

U.S. Income Tax Return for Cooperative Associations

For calendar year 2018 or tax year beginning _____, 2018, ending _____, 20_____

2018

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

<p>A Check if:</p> <p>(1) Consolidated return (attach Form 851) <input type="checkbox"/></p> <p>(2) Schedule M-3 (Form 1120) attached <input type="checkbox"/></p> <p>(3) Form 1120 filed in previous tax year <input type="checkbox"/></p>	Please type or print	<p>Name _____</p> <p>Number, street, and room or suite no. If a P.O. box, see instructions. _____</p> <p>City or town, state or province, country, and ZIP or foreign postal code _____</p>	<p>B Employer identification number _____</p> <p>C Check if:</p> <p>(1) Farmers' tax exempt cooperative <input type="checkbox"/></p> <p>(2) Nonexempt cooperative <input type="checkbox"/></p>
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D Check if: (1) Initial return (2) Final return (3) Name change (4) Address change (5) 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 and inclusions (Schedule C, line 23)								
	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 (see instructions)								
	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 (see instructions)									
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	Less: deductions and adjustments from Schedule H, line 5		25b							
26	Less: a Net operating loss deduction (see instructions)		26a							
	b Special deductions (Schedule C, line 24)		26b							
27	Taxable income. Subtract line 26c from line 25c. See instructions									
28	Total tax (Schedule J, line 9)									
29	2018 Net 965 Tax Liability Paid from Form 965-B, Part II, column (k), line 2									
Tax, Refundable Credits, and Payments	30a	2017 overpayment credited to 2018	30a							
	b	2018 estimated tax payments	30b							
	c	2018 refund applied for on Form 4466	30c	()	d Bal ▶	30d		
	e	Tax deposited with Form 7004						30e		
	f	Credits: (1) Form 2439 _____ (2) Form 4136 _____						30f		
	g	Refundable credits from Form 8827, line 8c						30g		
	h	Section 1383 adjustment (see instructions)						30h		
	i	2018 Net 965 Tax Liability from Form 965-B, Part I, column (d), line 2						30i		
	31	Estimated tax penalty. See instructions. Check if Form 2220 is attached ▶ <input type="checkbox"/>							31	
	32	Amount owed. If line 30j is smaller than the total of lines 28, 29, and 31, enter amount owed							32	
33	Overpayment. If line 30j is larger than the total of lines 28, 29, and 31, enter amount overpaid							33		
34	Enter amount of line 33 you want: Credited to 2019 estimated tax ▶							34		
								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
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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, Inclusions, and Special Deductions (see instructions)		(a) Dividends and inclusions	(b) %	(c) Special deductions (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 certain 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	Subtotal. Add lines 1 through 8. See instructions for limitations			
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	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)			
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Section 965(a) inclusion			
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)			
b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c	Other inclusions from CFCs under subpart F not included on line 15, 16a, 16b, or 17 (attach Form(s) 5471) (see instructions).			
17	Global Intangible Low-Taxed Income (GILTI) (attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid (see instructions)			
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities			
22	Section 250 deduction (attach Form 8993)			
23	Total dividends and inclusions. Add lines 9 through 20. Enter here and on page 1, line 4. ▶			
24	Total special deductions. Add lines 9 through 13, 15, 16, 21, and 22, column (c). 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 (see instructions)	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 (see instructions).	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	Base erosion minimum tax (attach Form 8991)	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. See instructions <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 Schedule 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) ▶ _____		
			16 Does the cooperative have gross receipts of at least \$500 million in any of the 3 preceding tax years? (See section 59A(e)(2) and (3)) If "Yes," complete and attach Form 8991.		
			17 Did the cooperative have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? (see instructions)		
			18 Does the cooperative satisfy one of the following conditions and the corporation does not own a pass-through entity with current year, or prior year carryover, excess business interest expense? (see instructions)		
			a The cooperative's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year do not exceed \$25 million, and the cooperative is not a tax shelter; or		
			b The cooperative only has business interest expense from (1) an electing real property trade or business, (2) an electing farming business, or (3) certain utility businesses under section 163(j)(7). If "No," complete and attach Form 8990.		

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): _____		8 Deductions in this tax return not charged against book income this year (itemize):
5	Expenses recorded on books this year not deducted in this return (itemize):		a Depreciation \$ _____
a	Depreciation \$ _____		b Charitable contributions \$ _____
b	Charitable contributions \$ _____		_____
c	Travel and entertainment \$ _____		9 Add lines 7 and 8
6	Add lines 1 through 5		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)