



# Instructions

(Section references are to the Internal Revenue Code.)

## 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:

<b>Recordkeeping</b> . . . . .	13 min.
<b>Learning about the law or the form</b> . . . . .	3 min.
<b>Preparing the form</b> . . . . .	14 min.
<b>Copying, assembling, and sending the form to IRS</b> . . . . .	31 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making the 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 (1545-0043), Washington, DC 20503.

**Who Completes Form 972.**—Complete Form 972 if you are a shareholder who agrees to include a specific amount as a taxable dividend in your gross income for your tax year in which the corporation's tax year ends. The dividend can only be one that would be includible in the shareholder's gross income if actually paid. This agreement establishes the corporation's basis for a consent dividend deduction under section 565(a).

**When To Submit.**—Submit Form 972 to the corporation by the due date of the corporation's income tax return for the tax year for which the dividend paid deduction is claimed.

The corporation claiming the deduction for consent dividends must file with its income tax return a completed **Form 973**, Corporation Claim for Deduction for Consent Dividends, and one completed Form 972 for each consenting shareholder.

**Identifying Number.**—Individuals should enter their social security number; all others should enter their employer identification number.

**Signature.**—Form 972 must be signed. For a corporate shareholder, the president, vice president, treasurer, assistant treasurer, chief accounting officer, or other authorized officer (such as tax officer) must sign the consent.

The shareholder's attorney or agent may sign this consent if he or she is specifically authorized by a power of attorney which, if not previously filed, must accompany Form 972.