

**SCHEDULE A
(Form 5713)**

(Rev. May 1991)

Department of the Treasury
Internal Revenue Service

**International
Boycott Factor (Section 999(c)(1))**

Complete only if you are **not** computing a loss of tax benefits using the specifically attributable taxes and income method on Schedule B (Form 5713)

▶ **Attach to Form 5713.** ▶ **See instructions on back.**

OMB No. 1545-0216
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Name Identifying number

Name of country being boycotted (check one): Israel Other (identify) ▶

Name of country (1)	Purchases, sales, and payroll attributable to boycotting operations, by operation		
	Boycott purchases (2)	Boycott sales (3)	Boycott payroll (4)
a			
b			
c			
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			
Totals			

1 Numerator of boycott factor (add totals of columns (2), (3), and (4))		
2 Denominator of boycott factor:		
a Total purchases from countries other than United States		
b Total sales to or from countries other than United States		
c Total payroll paid or accrued for services performed in countries other than United States		
d Total of lines 2a, b, and c		
3 International boycott factor (divide line 1 by line 2d). Enter here and on Schedule C (Form 5713) (see instructions)		

General Instructions

(References are to the Internal Revenue Code.)

A. Purpose.—Complete Schedule A (Form 5713) if you cooperated with or participated in an international boycott. Use the international boycott factor to figure the loss of tax benefits. If you do not use the international boycott factor for this purpose, you must specifically attribute taxes and income on Schedule B (Form 5713).

B. Who Must File.—Anyone who cooperates with or participates in an international boycott must file either this form or Schedule B (Form 5713) to figure the loss of tax benefits. One act of cooperation or participation creates the presumption that you cooperate with or participate in the boycott unless you rebut the presumption as explained in instruction D. The presumption applies to all your operations and those of each member of any controlled groups (defined in section 993(a)(3)) to which you belong, in each country that helps carry out the boycott.

C. When and Where To File.— Attach Schedule A to Form 5713 and file in duplicate by the due date of the return including extensions. Send one copy to the Internal Revenue Service Center, Philadelphia, PA 19255, and attach a copy to your income tax return.

D. Boycott Operations.—All your operations in a boycotting country are considered to be boycott operations, unless you rebut the presumption of cooperating with or participating in the boycott, as explained below. In addition, your operations that are not in a boycotting country are boycott operations if they are connected to your cooperation with or participation in the boycott.

You can rebut the presumption of cooperation with or participation in a boycott for a particular operation by demonstrating that that operation is separate from any cooperation with or participation in an international boycott. The presumption applies only to operations in countries that carry out the boycott. You do not need to rebut the presumption for operations that are related to those countries, but that take place outside of those countries.

E. International Boycott Factor.—Your international boycott factor reflects boycott purchases, boycott sales, and boycott payroll.

1. Controlled Groups.—All members of a controlled group generally share one international boycott factor, which reflects all their purchases, sales, and payroll. However, if you belong to two or more controlled groups, your international boycott factor will reflect the purchases, sales, and payroll of all the controlled groups to which you belong.

2. Partnerships and Trusts.—You are deemed to have a prorated share of the purchases, sales, and payroll of each partnership in which you are a partner and of each trust if you are treated as the owner under section 671. As a result, your international boycott factor may also reflect purchases, sales, and payroll of partnerships and trusts.

Specific Instructions

Compute a separate boycott factor and a separate schedule for each international boycott you cooperated with or participated in. Include your own operations and, if applicable, the operations of partnerships, trusts, and members of your controlled group.

See the specific instructions for questions 7-13 of Form 5713 to see what years you should report purchases, sales, and payroll for partnerships, trusts, and controlled groups.

Partnerships.—For a partnership, complete only lines **a** through **o**, the total of columns (2), (3), and (4), and line 2. Give this information to all partners so they can compute their own international boycott factor.

Column (1).—For each boycott operation enter the name of the country to which your international boycott operation relates. For example, if you have an operation in Country Z, which is not a boycotting country, and the operation relates to Country X, which is a boycotting country, enter the name of Country X. The Secretary maintains a list, under section 999(a)(3), of countries that require cooperation with an international boycott. This list may not be all-inclusive.

Column (2).—For each boycott operation enter all purchases that are attributable to that operation and are made from boycotting countries.

Column (3).—For each boycott operation enter the sales that are attributable to that operation and are made to or from boycotting countries.

Column (4).—For each boycott operation enter the total payroll attributable to that operation that was paid or accrued for services performed in boycotting countries.

Line 1.—Add columns (2), (3), and (4). The numerator of your international boycott factor includes all of the following:

(i) Purchases you made from boycotting countries.

(ii) Sales you made to or from boycotting countries.

(iii) Payroll you paid or accrued for services performed in boycotting countries.

Do not include amounts attributable to operations for which you rebutted the presumption of cooperating with or participating in the boycott.

Line 2.—The denominator of the international boycott factor reflects all your purchases, sales, and payroll in or related to all countries other than the United States. If applicable, the denominator also reflects these items for your controlled groups, partnerships, and trusts. Include here the amounts that are attributable to operations for which you rebutted the presumption of cooperating with or participating in the boycott.

Line 3.—Partnerships and IC-DISCs do not enter the amount from line 3 on Schedule C. All others enter the international boycott factor from line 3 of this form on the appropriate line of Schedule C (Form 5713) as follows:

If you reduce your foreign tax credit (section 908(a)), enter the international boycott factor on line 2a(2) of Schedule C.

If you are denied a tax deferral on subpart F income (section 952(a)(3)), enter the international boycott factor on line 3a(4) of Schedule C.

If you are denied a tax deferral on IC-DISC income (section 995(b)(1)(F)), enter the international boycott factor on line 4a(2) of Schedule C.

If you are denied an exemption of foreign trade income of a FSC (section 927(e)(2)), enter the international boycott factor on line 5a(2) of Schedule C.