

Exclusion of Income from Sources in United States Possessions

OMB No. 1545-0173

1982

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▶ See instructions on back.
 ▶ Attach to Form 1040.

Name(s) as shown on Form 1040

Your social security number

Total Gross Income and Possessions Exclusion (See instructions)

Periods when you received income from sources in U.S. possessions (Dates are inclusive)			Gross income during periods shown in columns (b) and (c)			
			From sources in U.S. possessions		From sources outside U.S. and U.S. possessions (f)	From sources in U.S. (g)
			From salary, wages, or active conduct of a trade or business (d)	Other income (e)		
Year (a)	From— (b)	To— (c)				
1	1980		\$	\$	\$	\$
2	1981					
3	1982					
4 Totals			\$	\$	\$	\$
5 Add columns (d) and (e), line 4. This is your income from sources in U.S. possessions						\$
6 Add columns (f) and (g), line 4. This is your income from sources other than U.S. possessions						\$
7 Add lines 5 and 6. This is your total gross income for the test period. (See instructions to determine if you qualify for the exclusion.)						\$

Source of Gross Income from Salary, Wages, or Active Conduct of a Trade or Business (Column (d) above)

Year	Name of possession in which you worked (If self-employed, write "self-employed" next to the name of the possession)
1980	
1981	
1982	

Instructions

Paperwork Reduction Act Notice.—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Purpose

Use Form 4563 if you are a U.S. citizen who worked in a U.S. possession and you want to see if you qualify for the "possession exclusion."

Additional Information

You may want to get **Publication 570, Tax Guide for U.S. Citizens Em-**

Time Test.—You must have met the income test in one of the following periods:

- During 1980 through 1982; or
- During the part of these 3 years, ending in 1982, that you conducted a trade or business in a U.S. possession or had a job there. Count this period from the date you actually began working there.

Note: *If you do not qualify for the possession exclusion, you may qualify for benefits relating to earned income from sources outside the United States. To take these benefits, your tax home must be in a foreign country and you must be a resident of, or present in, a foreign country for a specified period of time. To see if you qualify, get **Publication 54, Tax Guide for U.S. Citizens Abroad.***

Amount of Exclusion

If you qualify, you may exclude the total earned income, investment in-

• Losses from transactions you entered into for profit, but that were not connected with a trade or business. The transactions must be of a kind whose profits (if there had been any) would have been taxable. The losses cannot have been reimbursed by insurance.

• Casualty and theft losses to property in the United States. Use **Form 4684, Casualties and Thefts**, to report them.

• Charitable contributions. Report them on Schedule A (Form 1040).

Other deductions are allowed only if they relate to income from U.S. sources. For example, a teacher may deduct the business expense of teaching aids bought to use while teaching in the United States, but not aids bought to use in a U.S. possession.

Benefits You Cannot Take.—The following benefits are not allowed if you claim the possession exclusion:

- The zero bracket amount.