

Instructions for Form 8613



(Rev. December 2025)

Return of Excise Tax on Undistributed Income of Regulated Investment Companies

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments affecting Form 8613 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form8613](https://www.irs.gov/Form8613).

What's New

Electronic payments. If the RIC has access to U.S. banking services or electronic payment systems, it should use direct deposit for any refunds and pay electronically for any payments, whenever possible.

Direct deposit. Direct deposit fields have been added to this form on lines 13b, 13c, and 13d. If there is an overpayment on line 13a, enter the RIC's direct deposit information on lines 13b, 13c, and 13d. See [Line 13a](#), later.

Making a payment. If there is a balance due on line 12, go to [IRS.gov/Payments](https://www.irs.gov/Payments) for information on how to make a payment. See the instructions for [Line 12](#), later, for more details.

General Instructions

Purpose of Form

Use Form 8613 to figure and pay the excise tax on undistributed income under section 4982. The tax is 4% of the excess, if any, of the required distribution over the distributed amount.

Also, use Form 8613 to make the section 4982(e)(4) election.

Who Must File

Any regulated investment company (RIC) that is liable for the tax on undistributed income or that makes an election under section 4982(e)(4) must file Form 8613. A RIC that makes this election must file the form even if no tax is due.

If a RIC has more than one fund, each fund files a separate Form 8613. The term "fund" refers to a series fund as defined in section 851(g) and to any RIC that does not have more than one portfolio of assets.

Exemption. The tax does not apply to funds in which all the shareholders during the year were certain trusts or segregated asset accounts of a life insurance company. Shares attributable to an investment of no more than \$250,000 made in connection with the organization of the RIC will not prevent the RIC from qualifying for this exemption. See section 4982(f).

When and Where To File

File Form 8613 with the Internal Revenue Service Center where the fund's income tax return is filed by March 15 following the calendar year in which the tax liability applies.

Extension of time to file. File Form 7004, Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns, to request an extension of time to file. Filing Form 7004 does not extend the time for payment of tax.

Amended Return

To amend a previously filed Form 8613, file a corrected Form 8613 and write "Amended" at the top of the form.

Who Must Sign

Form 8613 must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or by any other officer (such as tax officer) authorized to sign. Receivers, trustees, or assignees must also sign and date any return filed on behalf of a fund.

Note: If this return is being filed for a series fund (see section 851(g)(2)), the return may be signed by any officer authorized to sign for the RIC in which the fund is a series.

Rounding Off to Whole Dollars

The fund may show amounts on the return as whole dollars. To do so, drop any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

Interest and Penalties

Interest. Interest is charged on taxes paid late even if an extension of time to file is granted. Interest is also charged on penalties imposed for failure to file, negligence, fraud, and substantial understatements of tax from the due date (including extensions) to the date of payment. The interest charge is figured at a rate determined under section 6621.

Late payment of tax. A fund that doesn't pay the tax when due may be penalized $\frac{1}{2}$ of 1% of the unpaid tax for each month or part of a month the tax is not paid, up to a maximum of 25% of the unpaid tax. This penalty won't be imposed if the fund can show that the failure to pay on time was due to reasonable cause.

Late filing of return. A fund that doesn't file its tax return by the due date, including extensions, may have to pay a penalty of 5% of the unpaid tax for each month or part of a month the return is late, up to a maximum of 25% of the unpaid tax. The penalty won't be imposed if the fund can

show that the failure to file on time was due to reasonable cause. If the fund receives a notice about penalties after it files its return, send the IRS an explanation and we will determine if the fund meets the reasonable cause criteria. **Do not** attach an explanation when the return is filed.

Other penalties. Other penalties can be imposed for negligence, disregard of rules or regulations, substantial understatement of tax, reportable transaction understatements, and fraud. See sections 6662, 6662A, and 6663.

Specific Instructions

Period covered. Show the calendar year for which the return is filed at the top of the form. Figure income on a calendar year basis even if the fund files its income tax return and keeps its books and records on a fiscal year basis.

Address. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the fund has a P.O. box, show the box number instead.

Election under section 4982(e)(4). This election is available to funds whose tax years end in November or December. If the fund qualifies, it may substitute its tax year for the 1-year period ending on October 31.

If the RIC makes the election, Form 8613 must be filed even if no tax is due. The election is made no later than the time for filing Form 8613 (including extensions) for the year in which the election will apply. Once made, the election is revocable only with IRS consent.

Required Distribution

Line 1a. Include on this line the following types of income.

1. Adjustments that result in the distribution of deficiency dividends under section 860(f) for the year in which the dividends are paid.
2. If a RIC is a partner in a partnership, recognize the fund's share of partnership ordinary income (loss) and deductions at the same time they are taken into account by the partnership, regardless of the fund's tax year or the tax year of the partnership in which the fund is a partner. See Rev. Rul. 94-40, 1994-1 C.B. 274.

Also, see Rev. Proc. 94-71, 1994-2 C.B. 810, for the circumstances under which the IRS will not challenge the method used by a fund to account for partnership items when its required distribution is determined under section 4982.

3. Any foreign currency gain or loss attributable to a section 988 transaction that would be properly taken into account for the part of the calendar year after October 31 is taken into account in the following year. If the RIC makes an election under section 4982(e)(4), the last day of the fund's tax year is substituted for October 31.

4. Ordinary gain or loss from a disposition of stock in a passive foreign investment company is determined as if the fund's tax year ended on October 31. Gain or loss for the part of the calendar year after October 31 is taken into account in the following year. If the section 4982(e)(4)

election is made, the last day of the fund's tax year is substituted for October 31.

Election to defer certain ordinary losses. For calendar years beginning after 2010, a RIC may elect under section 4982(e)(7) to determine its ordinary income for the calendar year by deferring its net ordinary loss (figured without regard to specified gains and losses taken into account under section 4982(e)(5)) attributable to the portion of the calendar year that begins after the tax year. If this election is made, any amount of the net ordinary loss not taken for a calendar year will be treated as arising on the first day of the following calendar year. For more information, see section 4982(e)(7).

To make the election, attach a statement to the return for the year in which the election will apply indicating the RIC is electing to defer its net ordinary loss under section 4982(e)(7) and specifying the amount of the net ordinary loss that the RIC is electing to defer.

Line 2a. Include on this line the following items.

1. Capital gain net income from deficiency dividends referred to on line 1a above.
2. The fund's share of partnership capital gain net income taken into account at the same time as it is taken into account by the partnership, regardless of the fund's tax year or the tax year of the partnership in which the fund is a partner.

If the RIC does not make the section 4982(e)(4) election, capital gain net income is figured on the basis of a 1-year period ending on October 31 of the calendar year.

If the RIC makes the election under section 4982(e)(4), substitute the fund's tax year for the 1-year period ending on October 31. A special rule applies, however, to the first year the fund makes the election if that year is not the first year the fund is subject to the tax under section 4982. For that year, capital gain net income is figured for the period beginning on November 1 of the year immediately preceding the election year and ending on the last day of the first tax year for which the election was made.

Distributed Amount

Line 5. Enter dividends paid during the calendar year. Include dividends declared in October, November, or December of that calendar year that are payable to shareholders of record on a specified date in one of these months, but only if actually paid by the fund during January of the following calendar year. See section 852(b)(7). Do not include other dividends paid after the close of the calendar year.

Line 6. Line 6 is the total of the following amounts figured for the tax year of the fund ending in or with the calendar year for which this return is filed.

1. Taxable income from Form 1120-RIC, Part I, line 26; and the amount subject to tax on Form 1120-RIC, Part II, line 3.
2. Undistributed capital gains designated under section 852(b)(3)(D) from Form 2438, line 11.

Tax and Payments

Line 12. Tax due. All payments made to the federal government are to be processed electronically. Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for more information on using any of the payment options below.

Electronic Federal Tax Payment System (EFTPS). The RIC must use electronic funds transfer (EFT) to make all federal tax deposits (such as deposits of employment tax, excise tax, and corporate income tax). An EFT can be made using the Electronic Federal Tax Payment System (EFTPS). However, if the RIC does not want to use EFTPS, it can arrange for its tax professional, financial institution, payroll service, or other trusted third party to make deposits on its behalf. Also, it may arrange for its financial institution to submit a same-day payment (discussed below) on its behalf. EFTPS is a free service provided by the Department of the Treasury. Services provided by your tax professional, financial institution, payroll service, or other third party may have a fee.

To get more information about EFTPS, or to enroll in EFTPS, go to the EFTPS website at [EFTPS.gov](https://www.eftps.gov) or call 800-555-4477. To contact EFTPS using Telecommunications Relay Services (TRS) for people who are deaf, hard of hearing, or have a speech disability, dial 711 and provide the TRS assistant the 800-555-4477 number above or 800-733-4829.

Depositing on time. EFTPS accepts same day payments of \$1 million or less if the payment is submitted before 3:00 p.m. Eastern time on a business day. If the RIC's payment is more than \$1 million, the RIC must submit the deposit by 8:00 p.m. Eastern time the day before the date the deposit is due. If the RIC uses a third party to make deposits on its behalf, they may have different cutoff times.

Same-day wire payment option. If the RIC fails to submit a deposit transaction on EFTPS, it can still make its deposit on time by using the Federal Tax Collection Service (FTCS). To use the same-day wire payment method, the RIC will need to make arrangements with its financial institution ahead of time regarding availability, deadlines, and costs. Financial institutions may charge a fee for payments made this way. To learn more about the information the RIC will need to provide to its financial institution to make a same-day wire payment, go to [IRS.gov/SameDayWire](https://www.irs.gov/SameDayWire).

Line 13a. Overpayment. If the RIC has access to U.S. banking services, it should use direct deposit for any refunds, whenever possible. The benefits of a direct deposit include a faster refund, the added security of a paperless payment, and the savings of tax dollars associated with the reduced processing costs.

If the RIC wants its refund directly deposited into its checking or savings account at any U.S. bank or other financial institution, complete lines 13b through 13d. See the instructions for lines 13b, 13c, and 13d, later.

The RIC is not eligible to request a direct deposit if:

- The receiving financial institution is a foreign bank or a foreign branch of a U.S. bank, or
- The RIC has applied for an EIN but is filing its tax return before receiving one.

Line 13b. Routing number. The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. Ask the RIC's financial institution for the correct routing number to enter on line 13b if:

- The routing number on a deposit slip is different from the routing number on the RIC's checks,
- The deposit is to a savings account that does not allow the RIC to write checks, or
- The RIC's checks state that they are payable through a financial institution different from the one at which the RIC has its checking account.

Line 13c. Type of account. Check the appropriate box for the type of account. Do not check more than one box. The RIC must check the correct box to ensure the deposit is accepted.

Line 13d. Account number. The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. Enter the number from left to right and leave any unused boxes blank. Do not include the check number.

If the direct deposit to the RIC's account is different from the amount expected, the RIC will receive an explanation in the mail about 2 weeks after the refund is deposited.

Conditions resulting in a refund by check. If the IRS is unable to process the request for a direct deposit, a refund by check will be generated instead. Reasons for not processing a request include the following.

- The name of the RIC on the tax return does not match the name on the account.
- The financial institution rejects the direct deposit because of an incorrect routing or account number.
- The RIC fails to indicate the type of account the deposit is to be made to (that is, checking or savings).

Note: The IRS isn't responsible for a lost refund if the RIC enters the wrong account information. Check with the RIC's financial institution to get the correct routing and account numbers and to make sure the direct deposit will be accepted.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	6 hr., 42 min.
Learning about the law or the form	2 hr., 28 min.
Preparing and sending the form to the IRS	2 hr., 42 min.

simpler, we would be happy to hear from you. You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or you can write to the Internal Revenue Service, Tax Forms and Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this office. Instead, see *When and Where To File*, earlier.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form