciation not included on line 33 or 35							
38 Charitable contributions							
39 Interest expense specifically allocable under Regulations section 1.861-10(e)							
40 Other interest expense specifically allocable under Regulations section 1.861-10T							
41 Other interest expense—business							
42 Other interest expense—investment							
43 Other interest expense—passive activity							
44 Section 59(e)(2) expenditures, excluding R&E expenses on line 32							
45 Foreign taxes not creditable but deductible							

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Part II Foreign Tax Credit Limitation *(continued)*

Section 2—Deductions *(continued)*

Description	(a) U.S. source	Foreign Source				(f) Sourced by shareholder	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other category income (category code _____)		
46 Section 986(c) loss							
47 Section 987 loss							
48 Section 988 loss							
49 Other allocable deductions (see instructions)							
50 Other apportioned share of deductions (see instructions)							
51 Reserved for future use							
52 Reserved for future use							
53 Reserved for future use							
54 Total deductions (combine lines 25 through 53) ▶							
55 Net income (loss) (subtract line 54 from line 24) ▶							

Part III Other Information for Preparation of Form 1116 or 1118

Section 1—R&E Expenses Apportionment Factors

Description	(a) U.S. source	Foreign Source				(f) Sourced by shareholder	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other category income (category code _____) (country code _____)		
1 Gross receipts by SIC code							
A SIC code _____							
B SIC code _____							
C SIC code _____							
D SIC code _____							
E SIC code _____							
F SIC code _____							
2 Exclusive apportionment with respect to total R&E expenses entered on Part II, line 32. Enter the following.							
A R&E expense with respect to activity performed in the United States							
(i) SIC code _____ ▶							2A(i)
(ii) SIC code _____ ▶							2A(ii)
(iii) SIC code _____ ▶							2A(iii)
B R&E expense with respect to activity performed outside the United States							
(i) SIC code _____ ▶							2B(i)
(ii) SIC code _____ ▶							2B(ii)
(iii) SIC code _____ ▶							2B(iii)

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Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 2—Interest Expense Apportionment Factors

Description	Foreign Source					(f) Sourced by shareholder	(g) Total
	(a) U.S. source	(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____) (country code _____)		
1 Total average value of assets							
2 Reserved for future use							
3 Assets attracting directly allocable interest expense under Regulations section 1.861-10(e)							
4 Other assets attracting directly allocable interest expense under Regulations section 1.861-10T							
5 Assets excluded from apportionment formula							
6a Total assets used for apportionment (subtract the sum of lines 3, 4, and 5 from the sum of lines 1 and 2)							
b Assets attracting business interest expense							
c Assets attracting investment interest expense							
d Assets attracting passive activity interest expense							
7 Basis in stock of 10%-owned noncontrolled foreign corporations (see attachment)							
8 Basis in stock of CFCs (see attachment)							

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Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 3—Foreign Taxes

Description	(a) Type of tax	(b) Section 951A category income		(c) Foreign branch category income		
		U.S.	Foreign	U.S.	Foreign	Shareholder
1 Direct (section 901 or 903) foreign taxes: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued						
A _____						
B _____						
C _____						
D _____						
E _____						
F _____						
2 Reduction of taxes (total)						
A Taxes on foreign mineral income						
B Reserved for future use						
C International boycott provisions						
D Failure-to-file penalties						
E Taxes with respect to splitter arrangements . .						
F Taxes on foreign corporate distributions . . .						
G Other						
3 Foreign tax redeterminations						
A _____						
Related tax year ▶ _____						
Date tax paid ▶ _____						
B _____						
Related tax year ▶ _____						
Date tax paid ▶ _____						
C _____						
Related tax year ▶ _____						
Date tax paid ▶ _____						
4 Reserved for future use						
5 Reserved for future use						
6 Reserved for future use						

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Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 3—Foreign Taxes (continued)

	(d) Passive category income			(e) General category income			(f) Other (category code _____)	(g) Total
	U.S.	Foreign	Shareholder	U.S.	Foreign	Shareholder		
1								
A								
B								
C								
D								
E								
F								
2								
A								
B								
C								
D								
E								
F								
G								
3								
A								
B								
C								
4								
5								
6								

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Part IV Distributions From Foreign Corporations to Corporation

	(a) Name of distributing foreign corporation	(b) EIN or reference ID number	(c) Date of distribution	(d) Functional currency of distributing foreign corporation	(e) Amount of distribution in functional currency
A					
B					
C					
D					
E					
F					
G					
H					
I					
J					
K					
L					
M					
N					
O					

	(f) Amount of E&P distribution in functional currency	(g) Spot rate (functional currency to U.S. dollars)	(h) Amount of distribution in U.S. dollars	(i) Amount of E&P distribution in U.S. dollars	(j) Qualified foreign corporation	(k) Reserved for future use
A					<input type="checkbox"/>	
B					<input type="checkbox"/>	
C					<input type="checkbox"/>	
D					<input type="checkbox"/>	
E					<input type="checkbox"/>	
F					<input type="checkbox"/>	
G					<input type="checkbox"/>	
H					<input type="checkbox"/>	
I					<input type="checkbox"/>	
J					<input type="checkbox"/>	
K					<input type="checkbox"/>	
L					<input type="checkbox"/>	
M					<input type="checkbox"/>	
N					<input type="checkbox"/>	
O					<input type="checkbox"/>	

Name of corporation

EIN

Part V Information on Shareholders' Section 951(a)(1) and Section 951A Inclusions

- a Separate category (enter code—see instructions)
- b If U.S. source, complete as a separate Part V by separate category and check box

	(a) Name of CFC	(b) EIN or reference ID number	(c) Ending of CFC tax year	(d) Shareholders' share of CFC items through their ownership in the corporation ("aggregate share")	(e) Aggregate share of subpart F income	(f) Aggregate section 951(a)(1)(B) inclusion	(g) Tested income
A							
B							
C							
D							
E							
F							
G							
H							
I							
J							
K							

1 Corporation total (sum for all CFCs)

	(h) Tested loss	(i) Aggregate share of tested income	(j) Aggregate share of tested loss	(k) Aggregate share of Qualified Business Asset Investment (QBAI)	(l) Aggregate share of the tested loss QBAI amount	(m) Aggregate share of tested interest income	(n) Aggregate share of tested interest expense
A							
B							
C							
D							
E							
F							
G							
H							
I							
J							
K							
1							

Name of corporation

EIN

Part VI Information To Complete Form 8621

Section 1—General Information on Passive Foreign Investment Company (PFIC), Qualified Electing Fund (QEF), or Qualifying Insurance Corporation (QIC)

General Information

(a) Name of PFIC	(b) EIN or reference ID number	(c) Address of PFIC	(d) Beginning of PFIC tax year	(e) Ending of PFIC tax year

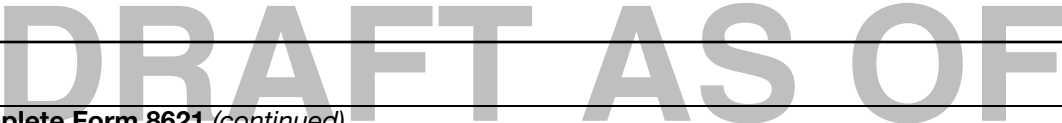
Summary of Annual Information

Information Regarding Elections

(f) Description of each class of PFIC shares	(g) Dates PFIC shares acquired during tax year (if applicable)	(h) Total number of PFIC shares held at end of tax year	(i) Total value of PFIC shares held at end of tax year	(j) Election by corporation (enter code—see instructions)	(k) Check if foreign corporation has documented its eligibility to be treated as a qualifying insurance corporation under section 1297(f)(2).	(l) Check if PFIC has indicated its shares are “marketable stock” within the meaning of section 1296(e).	(m) Check if PFIC is also a controlled foreign corporation (CFC) within the meaning of section 957.	(n) Check if PFIC meets the income test or asset test of section 1297(a) for the tax year.
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Name of corporation

EIN



Part VI Information To Complete Form 8621 *(continued)*
Section 2—Additional Information on PFIC or QEF

General Information		QEF Information		Mark-to-Market Information		Section 1291 and Other Information		
(a) Name of PFIC	(b) EIN or reference ID number	(c) Ordinary earnings	(d) Net capital gain	(e) Fair market value of PFIC shares at beginning of tax year	(f) Fair market value of PFIC shares at end of tax year	(g) Dates PFIC shares were acquired	(h) Amount of cash and fair market value of property distributed by PFIC during the current tax year (if applicable)	(i) Dates of distribution

Section 1291 and Other Information					
(j) Total creditable foreign taxes attributable to distribution by PFIC	(k) Total distributions from PFIC in preceding 3 tax years	(l) Dates PFIC shares disposed of during tax year (if applicable)	(m) Amount realized on disposition of PFIC shares	(n) Tax basis of PFIC shares on dates of disposition	(o) Gain (loss) on disposition of PFIC shares

Name of corporation

EIN

Part VII Corporation's Interest in Foreign Corporation Income (Section 960)

- A** Enter EIN or reference ID number of controlled foreign corporation _____ **B** Separate category (enter code—see instructions) _____
- C** If PAS was entered on line B, enter the applicable grouping under Regulations section 1.904-4(c). See instructions
- D** Check the box and attach a statement if there is more than one source country for a line. See instructions
- E** If U.S. source, check the box and complete a separate Part VII
- F** If FORI or FOGEI, check the box and attach a separate Part VII

<i>Enter amounts in functional currency of the foreign corporation (unless otherwise noted).</i>	(i) Country code	(ii) Corporation's share of net income	(iii) Corporation's share of average asset value	(iv) Reserved for future use
1 Subpart F income groups				
a Dividends, interest, rents, royalties, and annuities (total)				
(1) Unit				
(2) Unit				
b Net gain from certain property transactions (total)				
(1) Unit				
(2) Unit				
c Net gain from commodities transactions (total)				
(1) Unit				
(2) Unit				
d Net foreign currency gain (total)				
(1) Unit				
(2) Unit				
e Income equivalent to interest (total)				
(1) Unit				
(2) Unit				
f Foreign base company sales income (total)				
(1) Unit				
(2) Unit				
g Foreign base company services income (total)				
(1) Unit				
(2) Unit				
h Full inclusion foreign base company income (total)				
(1) Unit				
(2) Unit				
i Insurance income (total)				
(1) Unit				
(2) Unit				
j International boycott income (total)				
k Bribes, kickbacks, and other payments (total)				
l Section 901(j) (total)				

Name of corporation

EIN

Part VII Corporation's Interest in Foreign Corporation Income (Section 960) (continued)

Enter amounts in functional currency of the foreign corporation (unless otherwise noted).

	(i) Country code	(ii) Corporation's share of net income	(iii) Corporation's share of average asset value	(iv) Reserved for future use
2 Recaptured subpart F income				
3 Tested income group (total)				
(1) Unit				
(2) Unit				
4 Residual income group (total)				
(1) Unit				
(2) Unit				
5 Total				