SCHEDULE K (Form 1120-IC-DISC)	Shareholder a Statement of It	C-DISC Distributions—1990	OMB No. 1545-0938
	For calendar year 199	•	COPY A—File with
Department of the Treasury Internal Revenue Service	beginning , 1990, e	ee instructions on back of Copy C.)	Form 1120-IC-DISC
Part I Taxable Distril		ce mandenons on back or copy c.,	
1 Deemed distributions:			
	• • • • • • • • • • • • • • • • • • • •	5(b)(2)	
2 Actual taxable distribution	ons		
3 Total taxable distribution	ns—Add line 1(c) and line 2 (Enter here and	d in Section A or B below.)	
Section A.—C Corporat			
	entitled to section 243 dividends-received NOT entitled to dividends-received deduct		
	ers Other Than C Corporations		· · · · · · · · · · · · · · · · · · ·
			
Part II Nontaxable Di			
1 Actual distributions out of	of previously taxed income and accumulate	d pre-1985 DISC income	
2 Other actual nontaxable	distributions		
3 Total nontaxable distribu	itions—Add lines 1 and 2	_ *_ *_ *_ *_ *_ *_ *_ *_ *_ *_ *_ *_ *_	
Part III Other Informa			
	come attributable to stock sold during the y see instructions)		
	nber, and address (including ZIP code)		
onal chalder 5 harner, leentily ing help	iper, and dedicas (melading zir edde)	Name, employer identification number, and address of IC-DISC, former DISC, or former IC-DISC	(moleculary and adde)
Can Danaguante Danisation Ant		<u> </u>	
For Paperwork Reduction Act	Notice, see page 1 of the instructions for Forn	n 1120-IC-DISC. Schedule K	(Form 1120-IC-DISC) 1990
For Paperwork Reduction Act	Notice, see page 1 of the instructions for Forn	n 1120-IC-DISC. Schedule K	(Form 1120-IC-DISC) 1990
FOR Paperwork Reduction Act	Notice, see page 1 of the instructions for Forn	n 1120-IC-DISC. Schedule K	(Form 1120-IC-DISC) 1990
For Paperwork Reduction Act	Notice, see page 1 of the instructions for Forn	n 1120-IC-DISC. Schedule K	(Form 1120-IC-DISC) 1990
·	·		,
·	Notice, see page 1 of the instructions for Forn Shareholder's Statement of IC For calendar year 199	C-DISC Distributions—1990	OMB No. 1545-0938
SCHEDULE K	Shareholder's Statement of IC For calendar year 199	C-DISC Distributions—1990 O or other tax year	OMB No. 1545-0938 COPY A—File with
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e (Complete for each shareholder—Sc	C-DISC Distributions—1990 O or other tax year	OMB No. 1545-0938
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e (Complete for each shareholder—Separations	C-DISC Distributions—1990 O or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e	C-DISC Distributions—1990 O or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e	C-DISC Distributions—1990 O or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions:	Shareholder's Statement of IC For calendar year 199 beginning	C-DISC Distributions—1990 Of or other tax year red inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distributio	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e	C-DISC Distributions—1990 Or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e	C-DISC Distributions—1990 Or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat	Shareholder's Statement of IC For calendar year 199 beginning	C-DISC Distributions—1990 Of or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e	C-DISC Distributions—1990 to or other tax year nding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e	C-DISC Distributions—1990 to or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e	C-DISC Distributions—1990 to or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable Di	Shareholder's Statement of IC For calendar year 199 beginning 1990, e (Complete for each shareholder—Secutions (a) Under section 995(b)(1) (b) Annual installment under section 999 (c) Total—Add lines 1(a) and 1(b) is—Add line 1(c) and line 2 (Enter here and ions entitled to section 243 dividends-received NOT entitled to dividends-received deducters Other Than C Corporations taxable dividends on line 3 stributions	C-DISC Distributions—1990 Or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable Di 1 Actual distributions out of	Shareholder's Statement of IC For calendar year 199 beginning	C-DISC Distributions—1990 Of or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable Di 1 Actual distributions out of Other actual nontaxable	Shareholder's Statement of IC For calendar year 199 beginning 1990, e (Complete for each shareholder—Secutions (a) Under section 995(b)(1) (b) Annual installment under section 999 (c) Total—Add lines 1(a) and 1(b) consist—Add line 1(c) and line 2 (Enter here and ions entitled to section 243 dividends-received NOT entitled to dividends-received deducters Other Than C Corporations taxable dividends on line 3 stributions of previously taxed income and accumulated distributions	C-DISC Distributions—1990 Or or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above (c) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable Di 1 Actual distributions out of 2 Other actual nontaxable 3 Total nontaxable distributions	Shareholder's Statement of IC For calendar year 199 beginning	C-DISC Distributions—1990 Or or other tax year Inding	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable Di 1 Actual distributions out of C Other actual nontaxable 3 Total nontaxable distributions Part III Other Informa	Shareholder's Statement of IC For calendar year 1995 beginning	C-DISC Distributions—1990 Of or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable Di 1 Actual distributions out of 2 Other actual nontaxable 3 Total nontaxable distribution 1 Accumulated IC-DISC income	Shareholder's Statement of IC For calendar year 199 beginning	C-DISC Distributions—1990 Of or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distributions: 2 Actual taxable distributions: 2 Actual taxable distributions 2 Actual taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable DI 1 Actual distributions out of 2 Other actual nontaxable 3 Total nontaxable distributions 1 Accumulated IC-DISC income (see the company of the company o	Shareholder's Statement of IC For calendar year 1995 beginning	C-DISC Distributions—1990 Of or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distributions: 2 Actual taxable distributions: 2 Actual taxable distributions 2 Actual taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable DI 1 Actual distributions out of 2 Other actual nontaxable 3 Total nontaxable distributions 1 Accumulated IC-DISC income (see the company of the company o	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e (Complete for each shareholder—Scoutions (a) Under section 995(b)(1) (b) Annual installment under section 999 (c) Total—Add lines 1(a) and 1(b) is—Add line 1(c) and line 2 (Enter here and ions entitled to section 243 dividends-received NOT entitled to dividends-received deduct irs Other Than C Corporations taxable dividends on line 3 stributions if previously taxed income and accumulated distributions tions—Add lines 1 and 2 tion come attributable to stock sold during the yiee instructions)	C-DISC Distributions—1990 Of or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable Di 1 Actual distributions out of 2 Other actual nontaxable 3 Total nontaxable distribution Part III Other Informa 1 Accumulated IC-DISC income (see Part of the Informa) 2 Deferred DISC income (see Part III Other Informa)	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e (Complete for each shareholder—Scoutions (a) Under section 995(b)(1) (b) Annual installment under section 999 (c) Total—Add lines 1(a) and 1(b) is—Add line 1(c) and line 2 (Enter here and ions entitled to section 243 dividends-received NOT entitled to dividends-received deduct irs Other Than C Corporations taxable dividends on line 3 stributions if previously taxed income and accumulated distributions tions—Add lines 1 and 2 tion come attributable to stock sold during the yiee instructions)	C-DISC Distributions—1990 Of or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distrib 1 Deemed distributions: 2 Actual taxable distribution 3 Total taxable distribution Section A.—C Corporat 4 (a) Part of line 3 above (b) Part of line 3 above Section B.—Shareholde 5 Shareholder's portion of Part II Nontaxable Di 1 Actual distributions out of 2 Other actual nontaxable 3 Total nontaxable distribution Part III Other Informa 1 Accumulated IC-DISC income (see Part of the Informa) 2 Deferred DISC income (see Part III Other Informa)	Shareholder's Statement of IC For calendar year 199 beginning , 1990, e (Complete for each shareholder—Scoutions (a) Under section 995(b)(1) (b) Annual installment under section 999 (c) Total—Add lines 1(a) and 1(b) is—Add line 1(c) and line 2 (Enter here and ions entitled to section 243 dividends-received NOT entitled to dividends-received deduct irs Other Than C Corporations taxable dividends on line 3 stributions if previously taxed income and accumulated distributions tions—Add lines 1 and 2 tion come attributable to stock sold during the yiee instructions)	C-DISC Distributions—1990 Of or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY A—File with Form 1120-IC-DISC

SCHEDULE K (Form 1120-IC-DISC)		nt of IC-DISC Distributions—199	OMB No. 1545-0938
Department of the Treasury Internal Revenue Service	beginning (Complete for each shareho	, 1990, ending older—See instructions on back of Copy C.)	COPY B For shareholder
Part I Taxable Distri			
1 Deemed distributions:	(b) Annual installment under se	ection 995(b)(2)	
2 Actual taxable distribute 3 Total taxable distribute Section A.—C Corpora	ns—Add line 1(c) and line 2 (Enter	r here and in Section A or B below.)	
(b) Part of line 3 abov	e NOT entitled to dividends-receive	-received deduction	
	ers Other Than C Corporation		
		<u> </u>	
2 Other actual nontaxable	of previously taxed income and accedistributions utions—Add lines 1 and 2	cumulated pre-1985 DISC income	
		ring the year	
Shareholder's name, identifying nu	mber, and address (including ZIP code)	Name, employer identification number, and addr of IC-DISC, former DISC, or former IC-DISC	ess (including ZIP code)
SCHEDULE K	Shareholder's Stateme	nt of IC-DISC Distributions—199	OMB No. 1545-0938
(Form 1120-IC-DISC)	For calend	ar year 1990 or other tax year	COPY B
Department of the Treasury Internal Revenue Service	(Complete for each shareho	, 1990, ending , 19 older—See instructions on back of Copy C.)	For shareholder
Part I Taxable Distri	butions		
 Deemed distributions: Actual taxable distribution Total taxable distribution 	(b) Annual installment under set (c) Total—Add lines 1(a) and 1 ons	ection 995(b)(2)	
Section A.—C Corpora	tions		
		-received deduction	
O		d deduction	
	ers Other Than C Corporation	S	
	ers Other Than C Corporation f taxable dividends on line 3		
5 Shareholder's portion or Part II Nontaxable D 1 Actual distributions out 2 Other actual nontaxable	ers Other Than C Corporation f taxable dividends on line 3 istributions of previously taxed income and acc distributions	cumulated pre-1985 DISC income	
5 Shareholder's portion or Part II Nontaxable D 1 Actual distributions out 2 Other actual nontaxable	ers Other Than C Corporation f taxable dividends on line 3 istributions of previously taxed income and acc distributions utions—Add lines 1 and 2	sumulated pre-1985 DISC income	
5 Shareholder's portion of Part II Nontaxable D 1 Actual distributions out 2 Other actual nontaxable 3 Total nontaxable distrib Part III Other Inform: 1 Accumulated IC-DISC in	ers Other Than C Corporation f taxable dividends on line 3 istributions of previously taxed income and acce distributions utions—Add lines 1 and 2 ation accome attributable to stock sold dur	cumulated pre-1985 DISC income	

Instructions for Shareholder

(References are to the Internal Revenue Code.)

Note: Be sure to include the 1990 portion of any 1984 deemed distribution on your 1990 return.

- A. Purpose.—You will receive Copy B of Schedule K (Form 1120-IC-DISC) if you had an actual or deemed distribution from an IC-DISC, former IC-DISC, or former DISC, or the IC-DISC reports deferred DISC income to you on line 2, Part III. Please keep it for your records. Do not file it with your income tax return.
- **B. Taxable Distributions.**—Report the following as "Distributions from an IC-DISC"
- Deemed and actual taxable distributions, and
- Gain, to the extent of accumulated IC-DISC income, on the sale of stock (see Instruction D).

Deemed Distributions.—You are treated as having received deemed distributions (line 1(c), Part I) as of the last day of the IC-DISC's tax year. You must pay tax on the distributions in your tax year that includes that date.

Actual Distributions.—You must pay tax on actual taxable distributions (line 2, Part I) in the year of receipt.

C. Section A—C Corporations.—Line 4(a), Section A, shows the part of the total taxable distribution on line 3, Part I, that qualifies for the 70% or 80% dividends received deduction under section 243. Line 4(b) shows the part that is not entitled to the section 243 deduction.

Section B—Shareholders Other Than C Corporations.—If you are an individual, partnership, S corporation, estate, or trust, line 5 shows your share of line 3, Part I, distributions taxable to you as a dividend.

For a tax-exempt entity, any deemed distribution or actual distribution of previously untaxed income is treated as derived from the conduct of an unrelated trade or business.

D. Disposing of IC-DISC Stock.—If you disposed of stock in an IC-DISC, former IC-DISC, or former DISC, you may be required to include all or part of the gain in your income. The gain, reported as a dividend under section 995(c), is included to the extent of accumulated IC-DISC income attributable to the stock while you held it. This dividend is not eligible for the section 243 dividends-received deduction.

For a tax-exempt entity, the gain under section 995(c) is treated as derived from the conduct of an unrelated trade or business.

Foreign shareholders treat all gains on the disposition of stock in an IC-DISC, former IC-DISC, or former DISC and all distributions from accumulated IC-DISC income or accumulated pre-1985 DISC income, including deemed distributions, as effectively connected with the conduct of a trade or business through a permanent establishment within the U.S. See section 996(g) for details.

Line 1, Part III, shows accumulated IC-DISC income attributable to the stock while you held it. E. Acquiring an IC-DISC Stock.—If you acquired stock in an IC-DISC or from a shareholder described in instruction D, you may be able to treat part of the distribution on line 1(a), 1(b) (or both) of Part! as a nontaxable distribution of previously taxed income. See section 996(d) for details.

F. Nontaxable Distributions.—Actual distributions from previously taxed income and accumulated pre-1985 DISC income are generally not taxable to the extent of your basis in the stock for which the distribution was made. Except for distributions of accumulated IC-DISC income and of earnings and profits from the time before the corporation became an IC-DISC, other actual distributions (line 2, Part II) are also not taxable to the extent of your basis in the stock for which the distribution was made. Treat distributions in excess of your basis as a gain from the sale or exchange of property. See section 996(e).

G. Deferred DISC Income.—Line 2, Part III, shows your share of the IC-DISC's deferred income for the year Section 995(f) imposes an interest charge on the additional tax you would be required to pay if this deferred income were included in your income for your tax year that ends with or includes the IC-DISC's tax year end shown on Schedule K. Complete Form 8404, Computation of Interest Charge on DISC-Related Deferred Tax Liability, to figure your interest due. Note: Rev. Rul. 90-96, 1990-46 i.R.B. 13, contains the "base period T-bill rate" for line 8 of Form 8404 for tax years beginning in 1990.

Instructions for Shareholder

(References are to the Internal Revenue Code.)

Note: Be sure to include the 1990 portion of any 1984 deemed distribution on your 1990 return.

- A. Purpose.—You will receive Copy B of Schedule K (Form 1120-IC-DISC) if you had an actual or deemed distribution from an IC-DISC, former IC-DISC, or former DISC, or the IC-DISC reports deferred DISC income to you on line 2, Part III. Please keep it for your records. Do not file it with your income tax return.
- **B. Taxable Distributions.**—Report the following as "Distributions from an IC-DISC".
- Deemed and actual taxable distributions, and
- Gain, to the extent of accumulated IC-DISC income, on the sale of stock (see Instruction D).

Deemed Distributions.—You are treated as having received deemed distributions (line 1(c), Part I) as of the last day of the ICDISC's tax year You must pay tax on the distributions in your tax year that includes that date

Actual Distributions.—You must pay tax on actual taxable distributions (line 2, Part I) in the year of receipt.

C. Section A—C Corporations.—Line 4(a), Section A, shows the part of the total taxable distribution on line 3, Part I, that qualifies for the 70% or 80% dividends received deduction under section 243. Line 4(b) shows the part that is **not** entitled to the section 243 deduction.

Section B—Shareholders Other Than C Corporations.—If you are an individual, partnership, S corporation, estate, or trust, line 5 shows your share of line 3, Part I, distributions taxable to you as a dividend.

For a tax-exempt entity, any deemed distribution or actual distribution of previously untaxed income is treated as derived from the conduct of an unrelated trade or business.

D. Disposing of IC-DISC Stock.—If you disposed of stock in an IC-DISC, former IC-DISC, or former DISC, you may be required to include all or part of the gain in your income. The gain, reported as a dividend under section 995(c), is included to the extent of accumulated IC-DISC income attributable to the stock while you held it. This dividend is not eligible for the section 243 dividends-received deduction.

For a tax-exempt entity, the gain under section 995(c) is treated as derived from the conduct of an unrelated trade or business.

Foreign shareholders treat all gains on the disposition of stock in an IC-DISC, former IC-DISC, or former DISC and all distributions from accumulated IC-DISC income or accumulated pre-1985 DISC income, including deemed distributions, as effectively connected with the conduct of a trade or business through a permanent establishment within the U.S. See section 996(g) for details.

Line 1, Part III, shows accumulated IC-DISC income attributable to the stock while you held it.

- E. Acquiring an IC-DISC Stock.—If you acquired stock in an IC-DISC or from a shareholder described in instruction D, you may be able to treat part of the distribution on line 1(a), 1(b) (or both) of Part I as a nontaxable distribution of previously taxed income. See section 996(d) for details.
- F. Nontaxable Distributions.—Actual distributions from previously taxed income and accumulated pre-1985 DISC income are generally not taxable to the extent of your basis in the stock for which the distribution was made. Except for distributions of accumulated IC-DISC income and of earnings and profits from the time before the corporation became an IC-DISC, other actual distributions (line 2, Part III) are also not taxable to the extent of your basis in the stock for which the distribution was made. Treat distributions in excess of your basis as a gain from the sale or exchange of property. See section 996(e).
- G. Deferred DISC Income.--Line 2, Part III, shows your share of the IC-DISC's deferred income for the year. Section 995(f) imposes an interest charge on the additional tax you would be required to pay if this deferred income were included in your income for your tax year that ends with or includes the IC-DISC's tax year end shown on Schedule K. Complete Form 8404, Computation of Interest Charge on DISC-Related Deferred Tax Liability, to figure your interest due. Note: Rev. Rul. 90-96, 1990-46 I.R.B. 13, contains the "base period T-bill rate" for line 8 of Form 8404 for tax years beginning in 1990.

SCHEDULE K (Form 1120-IC-DISC)	Shareholder's Statement of IC	C-DISC Distributions—1990	OMB No. 1545-0938
(roim 1120-ic-bisc)	For calendar year 199	0 or other tax year	COPY C
Department of the Treasury Internal Revenue Service	, 1990, e (Complete for each shareholder—Se	nding , 19	For IC-DISC's records
Part I Taxable Distr		se instructions on back of Copy C.)	
Deemed distributions:			
a positive distributions.	(b) Annual installment under section 999		
2 Actual taxable distribut			
Section A.—C Corpora	ns—Add line 1(c) and line 2 (Enter here and	1 in Section A or B below.)	·
	e entitled to section 243 dividends-received	deduction	
	e NOT entitled to dividends-received deduct		
	ers Other Than C Corporations		
5 Shareholder's portion of	f taxable dividends on line 3		
Part II Nontaxable D			
1 Actual distributions out	of previously taxed income and accumulated	d pre-1985 DISC income	• •
2 Other actual nontaxable3 Total nontaxable distrib	e distributions		· ·
Part III Other Inform			<u>' </u>
	ncome attributable to stock sold during the ye		
	see instructions)		
Shareholder's name, identifying nu	mber, and address (including ZIP code)	Name, employer identification number, and address of IC-DISC, former DISC, or former IC-DISC	(including ZIP code)
For Bonomical Badustin &		1120 IC DICC	/Form 1120 IO DISC) 1000
For Paperwork Reduction Ac	Notice, see page 1 of the instructions for Form	11120-10-0130. Schedule R	(Form 1120-IC-DISC) 1990
ror raperwork Reduction Ac	Notice, see page 1 of the instructions for Form	11120-10-0130. Schleddie R	(Loum 1150-16-1196) 1990
ror raperwork Reduction Ac	Notice, see page 1 of the instructions for Form	11120-10-DISD. Schleddie R	(FORM 1120-16-DISC) 1990
			,
SCHEDULE K	Shareholder's Statement of IC	C-DISC Distributions—1990	OMB No. 1545-0938
SCHEDULE K (Form 1120-IC-DISC)	Shareholder's Statement of IC	C-DISC Distributions—1990 0 or other tax year	ОМВ No. 1545-0938 СОРУ С
SCHEDULE K	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et	C-DISC Distributions—1990 O or other tax year	OMB No. 1545-0938
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Se	C-DISC Distributions—1990 O or other tax year	ОМВ No. 1545-0938 СОРУ С
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part 1 Taxable Distr	Shareholder's Statement of IC For calendar year 199 beginning , 1990, ei (Complete for each shareholder—Se	C-DISC Distributions—1990 O or other tax year Inding , 19 Lee instructions on back of Copy C.)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part 1 Taxable Distr	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et	C-DISC Distributions—1990 O or other tax year Inding 19 De instructions on back of Copy C.)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distr 1 Deemed distributions:	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1)	C-DISC Distributions—1990 0 or other tax year nding ,19 te instructions on back of Copy C.) 5(b)(2)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distr 1 Deemed distributions: 2 Actual taxable distribut	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Sebutions (a) Under section 995(b)(1) (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b)	C-DISC Distributions—1990 0 or other tax year inding ,19 te instructions on back of Copy C.) 5(b)(2)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distr 1 Deemed distributions: 2 Actual taxable distribut	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Sebutions (a) Under section 995(b)(1) . (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) . ons	C-DISC Distributions—1990 0 or other tax year inding ,19 te instructions on back of Copy C.) 5(b)(2)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distri Deemed distributions: 2 Actual taxable distributions 2 Total taxable distributions 3 Total taxable distributions	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1)	C-DISC Distributions—1990 O or other tax year Inding 19 De instructions on back of Copy C.) O(b)(2)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distributions: 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 4 (a) Part of line 3 abov (b) Part of line 3 abov	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1)	C-DISC Distributions—1990 O or other tax year ndling 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable District 1 Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 5 Ection A.—C Corpora 4 (a) Part of line 3 abov (b) Part of line 3 abov Section B.—Sharehold	Shareholder's Statement of IC For calendar year 199 beginning ,1990, et (Complete for each shareholder—Sebutions (a) Under section 995(b)(1)	C-DISC Distributions—1990 O or other tax year Inding 19 Dec instructions on back of Copy C.) So(b)(2)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable District Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 4 (a) Part of line 3 abov (b) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion o	Shareholder's Statement of IC For calendar year 199 beginning ,1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1) (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) ons	C-DISC Distributions—1990 O or other tax year Inding 19 Dec instructions on back of Copy C.) So(b)(2)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distr. 1 Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 5 Section A.—C Corpora 4 (a) Part of line 3 abov (b) Part of line 3 abov (c) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable Distributions	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1)	C-DISC Distributions—1990 O or other tax year Inding 19 De instructions on back of Copy C.) S(b)(2)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distr 1 Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 5 Section A.—C Corpora 4 (a) Part of line 3 abov (b) Part of line 3 abov (c) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable D 1 Actual distributions out	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Sebutions (a) Under section 995(b)(1) (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) ons	C-DISC Distributions—1990 O or other tax year Inding 19 De instructions on back of Copy C.) If in Section A or B below.) If pre-1985 DISC income	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable District Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 5 Section A.—C Corpora 4 (a) Part of line 3 abov (b) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable D 1 Actual distributions out 2 Other actual nontaxable	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1) (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) ons	C-DISC Distributions—1990 O or other tax year Inding 19 De instructions on back of Copy C.) S(b)(2)	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable District Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 5 Section A.—C Corpora 4 (a) Part of line 3 abov (b) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable D 1 Actual distributions out 2 Other actual nontaxable	Shareholder's Statement of IC For calendar year 199 beginning , 1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1) . (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b)	C-DISC Distributions—1990 O or other tax year Inding ,19 De instructions on back of Copy C.) In Section A or B below.) In Pre-1985 DISC income	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable Distri 1 Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 4 (a) Part of line 3 abov (b) Part of line 3 abov (b) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable D 1 Actual distributions out 2 Other actual nontaxable 3 Total nontaxable distrib Part III Other Inform 1 Accumulated IC-DISC in	Shareholder's Statement of IC For calendar year 199 beginning , 1990, er (Complete for each shareholder—Serbutions (a) Under section 995(b)(1) (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) ons ns—Add line 1(c) and line 2 (Enter here and tions are entitled to section 243 dividends-received as NOT entitled to dividends-received deductions are other Than C Corporations are stributions. of previously taxed income and accumulated a distributions utions—Add lines 1 and 2 ation come attributable to stock sold during the year	C-DISC Distributions—1990 O or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable District Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 4 (a) Part of line 3 abov (b) Part of line 3 abov (c) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable Distributions out 2 Other actual nontaxable distributions 3 Total nontaxable distributions 1 Accumulated IC-DISC in 2 Deferred DISC income (c)	Shareholder's Statement of IC For calendar year 199 beginning ,1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1) . (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) . ons	C-DISC Distributions—1990 O or other tax year Inding ,19 De instructions on back of Copy C.) I in Section A or B below.) I pre-1985 DISC income	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable District Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 4 (a) Part of line 3 abov (b) Part of line 3 abov (c) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable Distributions out 2 Other actual nontaxable distributions 3 Total nontaxable distributions 1 Accumulated IC-DISC in 2 Deferred DISC income (c)	Shareholder's Statement of IC For calendar year 199 beginning , 1990, er (Complete for each shareholder—Serbutions (a) Under section 995(b)(1) (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) ons ns—Add line 1(c) and line 2 (Enter here and tions are entitled to section 243 dividends-received as NOT entitled to dividends-received deductions are other Than C Corporations are stributions. of previously taxed income and accumulated a distributions utions—Add lines 1 and 2 ation come attributable to stock sold during the year	C-DISC Distributions—1990 O or other tax year anding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable District Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 4 (a) Part of line 3 abov (b) Part of line 3 abov (c) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable Distributions out 2 Other actual nontaxable distributions 3 Total nontaxable distributions 1 Accumulated IC-DISC in 2 Deferred DISC income (c)	Shareholder's Statement of IC For calendar year 199 beginning ,1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1) . (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) . ons	C-DISC Distributions—1990 O or other tax year Inding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY C For IC-DISC's records
SCHEDULE K (Form 1120-IC-DISC) Department of the Treasury Internal Revenue Service Part I Taxable District Deemed distributions: 2 Actual taxable distributions 2 Actual taxable distributions 2 Actual taxable distributions 3 Total taxable distributions 4 (a) Part of line 3 abov (b) Part of line 3 abov (c) Part of line 3 abov Section B.—Sharehold 5 Shareholder's portion of Part II Nontaxable Distributions out 2 Other actual nontaxable distributions 3 Total nontaxable distributions 1 Accumulated IC-DISC in 2 Deferred DISC income (c)	Shareholder's Statement of IC For calendar year 199 beginning ,1990, et (Complete for each shareholder—Se butions (a) Under section 995(b)(1) . (b) Annual installment under section 995(c) Total—Add lines 1(a) and 1(b) . ons	C-DISC Distributions—1990 O or other tax year Inding 19 19 19 19 19 19 19 19 19 19 19 19 19	OMB No. 1545-0938 COPY C For IC-DISC's records

Instructions for IC-DISC General Instructions

Complete Schedule K (Form 1120-IC-DISC) for each shareholder who had an actual or deemed distribution during the tax year or to whom the corporation is reporting deferred DISC income for the year. File Copy A with Form 1120-IC-DISC. Give Copy B to the shareholder by the last day of the 2nd month after your tax year ends. Keep Copy C for your records.

Actual and deemed distributions (or deferred DISC income) are not reported on Form 1099-DIV.

Specific Instructions

Part I—Taxable Distributions.—On line 1(a) enter the shareholder's part of the deemed distributions under section 995(b)(1) and on line 1(b) enter the portion of the annual installment under section 995(b)(2). The sum of the amounts on these lines for all shareholders should equal the total the corporation reports in Part I and Part III, Schedule J, Form 1120-IC-DISC.

On line 2 of Part I enter the amount of actual distributions that are taxable to the shareholder. These distributions come from accumulated IC-DISC income and other earnings and profits.

Section A. —Complete Section A for shareholders that are C corporations. Enter on line 4(a) each shareholder's share of

dividends out of other earnings and profits that are eligible for the dividends-received deduction under section 243. No dividends-received deduction is allowed for a dividend from an IC-DISC, former IC-DISC, or former DISC if it—

- (1) Is paid out of accumulated IC-DISC income or accumulated pre-1985 DISC income;
- (2) Is paid out of previously taxed income; or
- (3) Is a deemed distribution under section 995(b)(1).

Line 4(b). —Enter on line 4(b) all Part I income for C corporation shareholders that is taxable and not entitled to the dividends-received deduction.

Section B.—Complete Section B for shareholders that are individuals, partnerships, S corporations, estates, or trusts. Enter on line 5 each shareholder's taxable share of line 3, Part I.

Part II—Nontaxable Distributions.—On line 1 enter the shareholder's part of actual distributions from previously taxed income and distributions from accumulated pre-1985 DISC income (see instruction for line 12 of Schedule L of Form 1120-IC-DISC). The total of this line for all shareholders should equal the total the corporation reports on line 4a, Part IV, Schedule J, Form 1120-IC-DISC).

On line 2 enter the shareholder's part of actual nontaxable distributions out of other than: (1) previously taxed income, or accumulated pre-1985 DISC income, (2) accumulated IC-DISC income, and (3) other earnings and profits. The total of this line for all shareholders should equal the total nontaxable income reported on line 4d, Part IV. Schedule J. Form 1120-IC-DISC.

Part III—Other Information.— If: (1) a shareholder disposes of stock in an IC-DISC or former DISC, or (2) the stock of an IC-DISC, former IC-DISC, or former DISC is disposed of in a transaction that terminates the separate corporate existence of an IC-DISC, former IC-DISC, or former DISC (other than a mere change in the place of organization), enter on line 1 the accumulated IC-DISC income attributable to the stock which was accumulated in the IC-DISC during the period the shareholder held the stock.

Part III, Line 2.—Enter on line 2 the shareholder's share of the corporation's deferred DISC income at tax year end. See section 995(f) and the instructions for Part V of Schedule J in the Instructions for Form 1120-IC-DISC for information on figuring deferred DISC income. The total of this line for all shareholders should equal the total amount reported on line 3, Part V. Schedule J, Form 1120-IC-DISC.

Instructions for IC-DISC General Instructions

Complete Schedule K (Form 1120-IC-DISC) for each shareholder who had an actual or deemed distribution during the tax year or to whom the corporation is reporting deferred DISC income for the year. File Copy A with Form 1120-IC-DISC. Give Copy B to the shareholder by the last day of the 2nd month after your tax year ends. Keep Copy C for your records.

Actual and deemed distributions (or deferred DISC income) are not reported on Form 1099-DIV

Specific Instructions

Part I—Taxable Distributions.—On line 1(a) enter the shareholder's part of the deemed distributions under section 995(b)(1) and on line 1(b) enter the portion of the annual installment under section 995(b)(2). The sum of the amounts on these lines for all shareholders should equal the total the corporation reports in Part 1 and Part III, Schedule J, Form 1120-IC-DISC.

On line 2 of Part I enter the amount of actual distributions that are taxable to the shareholder. These distributions come from accumulated IC-DISC income and other earnings and profits.

Section A.—Complete Section A for shareholders that are C corporations. Enter on line 4(a) each shareholder's share of

dividends out of other earnings and profits that are eligible for the dividends-received deduction under section 243. No dividends-received deduction is allowed for a dividend from an IC-DISC, former IC-DISC, or former DISC if it—

- (1) is paid out of accumulated IC-DISC income or accumulated pre-1985 DISC income;
- (2) Is paid out of previously taxed income; or
- (3) Is a deemed distribution under section 995(b)(1).

Line 4(b). —Enter on line 4(b) all Part I income for C corporation shareholders that is taxable and not entitled to the dividends-received deduction.

Section B.—Complete Section B for shareholders that are individuals, partnerships, S corporations, estates, or trusts. Enter on line 5 each shareholder's taxable share of line 3, Part I.

Part II—Nontaxable Distributions.—On line 1 enter the shareholder's part of actual distributions from previously taxed income and distributions from accumulated pre-1985 DISC income (see instruction for line 12 of Schedule L of Form 1120-IC-DISC). The total of this line for all shareholders should equal the total the corporation reports on line 4a, Part IV, Schedule J, Form 1120-IC-DISC.

On line 2 enter the shareholder's part of actual nontaxable distributions out of other than: (1) previously taxed income, or accumulated pre-1985 DISC income, (2) accumulated IC-DISC income, and (3) other earnings and profits. The total of this line for all shareholders should equal the total nontaxable income reported on line 4d, Part IV, Schedule J, Form 1120-IC-DISC.

Part III—Other Information.— If: (1) a shareholder disposes of stock in an IC-DISC or former DISC, or (2) the stock of an IC-DISC, former IC-DISC, or former DISC is disposed of in a transaction that terminates the separate corporate existence of an IC-DISC, former IC-DISC, or former DISC (other than a mere change in the place of organization), enter on line 1 the accumulated IC-DISC income attributable to the stock which was accumulated in the IC-DISC during the period the shareholder held the stock.

Part III, Line 2.—Enter on line 2 the shareholder's share of the corporation's deferred DISC income at tax year end. See section 995(f) and the instructions for Part V of Schedule J in the Instructions for Form 1120-IC-DISC for information on figuring deferred DISC income. The total of this line for all shareholders should equal the total amount reported on line 3, Part V. Schedule J, Form 1120-IC-DISC.