Form **8716**	**Election To Have a Tax Year Other Than a**	OMB No. 1545-1036
(Rev. November 1989)	**Required Tax Year**	Expires 9-30-92
Department of the Treasury Internal Revenue Service		

Please type or print

Name

Employer identification number

Number and street (P.O. box number if mail is not delivered to street address)

City or town, state, and ZIP code

1 Check applicable box to show type of taxpayer:

☐ Partnership
☐ S Corporation
☐ Personal Service Corporation (PSC)

2 Name and telephone number (including area code) of person who may be called for information:

3 Enter ending date of the tax year for the entity's last filed return. (A new entity should enter the ending date of the tax year it is adopting.) . . . .

Month	Day	Year

4 Enter ending date of required tax year determined under section 441(i), 706(b), or 1378 . . . . .

Month		Day

5 Section 444(a) Election—Check the applicable box and enter the ending date of the tax year the entity is (see instructions):

☐ Adopting   ☐ Retaining   ☐ Changing to

Month	Day	Year

Under penalties of perjury, I declare that the entity named above has authorized me to make this election under section 444(a), and that the statements made are, to the best of my knowledge and belief, true, correct, and complete.

▶

Signature and title (see instruction G)

▶

Date

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.

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

Form	Recordkeeping	Learning about the law or the form	Preparing and sending the form to IRS
8716	2 hrs., 23 min.	2 hrs., 35 min.	2 hrs., 44 min.
Schedule H	5 hrs., 59 min.	47 min.	56 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to the **Internal Revenue Service**, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; or the **Office of Management and Budget**, Paperwork Reduction Project (1545-1036), Washington, DC 20503.

General Instructions

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

A. Purpose of Form.—Form 8716 is filed by partnerships, S corporations, and personal service corporations (as defined in section 441(i)(2)) to elect to have a tax year other than a required tax year. The election is provided by section 444.

A copy of the Form 8716 you file must be attached to Form 1065 or a Form 1120 series form (1120, 1120A, 1120S, etc.), whichever is applicable, for the first tax year for which the election is made.

B. When To File.—Form 8716 must be filed by the earlier of:

(1) The 15th day of the 5th month following the month that includes the 1st day of the tax year for which the election will be effective, or

(2) The due date (without regard to extensions) of the income tax return for the tax year resulting from the section 444 election.

Items (1) and (2) relate to the tax year, or the return for the tax year, for which the ending date is entered on line 5 above.

See Temporary Regulations section 1.444-3T for more information.

C. Where To File.—File the election with the Internal Revenue Service Center where the entity will file its return. See the instructions for Form 1065 and the Form 1120 series form(s) for Service Center addresses. If the entity is a foreign entity, file Form 8716 with the Service Center in Philadelphia, PA 19255.

D. Effect of Section 444 Election.—If the section 444 election is made, electing partnerships and S corporations must make a required payment of tax as provided by section 7519. Willful failure of an entity to make the required payment may result in the cancellation of an entity's election. See Instruction H for more information on figuring and making the required payment.

Electing PSCs are subject to the limitations of section 280H. Willful failure of any PSC to comply with section 280H may result in the cancellation of the PSC's election. See Instruction I for more information on section 280H limitations.

E. Acceptance of Election.—After your election is received and accepted by the Service Center, the Center will stamp it "ACCEPTED" and return a copy to you. Be sure to keep a copy of the form marked "ACCEPTED" for your records.

F. End of Election.—Once the election is made, it remains in effect until the entity terminates its election. If the election is terminated, the entity may not make another section 444 election. See section 444(d)(2).

G. Signature.—Form 8716 is not considered an election unless it is signed. For partnerships, a general partner must sign and date the election. If a receiver, trustee in bankruptcy, or assignee controls the organization's property or business, that person must sign the election.

For corporations, the election must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign its tax return. If a receiver, trustee in bankruptcy, or assignee controls the corporation's property or business, that person must sign the election.

H. Required Payment of Tax.— Partnerships and S corporations (entities) are required to make a payment for each tax year if: (1) an election under section 444 is in effect for the tax year (any tax year that a section 444 election is in effect, including the first year the section 444 election is made, is hereinafter called an applicable election year), and (2) the required payment for the applicable

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election year (or any preceding applicable election year) exceeds $500. Required payments for applicable election years beginning in 1989 are made on the first-quarter 1990 **Form 720**, Quarterly Federal Excise Tax Return. The instructions for the 1989 Form 1065 or Form 1120S contain a Computation Schedule for Required Payments Under Section 7519 for applicable election years beginning in 1989 (1989 required payments). Instructions for the section 7519 computation schedule give details on making the 1989 required payments, and how to obtain a refund or credit for prior year payments.

Note: *The Instructions for Form 1120S and Form 1065 for tax years beginning after 1989 will indicate how payments are made and refunds are obtained for applicable election years beginning after 1989.*

Also see section 7519 and related regulations for other details.

I. Minimum Distribution Requirements for a PSC.—An electing PSC is subject to the minimum distribution requirements of section 280H for its first applicable election year (and each subsequent applicable election year). If the PSC fails in any applicable election year to make the minimum distributions required by section 280H, the applicable amounts it may deduct for that applicable election year are limited to a maximum deductible amount.

The PSC may use **Schedule H (Form 8716)**, Section 280H Limitations for a Personal Service Corporation (PSC), to figure the required minimum distribution and the maximum deductible amount. If the PSC has not made the required minimum distribution, Schedule H must be attached to its income tax return. The PSC should figure its compliance with the provisions of section 280H at the end of each tax year that the section 444 election is in effect. See section 280H and related regulations for other details.

J. Members of Certain Tiered Structures May Not Make Election.—No election may be made under section 444(a) by an entity which is part of a tiered structure other than a tiered structure that consists entirely of partnerships or S corporations (or both) all of which have the same tax year. An election previously made shall be terminated if an entity later becomes part of a tiered structure that is not allowed to make the election. See section 444(d)(3) and related regulations for other details.

Specific Instructions

Line 1.—Check the applicable box in line 1 to show that you are a partnership, S corporation (or electing to be an S corporation), or a personal service corporation.

A corporation electing to be an S corporation that wants to make a section 444 election must make its section 444 election by the time specified in General Instruction B. The corporation is not required to attach a copy of Form 8716 to its **Form 2553,** Election by a Small Business Corporation. However, the corporation is required to state on Form 2553 its intention to make a section 444 election (or a backup section 444 election). If a corporation is making a backup section 444 election (provided for in item Q, Part II, of Form 2553 (Rev. October 1989)), it must type or legibly print the words "BACKUP ELECTION" at the top of the Form 8716 it files to make the backup election. See Temporary Regulations section 1.444-3T for additional information.

Line 2.—Enter the name and telephone number (including the area code) of a person that the Service may call for information that may be needed to complete the processing of the election.

Line 4.—See the Instructions for Form 1065 or a Form 1120 series form, whichever is applicable, and section 441(i), 706(b), or 1378 for a definition of a required tax year and other details.

Line 5.—Enter the ending date of the tax year the entity is electing under section 444. The following limitations and special rules apply in determining the tax year an entity may elect:

(a) New entity adopting a tax year.— An entity adopting a tax year may elect a tax year under section 444 only if the deferral period of the tax year is not longer than 3 months. For a definition of deferral period, see (d) below and section 444(b)(4).

(b) Existing entity retaining a tax year.— In certain cases, an entity may elect to retain its tax year if the deferral period is no longer than 3 months. If the entity does not want to elect to retain its tax year, it could elect to change its tax year under (c) below.

(c) Existing entity changing a tax year.— An existing entity may elect to change its tax year if the deferral period of the elected tax year is no longer than the shorter of: (1) three months, or (2) the deferral period of the tax year being changed.

For example, ABC, a C corporation that historically used a tax year ending October 31, elects S status and wants to make a section 444 election for its tax year beginning 11-1-89. ABC's required tax year under section 1378 is a calendar tax year. In this case, the deferral period of the tax year being changed is 2 months. Thus, ABC may elect to retain its tax year beginning 11-1-89 and ending 10-31-90, or change it to a short tax year beginning 11-1-89 and ending 11-30-89. However, it may not elect a short tax year beginning 11-1-89 and ending 9-30-90 because the deferral period for that elected tax year is 3 months (9-30 to 12-31), which is longer than the 2-month deferral period of the tax year being changed. After filing the short year return (11-1-89 to 11-30-89), and as long as the section 444 election remains in effect, the corporation's tax year will begin 12-1 and end 11-30.

(d) Deferral period.—If you are electing **to retain** your tax year, the term " DEFERRAL PERIOD" means the months that occur between the beginning of the elected tax year and the close of the 1st required tax year. For example, if you elected to retain a tax year beginning 10-1-89 and ending 9-30-90 and your required tax year was a calendar tax year, the deferral period would be 3 months (the number of months between 9-30-89 and 12-31-89).

If you are electing **to adopt or change** a tax year, the term "DEFERRAL PERIOD" means the months that occur after the end of the elected tax year and before the close of the 1st required tax year. For example, if you elect to adopt a tax year ending September 30, 1989, and your required tax year is a calendar tax year, the deferral period would be 3 months (the number of months between 9-30-89 and 12-31-89).

See section 444(b) and related Temporary Regulations for additional information on the above rules.