Form **1120-C**

Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return for Cooperative Associations

For calendar year 2021 or tax year beginning _____, 2021, ending _____, 20 _____

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

OMB No. 1545-0123

2021

A Check if:
(1) Consolidated return (attach Form 851) ☐
(2) Schedule M-3 (Form 1120) attached ☐
(3) Form 1120 filed in previous tax year ☐

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 . . . ☐
(2) Nonexempt cooperative . . . ☐

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 ▶		1c	
	2	Cost of goods sold (see instructions—attach Form 1125-A)		2	
	3	Gross profit. Subtract line 2 from line 1c		3	
	4	Dividends and inclusions (Schedule C, line 23)		4	
	5	Interest		5	
	6	Gross rents and royalties		6	
	7	Capital gain net income (attach Schedule D (Form 1120))		7	
	8	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)		8	
	9	Other income (see instructions—attach statement)		9	
	10	**Total income.** Add lines 3 through 9 ▶		10	
Deductions (See instructions for limitations on deductions.)	11	Compensation of officers (attach Form 1125-E)		11	
	12	Salaries and wages (less employment credits)		12	
	13	Bad debts		13	
	14	Rents		14	
	15	Taxes and licenses		15	
	16	Interest (see instructions)		16	
	17	Charitable contributions		17	
	18	Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)		18	
	19	Advertising		19	
	20	Pension, profit-sharing, etc., plans		20	
	21	Employee benefit programs		21	
	22	Section 199A(g) deduction (see instructions)		22	
	23	Other deductions (attach statement)		23	
	24	**Total deductions.** Add lines 11 through 23 ▶		24	
	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	25c	
	26	**Less: a** Net operating loss deduction (see instructions)	26a		
		b Special deductions (Schedule C, line 24)	26b	26c	

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 _____

May the IRS discuss this return with the preparer shown below? See instructions. ☐ **Yes** ☐ **No**

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶ | Firm's EIN ▶

Firm's address ▶ | Phone no.

Tax, Refundable Credits, and Payments

27	**Taxable income.** Subtract line 26c from line 25c. See instructions					27	
28	**Total tax** (Schedule J, line 9)					28	
29	Reserved for future use					29	
30a	2020 overpayment credited to 2021	30a					
b	2021 estimated tax payments	30b					
c	2021 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	Reserved for future use				30g		
h	Section 1383 adjustment (see instructions)				30h		
i	Reserved for future use				30i	30j	
31	Estimated tax penalty. See instructions. Check if Form 2220 is attached ▶ ☐					31	
32	**Amount owed.** If line 30j is smaller than the total of lines 28 and 31, enter amount owed					32	
33	**Overpayment.** If line 30j is larger than the total of lines 28 and 31, enter amount overpaid					33	
34	Enter amount of line 33 you want: **Credited to 2022 estimated tax ▶**				**Refunded ▶**	34	

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)		50	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		See instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	**Subtotal.** Add lines 1 through 8. See instructions for limitations		See instructions	
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members		100	
12	Dividends from certain FSCs		See instructions	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Reserved for future use			
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)		100	
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 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 column (a), lines 9 through 20. Enter here and on page 1, line 4 ▶			
24	**Total special deductions.** Add column (c), lines 9 through 13, 16, 21, and 22. 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	Section 199A(g) 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	Section 199A(g) 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 ▶ ☐				
2	Income tax (see instructions)			2	
3	Base erosion minimum tax amount (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: ☐ Form 4255 ☐ Form 8611 ☐ Other (attach statement) ☐ Form 8902			8	
9	**Total tax.** Add lines 7 and 8. Enter here and on page 2, line 28			9	

Schedule K Other Information (see instructions)

		Yes	No
1	Check accounting method:		
a	☐ Cash		
b	☐ Accrual		
c	☐ 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	☐ Book		
b	☐ Tax		
c	☐ 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 . . . . . ▶ ☐		
	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 . . . . . ▶ ☐		
	If 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 or more of the following? See instructions	☐	☐
a	The cooperative owns a pass-through entity with current, or prior year carryover, excess business interest expense.		
b	The cooperative's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than $26 million and the cooperative has business interest expense.		
c	The cooperative is a tax shelter and the cooperative has business interest expense.		
	If "Yes" to any, complete and attach Form 8990.		

Schedule L Balance Sheets per Books

		Beginning of tax year		End of tax year	
	Assets	(a)	(b)	(c)	(d)
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): Tax-exempt interest $	
2	Federal income tax per books				
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)	