Form **8023**
(Rev. December 1986)
Department of the Treasury
Internal Revenue Service

Corporate Qualified Stock Purchase Elections

OMB No. 1545-0702
Expires 12-31-89

Part I Identification of Corporate Entities

Section A.—Purchasing Corporation

1a Name and Address of Purchasing Corporation	**1b** Employer Identification Number
	1c Tax Year Ending / **1d** Acquisition Date
	1e Service Center Where Return Filed

Section B.—Original Target (Entity Acquired)

2a Name and Address of Original Target Corporation	**2b** Employer Identification Number
	2c Tax Year Ending / **2d** Book Value
	2e Service Center Where Return Filed

Section C.—Common Parent of the Selling Group

(Complete this section only if a joint election under section 338(h)(10) is being made)

3a Name and Address of Common Parent of the Selling Group	**3b** Employer Identification Number
	3c Tax Year Ending
	3d Date and Service Center Where Return Filed

General Instructions

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

Paperwork Reduction Act Notice

We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers 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 if you wish to make an election under section 338(g) or other elections or subelections under section 338 and the regulations thereunder.

Changes You Should Note

- The Tax Reform Act of 1986 made a change to the definition of qualified stock purchases for which the 12-month acquisition period begins after December 31, 1985. See "Definitions" below, and sections 338(d) and 1504(a)(2) for additional information.
- The Act also revised the nonrecognition provisions for 12-month liquidations under section 337. Qualified stock purchases for which the acquisition date occurs after December 31, 1986, now require the recognition of a gain or loss. See sections 337 and 338.

Purpose of Form

Form 8023 is used to elect section 338 treatment for a qualified stock purchase of another corporation and to make other elections and subelections under section 338 and the regulations thereunder.

Who May File

- A purchasing corporation may file Form 8023 for a qualified stock purchase made after August 31, 1982.
- A purchasing corporation and a selling group making an election under section 338(h)(10) may file Form 8023 only for a qualified stock purchase made after January 12, 1983.

When To File

Generally, Form 8023 must be filed not later than the 15th day of the 9th month beginning after the month in which the acquisition date occurs. See the regulations for the filing date for certain foreign purchasing corporations and for certain classes of target corporations (including foreign targets).

Where To File

File Form 8023 with the district director for the Internal Revenue district in which the principal place of business or the principal office or agency of the purchasing corporation is located. If the qualified stock purchase is made by two or more corporations in the aggregate, Form 8023 must be filed with the district director of the appropriate Internal Revenue district for each purchasing corporation. Foreign purchasing corporations that do not file U.S. income tax returns must file Form 8023 with the office of the Assistant Commissioner (International) (formerly the Foreign Operations District), 950 L'Enfant Plaza South, S.W., Washington, DC 20024.

Definitions

Acquisition Date.—The acquisition date is the first day on which a qualified stock purchase has occurred.

Qualified Stock Purchase.—A qualified stock purchase is any series of transactions in which stock of one corporation possessing at least 80% of the total combined voting power of all classes of stock entitled to vote, and at least 80% of the total number of shares of all other classes of stock (except nonvoting stock which is limited and preferred as to dividends), is acquired by another corporation by purchase during the 12-month acquisition period beginning before January 1, 1986.

For 12-month acquisition periods beginning after December 31, 1985, the target corporation must possess at least 80% of the total voting power of stock having a value equal to at least 80% of the total value of the corporation's stock. If there is a series of stock purchases over the 12-month acquisition period, the acquisition date is the first day on which the total of these stock purchases satisfies the requirements of section 338(d)(3).

Specific Instructions

Part I.—Identification of Corporate Entities

Section A.—Purchasing Corporation

Complete all the information requested in this section for the corporation that makes the qualified stock purchase (or the corporations that in the aggregate make the qualified stock purchase). Attach a separate schedule if necessary. An employer identification number (EIN) is not required if the purchasing corporation does not have, and is not otherwise required to have, an EIN.

Line 1c.—Enter the month in which the regular tax year ends.

Line 1e.—Enter the IRS Service Center where the return was filed for the period preceding the acquisition date.

Section B.—Original Target Corporation

Complete all the information shown on the form.

Note: *If certain foreign targets are involved, the purchasing corporation must send written notice of the election to certain U.S. shareholders. See regulation section 1.338-1T(k)(7).*

Line 2c.—Enter the month in which the regular taxable year of "old" target ends or ended, without regard to the qualified stock purchase.

Line 2d.—Enter the book value of the gross assets of the original target as of the acquisition date.

Line 2e.—Enter the IRS Service Center where the return was filed for the period preceding the acquisition date.

Section C.—Common Parent of the Selling Group

Complete this section only if you checked box 1c in Part III for the section 338(h)(10) election.

Line 3c.—Enter the month that the regular tax year ends.

Line 3d.—Enter the date and the IRS Service Center where the selling group filed its consolidated return for the tax period which includes the acquisition date or for the last tax period for which a tax return was filed.

A separate Form 8023 need not be filed for corporations subject to this election by reason of section 338(f)(1) ("affected target"). If any corporation is an affected target as of the day Form 8023 is filed, a schedule must be attached to Form 8023 listing the name, address, and EIN of each such subject corporation.

Part III.—Identification of Election(s)

Note: *The express election under section 338(g) and the protective carryover election are mutually exclusive.*

Attachments to Form 8023

The regulations under section 338 require that additional data and materials be attached to Form 8023. See regulation section 1.338-1T for the "required data" that must be submitted with Form 8023 when an express election under section 338(g) is made. Other elections and subelections require additional data and materials that differ from the "required data" for express elections. Failure to timely provide the additional data and materials required by the regulations may result in the imposition of penalties.

Attach a copy of the completed Form 8023 to the final return of the "old" target and to the first return of the "new" target. These requirements apply to the returns of the target for which the election is expressly made as well as to the returns of affected targets. For special rules applicable during a transitional period, see the regulations. For a special rule for a foreign target not subject to United States tax, see the regulations.

Special Rule for Elections Made by United States Shareholders

The regulations permit the U.S. shareholders of certain controlled foreign purchasing corporations to make the section 338 express election. If the election is made by the U.S. shareholders, the signature line of Form 8023 should be left blank and a reference made to the attachments to Form 8023 required by the regulations.

A copy of Form 8023 and its required attachments also must be attached to **Form 5471,** Information Return With Respect to a Foreign Corporation, filed with respect to the purchasing corporation by each U.S. shareholder for the purchasing corporation's tax year that includes the acquisition date.

Signature of Officer(s)

If the qualified stock purchase is made by two or more corporations in the aggregate, Form 8023 must be signed by a person authorized to act on behalf of each corporation. The signatures, dates, and titles of those persons are to be provided in a "signature attachment" to Form 8023 under a heading containing the two sentences printed immediately above the signature line on the form. The signature line on Form 8023 in this case will refer to the "signature attachment."

If the purchasing corporation is included in a consolidated return for the tax year in which the Form 8023 is filed, see regulation section 1.1502-77.

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