

U.S. Income Tax Return for Cooperative Associations

For calendar year 2017 or tax year beginning _____, 2017, ending _____, 20_____

2017

▶ Go to www.irs.gov/Form1120C for instructions and the latest information.

A Check if: 1 Consolidated return (attach Form 851) <input type="checkbox"/> 2 Schedule M-3 (Form 1120) attached <input type="checkbox"/> 3 Form 1120 filed in previous tax year <input type="checkbox"/>	Please type or print	Name _____ Number, street, and room or suite no. If a P.O. box, see instructions. _____ City or town, state or province, country, and ZIP or foreign postal code _____	B Employer identification number _____ C Check if: (1) Farmers' tax exempt cooperative <input type="checkbox"/> (2) Nonexempt cooperative <input type="checkbox"/>
D Check if: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change (5) <input type="checkbox"/> Amended return			

Income	1a	Gross receipts or sales _____	b	Less returns and allowances _____	c	Bal ▶			
	2	Cost of goods sold (see instructions—attach Form 1125-A)							
	3	Gross profit. Subtract line 2 from line 1c							
	4	Dividends (Schedule C, line 19)							
	5	Interest							
	6	Gross rents and royalties							
	7	Capital gain net income (attach Schedule D (Form 1120))							
	8	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)							
	9	Other income (see instructions—attach statement)							
	10	Total income. Add lines 3 through 9 ▶							
Deductions (See instructions for limitations on deductions.)	11	Compensation of officers (attach Form 1125-E)							
	12	Salaries and wages (less employment credits)							
	13	Bad debts							
	14	Rents							
	15	Taxes and licenses							
	16	Interest							
	17	Charitable contributions							
	18	Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)							
	19	Advertising							
	20	Pension, profit-sharing, etc., plans							
	21	Employee benefit programs							
	22	Domestic production activities deduction (attach Form 8903)							
	23	Other deductions (attach statement)							
	24	Total deductions. Add lines 11 through 23 ▶							
	25a	Taxable income before adjustments and special deductions. Subtract line 24 from line 10	25a						
	b	Deductions and adjustments from Schedule H, line 5	25b						
	c	Taxable income before net operating loss and special deductions. Subtract line 25b from line 25a	25c						
	26	Less: a Net operating loss deduction (see instructions)	26a						
		b Special deductions (Schedule C, line 20)	26b						
	27	Taxable income. Subtract line 26c from line 25c. See instructions							
	28	Total tax (Schedule J, line 9)							
Tax, Refundable Credits, and Payments	29a	2016 overpayment credited to 2017	29a						
	b	2017 estimated tax payments	29b						
	c	2017 refund applied for on Form 4466	29c	()	d	Bal ▶	29d
	e	Tax deposited with Form 7004	29e						
	f	Credits: (1) Form 2439 _____ (2) Form 4136 _____	29f						
	g	Refundable credits from Form 8827, line 8c	29g						
	h	Section 1383 adjustment (see instructions)	29h						
	29i								
	30	Estimated tax penalty. See instructions. Check if Form 2220 is attached ▶ <input type="checkbox"/>							
	31	Amount owed. If line 29i is smaller than the total of lines 28 and 30, enter amount owed							
32	Overpayment. If line 29i is larger than the total of lines 28 and 30, enter amount overpaid								
33	Enter amount of line 32 you want: Credited to 2018 estimated tax ▶							Refunded ▶	

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
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May the IRS discuss this return with the preparer shown below? See instructions. <input type="checkbox"/> Yes <input type="checkbox"/> No

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

Schedule C Dividends and Special Deductions (see instructions)		(a) Dividends received	(b) %	(c) Deduction ((a) × (b))
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)			
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)			
3	Dividends on debt-financed stock of domestic and foreign corporations			
4	Dividends on certain preferred stock of less-than-20%-owned public utilities			
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities			
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs			
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs			
8	Dividends from wholly owned foreign subsidiaries			
9	Total. Add lines 1 through 8. See instructions for limitation			
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958			
11	Dividends from affiliated group members			
12	Dividends from certain FSCs			
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15	Foreign dividend gross-up			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3			
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	Total dividends. Add lines 1 through 17. Enter here and on page 1, line 4			
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 26b			

Schedule G Allocation of Patronage and Nonpatronage Income and Deductions.

Note: Before completing Schedule G, see Schedule K, Question 14.

		(a) Patronage	(b) Nonpatronage
1 Gross receipts or sales	1		
2 Cost of goods sold	2		
3 Gross profit. Subtract line 2 from line 1	3		
4 Other income	4		
5 Total income. Combine lines 3 and 4	5		
6a Domestic production activities deduction (attach Form 8903)	6a		
b Other deductions	6b		
c Total deductions. Add lines 6a and 6b	6c		
7 Taxable income before section 1382, NOL, and special deductions. Subtract line 6c from line 5	7		
8 Deductions and adjustments under section 1382 from Schedule H, line 5 (see instructions)	8		
9a Net operating loss deduction (attach statement)	9a		
b Special deductions (see instructions)	9b		
10 Taxable income. Subtract the total of lines 8, 9a, and 9b from line 7	10		
11 Combined taxable income. Combine columns (a) and (b) of line 10. See instructions	11		
12 Unused patronage loss (see instructions)	12		
13 Unused nonpatronage loss (see instructions)	13		

Schedule H Deductions and Adjustments Under Section 1382 (see instructions)

1 Dividends paid on capital stock (section 521 cooperatives only)	1		
2 Nonpatronage income allocated to patrons (section 521 cooperatives only)	2		
3 Patronage dividends:			
a Money	3a		
b Qualified written notices of allocation	3b		
c Other property (except nonqualified written notices of allocation)	3c		
d Money or other property (except written notices of allocation) in redemption of nonqualified written notices of allocation	3d		
4 Domestic production activities deduction allocated to patrons	4	()
5 Total. Combine lines 1 through 4. Enter here and on page 1, line 25b, and Schedule G, line 8	5		

Schedule J Tax Computation (see instructions)

1	Check if the cooperative is a member of a controlled group (attach Schedule O (Form 1120)). See instructions ▶ <input type="checkbox"/>			
2	Income tax (see instructions)	2		
3	Alternative minimum tax (attach Form 4626)	3		
4	Add lines 2 and 3	4		
5a	Foreign tax credit (attach Form 1118)	5a		
b	Credit from Form 8834 (see instructions)	5b		
c	General business credit (attach Form 3800)	5c		
d	Credit for prior year minimum tax (attach Form 8827)	5d		
e	Bond credits from Form 8912 (attach Form 8912)	5e		
6	Total credits. Add lines 5a through 5e	6		
7	Subtract line 6 from line 4	7		
8	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Other (attach statement) <input type="checkbox"/> Form 8902	8		
9	Total tax. Add lines 7 and 8. Enter here and on page 1, line 28	9		

Schedule K Other Information (see instructions)

	Yes	No		Yes	No
1	Check accounting method:				
a	<input type="checkbox"/> Cash				
b	<input type="checkbox"/> Accrual				
c	<input type="checkbox"/> Other (specify) ▶ _____				
2	See the instructions and enter the:				
a	Business activity code no. ▶ _____				
b	Business activity ▶ _____				
c	Product or service ▶ _____				
d	Date of incorporation ▶ _____				
3	Check the accounting method used to compute distributable patronage:				
a	<input type="checkbox"/> Book				
b	<input type="checkbox"/> Tax				
c	<input type="checkbox"/> Other (specify) ▶ _____				
4	At the end of the tax year, did the cooperative 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.				
5	Is the cooperative a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation ▶ _____				
6	At the end of the tax year, did any individual, partnership, corporation, estate, or trust own, directly or indirectly, 50% or more of the cooperative's voting stock? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing name and identifying number. Do not include any information already entered in 5 above. Enter percentage owned ▶ _____				
7	Enter the cooperative's total assets. See instructions ▶ \$ _____				
8	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of stock of the cooperative entitled to vote or (b) the total value of all classes of stock of the cooperative?				
	If "Yes," enter: (a) Percentage owned ▶ _____ and (b) Owner's country ▶ _____				
c	The cooperative may have to file Form 5472 , Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter number of Forms 5472 attached ▶ _____				
9	Check this box if the cooperative issued publicly offered debt instruments with original issue discount . . . ▶ <input type="checkbox"/> If checked, the cooperative may have to file Form 8281 , Information Return for Publicly Offered Original Issue Discount Instruments.				
10	Enter the amount of tax-exempt income received or accrued during the tax year (for example, interest or extraterritorial income) ▶ \$ _____				
11a	Enter the number of foreign patrons at the end of the tax year ▶ _____				
b	Enter the total amount of patronage distributions described in (or deducted under) IRC 1382(b) paid or allocated to foreign patrons ▶ _____				
12	If the cooperative has an NOL for the tax year and is electing to forego the carryback period, check here ▶ <input type="checkbox"/> If the cooperative 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.				
13	Enter the available NOL carryover from prior tax years. Do not reduce it by any deduction on page 1, line 26a. Patronage ▶ \$ _____ Nonpatronage ▶ \$ _____				
14	Are the cooperative's total receipts (page 1, line 1a plus lines 4 through 9) for the tax year and its total assets at the end of the tax year less than \$250,000? If "Yes," the cooperative is not required to complete Schedules G, L, M-1, or M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ▶ \$ _____				
15	Enter the amount of outstanding nonqualified notices of allocation (attach statement) ▶ _____				

Schedule L Balance Sheets per Books		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	Other current assets (attach statement)				
5	Investments (see instructions)				
6	Loans to shareholders				
7	Mortgage and real estate loans				
8a	Buildings and other depreciable assets				
b	Less accumulated depreciation	()		()	
9a	Depletable assets				
b	Less accumulated depletion	()		()	
10	Land (net of amortization)				
11a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
12	Other assets (attach statement)				
13	Total assets				
Liabilities and Capital					
14	Accounts payable				
15	Mortgages, notes, bonds payable in less than 1 year				
16	Other current liabilities (attach statement)				
17	Loans from shareholders				
18	Mortgages, notes, bonds payable in 1 year or more				
19	Other liabilities (attach statement)				
20	Capital stock: a Preferred stock				
	b Common stock				
21	Additional paid-in capital				
22	Patronage dividends allocated in noncash form				
23	Per-unit retains allocated in noncash form				
24	Retained earnings—Appropriated (attach statement)				
25	Retained earnings—Unappropriated				
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		()		()
28	Total liabilities and capital				

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return			
Note: The cooperative may be required to file Schedule M-3. See instructions.			
1	Net income (loss) per books		7 Income recorded on books this year not included in this tax return (itemize):
2	Federal income tax per books		Tax-exempt interest \$ _____
3	Excess of capital losses over capital gains		
4	Income subject to tax not recorded on books this year (itemize): _____		
5	Expenses recorded on books this year not deducted in this return (itemize):		8 Deductions in this tax return not charged against book income this year (itemize):
a	Depreciation \$ _____		a Depreciation \$ _____
b	Charitable contributions \$ _____		b Charitable contributions \$ _____
c	Travel and entertainment \$ _____		
6	Add lines 1 through 5		9 Add lines 7 and 8
			10 Income (page 1, line 25a)—line 6 less line 9

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Schedule L, line 25)			
1	Balance at beginning of year		5 Distributions: a Cash
2	Net income (loss) per books		b Stock
3	Other increases (itemize): _____		c Property
			6 Other decreases (itemize): _____
			7 Add lines 5 and 6
4	Add lines 1, 2, and 3		8 Balance at end of year (line 4 less line 7)