

For calendar year 1994 or other tax year beginning \_\_\_\_\_, 1994, and ending \_\_\_\_\_, 19\_\_.

**Note:** If you are a section 501(c) organization or a separate segregated fund described in section 527(f)(3), check here

Please print or type	Name of organization	Employer identification number	
	Number, street, and room or suite no. (If a P.O. box, see page 4 of instructions.)	<b>Candidates for U.S. Congress Only</b> If this is a principal campaign committee, and it is the ONLY political committee, check here. <input type="checkbox"/>  If this is a principal campaign committee, but is NOT the only political committee, check here and attach a copy of designation (See instructions on page 2.) <input type="checkbox"/>	
	City or town, state, and ZIP code		

Check applicable boxes: (1)  Final return (2)  Change of address (3)  Amended return

<b>Income</b>	1	Dividends (attach schedule)	1		
	2	Interest	2		
	3	Gross rents	3		
	4	Gross royalties	4		
	5	Capital gain net income (attach Schedule D (Form 1120))	5		
	6	Net gain or (loss) from Form 4797, Part II, line 20 (attach Form 4797)	6		
	7	Other income and nonexempt function expenditures (see instructions)	7		
	8	<b>Total income.</b> Add lines 1 through 7.	8		
<b>Deductions</b>	9	Salaries and wages	9		
	10	Repairs and maintenance	10		
	11	Rents	11		
	12	Taxes and licenses	12		
	13	Interest	13		
	14	Depreciation (attach Form 4562)	14		
	15	Other deductions (attach schedule)	15		
	16	<b>Total deductions.</b> Add lines 9 through 15.	16		
	17	Taxable income before specific deduction of \$100 (see instructions). Section 501(c) organizations show:			
		<b>a</b> amount of net investment income. <input type="checkbox"/> _____			
	<b>b</b> aggregate amount expended for an exempt function (attach schedule) <input type="checkbox"/> _____	17c			
18	Specific deduction of \$100 (not allowed for newsletter funds defined under section 527(g))	18			
<b>Tax</b>	19	<b>Taxable income.</b> Subtract line 18 from line 17c (If line 19 is zero or less, do not file Form 1120-POL.)	19		
	20	<b>Income tax</b> (see instructions)	20		
	21	<b>Tax credits</b> (Attach all applicable forms.) (see instructions).	21		
	22	Total tax. Subtract line 21 from line 20	22		
	23	<b>a</b> Tax deposited with Form 7004	23a		
		<b>b</b> Credit from regulated investment companies (attach Form 2439)	23b		
		<b>c</b> Credit for Federal tax on fuels (attach Form 4136)	23c		
		<b>d</b> Total. Add lines 23a through 23c	23d		
24	<b>Tax due.</b> Subtract line 23d from line 22. See instructions on page 3 for depository method of payment	24			
25	<b>Overpayment.</b> Subtract line 22 from line 23d	25			

<b>Additional Information</b>	1	At any time during the tax year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See instructions.) <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," enter the name of the foreign country <input type="checkbox"/> _____
	2	Was the organization the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the organization has any beneficial interest in it? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," the organization may have to file Forms 926, 3520, or 3520-A.
	3	Enter the amount of tax-exempt interest received or accrued during the tax year <input type="checkbox"/> \$ _____
	4	Date organization formed <input type="checkbox"/> _____
	5a	The books are in care of <input type="checkbox"/> _____ <b>b</b> Enter name of candidate <input type="checkbox"/> _____
	c The books are located at <input type="checkbox"/> _____ <b>d</b> Telephone No. <input type="checkbox"/> _____	

**Please 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 \_\_\_\_\_

<b>Paid Preparer's Use Only</b>	Preparer's signature <input type="checkbox"/>	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no. _____
	Firm's name (or yours, if self-employed) and address <input type="checkbox"/>	E.I. No. <input type="checkbox"/>	ZIP code <input type="checkbox"/>	

## 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.

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

<b>Recordkeeping</b> . . . . .	15 hr., 32 min.
<b>Learning about the law or the form</b> . . . . .	6 hr., 23 min.
<b>Preparing the form</b> . . . . .	15 hr., 18 min.
<b>Copying, assembling, and sending the form to the IRS</b> . . . . .	2 hr., 25 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Attention: Tax Forms Committee, PC:FP, Washington, DC 20224; and the **Office of Management and Budget**, Paperwork Reduction Project (1545-0129), Washington, DC 20503. **DO NOT** send the tax form to either of these addresses. Instead, see **Where To File** on page 3.

## General Instructions

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

### A Change To Note

Some political organizations are required to use a new method of depositing taxes for taxes due after 1994. Generally, the requirement applies to political organizations whose total deposits of certain taxes during calendar year 1993 exceeded \$78 million. Other organizations may use the new method voluntarily. For details, see **Depository Method of Tax Payment** on page 3.

**Purpose of Form.**—Form 1120-POL is used to report the taxable income and income tax liability of political organizations.

### Who Must File

A political organization must file Form 1120-POL if the organization has any political organization taxable income.

### Political Organizations

A political organization is a party, committee, association, fund (including a separate segregated fund described in section 527(f)(3) set up by a section 501(c) organization), or other organization, organized and operated primarily for the purpose of accepting contributions or making expenditures, or both, to influence the selection, nomination, election, or appointment of any individual to any public office or office in a political organization, or the election of Presidential or Vice-Presidential electors. Political organizations include principal campaign committees, newsletter funds, and certain tax-exempt organizations.

**Principal Campaign Committees**—A principal campaign committee is the political

committee designated by a candidate for Congress as his or her principal campaign committee for purposes of section 302(e) of the Federal Election Campaign Act of 1971 and section 527(h).

If a candidate for Congress elects to make a designation under section 527(h), he or she must designate the principal campaign committee by attaching a copy of the Statement of Candidacy to Form 1120-POL. This can be either the Federal Election Commission's Form 2 or an equivalent statement filed with the Federal Election Commission. The designation may also be made by attaching a signed statement with the following information:

- The candidate's name and address.
- The candidate's identifying number.
- The candidate's party affiliation and office sought.
- The district and state in which the office is sought.
- The name and address of the principal campaign committee.

**Note:** *If the candidate for Congress has a designation in effect from an earlier year, attach a copy of the earlier year's designation to this year's Form 1120-POL and check the appropriate box on the form. See Regulations section 1.527-9. If a candidate for Congress has only one political campaign committee, no designation is required. However, be sure to check the appropriate box on Form 1120-POL.*

**Newsletter Fund**—A newsletter fund is a fund established and maintained by an individual who holds, has been elected to, or is a candidate (as defined in section 527(g)(3)) for nomination or election to any Federal, state, or local elective public office. The fund is maintained exclusively for the preparation and circulation of the individual's newsletter.

**Tax-Exempt Organizations**—A separate segregated fund maintained by a section 501(c) organization (exempt from tax under section 501(a)) is treated as a political organization. For more information, see section 527(f) and Regulations section 1.527-6.

**Taxable Income**—Taxable income of a political organization is the excess of (1) gross income for the tax year (excluding exempt function income) over (2) deductions directly connected with the earning of gross income. Taxable income is figured with the following adjustments:

1. A specific deduction of \$100 is allowed.
2. The net operating loss deduction is not allowed.
3. The dividends-received deduction and other special deductions for corporations are not allowed. See Regulations section 1.527-4.

**Newsletter Fund Taxable Income**—Taxable income of a newsletter fund is figured in the same manner as taxable income of a political organization except that the specific deduction of \$100 is not allowed.

**Tax-Exempt Organization Taxable Income**—Taxable income of a tax-exempt organization is the lesser of (1) the amount

spent for an exempt function during the tax year either directly or indirectly through another organization or (2) the net investment income of the organization for the tax year. This income is subject to the adjustments under **Taxable Income** above.

Net investment income, for this purpose, is (1) the gross amount of interest, dividends, rents, and royalties, plus the excess, if any, of gains from the sale or exchange of assets, over the losses from the sale or exchange of assets, over (2) the deductions directly connected with the production of this income.

**Exempt Function**—The exempt function of a political organization is the function of influencing or attempting to influence the selection, the nomination, election, or appointment of any individual to any Federal, state, or local public office, or office of a political organization, or election of Presidential or Vice-Presidential electors, whether or not the individual or electors are selected, nominated, elected, or appointed. The term "exempt function" also means the making of expenditures relating to the individual's office, once selected, nominated, elected, or appointed, but only if the expenditures would be deductible by an individual under section 162(a).

**Exempt Function Income**—Exempt function income is the total of all amounts received from the following sources (to the extent that they are separately segregated only for use for an exempt function):

1. Contributions of money and property.
2. Membership dues, fees, or assessments paid by a member of a political party.
3. Proceeds from a political fundraising, or entertainment event, or from the sale of political campaign materials, if those amounts are not received in the active conduct of a trade or business.
4. Proceeds from the conduct of a bingo game, as described in section 513(f)(2).

### When To File

In general, an organization must file Form 1120-POL by the 15th day of the 3rd month after the end of the tax year.

If the due date falls on a Saturday, Sunday, or legal holiday, the organization may file on the next business day.

**Extension**—File **Form 7004**, Application for Automatic Extension of Time To File Corporation Income Tax Return, to request a 6-month extension of time to file Form 1120-POL.

### Where To File

If the political organization's main office is located in	Use the following Internal Revenue Service Center address
New Jersey, New York (New York City and counties of Nassau, Rockland, Suffolk, and Westchester)	Holtsville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501

Florida, Georgia, South Carolina	Atlanta, GA 39901
Kansas, New Mexico, Oklahoma, Texas	Austin, TX 73301
Indiana, Kentucky, Michigan, Ohio, West Virginia	Cincinnati, OH 45999
Illinois, Iowa, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999
Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee	Memphis, TN 37501
Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201
California (all other counties), Hawaii	Fresno, CA 93888
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	Philadelphia, PA 19255

## Who Must Sign

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

If an organization officer completed Form 1120-POL, the Paid Preparer's space should remain blank. Anyone who prepares Form 1120-POL but does not charge the organization should not sign the return. Generally, anyone who is paid to prepare the return must sign it and fill in the Paid Preparer's Use Only area.

The paid preparer must complete the required preparer information and:

- Sign the return, by hand, in the space provided for the preparer's signature (signature stamps and labels are not acceptable).
- Give a copy of the return to the taxpayer.

## Accounting Methods

Taxable income must be computed using the method of accounting regularly used in keeping the organization's books and records. Generally, permissible methods include the cash, accrual, or any other method authorized by the Internal Revenue Code. In all cases, the method used must clearly show taxable income.

Under the accrual method, an amount is includible in income when all the events have occurred that fix the right to receive the income and the amount can be determined with reasonable accuracy. See Regulations section 1.451-1(a) for details.

Generally, an accrual basis taxpayer can deduct accrued expenses in the tax year in which all events that determine the liability

have occurred, the amount of the liability can be figured with reasonable accuracy, and economic performance takes place with respect to the expense. There are exceptions to the economic performance rule for certain items, including recurring expenses. See section 461(h) and the related regulations for the rules for determining when economic performance takes place.

Generally, the organization may change the method of accounting used to report taxable income (for income as a whole or for any material item) only by getting consent on **Form 3115**, Application for Change in Accounting Method. For more information, get **Pub. 538**, Accounting Periods and Methods.

**Change in Accounting Period.**—Generally, before changing an accounting period, the Commissioner's approval must be obtained (Regulations section 1.442-1) by filing **Form 1128**, Application To Adopt, Change, or Retain a Tax Year. Also see Pub. 538.

## Rounding Off to Whole Dollars

The organization may show amounts on the return and accompanying schedules 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.

## Depository Method of Tax Payment

The organization must pay the tax due in full no later than the 15th day of the 3rd month after the end of the tax year. Deposit organization income tax payments with **Form 8109**, Federal Tax Deposit Coupon. Do not send deposits directly to an IRS office. Mail or deliver the completed Form 8109 with the payment to a qualified depository for Federal taxes or to the Federal Reserve bank (FRB) servicing the organization's geographic area. Make checks or money orders payable to that depository or FRB.

To help ensure proper crediting, write the organization's employer identification number, the tax period to which the deposit applies, and "Form 1120-POL" on the check or money order. Be sure to darken the "1120" box on the coupon. Records of these deposits will be sent to the IRS.

A penalty may be imposed if the deposits are mailed or delivered to an IRS office rather than to an authorized depository or FRB.

For more information on deposits, see the instructions in the coupon booklet (Form 8109) and **Pub. 583**, Taxpayers Starting a Business.

**Caution:** *If the organization owes tax when it files Form 1120-POL, do not include the payment with the tax return. Instead, mail or deliver the payment with Form 8109 to a qualified depository or FRB.*

Generally, political organizations whose total deposits of withheld income, social security, and Medicare taxes during calendar year 1993 exceeded \$78 million are required to deposit all depository taxes due after 1994 by electronic funds transfer (EFT). TAXLINK, an electronic remittance processing system, must be used to make deposits by EFT.

Political organizations who are not required to make deposits by EFT may voluntarily participate in TAXLINK. For more information on TAXLINK, see Rev. Proc. 94-48, 1994-29 I.R.B. 31. You may also call the toll-free TAXLINK HELPLINE at 1-800-829-5469.

## Interest and Penalties

**Interest.**—Interest is charged on taxes not paid by the due date even if an extension of time to file is granted. Interest is also charged on penalties imposed for failure to file, negligence, fraud, gross valuation overstatements, and substantial understatement 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 filing of return.**—An organization that does not 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 minimum penalty for a return that is more than 60 days late is the smaller of the tax due or \$100. The penalty will not be imposed if the organization can show that the failure to file on time was due to reasonable cause. Organizations that file late must attach a statement explaining the reasonable cause.

**Late payment of tax.**—An organization that does not pay the tax when due may have to pay a penalty of 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 may also apply to any additional tax not paid within 10 days of the date of the notice and demand for payment. The penalty will not be imposed if the organization can show that the failure to pay on time was due to reasonable cause.

**Other penalties.**—Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. See sections 6662 and 6663.

## Attachments

Attach **Form 4136**, Credit for Federal Tax Paid on Fuels, after page 1 of Form 1120-POL. Attach schedules in alphabetical order and other forms in numerical order after Form 4136.

To assist us in processing the return, please complete every applicable entry space on Form 1120-POL. Do not write "See attached" instead of completing the entry spaces. If you need more space on the forms or schedules, attach separate sheets. Use the same size and format as on the printed forms. But show your totals on the printed forms. Attach these separate sheets after all the schedules and forms. Be sure to put the organization's name and EIN on each sheet.

## Specific Instructions Period Covered

File the 1994 return for calendar year 1994 and fiscal years that begin in 1994 and end in 1995. For a fiscal year, fill in the tax year spaces at the top of the form.

**Note:** *The 1994 Form 1120-POL may also be used if (1) the organization has a tax year of less than 12 months that begins and ends in 1995 and (2) the 1995 Form 1120-POL is not*

available at the time the organization is required to file its return. However, the organization must show its 1995 tax year on the 1994 Form 1120-POL and must incorporate any tax law changes that are effective for tax years beginning after 1994.

**Address.**—Include the suite or room or other unit number after the street address. If the Post Office does not deliver mail to the street address and the organization has a P.O. box, show the box number instead of the street address.

**Note:** If a change in address occurs after the return is filed, the organization should use **Form 8822, Change of Address**, to notify the IRS of the new address.

**Final Return, Change of Address, Amended Return.**—If the organization ceases to exist, check the "Final return" box. To amend a previously filed Form 1120-POL, file a corrected Form 1120-POL and check the "Amended return" box.

If the organization has changed its address since it last filed a return, check the box for "Change of address."

**Employer Identification Number (EIN).**—Show the correct EIN in the space provided. If the organization does not have an EIN, it should apply for one on **Form SS-4, Application for Employer Identification Number**. Form SS-4 can be obtained at most IRS or Social Security Administration (SSA) offices. If the organization has not received its EIN by the time the return is due, write "Applied for" in the space provided for the EIN. See Pub. 583 for more information.

**Income and Deductions.**—Campaign contributions and other exempt function income are not includible in income; likewise, campaign expenditures and other exempt function expenditures are not deductible. Generally, to be deductible in computing political organization taxable income, expenses must be directly connected with the production of political organization taxable income. In those cases where expenses are attributable to the production of both exempt function income and political organization taxable income, the expenses should be allocated on a reasonable and consistent basis; only the portion allocable to the production of political organization taxable income may be deducted. No deduction is allowed for general administrative or indirect expenses.

**Line 7, Other income and nonexempt function expenditures.**—Enter the total income from other sources, such as exempt function income that was not properly segregated for exempt functions and income received in the course of an ordinary trade or business. Also include on this line the total expenditures that were made from exempt function income that were not for an exempt function and resulted in a direct or indirect financial benefit to the political organization. Also include on line 7 those expenditures that were illegal. Attach a schedule listing all income and expenditures included on line 7. See Regulations section 1.527-5 for examples of these types of expenditures.

**Line 17. Taxable income before specific deduction of \$100.**—Political organizations, newsletter funds, and separate segregated funds: Subtract line 16 from line 8 and enter the result on line 17(c).

**Section 501(c) organizations:** Complete lines 17a and 17b if the organization made exempt function expenditures that were not from a separate segregated fund. Enter the lesser of line 17a or 17b on line 17c. See **Tax-Exempt Organization Taxable Income** on page 2 for a description of the amounts to enter on these lines.

**Line 20, Income tax.**—The rate of tax imposed depends on whether the political organization is a principal campaign committee as defined in section 527(h). The tax rate is lower for a principal campaign committee.

**Political organization not a principal campaign committee.**—An organization that is not a principal campaign committee computes its tax on political organization taxable income as follows: Multiply line 19 by 35% and enter the result on line 20.

**Principal campaign committee (section 527(h)).**—A political organization that is a principal campaign committee of a candidate for U.S. Congress computes its tax as follows:

1. Enter taxable income (line 19, Form 1120-POL) . . . . . \_\_\_\_\_
2. Enter line 1 or \$50,000, whichever is less . . . . . \_\_\_\_\_
3. Subtract line 2 from line 1 . . . . . \_\_\_\_\_
4. Enter line 3 or \$25,000, whichever is less . . . . . \_\_\_\_\_
5. Subtract line 4 from line 3 . . . . . \_\_\_\_\_
6. Enter line 5 or \$9,925,000, whichever is less . . . . . \_\_\_\_\_
7. Subtract line 6 from line 5. . . . . \_\_\_\_\_
8. Multiply line 2 by 15% . . . . . \_\_\_\_\_
9. Multiply line 4 by 25% . . . . . \_\_\_\_\_
10. Multiply line 6 by 34% . . . . . \_\_\_\_\_
11. Multiply line 7 by 35% . . . . . \_\_\_\_\_
12. If line 1 is greater than \$100,000, enter the smaller of: 5% of taxable income in excess of \$100,000, or \$11,750 . . . . . \_\_\_\_\_
13. If line 1 is greater than \$15 million, enter the smaller of: 3% of taxable income in excess of \$15 million or \$100,000 . . . . . \_\_\_\_\_
14. Add lines 8 through 13. Enter here and on line 20, Form 1120-POL . . . . . \_\_\_\_\_

**Note:** *Estimated tax, alternative minimum tax, and environmental tax do not apply to political organizations.*

**Line 21, Credits.**—The organization may qualify for the following credits:

*Foreign tax credit.* See **Form 1118, Foreign Tax Credit—Corporations**.

*Possessions tax credit.* See **Form 5712, Election To Be Treated as a Possessions Corporation Under Section 936**, and **Form 5735, Possessions Corporation Tax Credit Allowed Under Section 936**.

*Credit for fuel produced from a nonconventional source.* See section 29 for a definition of qualified fuels, provisions for figuring the credit, and other special rules.

*Qualified electric vehicle credit.* See **Form 8834, Qualified Electric Vehicle Credit**, and section 30.

*Alcohol fuel credit.* See **Form 6478, Credit for Alcohol Used as Fuel**, and section 40.

*Research credit.* See **Form 6765, Credit for Increasing Research Activities**, and section 41.

*Disabled access credit.* See **Form 8826, Disabled Access Credit**, and section 44.

*Enhanced oil recovery credit.* See **Form 8330, Enhanced Oil Recovery Credit**, and section 43.

*Renewable electric production credit.* See **Form 8835, Renewable Electricity Production Credit**, and section 45.

Enter the total amount of these credits on line 21 and attach the appropriate forms.

**Note:** *Investment credit and jobs credit do not apply to political organizations.*

**Line 22.**—If the political organization must recapture any of the qualified electric vehicle credit, include the amount of the recapture in the total for line 22. On the dotted line next to the entry space, write, "QEV recapture" and the amount. See **Pub. 535, Business Expenses**, to figure the recapture for the qualified electric vehicle credit.

**Additional Information**

**Question 1**

**Foreign financial accounts.**—Check the "Yes" box if either 1 or 2 below applies to the organization. Otherwise, check the "No" box:

1. At any time during the 1994 calendar year the organization had an interest in or signature or other authority over a bank, securities, or other financial account in a foreign country; and

- The combined value of the accounts was more than \$10,000 at any time during the calendar year; and

- The account was NOT with a U.S. military banking facility operated by a U.S. financial institution.

2. The organization owns more than 50% of the stock in any corporation that would answer "Yes" to item 1 above.

Get **Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts**, to see if the organization is considered to have an interest in or signature or other authority over a financial account in a foreign country.

If "Yes" is checked for this question, file Form TD F 90-22.1 by June 30, 1995, with the Department of the Treasury at the address shown on the form. Form TD F 90-22.1 is not a tax return, so do not file it with Form 1120-POL.

You can get Form TD F 90-22.1 from an IRS Distribution Center or by calling our toll-free number 1-800-TAX-FORM (1-800-829-3676).

Also, if "Yes" is checked for this question, write the name of the foreign country or countries. Attach a separate sheet if necessary.

**Question 3**

In the space provided, show any tax-exempt interest received or accrued. Include any exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company.