

2017



Department of the Treasury
Internal Revenue Service

Instructions for Form 1120

U.S. Corporation Income Tax Return

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

Contents	Page
Future Developments	1
What's New	1
Photographs of Missing Children	2
The Taxpayer Advocate Service	2
Direct Deposit of Refund	2
How To Make a Contribution To Reduce Debt Held by the Public	2
How To Get Forms and Publications	2
General Instructions	2
Purpose of Form	2
Who Must File	2
When To File	3
Where To File	4
Who Must Sign	4
Paid Preparer Authorization	4
Assembling the Return	4
Tax Payments	5
Estimated Tax Payments	5
Interest and Penalties	5
Accounting Methods	6
Accounting Period	6
Rounding Off to Whole Dollars	6
Recordkeeping	6
Other Forms and Statements That May Be Required	6
Specific Instructions	7
Period Covered	7
Name and Address	7
Identifying Information	8
Employer Identification Number (EIN)	8
Total Assets	8
Initial Return, Final Return, Name Change, or Address Change	9
Income	9
Deductions	10
Schedule C. Dividends and Special Deductions	16
Schedule J. Tax Computation and Payment	18
Schedule K. Other Information	20
Schedule L. Balance Sheets per Books	22
Schedule M-1. Reconciliation of Income (Loss) per Books With Income per Return	22
Principal Business Activity Codes	25
Index	28

Future Developments

For the latest information about developments related to Form 1120 and its instructions, such as legislation

enacted after they were published, go to IRS.gov/Form1120.

What's New

Address change for filing returns. The filing address for corporations located in Georgia, Illinois, Kentucky, Michigan, Tennessee, and Wisconsin has changed. See [Where To File](#), later.

Increase in penalty for failure to file. For tax years beginning in 2017, the minimum penalty for failure to file a return that is over 60 days late has increased to the smaller of the tax due or \$210. See [Late filing of return](#), later.

Reporting requirement for foreign-owned domestic disregarded entities. For tax years beginning in 2017, a foreign-owned domestic disregarded entity, while not required to file a U.S. income tax return, may be required to file a pro forma Form 1120 with Form 5472 attached. See [Foreign-owned domestic disregarded entities](#) in the instructions for [Who Must File](#), later.

Form 8975. Certain U.S. persons that are the ultimate parent entity of a U.S. multinational enterprise group with annual revenue for the preceding reporting period of \$850 million or more are required to file Form 8975. Form 8975 and Schedule A (Form 8975) must be filed with the income tax return of the ultimate parent entity of a U.S. multinational enterprise group for the tax year in or within which the reporting period covered by Form 8975 ends. The first required reporting period for an ultimate parent entity is the 12-month reporting period that begins on or after the first day of a tax year of the ultimate parent entity that begins on or after June 30, 2016. For more information, see Form 8975, Schedule A (Form 8975) and the Instructions for Form 8975 and Schedule A (Form 8975).

Deduction for foreign-source portion of dividends received by domestic corporations from specified 10%-owned foreign corporations. Certain domestic corporations that are U.S. shareholders of specified 10%-owned foreign corporations are allowed a 100% deduction ("participation exemption DRD") for the foreign-source portion of dividends received from the foreign corporation. This applies to distributions after December 31, 2017. See new section 245A.

Treatment of deferred foreign income upon transition to participation exemption system of taxation. U.S. shareholders of specified foreign corporations (as defined under section 965(e), as amended by P.L. 115-97) may have an inclusion under section 965 based on the post-1986 deferred foreign income of the specified foreign corporations determined as of November 2, 2017 or December 31, 2017. The U.S. shareholders may elect to pay the liability under section 965 on the post-1986 deferred foreign income in eight installments. See section 965, as amended.

Contributions by Native Corporations to Alaska Native Settlement Trusts. For tax years beginning in 2017, gross income of a Native Corporation does not include certain payments that it assigns to a Settlement Trust. See new section 139G. In addition, a Native Corporation can elect annually to deduct contributions made to a Settlement Trust. The Native Corporation's deduction is limited to the amount of its taxable income for that year, and any unused deduction may be carried forward 15 additional years. For more information and reporting requirements, see new section 247.

Disaster relief. Disaster tax relief enacted for those impacted by Hurricane Harvey, Irma, or Maria includes a provision modifying the limit on the deduction for charitable contributions made after August 22, 2017, and before January 1, 2018. See [Temporary suspension of 10% limitation for certain disaster-related contributions](#) in the instructions for line 19, later. In addition, an employer who continued to pay or incur wages after the employer's business became inoperable because of damage from Hurricane Harvey, Irma, or Maria may be eligible for an employee retention credit. See Form 5884-A, Credits for Affected Disaster Area Employers, and its instructions.

For more information on these and other disaster relief provisions, see Pub. 976.

Film, television, and live theatrical productions. Qualified film, television, or live theatrical productions acquired and placed in service after September 27, 2017 (for which a deduction would have been allowable under section 181 without regard to the dollar limitation or

termination of the section), are eligible for the special depreciation allowance under section 168(k). See the Instructions for Form 4562.

Entertainment expenses, membership dues, and facilities. No deduction is allowed for certain entertainment expenses, membership dues, and facilities used in connection with these activities for amounts incurred or paid after December 31, 2017. See [Travel, meals, and entertainment](#), later.

Net operating loss. The general 2-year net operating loss (NOL) carryback rule does not apply to NOLs arising in tax years ending after December 31, 2017. Exceptions apply to certain farming losses and NOLs of property and casualty insurance companies. See [Net operating loss \(NOL\)](#), later.

Alternative tax for corporations with qualified timber gains. For tax years that began in 2016, if a corporation had both net capital gain and qualified timber gain (as defined in section 1201(b)(2)), an alternative tax may have applied. This alternative tax is not applicable for tax years beginning in 2017.

Principal Business Activity Codes. The Principal Business Activity Codes, located at the end of these instructions, have been updated and revised to reflect updates to the North American Industry Classification System (NAICS).



At the time these instructions went to print, several credits and deductions available to corporations expired December 31, 2016. To find out if legislation extended the credits and deductions and made them available for 2017, go to [IRS.gov/Extenders](#).

Photographs of Missing Children

The Internal Revenue Service is a proud partner with the [National Center for Missing & Exploited Children® \(NCMEC\)](#). Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

The Taxpayer Advocate Service

The Taxpayer Advocate Service (TAS) is an **independent** organization within the IRS that helps taxpayers and protects taxpayer rights. TAS's job is to ensure that every taxpayer is treated fairly and knows and understands their rights under the [Taxpayer Bill of Rights](#).

As a taxpayer, the corporation has rights that the IRS must abide by in its dealings with the corporation. TAS can help the corporation if:

- A problem is causing financial difficulty for the business.
- The business is facing an immediate threat of adverse action.
- The corporation has tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

The TAS tax toolkit at [TaxpayerAdvocate.IRS.gov](#) can help the corporation understand these rights.

TAS has offices in every state, the District of Columbia, and Puerto Rico. Local advocates' numbers are in their local directories and at [TaxpayerAdvocate.IRS.gov](#). The corporation can also call TAS at 1-877-777-4778.

TAS also works to resolve large-scale or systemic problems that affect many taxpayers. If the corporation knows of one of these broad issues, please report it to TAS through the Systemic Advocacy Management System at [IRS.gov/SAMS](#).

For more information, go to [IRS.gov/Advocate](#).

Direct Deposit of Refund

To request a direct deposit of the corporation's income tax refund into an account at a U.S. bank or other financial institution, attach Form 8050, Direct Deposit of Corporate Tax Refund. See the instructions for line 36.

How To Make a Contribution To Reduce Debt Held by the Public

To help reduce debt held by the public, make a check payable to "Bureau of the Public Debt." Send it to: Bureau of the Public Debt, Department G, P.O. Box 2188, Parkersburg, WV 26106-2188. Or, enclose a check with the income tax return.

Do not add the contributions to any tax the corporation may owe. Contributions to reduce debt held by the public are deductible subject to the rules and limitations for charitable contributions.

How To Get Forms and Publications

Internet. You can access the IRS website 24 hours a day, 7 days a week, at [IRS.gov](#) to:

- Download forms, instructions, and publications;
- Order IRS products online;
- Research your tax questions online;

- Search publications online by topic or keyword;
- View Internal Revenue Bulletins (IRBs) published in recent years; and
- Sign up to receive local and national tax news by email.

Tax forms and publications. The corporation can download or print all of the forms and publications it may need on [IRS.gov/FormsPubs](#). Otherwise the corporation can go to [IRS.gov/OrderForms](#) to place an order and have forms mailed to it. The corporation should receive its order within 10 business days.

General Instructions

Purpose of Form

Use Form 1120, U.S. Corporation Income Tax Return, to report the income, gains, losses, deductions, credits, and to figure the income tax liability of a corporation.

Who Must File

Unless exempt under section 501, all domestic corporations (including corporations in bankruptcy) must file an income tax return whether or not they have taxable income. Domestic corporations must file Form 1120, unless they are required, or elect to file a special return. See *Special Returns for Certain Organizations* below.

Entities electing to be taxed as corporations. A domestic entity electing to be classified as an association taxable as a corporation must file Form 1120, unless it is required to or elects to file a special return listed under *Special Returns for Certain Organizations* below. The entity must also file Form 8832, Entity Classification Election, and attach a copy of Form 8832 to Form 1120 (or the applicable return) for the year of the election. For more information, see Form 8832 and its instructions.

Limited liability companies (LLC). If an entity with more than one owner was formed as an LLC under state law, it generally is treated as a partnership for federal income tax purposes and files Form 1065, U.S. Return of Partnership Income. Generally, a single-member LLC is disregarded as an entity separate from its owner and reports its income and deductions on its owner's federal income tax return. The LLC can file a Form 1120 only if it has filed Form 8832 to elect to be treated as an association taxable as a corporation. For more information about LLCs, see Pub. 3402, Taxation of Limited Liability Companies.

Corporations engaged in farming. A corporation (other than a corporation that is a subchapter T cooperative) that engages in farming should use Form 1120

to report the income (loss) from such activities. Enter the income and deductions of the corporation according to the instructions for lines 1 through 10 and 12 through 29.

Ownership interest in a Financial Asset Securitization Investment Trust (FASIT). Special rules apply to a FASIT in existence on October 22, 2004, to the extent that regular interests issued by the FASIT before October 22, 2004, continue to remain outstanding in accordance with their original terms.

If a corporation holds an ownership interest in a FASIT to which these special rules apply, it must report all items of income, gain, deductions, losses, and credits on the corporation's income tax return (except as provided in section 860H). Show a breakdown of the items on an attached statement. For more information, see sections 860H and 860L (repealed with certain exceptions).

Foreign-owned domestic disregarded entities. For tax years beginning on or after January 1, 2017, and ending on or after December 31, 2017, if a foreign person, including a foreign corporation, wholly owns a domestic disregarded entity (DE), the domestic DE is treated as a domestic corporation separate from its owner (the foreign corporation) for the limited purposes of the requirements under section 6038A that apply to 25% foreign-owned domestic corporations. While a DE is not required to file a U.S. income tax return, a DE covered by these rules may be required to file a pro forma Form 1120 and attach Form 5472. See the Instructions for Form 5472 for additional information and coordination with Form 5472 reporting by the domestic DE.

Special Returns for Certain Organizations

Instead of filing Form 1120, certain organizations, as shown below, file special returns.

If the organization is a:	File Form
Exempt organization with unrelated trade or business income	990-T
Religious or apostolic organization exempt under section 501(d)	1065
Entity formed as a limited liability company under state law and treated as a partnership for federal income tax purposes	1065
Subchapter T cooperative association (including a farmers' cooperative)	1120-C
Entity that elects to be treated as a real estate mortgage investment conduit (REMIC) under section 860D	1066
Interest charge domestic international sales corporation (section 992)	1120-IC-DISC
Foreign corporation (other than life or property and casualty insurance company filing Form 1120-L or Form 1120-PC)	1120-F
Foreign sales corporation (section 922)	1120-FSC
Condominium management, residential real estate management, or timeshare association that elects to be treated as a homeowners association under section 528	1120-H

Life insurance company (section 801)	1120-L
Fund set up to pay for nuclear decommissioning costs (section 468A)	1120-ND
Property and casualty insurance company (section 831)	1120-PC
Political organization (section 527)	1120-POL
Real estate investment trust (section 856)	1120-REIT
Regulated investment company (section 851)	1120-RIC
S corporation (section 1361)	1120S
Settlement fund (section 468B)	1120-SF

Electronic Filing

Corporations can generally electronically file (*e-file*) Form 1120, related forms, schedules, and attachments, Form 7004 (automatic extension of time to file), and Forms 940, 941, and 944 (employment tax returns). If there is a balance due, the corporation can authorize an electronic funds withdrawal while e-filing. Form 1099 and other information returns can also be electronically filed. The option to *e-file* does not, however, apply to certain returns.

Certain corporations with total assets of \$10 million or more that file at least 250 returns a year are required to *e-file* Form 1120. See Regulations section 301.6011-5. However, these corporations can request a waiver of the electronic filing requirements. See Notice 2010-13, 2010-4 I.R.B. 327.

For more information, visit IRS.gov/Businesses.

When To File

Generally, a corporation must file its income tax return by the 15th day of the 4th month after the end of its tax year. A new corporation filing a short-period return must generally file by the 15th day of the 4th month after the short period ends. A corporation that has dissolved must generally file by the 15th day of the 4th month after the date it dissolved.

However, a corporation with a fiscal tax year ending June 30 must file by the 15th day of the 3rd month after the end of its tax year. A corporation with a short tax year ending anytime in June will be treated as if the short year ended on June 30, and must file by the 15th day of the 3rd month after the end of its tax year.

If the due date falls on a Saturday, Sunday, or legal holiday, the corporation can file on the next business day.

Private Delivery Services

Corporations can use certain private delivery services (PDS) designated by the IRS to meet the “timely mailing as timely filing” rule for tax returns. Go to [IRS.gov/PDS](https://www.irs.gov/PDS).

The PDS can tell you how to get written proof of the mailing date.

For the IRS mailing address to use if you’re using a PDS, go to [IRS.gov/PDSstreetAddresses](https://www.irs.gov/PDSstreetAddresses).



Private delivery services can't deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

Extension of Time To File

File Form 7004, Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns, to request an extension of time to file. Generally, the corporation must file Form 7004 by the regular due date of the return. See the Instructions for Form 7004.

Who Must Sign

The return 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.

If a return is filed on behalf of a corporation by a receiver, trustee, or assignee, the fiduciary must sign the return, instead of the corporate officer. Returns and forms signed by a receiver or trustee in bankruptcy on behalf of a corporation must be accompanied by a copy of the order or instructions of the court authorizing signing of the return or form.

If an employee of the corporation completes Form 1120, the paid preparer space should remain blank. Anyone who prepares Form 1120 but does not charge the corporation should not complete that section. Generally, anyone who is paid to prepare the return must sign it and fill in the “Paid Preparer Use Only” area.

The paid preparer must complete the required preparer information and:

- Sign the return in the space provided for the preparer's signature.
- Give a copy of the return to the taxpayer.



A paid preparer may sign original or amended returns by rubber stamp, mechanical device, or computer software program.

Paid Preparer Authorization

If the corporation wants to allow the IRS to discuss its 2017 tax return with the paid preparer who signed it, check the “Yes” box in the signature area of the return. This authorization applies only to the individual whose signature appears in the “Paid Preparer Use Only” section of the return. It does not apply to the firm, if any, shown in that section.

If the “Yes” box is checked, the corporation is authorizing the IRS to call the paid preparer to answer any questions that may arise during the processing of its return. The corporation is also authorizing the paid preparer to:

- Give the IRS any information that is missing from the return,
- Call the IRS for information about the processing of the return or the status of any related refund or payment(s), and

- Respond to certain IRS notices about math errors, offsets, and return preparation.

The corporation is not authorizing the paid preparer to receive any refund check, bind the corporation to anything (including any additional tax liability), or otherwise represent the corporation before the IRS.

The authorization will automatically end no later than the due date (excluding extensions) for filing the corporation's 2018 tax return. If the corporation wants to expand the paid preparer's authorization or revoke the authorization before it ends, see Pub. 947, Practice Before the IRS and Power of Attorney.

Assembling the Return

To ensure that the corporation's tax return is correctly processed, attach all schedules and other forms after page 5 of Form 1120 in the following order.

1. Schedule N (Form 1120).

Where To File

File the corporation's return at the applicable IRS address listed below.

If the corporation's principal business, office, or agency is located in:	And the total assets at the end of the tax year are:	Use the following address:
Connecticut, Delaware, District of Columbia, Florida, Indiana, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia	Less than \$10 million and Schedule M-3 is not filed	Department of the Treasury Internal Revenue Service Center Cincinnati, OH 45999-0012
	\$10 million or more, or less than \$10 million and Schedule M-3 is filed	Department of the Treasury Internal Revenue Service Center Ogden, UT 84201-0012
Georgia, Illinois, Kentucky, Michigan, Tennessee, Wisconsin	Less than \$10 million and Schedule M-3 is not filed	Department of the Treasury Internal Revenue Service Center Kansas City, MO 64999-0012
	\$10 million or more, or less than \$10 million and Schedule M-3 is filed	Department of the Treasury Internal Revenue Service Center Ogden, UT 84201-0012
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming	Any amount	Department of the Treasury Internal Revenue Service Center Ogden, UT 84201-0012
A foreign country or U.S. possession	Any amount	Internal Revenue Service Center P.O. Box 409101 Ogden, UT 84409

A group of corporations with members located in more than one service center area will often keep all the books and records at the principal office of the managing corporation. In this case, the tax returns of the corporations may be filed with the service center for the area in which the principal office of the managing corporation is located.

2. Schedule D (Form 1120).
3. Schedule O (Form 1120).
4. Form 4626.
5. Form 8050.
6. Form 1125-A.
7. Form 4136.
8. Form 8941.
9. Form 3800.
10. Additional schedules in alphabetical order.
11. Additional forms in numerical order.
12. Supporting statements and attachments.

Complete every applicable entry space on Form 1120. Do not enter "See Attached" or "Available Upon Request" instead of completing the entry spaces. If more space is needed on the forms or schedules, attach separate sheets using the same size and format as the printed forms.

If there are supporting statements and attachments, arrange them in the same order as the schedules or forms they support and attach them last. Show the totals on the printed forms. Enter the corporation's name and EIN on each supporting statement or attachment.

Note. If the corporation had tax withheld under Chapter 3 or 4 of the Internal Revenue Code and received a Form 1042-S, Form 8805, or Form 8288-A showing the amount of income tax withheld, attach such form(s) to the corporation's income tax return to claim a withholding credit. The corporation should report the tax withheld on Schedule J, line 19d. See the instructions for [Schedule J, line 19d](#).

Tax Payments

Generally, the corporation must pay any tax due in full no later than the due date for filing its tax return (not including extensions). See the instructions for line 34. If the due date falls on a Saturday, Sunday, or legal holiday, the payment is due on the next day that isn't a Saturday, Sunday, or legal holiday.

Electronic Deposit Requirement

Corporations must use electronic funds transfer to make all federal tax deposits (such as deposits of employment, excise, and corporate income tax). Generally, electronic funds transfers are made using the Electronic Federal Tax Payment System (EFTPS). However, if the corporation does not want to use EFTPS, it can arrange for its tax professional, financial institution, payroll service, or other trusted third party to make deposits on its behalf. Also, it may arrange for its

financial institution to submit a same-day payment (discussed below) on its behalf. EFTPS is a free service provided by the Department of the Treasury. Services provided by a tax professional, financial institution, payroll service, or other third party may have a fee.

To get more information about EFTPS or to enroll in EFTPS, visit www.eftps.gov or call 1-800-555-4477 (TTY/TDD 1-800-733-4829).

Depositing on time. For any deposit made by EFTPS to be on time, the corporation must submit the deposit by 8 p.m. Eastern time the day before the date the deposit is due. If the corporation uses a third party to make deposits on its behalf, they may have different cutoff times.

Same-day wire payment option. If the corporation fails to submit a deposit transaction on EFTPS by 8 p.m. Eastern time the day before the date a deposit is due, it can still make its deposit on time by using the Federal Tax Collection Service (FTCS). To use the same-day wire payment method, the corporation will need to make arrangements with its financial institution ahead of time regarding availability, deadlines, and costs. Financial institutions may charge a fee for payments made this way. To learn more about the information the corporation will need to provide to its financial institution to make a same-day wire payment, go to IRS.gov/SameDayWire.

Estimated Tax Payments

Generally, the following rules apply to the corporation's payments of estimated tax.


- The corporation must make installment payments of estimated tax if it expects its total tax for the year (less applicable credits) to be \$500 or more.
- The installments are due by the 15th day of the 4th, 6th, 9th, and 12th months of the tax year. If any date falls on a Saturday, Sunday, or legal holiday, the installment is due on the next regular business day.
- The corporation must use electronic funds transfer to make installment payments of estimated tax.
- Use Form 1120-W, Estimated Tax for Corporations, as a worksheet to compute estimated tax. See the Instructions for Form 1120-W.
- Penalties may apply if the corporation does not make required estimated tax payment deposits. See *Estimated tax penalty* below.
- If the corporation overpaid estimated tax, it may be able to get a quick refund by filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax. See the instructions for Schedule J, Part II, line 14, later.

Estimated tax penalty. A corporation that does not make estimated tax payments when due may be subject to an underpayment penalty for the period of underpayment. Generally, a corporation is subject to the penalty if its tax liability is \$500 or more and it did not timely pay at least the smaller of:

- Its tax liability for the current year, or
- Its prior year's tax.

Use Form 2220, Underpayment of Estimated Tax by Corporations, to see if the corporation owes a penalty and to figure the amount of the penalty. If Form 2220 is completed, enter the penalty on line 33. See the instructions for line 33.

Interest and Penalties

 *If the corporation receives a notice about penalties after it files its return, send the IRS an explanation and we will determine if the corporation meets reasonable-cause criteria. Do not attach an explanation when the corporation's return is filed.*

Interest. Interest is charged on taxes paid late even if an extension of time to file is granted. Interest is also charged on penalties imposed for failure to file, negligence, fraud, substantial valuation misstatements, substantial understatements of tax, and reportable transaction understatements from the due date (including extensions) to the date of payment. The interest charge is figured at a rate determined under section 6621.

Late filing of return. A corporation that does not file its tax return by the due date, including extensions, may be penalized 5% of the unpaid tax for each month or part of a month the return is late, up to a maximum of 25% of the unpaid tax. The minimum penalty for a return that is over 60 days late is the smaller of the tax due or \$210. The penalty will not be imposed if the corporation can show that the failure to file on time was due to reasonable cause. See *Caution* above.

Late payment of tax. A corporation that does not pay the tax when due generally may be penalized 1/2 of 1% of the unpaid tax for each month or part of a month the tax is not paid, up to a maximum of 25% of the unpaid tax. See *Caution* above.

Trust fund recovery penalty. This penalty may apply if certain excise, income, social security, and Medicare taxes that must be collected or withheld are not collected or withheld, or these taxes are not paid. These taxes are generally reported on:

- Form 720, Quarterly Federal Excise Tax Return;
- Form 941, Employer's QUARTERLY Federal Tax Return;

- Form 943, Employer's Annual Federal Tax Return for Agricultural Employees;
- Form 944, Employer's ANNUAL Federal Tax Return; or
- Form 945, Annual Return of Withheld Federal Income Tax.

The trust fund recovery penalty may be imposed on all persons who are determined by the IRS to have been responsible for collecting, accounting for, or paying over these taxes, and who acted willfully in not doing so. The penalty is equal to the full amount of the unpaid trust fund tax. See the Instructions for Form 720, Pub. 15 (Circular E), Employer's Tax Guide, or Pub. 51 (Circular A), Agricultural Employer's Tax Guide, for details, including the definition of responsible persons.

Other penalties. Other penalties can be imposed for negligence, substantial understatement of tax, reportable transaction understatements, and fraud. See sections 6662, 6662A, and 6663.

Accounting Methods

Figure taxable income using the method of accounting regularly used in keeping the corporation's books and records. In all cases, the method used must clearly show taxable income. Permissible methods include cash, accrual, or any other method authorized by the Internal Revenue Code.

Generally, the following rules apply. For more information, see Pub. 538, Accounting Periods and Methods.

- A corporation (other than a qualified personal service corporation) must use an accrual method of accounting if its average annual gross receipts exceed \$5 million. However, see *Nonaccrual experience method for service providers* in the instructions for line 1a.
- Unless it is a qualifying taxpayer or a qualifying small business taxpayer, a corporation must use an accrual method for sales and purchases of inventory items. See the instructions for Form 1125-A.
- A corporation engaged in farming must use an accrual method. For exceptions, see section 447.
- Special rules apply to long-term contracts. See section 460.
- Dealers in securities must use the mark-to-market accounting method. Dealers in commodities and traders in securities and commodities can elect to use the mark-to-market accounting method. See section 475.

Change in accounting method.

Generally, the corporation must get IRS consent to change either an overall method of accounting or the accounting treatment of any material item. To do so, the corporation generally must file Form 3115, Application for Change in

Accounting Method. See the Instructions for Form 3115 and Pub. 538 for more information and exceptions. Also see Rev. Proc. 2017-30, 2017-18 I.R.B. 1131; or any successor.

Section 481(a) adjustment. If the corporation's taxable income for the current tax year is figured under a method of accounting different from the method used in the preceding tax year, the corporation may have to make an adjustment under section 481(a) to prevent amounts of income or expense from being duplicated or omitted. The section 481(a) adjustment period is generally 1 year for a net negative adjustment and 4 years for a net positive adjustment. However, in some cases, a corporation can elect to modify the section 481(a) adjustment period. The corporation may have to complete the appropriate lines of Form 3115 to make an election. See the instructions for Form 3115 for more information and exceptions.

If the net section 481(a) adjustment is positive, report it on Form 1120, line 10, as other income. If the net section 481(a) adjustment is negative, report it on line 26 as a deduction.

Accounting Period

A corporation must figure its taxable income on the basis of a tax year. A tax year is the annual accounting period a corporation uses to keep its records and report its income and expenses. Generally, corporations can use a calendar year or a fiscal year. Personal service corporations, however, must use a calendar year unless they meet one of the exceptions discussed later under *Personal Service Corporation*.

Change of tax year. Generally, a corporation, including a personal service corporation, must get the consent of the IRS before changing its tax year by filing Form 1128, Application To Adopt, Change, or Retain a Tax Year. However, exceptions may apply. See the Instructions for Form 1128 and Pub. 538 for more information.

Rounding Off to Whole Dollars

The corporation can round off cents to whole dollars on its return and schedules. If the corporation does round to whole dollars, it must round all amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. For example, \$1.39 becomes \$1 and \$2.50 becomes \$3.

If two or more amounts must be added to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

Recordkeeping

Keep the corporation's records for as long as they may be needed for the administration of any provision of the Internal Revenue Code. Usually, records that support an item of income, deduction, or credit on the return must be kept for 3 years from the date the return is due or filed, whichever is later. Keep records that verify the corporation's basis in property for as long as they are needed to figure the basis of the original or replacement property.

The corporation should keep copies of all filed returns. They help in preparing future and amended returns and in the calculation of earnings and profits.

Other Forms and Statements That May Be Required

Amended return. Use Form 1120X, Amended U.S. Corporation Income Tax Return, to correct a previously filed Form 1120.

Reportable transaction disclosure statement. Disclose information for each reportable transaction in which the corporation participated. Form 8886, Reportable Transaction Disclosure Statement, must be filed for each tax year that the federal income tax liability of the corporation is affected by its participation in the transaction. The following are reportable transactions.

1. Any listed transaction, which is a transaction that is the same as or substantially similar to one of the types of transactions that the IRS has determined to be a tax avoidance transaction and identified by notice, regulation, or other published guidance as a listed transaction.
2. Any transaction offered under conditions of confidentiality for which the corporation (or a related party) paid an advisor a fee of at least \$250,000.
3. Certain transactions for which the corporation (or a related party) has contractual protection against disallowance of the tax benefits.
4. Certain transactions resulting in a loss of at least \$10 million in any single year or \$20 million in any combination of years.
5. Any transaction identified by the IRS by notice, regulation, or other published guidance as a "transaction of interest."

For more information, see Regulations section 1.6011-4. Also see the Instructions for Form 8886.

Penalties. The corporation may have to pay a penalty if it is required to disclose

a reportable transaction under section 6011 and fails to properly complete and file Form 8886. Penalties may also apply under section 6707A if the corporation fails to file Form 8886 with its corporate return, fails to provide a copy of Form 8886 to the Office of Tax Shelter Analysis (OTSA), or files a form that fails to include all the information required (or includes incorrect information). Other penalties, such as an accuracy-related penalty under section 6662A, may also apply. See the Instructions for Form 8886 for details on these and other penalties.

Reportable transactions by material advisors. Material advisors to any reportable transaction must disclose certain information about the reportable transaction by filing Form 8918, Material Advisor Disclosure Statement, with the IRS. For details, see the Instructions for Form 8918.

Transfers to a corporation controlled by the transferor. Every significant transferor (as defined in Regulations section 1.351-3(d)) that receives stock of a corporation in exchange for property in a nonrecognition event must include the statement required by Regulations section 1.351-3(a) on or with the transferor's tax return for the tax year of the exchange. The transferee corporation must include the statement required by Regulations section 1.351-3(b) on or with its return for the tax year of the exchange, unless all the required information is included in any statement(s) provided by a significant transferor that is attached to the same return for the same section 351 exchange. If the transferor or transferee corporation is a controlled foreign corporation, each U.S. shareholder (within the meaning of section 951(b)) must include the required statement on or with its return.

Distributions under section 355. Every corporation that makes a distribution of stock or securities of a controlled corporation, as described in section 355 (or so much of section 356 as it relates to section 355), must include the statement required by Regulations section 1.355-5(a) on or with its return for the year of the distribution. A significant distributee (as defined in Regulations section 1.355-5(c)) that receives stock or securities of a controlled corporation must include the statement required by Regulations section 1.355-5(b) on or with its return for the year of receipt. If the distributing or distributee corporation is a controlled foreign corporation, each U.S. shareholder (within the meaning of section 951(b)) must include the statement on or with its return.

Dual consolidated losses. If a domestic corporation incurs a dual consolidated loss (as defined in Regulations section 1.1503-2(c)(5)), the corporation (or

consolidated group) may need to attach an elective relief agreement and/or an annual certification as provided in Regulations section 1.1503-2(g)(2).

Election to reduce basis under section 362(e)(2)(C). If property is transferred to a corporation subject to section 362(e)(2), the transferor and the acquiring corporation may elect, under section 362(e)(2)(C), to reduce the transferor's basis in the stock received instead of reducing the acquiring corporation's basis in the property transferred. Once made, the election is irrevocable. For more information, see section 362(e)(2) and Regulations section 1.362-4. If an election is made, a statement must be filed in accordance with Regulations section 1.362-4(d)(3).

Annual information statement for elections under section 108(i). If the corporation made an election in 2009 or 2010 to defer income from cancellation of debt (COD) in connection with the reacquisition of an applicable debt instrument, the corporation must attach a statement to its return beginning with the tax year following the tax year for which the corporation made the election, and ending the first tax year all income deferred has been included in income. In addition, the corporation must annually include a copy of the election statement it filed to make the election to defer the income. For more information regarding the annual information statement, see Rev. Proc. 2009-37, 2009-36 I.R.B. 309.

For more information on reporting the deferred COD income, see the instructions for line 10.

Annual information reporting by specified domestic entities under section 6038D. For tax years beginning after December 31, 2015, domestic corporations that are formed or availed of to hold specified foreign financial assets ("specified domestic entities") must file Form 8938. Form 8938 must be filed each year the value of the corporation's specified foreign financial assets meets or exceeds the reporting threshold. For more information on domestic corporations that are specified domestic entities and the types of foreign financial assets that must be reported, see the Instructions for Form 8938, generally, and in particular, *Who Must File, Specified Domestic Entity, Reporting Thresholds, Specified Foreign Financial Assets, Interests in Specified Foreign Financial Assets, Assets Not Required To Be Reported, and Exceptions to Reporting*.

In addition, a domestic corporation required to file Form 8938 with its Form 1120 for the taxable year should check "Yes" to Schedule N (Form 1120), Question 8, and also include that schedule with its Form 1120.

Other forms and statements. See Pub. 542, Corporations, for a list of other forms and statements a corporation may need to file in addition to the forms and statements discussed throughout these instructions.

Specific Instructions

Period Covered

File the 2017 return for calendar year 2017 and fiscal years that begin in 2017 and end in 2018. For a fiscal or short tax year return, fill in the tax year space at the top of the form.

The 2017 Form 1120 can also be used if:

- The corporation has a tax year of less than 12 months that begins and ends in 2018, and
- The 2018 Form 1120 is not available at the time the corporation is required to file its return.

The corporation must show its 2018 tax year on the 2017 Form 1120 and take into account any tax law changes that are effective for tax years beginning after December 31, 2017.

Name and Address

Enter the corporation's true name (as set forth in the charter or other legal document creating it), address, and EIN on the appropriate lines. Enter the address of the corporation's principal office or place of business. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the corporation has a P.O. box, show the box number instead.

Note. Do not use the address of the registered agent for the state in which the corporation is incorporated. For example, if a business is incorporated in Delaware or Nevada and the corporation's principal office is located in Little Rock, Arkansas, the corporation should enter the Little Rock address.

If the corporation receives its mail in care of a third party (such as an accountant or an attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box.

If the corporation has a foreign address, include the city or town, state or province, country, and foreign postal code. Do not abbreviate the country name. Follow the country's practice for entering the name of the state or province and postal code.

Item A. Identifying Information


Consolidated Return

Corporations filing a consolidated return must check Item A, box 1a, and attach Form 851, Affiliations Schedule, and other supporting statements to the return. Also, for the first year a subsidiary corporation is being included in a consolidated return, attach Form 1122, Authorization and Consent of Subsidiary Corporation To Be Included in a Consolidated Income Tax Return, to the parent's consolidated return. Attach a separate Form 1122 for each new subsidiary being included in the consolidated return.

File supporting statements for each corporation included in the consolidated return. Do not use Form 1120 as a supporting statement. On the supporting statement, use columns to show the following, both before and after adjustments.

1. Items of gross income and deductions.
2. A computation of taxable income.
3. Balance sheets as of the beginning and end of the tax year.
4. A reconciliation of income per books with income per return.
5. A reconciliation of retained earnings.

Enter on Form 1120 the totals for each item of income, gain, loss, expense, or deduction, net of eliminating entries for intercompany transactions between corporations within the consolidated group. Attach consolidated balance sheets and a reconciliation of consolidated retained earnings.

 **TIP** *The corporation does not have to provide the information requested in (3), (4), and (5), above, if its total receipts (line 1a plus lines 4 through 10 on page 1 of the return) and its total assets at the end of the tax year (Schedule L, line 15(d)) are less than \$250,000. See Schedule K, question 13.*

For more information on consolidated returns, see the regulations under section 1502.

Life-Nonlife Consolidated Return

If Item A, box 1a, is checked and the corporation is the common parent of a consolidated group that includes a life-nonlife insurance company, also check box 1b. See Regulations section 1.1502-47(s) for the filing requirements of a life-nonlife consolidated return.

Personal Holding Company

A personal holding company must check Item A, box 2, and attach Schedule PH (Form 1120), U.S. Personal Holding Company (PHC) Tax. See the Instructions for Schedule PH (Form 1120) for details.

Personal Service Corporation

If the corporation is a personal service corporation, check Item A, box 3. A personal service corporation is a corporation whose principal activity for the testing period is the performance of personal services. The testing period for a tax year is generally the prior tax year unless the corporation has just been formed. Personal services include any activity performed in the fields of accounting, actuarial science, architecture, consulting, engineering, health, law, and the performing arts. The services must be substantially performed by employee-owners.

A personal service corporation must use a calendar tax year unless:

- It elects to use a 52-53-week tax year that ends with reference to the calendar year or tax year elected under section 444;
- It can establish a business purpose for a different tax year and obtains the approval of the IRS (see the Instructions for Form 1128 and Pub. 538); or
- It elects under section 444 to have a tax year other than a calendar year. To make the election, use Form 8716, Election To Have a Tax Year Other Than a Required Tax Year.

If a corporation makes the section 444 election, its deduction for certain amounts paid to employee-owners may be limited. See Schedule H (Form 1120), Section 280H Limitations for a Personal Service Corporation (PSC), to figure the maximum deduction.

If a section 444 election is terminated and the termination results in a short tax year, type or print at the top of the first page of Form 1120 for the short tax year "SECTION 444 ELECTION TERMINATED."

Schedule M-3 (Form 1120)

A corporation with total assets (non-consolidated or consolidated for all corporations included within a tax consolidation group) of \$10 million or more on the last day of the tax year must file Schedule M-3 (Form 1120), Net Income (Loss) Reconciliation for Corporations With Total Assets of \$10 Million or More, instead of Schedule M-1. A corporation filing Form 1120 that is not required to file Schedule M-3 may voluntarily file Schedule M-3 instead of Schedule M-1.

Corporations that (a) are required to file Schedule M-3 (Form 1120) and have less

than \$50 million total assets at the end of the tax year, or (b) are not required to file Schedule M-3 (Form 1120) and voluntarily file Schedule M-3 (Form 1120), must either (i) complete Schedule M-3 (Form 1120) entirely or (ii) complete Schedule M-3 (Form 1120) through Part I, and complete Form 1120, Schedule M-1, instead of completing Parts II and III of Schedule M-3 (Form 1120). If the corporation chooses to complete Schedule M-1 instead of completing Parts II and III of Schedule M-3, the amount on Schedule M-1, line 1, must equal the amount on Schedule M-3, Part I, line 11. See the Instructions for Schedule M-3 (Form 1120) for more details. Also, see the instructions for Schedule M-1, later.

If you are filing Schedule M-3, check Item A, box 4, to indicate that Schedule M-3 is attached.

Item B. Employer Identification Number (EIN)

Enter the corporation's EIN. If the corporation does not have an EIN, it must apply for one. An EIN can be applied for:

- Online—Go to [IRS.gov/EIN](https://www.irs.gov/ein). The EIN is issued immediately once the application information is validated.
- By faxing or mailing Form SS-4, Application for Employer Identification Number.



Corporations located in the United States or U.S. possessions can use the online application. Foreign corporations should call 1-267-941-1099 (not a toll free number) for more information on obtaining an EIN. See the Instructions for Form SS-4.

EIN applied for, but not received. If the corporation has not received its EIN by the time the return is due, enter "Applied For" and the date the corporation applied in the space for the EIN. However, if the corporation is filing its return electronically, an EIN is required at the time the return is filed. An exception applies to subsidiaries of corporations whose returns are filed with the parent's electronically filed consolidated Form 1120. These subsidiaries should enter "Applied For" in the space for the EIN on their returns. The subsidiaries' returns are identified under the parent corporation's EIN.

For more information, see the Instructions for Form SS-4.

Item D. Total Assets

Enter the corporation's total assets (as determined by the accounting method regularly used in keeping the corporation's books and records) at the end of the tax year. If there are no assets at the end of the tax year, enter -0-.

If the corporation is required to complete Schedule L, enter on page 1, Item D. Total assets from Schedule L, line 15, column (d). If filing a consolidated return, report total consolidated assets for all corporations joining in the return.

Item E. Initial Return, Final Return, Name Change, or Address Change

- If this is the corporation's first return, check the "Initial return" box.
- If this is the corporation's final return and it will no longer exist, check the "Final return" box.
- If the corporation changed its name since it last filed a return, check the "Name change" box. Generally, a corporation also must have amended its articles of incorporation and filed the amendment with the state in which it was incorporated.
- If the corporation has changed its address since it last filed a return (including a change to an "in care of" address), check the "Address change" box.

Note. If a change in address or responsible party occurs after the return is filed, use Form 8822-B, Change of Address or Responsible Party—Business, to notify the IRS. See the instructions for Form 8822-B for details.

Income

Except as otherwise provided in the Internal Revenue Code, gross income includes all income from whatever source derived.

Exception for income from qualifying shipping activities. Gross income does not include income from qualifying shipping activities if the corporation makes an election under section 1354 to be taxed on its notional shipping income (as defined in section 1353) at the highest corporate tax rate (35%). If the election is made, the corporation generally may not claim any loss, deduction, or credit with respect to qualifying shipping activities. A corporation making this election also may elect to defer gain on the disposition of a qualifying vessel.

Use Form 8902, Alternative Tax on Qualifying Shipping Activities, to figure the tax. Include the alternative tax on Schedule J, line 9e.

Line 1. Gross Receipts or Sales

Line 1a. Gross receipts or sales. Enter on line 1a gross receipts or sales from all business operations, except for amounts that must be reported on lines 4 through 10.

Special rules apply to certain income, as discussed below.

Advance payments. In general, advance payments are reported in the year of receipt. For exceptions to this general rule for corporations that use the accrual method of accounting, see the following.

- To report income from long-term contracts, see section 460.
- For special rules for reporting certain advance payments for goods and long-term contracts, see Regulations section 1.451-5.
- For rules that allow a limited deferral of advance payments beyond the current tax year, see Rev. Proc. 2004-34, 2004-22 I.R.B. 991. For rules for the deferral of advance payments from the sale of certain gift cards, see Rev. Proc. 2011-18, 2011-5 I.R.B. 443, as modified and clarified by Rev. Proc. 2013-29, 2013-33 I.R.B. 141.
- For information on adopting or changing to a permissible method for reporting advance payments for services and certain goods by an accrual method corporation, see the Instructions for Form 3115.

Installment sales. Generally, the installment method cannot be used for dealer dispositions of property. A "dealer disposition" is any disposition of: (a) personal property by a person who regularly sells or otherwise disposes of personal property of the same type on the installment plan or (b) real property held for sale to customers in the ordinary course of the taxpayer's trade or business.

The restrictions on using the installment method do not apply to the following.

- Dispositions of property used or produced in the trade or business of farming.
- Certain dispositions of timeshares and residential lots reported under the installment method for which the corporation elects to pay interest under section 453(l)(3).

Enter on line 1a (and carry to line 3), the gross profit on collections from these installment sales. Attach a statement showing the following information for the current and the 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profits, (d) percentage of gross profits to gross sales, (e) amount collected, and (f) gross profit on the amount collected.

For sales of timeshares and residential lots reported under the installment method, if the corporation elects to pay interest under section 453(l)(3), the corporation's income tax is increased by the interest payable under section 453(l)(3). Report this addition to the tax on Schedule J, Part I, line 9f.

Nonaccrual experience method for service providers. Accrual method corporations are not required to accrue

certain amounts to be received from the performance of services that, on the basis of their experience, will not be collected, if:

- The services are in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting; or
- The corporation's average annual gross receipts have not exceeded \$5 million for any prior 3-tax-year period. For more details, see Regulations sections 1.448-2(a)(2) and 1.448-1T(f)(2).

This provision does not apply to any amount if interest is required to be paid on the amount or if there is any penalty for failure to timely pay the amount. See Regulations section 1.448-2 for information on the nonaccrual experience method, including information on safe harbor methods. For information on a book safe harbor method of accounting for corporations that use the nonaccrual experience method of accounting, see Rev. Proc. 2011-46, 2011-42 I.R.B. 518, as modified by Rev. Proc. 2016-29, 2016-21 I.R.B. 880. Also, see the Instructions for Form 3115 for procedures to obtain automatic consent to change to this method or make certain changes within this method.

Corporations that qualify to use the nonaccrual experience method should attach a statement showing total gross receipts, the amount not accrued as a result of the application of section 448(d)(5), and the net amount accrued. Enter the net amount on line 1a.

Line 1b. Returns and allowances.

Enter cash and credit refunds the corporation made to customers for returned merchandise, rebates, and other allowances made on gross receipts or sales.

Line 2. Cost of Goods Sold

Complete and attach Form 1125-A, Cost of Goods Sold, if applicable. Enter on Form 1120, line 2, the amount from Form 1125-A, line 8. See Form 1125-A and its instructions.

Line 4. Dividends

See the instructions for Schedule C, later. Then, complete Schedule C and enter on line 4 the amount from Schedule C, line 19.

Line 5. Interest

Enter taxable interest on U.S. obligations and on loans, notes, mortgages, bonds, bank deposits, corporate bonds, tax refunds, etc. Do not offset interest expense against interest income. Special rules apply to interest income from certain below-market-rate loans. See section 7872 for details.

Note. Report tax-exempt interest on Schedule K, item 9. Also, if required,

include the same amount on Schedule M-1, line 7, or Schedule M-3 (Form 1120), Part II, line 13, if applicable.

Line 6. Gross Rents

Enter the gross amount received for the rental of property. Deduct expenses such as repairs, interest, taxes, and depreciation on the proper lines for deductions. A rental activity held by a closely held corporation or a personal service corporation may be subject to the passive activity loss rules. See *Passive activity limitations*, later.

Line 10. Other Income

Enter any other taxable income not reported on lines 1 through 9. List the type and amount of income on an attached statement. If the corporation has only one item of other income, describe it in parentheses on line 10.

Examples of other income to report on line 10 include the following.

- Recoveries of bad debts deducted in prior years under the specific charge-off method.
- The amount included in income from Form 6478, Biofuel Producer Credit, if applicable.
- The amount included in income from Form 8864, Biodiesel and Renewable Diesel Fuels Credit, if applicable.
- Refunds of taxes deducted in prior years to the extent they reduced the amount of tax imposed. See section 111 and the related regulations. Do not offset current year taxes against tax refunds.
- Ordinary income from trade or business activities of a partnership (from Schedule K-1 (Form 1065 or 1065-B)). Do not offset ordinary losses against ordinary income. Instead, include the losses on line 26. Show the partnership's name, address, and EIN on a separate statement attached to this return. If the amount entered is from more than one partnership, identify the amount from each partnership.
- Any LIFO recapture amount under section 1363(d). The corporation may have to include a LIFO recapture amount in income if it:

1. Used the LIFO inventory method for its last tax year before the first tax year for which it elected to become an S corporation, or
2. Transferred LIFO inventory assets to an S corporation in a nonrecognition transaction in which those assets were transferred basis property.

The LIFO recapture amount is the amount by which the C corporation's inventory under the FIFO method exceeds the inventory amount under the LIFO method at the close of the corporation's last tax year as a C corporation (or for the year of the transfer, if (2) above applies).

Also see the instructions for Schedule J, Part I, line 11.

- Any net positive section 481(a) adjustment.
- Part or all of the proceeds received from certain corporate-owned life insurance contracts issued after August 17, 2006. Corporations that own one or more employer-owned life insurance contracts issued after this date must file Form 8925, Report of Employer-Owned Life Insurance Contracts. See section 101(j) for details.
- Income from cancellation of debt (COD) from the repurchase of a debt instrument for less than its adjusted issue price.
- Any COD income deferred from 2009 or 2010 that is includible in income in 2017. See section 108(i) and Rev. Proc. 2009-37. If the corporation is a direct or indirect partner in a partnership, other special rules apply. See Regulations section 1.108(i)-2.
- The corporation's share of the following income from Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.

1. Ordinary earnings of a qualified electing fund.
2. Gain or loss from marking passive foreign investment company (PFIC) stock to market.
3. Gain or loss from sale or other disposition of section 1296 stock.
4. Excess distributions from a section 1291 fund allocated to the current year and pre-PFIC years, if any.

See Form 8621 and the Instructions for Form 8621 for details.

Deductions

Limitations on Deductions

Uniform capitalization rules. The uniform capitalization rules of section 263A require corporations to capitalize, or include in inventory, certain costs. Corporations subject to the section 263A uniform capitalization rules are required to capitalize:

1. Direct costs of assets produced or acquired for resale, and
2. An allocable part of most indirect costs (including taxes) that are properly allocable to property produced or property acquired for resale.

The costs required to be capitalized under section 263A are not deductible until the property (to which the costs relate) is sold, used, or otherwise disposed of by the corporation. You recover these costs through depreciation, amortization, or cost of goods sold.

For more details, including exceptions to the uniform capitalization rules, see

Pub. 538. Also see Regulations sections 1.263A-1 through 1.263A-3. See Regulations section 1.263A-4 for rules for property produced in a farming business.

Transactions between related taxpayers. Generally, an accrual basis taxpayer can only deduct business expenses and interest owed to a related party in the year the payment is included in the income of the related party. See sections 163(e)(3), 163(j), and 267(a)(2) for limitations on deductions for unpaid interest and expenses.

Corporations use Form 8926, Disqualified Corporate Interest Expense Disallowed Under Section 163(j) and Related Information, to figure the amount of any corporate interest expense disallowed by section 163(j).

Section 291 limitations. Corporations may be required to adjust deductions for depletion of iron ore and coal, intangible drilling and exploration and development costs, certain deductions for financial institutions, and the amortizable basis of pollution control facilities. See section 291 to determine the amount of the adjustment.

Election to deduct business start-up and organizational costs. A corporation can elect to deduct a limited amount of start-up and organizational costs it paid or incurred. Any remaining costs generally must be amortized over a 180-month period. See sections 195 and 248 and the related regulations.

Time for making an election. The corporation generally elects to deduct start-up or organizational costs by claiming the deduction on its income tax return filed by the due date (including extensions) for the tax year in which the active trade or business begins. However, for start-up or organizational costs paid or incurred before September 9, 2008, the corporation is required to attach a statement to its return to elect to deduct such costs.

For more details including special rules for costs paid or incurred before September 9, 2008, see the Instructions for Form 4562. Also see Pub. 535, Business Expenses.

If the corporation timely filed its return for the year without making an election, it can still make an election by filing an amended return within 6 months of the due date of the return (excluding extensions). Clearly indicate the election on the amended return and write "Filed pursuant to section 301.9100-2" at the top of the amended return. File the amended return at the same address the corporation filed its original return. The election applies when figuring taxable income for the current tax year and all subsequent years.

The corporation can choose to forgo the elections above by affirmatively electing to capitalize its start-up or organizational costs on its income tax return filed by the due date (including extensions) for the tax year in which the active trade or business begins.

Note. The election to either amortize or capitalize start-up costs is irrevocable and applies to all start-up costs that are related to the trade or business.

Report the deductible amount of start-up and organizational costs and any amortization on line 26. For amortization that begins during the current tax year, complete and attach Form 4562, Depreciation and Amortization.

Passive activity limitations. Limitations on passive activity losses and credits under section 469 apply to personal service corporations (defined earlier) and closely held corporations (defined later).

Generally, the two kinds of passive activities are:

- Trade or business activities in which the corporation did not materially participate for the tax year; and
- Rental activities, regardless of its participation.

For exceptions, see Form 8810, Corporate Passive Activity Loss and Credit Limitations.

Corporations subject to the passive activity limitations must complete Form 8810 to compute their allowable passive activity loss and credit. Before completing Form 8810, see Temporary Regulations section 1.163-8T, which provides rules for allocating interest expense among activities. If a passive activity is also subject to the earnings stripping rules of section 163(j), the at-risk rules of section 465, or the tax-exempt use loss rules of section 470, those rules apply before the passive loss rules.

For more information, see section 469, the related regulations, and Pub. 925, Passive Activity and At-Risk Rules.

Closely held corporations. A corporation is a closely held corporation if:

- At any time during the last half of the tax year more than 50% in value of its outstanding stock is directly or indirectly owned by or for not more than five individuals, and
- The corporation is not a personal service corporation.

Certain organizations are treated as individuals for purposes of this test. See section 542(a)(2). For rules for determining stock ownership, see section 544 (as modified by section 465(a)(3)).

Reducing certain expenses for which credits are allowable. If the corporation claims certain credits, it may need to reduce the otherwise allowable

deductions for expenses used to figure the credit. This applies to credits such as the following.

- Work opportunity credit (Form 5884).
- Credit for increasing research activities (Form 6765).
- Orphan drug credit (Form 8820).
- Disabled access credit (Form 8826).
- Empowerment zone employment credit (Form 8844), if applicable.
- Indian employment credit (Form 8845), if applicable.
- Credit for employer social security and Medicare taxes paid on certain employee tips (Form 8846).
- Credit for small employer pension plan start-up costs (Form 8881).
- Credit for employer-provided childcare facilities and services (Form 8882).
- Low sulfur diesel fuel production credit (Form 8896).
- Mine rescue team training credit (Form 8923), if applicable.
- Credit for employer differential wage payments (Form 8932).
- Credit for small employer health insurance premiums (Form 8941).

If the corporation has any of these credits, figure the current year credit before figuring the deduction for expenses on which the credit is based. If the corporation capitalized any costs on which it figured the credit, it may need to reduce the amount capitalized by the credit attributable to these costs.

See the instructions for the form used to figure the applicable credit for more details.

Limitations on deductions related to property leased to tax-exempt entities.

If a corporation leases property to a governmental or other tax-exempt entity, the corporation cannot claim deductions related to the property to the extent that they exceed the corporation's income from the lease payments. This disallowed tax-exempt use loss can be carried over to the next tax year and treated as a deduction with respect to the property for that tax year. See section 470(d) for exceptions.

Limitation on tax benefits for remuneration under the Patient Protection and Affordable Care Act. The \$1 million compensation limit is reduced to \$500,000 for remuneration for services provided by individuals for or on behalf of certain health insurance providers in taxable years beginning after December 31, 2009. The \$500,000 limitation applies to remuneration that is deductible in the taxable year during which the services were performed and remuneration for services during the year that is deductible in a future taxable year (called "deferred deduction remuneration"). The \$500,000 limitation is reduced by any amounts disallowed as excess parachute

payments. See section 162(m)(6) and Regulations section 1.162-31 for definitions and other special rules. Also see Notice 2011-2, 2011-2 I.R.B. 260.

Line 12. Compensation of Officers


Enter deductible officers' compensation on line 12. Do not include compensation deductible elsewhere on the return, such as amounts included in cost of goods sold, elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement or a SIMPLE IRA plan.

If the corporation's total receipts (line 1a, plus lines 4 through 10) are \$500,000 or more, complete Form 1125-E, Compensation of Officers. Enter on Form 1120, line 12, the amount from Form 1125-E, line 4.

Line 13. Salaries and Wages

Enter the total salaries and wages paid for the tax year. Do not include salaries and wages deductible elsewhere on the return, such as amounts included in officers' compensation, cost of goods sold, elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement or a SIMPLE IRA plan.

If the corporation provided taxable fringe benefits to its employees, such as personal use of a car, do not deduct as wages the amount allocated for depreciation and other expenses claimed on lines 20 and 26.

 *If the corporation claims a credit for any wages paid or incurred, it may need to reduce any corresponding deduction for officers' compensation and salaries and wages. See Reducing certain expenses for which credits are allowable, earlier.*

Line 14. Repairs and Maintenance

Enter the cost of repairs and maintenance not claimed elsewhere on the return, such as labor and supplies, that do not add to the value of the property or appreciably prolong its life. See Regulations section 1.162-4. The corporation may elect to capitalize certain repair and maintenance costs consistent with its books and records. See Regulations section 1.263(a)-3(n) for information on how to make the election.

New buildings, machinery, or permanent improvements that increase the value of the property are not deductible as repair and maintenance expenses. These expenses must be capitalized and depreciated or amortized. However, amounts paid for routine maintenance on property, including

buildings, may be deductible. See Regulations section 1.263(a)-3(i).

Line 15. Bad Debts

Enter the total debts that became worthless in whole or in part during the tax year. A small bank or thrift institution using the reserve method of section 585 should attach a statement showing how it figured the current year's provision. A corporation that uses the cash method of accounting cannot claim a bad debt deduction unless the amount was previously included in income.

Line 16. Rents

If the corporation rented or leased a vehicle, enter the total annual rent or lease expense paid or incurred during the year. Also complete Part V of Form 4562. If the corporation leased a vehicle for a term of 30 days or more, the deduction for vehicle lease expense may have to be reduced by an amount includible in income called the inclusion amount. The corporation may have an inclusion amount if:

The lease term began:	And the vehicle's FMV on the first day of the lease exceeded:
Cars (excluding trucks and vans)	
After 12/31/12 but before 1/1/18	\$19,000
After 12/31/07 but before 1/1/13	\$18,500
Trucks and vans	
After 12/31/13 but before 1/1/18	\$19,500
After 12/31/09 but before 1/1/14	\$19,000
After 12/31/08 but before 1/1/10	\$18,500
After 12/31/07 but before 1/1/09	\$19,000

See Pub. 463, Travel, Entertainment, Gift, and Car Expenses, for instructions on figuring the inclusion amount.

Note. The inclusion amount for lease terms beginning in 2018 will be published in the Internal Revenue Bulletin in early 2018.

Line 17. Taxes and Licenses

Enter taxes paid or accrued during the tax year, but do not include the following.

- Federal income taxes.
- Foreign or U.S. possession income taxes if a foreign tax credit is claimed.
- Taxes not imposed on the corporation.

- Taxes, including state or local sales taxes, that are paid or incurred in connection with an acquisition or disposition of property (these taxes must be treated as a part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition).
- Taxes assessed against local benefits that increase the value of the property assessed (such as for paving, etc.).
- Taxes deducted elsewhere on the return, such as those reflected in cost of goods sold.

See section 164(d) for information on apportionment of taxes on real property between seller and purchaser.

Line 18. Interest

Note. Do not offset interest income against interest expense.

The corporation must make an interest allocation if the proceeds of a loan were used for more than one purpose (for example, to purchase a portfolio investment and to acquire an interest in a passive activity). See Temporary Regulations section 1.163-8T for the interest allocation rules.

Mutual savings banks, building and loan associations, and cooperative banks can deduct the amounts paid or credited to the accounts of depositors as dividends, interest, or earnings. See section 591.

Do not deduct the following interest.

- Interest on indebtedness incurred or continued to purchase or carry obligations if the interest is wholly exempt from income tax. See section 265(b) for special rules and exceptions for financial institutions. Also see section 265(b)(7) for a de minimis exception for financial institutions for certain tax-exempt bonds issued in 2009 and 2010.
- For cash basis taxpayers, prepaid interest allocable to years following the current tax year. For example, a cash basis calendar year taxpayer who in 2017 prepaid interest allocable to any period after 2017 can deduct only the amount allocable to 2017.
- Interest and carrying charges on straddles. Generally, these amounts must be capitalized. See section 263(g).
- Interest on debt allocable to the production of designated property by a corporation for its own use or for sale. The corporation must capitalize this interest. Also capitalize any interest on debt allocable to an asset used to produce the property. See section 263A(f) and Regulations sections 1.263A-8 through 1.263A-15 for definitions and more information.
- Interest paid or incurred on any portion of an underpayment of tax that is attributable to an understatement arising

from an undisclosed listed transaction or an undisclosed reportable avoidance transaction (other than a listed transaction) entered into in tax years beginning after October 22, 2004.

Special rules apply to:

- Disqualified interest on certain indebtedness under section 163(j). See Form 8926, and the related instructions.
- Interest on which no tax is imposed (see section 163(j)). A corporation that owns an interest in a partnership, directly or indirectly, must treat its distributive share of the partnership liabilities, interest income, and interest expense as liabilities, income, and expenses of the corporation for purposes of applying the earnings stripping rules. For more details, see section 163(j)(8).
- Forgone interest on certain below-market-rate loans (see section 7872).
- Original issue discount (OID) on certain high yield discount obligations. See section 163(e)(5) to determine the amount of the deduction for OID that is deferred and the amount that is disallowed on a high yield discount obligation. The rules under section 163(e)(5) do not apply to certain high yield discount obligations issued after August 31, 2008, and before January 1, 2011. See section 163(e)(5)(F). Also see Notice 2010-11, 2010-4 I.R.B. 326.
- Interest which is allocable to unborrowed policy cash values of life insurance, endowment, or annuity contracts issued after June 8, 1997. See section 264(f). Attach a statement showing the computation of the deduction.
- Section 108(i) OID deduction. If the corporation issued a debt instrument with OID that is subject to section 108(i)(2) because of an election to defer the income from the cancellation of debt (COD), the interest deduction for this OID is deferred until the COD is includible in income. The accrued OID is allowed as a deduction ratably over the 5-year period that the income from COD is includible in income. The deduction is limited to the amount of COD subject to the section 108(i) election.

Line 19. Charitable Contributions

Enter contributions or gifts actually paid within the tax year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years. Special rules and limits apply to contributions to organizations conducting lobbying activities. See section 170(f)(9).

Corporations reporting taxable income on the accrual method can elect to treat as paid during the tax year any contributions paid by the due date for filing the corporation's tax return (not including

extensions), if the contributions were authorized by the board of directors during the tax year. Attach a declaration to the return stating that the resolution authorizing the contributions was adopted by the board of directors during the tax year. The declaration must include the date the resolution was adopted. See section 170(a)(2)(B).

Limitation on deduction. The total amount claimed cannot be more than 10% of taxable income (line 30) computed without regard to the following.

- Any deduction for contributions.
- The special deductions on line 29b.
- The limitation under section 249 on the deduction for bond premium.
- The domestic production activities deduction under section 199.
- Any net operating loss (NOL) carryback to the tax year under section 172.
- Any capital loss carryback to the tax year under section 1212(a)(1).

Carryover. Charitable contributions over the 10% limitation cannot be deducted for the tax year but can be carried over to the next 5 tax years. See the exception below for farmers and ranchers and certain Native Corporations.

Special rules apply if the corporation has an NOL carryover to the tax year. In figuring the charitable contributions deduction for the current tax year, the 10% limit is applied using the taxable income after taking into account any deduction for the NOL.

To figure the amount of any remaining NOL carryover to later years, taxable income must be modified (see section 172(b)). To the extent that contributions are used to reduce taxable income for this purpose and increase an NOL carryover, a contributions carryover is not allowed. See section 170(d)(2)(B).

Suspension of 10% limitation for farmers and ranchers and certain Native Corporations. Certain corporations can deduct contributions of qualified conservation property without regard to the general 10% limit. This applies to:

- A qualified farmer or rancher (as defined in section 170(b)(1)(E)(v)) that does not have publicly traded stock; and
- A Native Corporation (as defined in section 170(b)(2)(C)(iii)) that contributes property which was land conveyed under the Alaska Native Claims Settlement Act.

The total amount of the contribution claimed for the qualified conservation property cannot exceed 100% of the excess of the corporation's taxable income (as computed above substituting "100%" for "10%") over all other allowable charitable contributions. Any excess qualified conservation contributions can be carried over to the next 15 years,

subject to the 100% limitation. See sections 170(b)(2)(B) and (C).

Temporary suspension of 10% limitation for certain disaster-related contributions. A corporation may elect to deduct qualified cash contributions without regard to the 10% taxable income limit. Qualified contributions are contributions that were made after August 22, 2017, and before January 1, 2018, to a qualified charitable organization (other than certain private foundations described in section 509(a)(3) or donor advised funds described in section 4966(d)(2)), for Hurricane Harvey, Irma, or Maria relief efforts. The corporation must obtain contemporaneous written acknowledgment (within the meaning of section 170(f)(8)) from the qualified charitable organization that the contribution was used or is to be used for hurricane relief efforts.

The total amount of the contribution claimed for hurricane relief efforts cannot exceed 100% of the excess of the corporation's taxable income (as computed above substituting "100%" for "10%") over all other allowable charitable contributions. Any excess qualified contributions are carried over to the next 5 years. See Pub. 976.

Cash contributions. For contributions of cash, check, or other monetary gifts (regardless of the amount), the corporation must maintain a bank record, or a receipt, letter, or other written communication from the donee organization indicating the name of the organization, the date of the contribution, and the amount of the contribution.

Contributions of \$250 or more. A corporation can deduct a contribution of \$250 or more only if it gets a written acknowledgment from the donee organization that shows the amount of cash contributed, describes any property contributed (but not its value), and either gives a description and a good faith estimate of the value of any goods or services provided in return for the contribution or states that no goods or services were provided in return for the contribution. The acknowledgment must be obtained by the due date (including extensions) of the corporation's return, or, if earlier, the date the return is filed. Do not attach the acknowledgment to the tax return, but keep it with the corporation's records.

Contributions of property other than cash. If a corporation (other than a closely held or personal service corporation) contributes property other than cash and claims over a \$500 deduction for the property, it must attach a statement to the return describing the kind of property contributed and the method

used to determine its fair market value (FMV). Closely held corporations and personal service corporations must complete Form 8283, Noncash Charitable Contributions, and attach it to their returns. All other corporations generally must complete and attach Form 8283 to their returns for contributions of property (other than money) if the total claimed deduction for all property contributed was more than \$5,000. Special rules apply to the contribution of certain property. See the Instructions for Form 8283.

Qualified conservation contributions. Special rules apply to qualified conservation contributions, including contributions of certain easements on buildings located in a registered historic district. See section 170(h) and Pub. 526, Charitable Contributions.

Other special rules. The corporation must reduce its deduction for contributions of certain capital gain property. See sections 170(e)(1) and 170(e)(5).

A larger deduction is allowed for certain contributions including:

- Inventory and other property to certain organizations for use in the care of the ill, needy, or infants (see section 170(e)(3)), including qualified contributions of "apparently wholesome food" (see section 170(e)(3)(C)); and
- Scientific equipment used for research to institutions of higher learning or to certain scientific research organizations (other than by personal holding companies and service organizations). See section 170(e)(4).

For more information on charitable contributions, including substantiation and recordkeeping requirements, see section 170 and the related regulations and Pub. 526. For other special rules that apply to corporations, see Pub. 542.

Line 20. Depreciation

Include on line 20 depreciation and the cost of certain property that the corporation elected to expense under section 179 from Form 4562. Include amounts not claimed on Form 1125-A or elsewhere on the return. See Form 4562 and the Instructions for Form 4562.

Line 21. Depletion

See sections 613 and 613A for percentage depletion rates applicable to natural deposits. Also see section 291 for the limitation on the depletion deduction for iron ore and coal (including lignite).

Attach Form T (Timber), Forest Activities Schedule, if a deduction for depletion of timber is taken.

Foreign intangible drilling costs and foreign exploration and development costs must either be added to the corporation's

basis for cost depletion purposes or be deducted ratably over a 10-year period. See sections 263(i), 616, and 617 for details.

See Pub. 535 for more information on depletion.

Line 23. Pension, Profit-Sharing, etc., Plans

Enter the deduction for contributions to qualified pension, profit-sharing, or other funded deferred compensation plans. Employers who maintain such a plan generally must file one of the forms listed below unless exempt from filing under regulations or other applicable guidance, even if the plan is not a qualified plan under the Internal Revenue Code. The filing requirement applies even if the corporation does not claim a deduction for the current tax year. There are penalties for failure to file these forms on time and for overstating the pension plan deduction. See sections 6652(e) and 6662(f). Also see the instructions for the applicable form.

Form 5500, Annual Return/Report of Employee Benefit Plan.

Form 5500-SF, Short Form Annual Return/Report of Small Employee Benefit Plan. File this form instead of Form 5500 generally if there were under 100 participants at the beginning of the plan year.

Note. Form 5500 and Form 5500-SF must be filed electronically under the computerized ERISA Filing Acceptance System (EFAST2). For more information, see the EFAST2 website at www.efast.dol.gov.

Form 5500-EZ, Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan. File this form for a plan that only covers the owner (or the owner and his or her spouse) but only if the owner (or the owner and his or her spouse) owns the entire business.

Line 24. Employee Benefit Programs

Enter contributions to employee benefit programs not claimed elsewhere on the return (for example, insurance or health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 23.

Line 26. Other Deductions

Attach a statement, listing by type and amount, all allowable deductions that are not deductible elsewhere on Form 1120. Enter the total on line 26.

Examples of other deductions include the following. See Pub. 535 for details on other deductions that may apply to corporations.

- Amortization. See Part VI of Form 4562.
- Certain costs of a qualified film, television, or live theatrical production commencing before January 1, 2017 (after December 31, 2015, and before January 1, 2017, for a live theatrical production), if the aggregate cost of the production does not exceed \$15 million. There is a higher dollar limitation for production in certain areas. See section 181 and the related regulations.
- Certain business start-up and organizational costs (discussed earlier, under *Limitations on Deductions*).
- Reforestation costs. The corporation can elect to deduct up to \$10,000 of qualifying reforestation expenses for each qualified timber property. The corporation can elect to amortize over 84 months any amount not deducted. See Pub. 535.
- Insurance premiums.
- Legal and professional fees.
- Supplies used and consumed in the business.
- Travel, meals, and entertainment expenses. Special rules apply (discussed below).
- Utilities.
- Ordinary losses from trade or business activities of a partnership (from Schedule K-1 (Form 1065 or 1065-B)). Do not offset ordinary income against ordinary losses. Instead, include the income on line 10. Show the partnership's name, address, and EIN on a separate statement attached to this return. If the amount is from more than one partnership, identify the amount from each partnership.
- Any extraterritorial income exclusion (from Form 8873).
- Any net negative section 481(a) adjustment. See *Section 481(a) adjustment*, earlier.
- Dividends paid in cash on stock held by an employee stock ownership plan. However, a deduction may be taken for these dividends only if, according to the plan, the dividends are:
 1. Paid in cash directly to the plan participants or beneficiaries;
 2. Paid to the plan, which distributes them in cash to the plan participants or their beneficiaries no later than 90 days after the end of the plan year in which the dividends are paid;
 3. At the election of such participants or their beneficiaries (a) payable as provided under (1) or (2) above, or (b) paid to the plan and reinvested in qualifying employer securities; or
 4. Used to make payments on a loan described in section 404(a)(9).

See section 404(k) for more details and the limitation on certain dividends.

Do not deduct expenses such as the following.

- Fines or penalties paid to a government for violating any law. However, see exceptions (discussed below).
- Any amount that is allocable to a class of exempt income. See section 265(b) for exceptions.
- Lobbying expenses. However, see exceptions (discussed below).
- Amounts paid or incurred after December 22, 2017, for any settlement, payout, or attorney fees related to sexual harassment or sexual abuse, if such payments are subject to a nondisclosure agreement. See new section 162(q).

Travel, meals, and entertainment.

Subject to limitations and restrictions discussed below, a corporation can deduct ordinary and necessary travel, meals, and entertainment expenses paid or incurred in its trade or business. Also, special rules apply to deductions for gifts, skybox rentals, luxury water travel, convention expenses, and entertainment tickets. See section 274 and Pub. 463 for details.

Note. No deduction is allowed for certain entertainment expenses, membership dues, and facilities used in connection with these activities for amounts paid or incurred after December 31, 2017. See section 274, as amended by P.L. 115-97, section 13304.

Travel. The corporation cannot deduct travel expenses of any individual accompanying a corporate officer or employee, including a spouse or dependent of the officer or employee, unless:

- That individual is an employee of the corporation, and
- His or her travel is for a bona fide business purpose and would otherwise be deductible by that individual.

Meals and entertainment. Generally, the corporation can deduct only 50% of the amount otherwise allowable for meals and entertainment expenses paid or incurred in its trade or business. In addition (subject to exceptions under section 274(k)(2)):

- Meals must not be lavish or extravagant;
- A bona fide business discussion must occur during, immediately before, or immediately after the meal; and
- An employee of the corporation must be present at the meal.

See section 274(n)(3) for a special rule that applies to expenses for meals consumed by individuals subject to the hours of service limits of the Department of Transportation.

Membership dues. The corporation can deduct amounts paid or incurred for membership dues in civic or public service organizations, professional organizations

(such as bar and medical associations), business leagues, trade associations, chambers of commerce, boards of trade, and real estate boards. However, no deduction is allowed if a principal purpose of the organization is to entertain or provide entertainment facilities for members or their guests. In addition, corporations cannot deduct membership dues in any club organized for business, pleasure, recreation, or other social purpose. This includes country clubs, golf and athletic clubs, airline and hotel clubs, and clubs operated to provide meals under conditions favorable to business discussion.

Entertainment facilities. The corporation cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) used for an activity usually considered entertainment, amusement, or recreation.

Amounts treated as compensation. Generally, the corporation may be able to deduct otherwise nondeductible entertainment, amusement, or recreation expenses if the amounts are treated as compensation to the recipient and reported on Form W-2 for an employee or on Form 1099-MISC for an independent contractor.

However, if the recipient is an officer, director, beneficial owner (directly or indirectly), or other “specified individual” (as defined in section 274(e)(2)(B) and Regulations section 1.274-9(b)), special rules apply. See section 274(e)(2) and Regulations sections 1.274-9 and 1.274-10.

Fines and penalties. Generally, no deduction is allowed for fines and penalties paid to a government for violating any law. However, exceptions apply for certain amounts paid or incurred after December 21, 2017. This includes:

- Amounts that constitute restitution or are paid to come into compliance with the law;
- Amounts paid or incurred as the result of certain court orders; and
- Amounts for taxes due.

These exceptions do not apply to amounts paid or incurred under any binding order or agreement entered into before December 22, 2017. See section 162(f), as amended by P.L. 115-97, section 13306.

Lobbying expenses. Generally, lobbying expenses are not deductible. These expenses include:

- Amounts paid or incurred in connection with influencing federal or state legislation (but not amounts paid or incurred before December 22, 2017, in connection with local legislation), or
- Amounts paid or incurred in connection with any communication with certain

federal executive branch officials in an attempt to influence the official actions or positions of the officials. See Regulations section 1.162-29 for the definition of “influencing legislation.”

Dues and other similar amounts paid to certain tax-exempt organizations may not be deductible. If certain in-house lobbying expenditures do not exceed \$2,000, they are deductible.

Line 28. Taxable Income Before NOL Deduction and Special Deductions

At-risk rules. Generally, special at-risk rules under section 465 apply to closely held corporations (see *Passive activity limitations*, earlier) engaged in any activity as a trade or business or for the production of income. These corporations may have to adjust the amount on line 28. (See below.)

- The at-risk rules do not apply to:
- Holding real property placed in service by the taxpayer before 1987;
 - Equipment leasing under sections 465(c)(4), (5), and (6); or
 - Any qualifying business of a qualified corporation under section 465(c)(7).

However, the at-risk rules do apply to the holding of mineral property.

If the at-risk rules apply, adjust the amount on this line for any section 465(d) losses. These losses are limited to the amount for which the corporation is at risk for each separate activity at the close of the tax year. If the corporation is involved in one or more activities, any of which incurs a loss for the year, report the losses for each activity separately. Attach Form 6198, At-Risk Limitations, showing the amount at risk and gross income and deductions for the activities with the losses.

If the corporation sells or otherwise disposes of an asset or its interest (either total or partial) in an activity to which the at-risk rules apply, determine the net profit or loss from the activity by combining the gain or loss on the sale or disposition with the profit or loss from the activity. If the corporation has a net loss, it may be limited because of the at-risk rules.

Treat any loss from an activity not allowed for the tax year as a deduction allocable to the activity in the next tax year.

Line 29a. Net Operating Loss Deduction

A corporation can use the NOL incurred in one tax year to reduce its taxable income in another tax year. Enter on line 29a the total NOL carryovers from other tax years, but do not enter more than the corporation's taxable income (after special deductions). Attach a statement showing

the computation of the NOL deduction. Complete item 12 on Schedule K.

The following special rules apply.

- A personal service corporation may not carry back an NOL to or from any tax year to which an election under section 444 to have a tax year other than a required tax year applies.
- A corporate equity reduction interest loss may not be carried back to a tax year preceding the year of the equity reduction transaction (see section 172(b)(1)(D)).
- If an ownership change (described in section 382(g)) occurs, the amount of the taxable income of a loss corporation that may be offset by the pre-change NOL carryovers may be limited. See section 382 and the related regulations. A loss corporation must include the information statement as provided in Regulations section 1.382-11(a) with its income tax return for each tax year that it is a loss corporation in which an ownership shift, equity structure shift, or other transaction described in Temporary Regulations section 1.382-2T(a)(2)(i) occurs. If the corporation makes the closing-of-the-books election, see Regulations section 1.382-6(b).

The limitations under section 382 do not apply to certain ownership changes after February 17, 2009, made pursuant to a restructuring plan under the Emergency Economic Stabilization Act of 2008. See section 382(n).

For guidance in applying section 382 to loss corporations whose instruments were acquired by Treasury under certain programs under the Emergency Economic Stabilization Act of 2008, see Notice 2010-2, 2010-2 I.R.B. 251.

- If a corporation acquires control of another corporation (or acquires its assets in a reorganization), the amount of pre-acquisition losses that may offset recognized built-in gain may be limited (see section 384).
- If a corporation elects the alternative tax on qualifying shipping activities under section 1354, no deduction is allowed for an NOL attributable to the qualifying shipping activities to the extent that the loss is carried forward from a tax year preceding the first tax year for which the alternative tax election was made. See section 1358(b)(2).
- If a corporation has a loss attributable to a disaster, special rules apply. See the Instructions for Form 1139.

For more details on the NOL deduction, see section 172 and the Instructions for Form 1139.

Line 29b. Special Deductions

See the instructions for Schedule C.

Line 30. Taxable Income

Minimum taxable income. The corporation's taxable income cannot be less than the largest of the following amounts.

- The inversion gain of the corporation for the tax year, if the corporation is an expatriated entity or a partner in an expatriated entity. See section 7874(a).
- The sum of the corporation's excess inclusions from its residual interest in a REMIC from Schedules Q (Form 1066), line 2c, and the corporation's taxable income determined solely with respect to its ownership and high-yield interests in FASITs. See sections 860E(a) and 860J (repealed).

Net operating loss (NOL). If line 30 (figured without regard to the items listed above under minimum taxable income) is zero or less, the corporation may have an NOL that can be carried back or forward as a deduction to other tax years.

Generally, a corporation first carries back an NOL 2 tax years. However, the corporation can elect to waive the carryback period and instead carry the NOL forward to future tax years. See the instructions for Schedule K, item 11, for information on making the election. See the Instructions for Form 1139 for other special rules and elections.

Note. The 2-year carryback rule does not apply to NOLs arising in tax years ending after December 31, 2017. Exceptions apply to certain farming losses and NOLs of property and casualty insurance companies. See section 172(b), as amended by P.L. 115-97, section 13302.

Merchant Marine capital construction fund. To take a deduction for amounts contributed to a capital construction fund (CCF), reduce the amount that would otherwise be entered on line 30 by the amount of the deduction. On the dotted line next to the entry space, enter "CCF" and the amount of the deduction. For more information, see section 7518.

Line 33. Estimated Tax Penalty

Generally, the corporation does not have to file Form 2220 because the IRS can figure the penalty amount, if any, and bill the corporation. However, even if the corporation does not owe the penalty, it must complete and attach Form 2220 if:

- The annualized income or adjusted method is used, or
- The corporation is a large corporation (as defined in the Instructions for Form 2220) computing its first required installment based on the prior year's tax.

If Form 2220 is attached, check the box on line 33, and enter any penalty on this line.

Line 34. Amount Owed

If the corporation cannot pay the full amount of tax owed, it can apply for an installment agreement online. The corporation can apply for an installment agreement online if:

- It cannot pay the full amount shown on line 34,
- The total amount owed is \$25,000 or less, and
- The corporation can pay the liability in full in 24 months.

To apply using the Online Payment Agreement Application, go to [IRS.gov/OPA](https://www.irs.gov/OPA).

Under an installment agreement, the corporation can pay what it owes in monthly installments. There are certain conditions that must be met to enter into and maintain an installment agreement, such as paying the liability within 24 months and making all required deposits and timely filing tax returns during the length of the agreement.

If the installment agreement is accepted, the corporation will be charged a fee and it will be subject to penalties and interest on the amount of tax not paid by the due date of the return.

Line 36

Enter the amount of any overpayment that should be refunded or applied to next year's estimated tax.

Note. This election to apply some or all of the overpayment amount to the corporation's 2018 estimated tax cannot be changed at a later date.

Direct deposit of refund. If the corporation wants its refund directly deposited into its checking or savings account at any U.S. bank or other financial institution instead of having a check sent to the corporation, complete Form 8050, Direct Deposit of Corporate Tax Refund, and attach it to the corporation's tax return.

Schedule C. Dividends and Special Deductions

For purposes of the 20% ownership test on lines 1 through 7, the percentage of stock owned by the corporation is based on voting power and value of the stock. Preferred stock described in section 1504(a)(4) is not taken into account.

Consolidated returns. Corporations filing a consolidated return should see Regulations sections 1.1502-13, 1.1502-26, and 1.1502-27 before completing Schedule C.

Corporations filing a consolidated return must not report as dividends on Schedule C any amounts received from corporations within the tax consolidation

group. Such dividends are eliminated in consolidation rather than offset by the dividends-received deduction.

Line 1, Column (a)

Enter dividends (except those received on debt-financed stock acquired after July 18, 1984—see section 246A) that are:

- Received from less-than-20%-owned domestic corporations subject to income tax, and
- Qualified for the 70% deduction under section 243(a)(1).

Also include on line 1 the following.

- Taxable distributions from an IC-DISC or former DISC that are designated as eligible for the 70% deduction and certain dividends of Federal Home Loan Banks. See section 246(a)(2).
- Dividends (except those received on debt-financed stock acquired after July 18, 1984) from a regulated investment company (RIC). The amount of dividends eligible for the dividends-received deduction under section 243 is limited by section 854(b). The corporation should receive a notice from the RIC specifying the amount of dividends that qualify for the deduction.

Report so-called dividends or earnings received from mutual savings banks, etc., as interest. Do not treat them as dividends.

Line 2, Column (a)

Enter on line 2:

- Dividends (except those received on debt-financed stock acquired after July 18, 1984) that are received from 20%-or-more-owned domestic corporations subject to income tax and that are subject to the 80% deduction under section 243(c), and
- Taxable distributions from an IC-DISC or former DISC that are considered eligible for the 80% deduction.

Line 3, Column (a)

Enter the following.

- Dividends received on debt-financed stock acquired after July 18, 1984, from domestic and foreign corporations subject to income tax that would otherwise be subject to the dividends-received deduction under section 243(a)(1), 243(c), or 245(a). Generally, debt-financed stock is stock that the corporation acquired by incurring a debt (for example, it borrowed money to buy the stock).
- Dividends received from a RIC on debt-financed stock. The amount of dividends eligible for the dividends-received deduction is limited by section 854(b). The corporation should receive a notice from the RIC specifying the amount of dividends that qualify for the deduction.

Line 3, Columns (b) and (c)

Dividends received on debt-financed stock acquired after July 18, 1984, are not entitled to the full 70% or 80% dividends-received deduction. The 70% or 80% deduction is reduced by a percentage that is related to the amount of debt incurred to acquire the stock. See section 246A. Also see section 245(a) before making this computation for an additional limitation that applies to dividends received from foreign corporations. Attach a statement to Form 1120 showing how the amount on line 3, column (c), was figured.

Line 4, Column (a)

Enter dividends received on preferred stock of a less-than-20%-owned public utility that is subject to income tax and is allowed the deduction provided in section 247 (as affected by P.L. 113-295, Div. A, section 221(a)(41)(A), Dec. 19, 2014, 128 Stat. 4043) for dividends paid.

Line 5, Column (a)

Enter dividends received on preferred stock of a 20%-or-more-owned public utility that is subject to income tax and is allowed the deduction provided in section 247 (as affected by P.L. 113-295, Div. A, section 221(a)(41)(A), Dec. 19, 2014, 128 Stat. 4043) for dividends paid.

Line 6, Column (a)

Enter the U.S.-source portion of dividends that:

- Are received from less-than-20%-owned foreign corporations, and
- Qualify for the 70% deduction under section 245(a). To qualify for the 70% deduction, the corporation must own at least 10% of the stock of the foreign corporation by vote and value.

Also include dividends received from a less-than-20%-owned FSC that:

- Are attributable to income treated as effectively connected with the conduct of a trade or business within the United States (excluding foreign trade income), and
- Qualify for the 70% deduction under section 245(c)(1)(B).

Line 7, Column (a)

Enter the U.S.-source portion of dividends that:

- Are received from 20%-or-more-owned foreign corporations, and
- Qualify for the 80% deduction under section 245(a).

Also include dividends received from a 20%-or-more-owned FSC that:

- Are attributable to income treated as effectively connected with the conduct of a trade or business within the United States (excluding foreign trade income), and
- Qualify for the 80% deduction under section 245(c)(1)(B).

Line 8, Column (a)

Enter dividends received from wholly owned foreign subsidiaries that are eligible for the 100% deduction under section 245(b).

In general, the deduction under section 245(b) applies to dividends paid out of the earnings and profits of a foreign corporation for a tax year during which:

- All of its outstanding stock is directly or indirectly owned by the domestic corporation receiving the dividends, and
- All of its gross income from all sources is effectively connected with the conduct of a trade or business within the United States.

Line 9, Column (c)

Generally, line 9, column (c), cannot exceed the amount from the worksheet above. However, in a year in which an NOL occurs, this limitation does not apply even if the loss is created by the dividends-received deduction. See sections 172(d) and 246(b).

Line 10, Columns (a) and (c)

Small business investment companies operating under the Small Business Investment Act of 1958 (see 15 U.S.C. 661 and following) must enter dividends that are received from domestic corporations subject to income tax even though a deduction is allowed for the entire amount of those dividends. To claim the 100% deduction on line 10, column (c), the company must file with its return a statement that it was a federal licensee under the Small Business Investment Act of 1958 at the time it received the dividends.

Line 11, Columns (a) and (c)

Enter only dividends that qualify under section 243(b) for the 100% dividends-received deduction described in section 243(a)(3). Corporations taking this deduction are subject to the provisions of section 1561.

The 100% deduction does not apply to affiliated group members that are joining in the filing of a consolidated return.

Line 12, Column (a)

Enter dividends from FSCs that are attributable to foreign trade income and that are eligible for the 100% deduction provided in section 245(c)(1)(A).

Line 13, Column (a)

Enter foreign dividends not reportable on line 3, 6, 7, 8, 11, or 12 of column (a). Include on line 13 the corporation's share of distributions from a section 1291 fund from Form 8621, to the extent that the amounts are taxed as dividends under section 301. See Form 8621 and the Instructions for Form 8621.

Line 14, Column (a)

Enter amounts included in income under subpart F. This should equal the total reported on line 6 of Schedule I of Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. These amounts are treated as dividends only to the extent provided in the Internal Revenue Code and Treasury Regulations.

Line 15, Column (a)

Include gross-up for taxes deemed paid under sections 902 and 960.

Line 16, Column (a)

Enter taxable distributions from an IC-DISC or former DISC that are designated as not eligible for a dividends-received deduction.

No deduction is allowed under section 243 for a dividend from an IC-DISC or former DISC (as defined in section 992(a)) to the extent the dividend:

- Is paid out of the corporation's accumulated IC-DISC income or previously taxed income, or
- Is a deemed distribution under section 995(b)(1).

Line 17, Column (a)

Include the following.

1. Dividends (other than capital gain distributions reported on Schedule D (Form 1120) and exempt-interest dividends) that are received from RICs and that are not subject to the 70% deduction.

2. Dividends from tax-exempt organizations.

3. Dividends (other than capital gain distributions) received from a REIT that, for the tax year of the trust in which the dividends are paid, qualifies under sections 856 through 860.

4. Dividends not eligible for a dividends-received deduction, which include the following.

a. Dividends received on any share of stock held for less than 46 days during the 91-day period beginning 45 days before the ex-dividend date. When counting the number of days the corporation held the stock, you cannot count certain days during which the corporation's risk of loss was diminished. See section 246(c)(4) and Regulations section 1.246-5 for more details.

b. Dividends attributable to periods totaling more than 366 days that the corporation received on any share of preferred stock held for less than 91 days during the 181-day period that began 90 days before the ex-dividend date. When counting the number of days the corporation held the stock, you cannot count certain days during which the

Worksheet for Schedule C, line 9

Keep for Your Records

1. Refigure Form 1120, page 1, line 28, without any domestic production activities deduction, any adjustment under section 1059, and without any capital loss carryback to the tax year under section 1212(a)(1) 1. _____
2. Complete lines 10, 11, and 12, column (c), and enter the total here 2. _____
3. Subtract line 2 from line 1 3. _____
4. Multiply line 3 by 80% (0.80) 4. _____
5. Add lines 2, 5, 7, and 8, column (c), and the part of the deduction on line 3, column (c), that is attributable to dividends from 20%-or-more-owned corporations 5. _____
6. Enter the smaller of line 4 or 5. If line 5 is greater than line 4, stop here; enter the amount from line 6 on line 9, column (c), and do not complete the rest of this worksheet 6. _____
7. Enter the total amount of dividends from 20%-or-more-owned corporations that are included on lines 2, 3, 5, 7, and 8, column (a) 7. _____
8. Subtract line 7 from line 3 8. _____
9. Multiply line 8 by 70% (0.70) 9. _____
10. Subtract line 5 from line 9, column (c) 10. _____
11. Enter the smaller of line 9 or line 10 11. _____
12. **Dividends-received deduction after limitation (sec. 246(b)).** Add lines 6 and 11. Enter the result here and on line 9, column (c) 12. _____

Tax Rate Schedule

If taxable income (line 30, Form 1120) on page 1 is:

Over—	But not over—	Tax is:	Of the amount over—
\$0	\$50,000	15%	\$0
50,000	75,000	\$ 7,500 + 25%	50,000
75,000	100,000	13,750 + 34%	75,000
100,000	335,000	22,250 + 39%	100,000
335,000	10,000,000	113,900 + 34%	335,000
10,000,000	15,000,000	3,400,000 + 35%	10,000,000
15,000,000	18,333,333	5,150,000 + 38%	15,000,000
18,333,333	35%	0

Qualified personal service corporation. A qualified personal service corporation is taxed at a flat rate of 35% on taxable income. If the corporation is a qualified personal service corporation, check the box on line 2 even if the corporation has no tax liability.

A corporation is a qualified personal service corporation if it meets both of the following tests.

1. Substantially all of the corporation's activities involve the performance of services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting.
2. At least 95% of the corporation's stock, by value, is directly or indirectly owned by:
 - a. Employees performing the services,
 - b. Retired employees who had performed the services listed above,
 - c. Any estate of an employee or retiree described above, or
 - d. Any person who acquired the stock of the corporation as a result of the death of an employee or retiree (but only for the 2-year period beginning on the date of the employee's or retiree's death).

Mutual savings bank conducting life insurance business. The tax under section 594 consists of the sum of (a) a partial tax computed on Form 1120 on the taxable income of the bank, determined without regard to income or deductions allocable to the life insurance department, and (b) a partial tax on the taxable income computed on Form 1120-L of the life insurance department. Enter the combined tax on line 2. Attach Form 1120-L as a schedule (and identify it as such), together with the annual statements and schedules required to be filed with Form 1120-L. See Regulations section 1.6012-2(c)(1)(ii).

Exception for insurance companies filing their federal income tax returns electronically. If an insurance company

corporation's risk of loss was diminished. See section 246(c)(4) and Regulations section 1.246-5 for more details. Preferred dividends attributable to periods totaling less than 367 days are subject to the 46-day holding period rule discussed above.

c. Dividends on any share of stock to the extent the corporation is under an obligation (including a short sale) to make related payments with respect to positions in substantially similar or related property.

5. Any other taxable dividend income not properly reported elsewhere on Schedule C.

If patronage dividends or per-unit retain allocations are included on line 17, identify the total of these amounts in a statement attached to Form 1120.

Line 18, Column (c)

Section 247 (as affected by P.L.113-295, Div. A, section 221(a)(41)(A), Dec. 19, 2014, 128 Stat. 4043) allows public utilities a deduction of 40% of the smaller of (a) dividends paid on their preferred stock during the tax year, or (b) taxable income computed without regard to this deduction. In a year in which an NOL occurs, compute the deduction without regard to section 247(a)(1)(B).

Schedule J. Tax Computation and Payment

Part I—Tax Computation

Line 1

If the corporation is a member of a controlled group, check the box on line 1. Complete and attach Schedule O (Form 1120), Consent Plan and Apportionment Schedule for a Controlled Group. Component members of a controlled group must use Schedule O to report the apportionment of taxable income, income tax, and certain tax benefits between the members of the group. See Schedule O and the Instructions for Schedule O for more information.

Line 2

If the corporation is a member of a controlled group and is filing Schedule O (Form 1120), enter the corporation's tax from Part III of Schedule O. Most corporations that are not members of a controlled group and not filing a consolidated return figure their tax by using the Tax Rate Schedule below. Qualified personal service corporations should see instructions below.

files its income tax return electronically, it should not include the annual statements and schedules required to be filed with Form 1120-L. However, such statements must be available at all times for inspection by the IRS and retained for so long as such statements may be material in the administration of any Internal Revenue law.

Deferred tax under section 1291. If the corporation was a shareholder in a PFIC and received an excess distribution or disposed of its investment in the PFIC during the year, it must include the increase in taxes due under section 1291(c)(2) (from Form 8621) in the total for line 2. On the dotted line next to line 2, enter "Section 1291" and the amount.

Do not include on line 2 any interest due under section 1291(c)(3). Instead, include the amount of interest owed on Schedule J, line 9f.

For more information on reporting the deferred tax and interest, see the Instructions for Form 8621.

Additional tax under section 197(f). A corporation that elects to recognize gain and pay tax on the sale of a section 197 intangible under the related person exception to the anti-churning rules should include any additional tax due in the total for line 2. On the dotted line next to line 2, enter "Section 197" and the amount. See section 197(f)(9)(B)(ii).

Line 3



A corporation that is not a small corporation exempt from the AMT may be required to file Form 4626, Alternative Minimum Tax—Corporations, if it claims certain credits, even though it does not owe any AMT. See the Instructions for Form 4626 for details.

Unless the corporation is treated as a small corporation exempt from the AMT, it may owe the AMT if it has any of the adjustments and tax preference items listed on Form 4626. The corporation must file Form 4626 if its taxable income (or loss) before the NOL deduction, combined with these adjustments and tax preference items is more than the smaller of \$40,000 or the corporation's allowable exemption amount (from Form 4626). For this purpose, taxable income does not include the NOL deduction.

See Form 4626 for definitions and details on how to figure the tax.

Line 5

Line 5a. To find out when a corporation can take the credit for payment of income tax to a foreign country or U.S. possession, see Form 1118, Foreign Tax Credit—Corporations.

Line 5b. Enter any qualified electric vehicle passive activity credits from prior years allowed for the current tax year from Form 8834, Qualified Electric Vehicle Credit, line 7. Attach Form 8834.

Line 5c. Enter on line 5c the allowable credit from Form 3800, Part II, line 38.

The corporation is required to file Form 3800, General Business Credit, to claim any of the business credits. See the Instructions for Form 3800 for exceptions. For a list of allowable credits, see Form 3800. Also, see the applicable credit form and its instructions.

Line 5d. To figure the minimum tax credit and any carryforward of that credit, complete and attach Form 8827, Credit for Prior Year Minimum Tax—Corporations.

Line 5e. Enter the allowable credits from Form 8912, Credit to Holders of Tax Credit Bonds, line 12.

Line 8

A corporation is taxed as a personal holding company under section 542 if:

- At least 60% of its adjusted ordinary gross income for the tax year is personal holding company income, and
- At any time during the last half of the tax year more than 50% in value of its outstanding stock is directly or indirectly owned by five or fewer individuals.

See Schedule PH (Form 1120) for definitions and details on how to figure the tax.

Line 9

Include any of the following taxes and interest.

Line 9a. Recapture of investment credit. If the corporation disposed of investment credit property or changed its use before the end of its useful life or recovery period, or is required to recapture a qualifying therapeutic discovery project grant, enter the increase in tax from Form 4255, Recapture of Investment Credit. See the Instructions for Form 4255.

Line 9b. Recapture of low-income housing credit. If the corporation disposed of property (or there was a reduction in the qualified basis of the property) for which it took the low-income housing credit, and the corporation did not follow the procedures that would have prevented recapture of the credit, it may owe a tax. See Form 8611, Recapture of Low-Income Housing Credit.

Line 9c. Interest due under the look-back method—completed long-term contracts. If the corporation used the percentage-of-completion method under section 460(b) for certain

long-term contracts, figure any interest due or to be refunded using the look-back method described in section 460(b)(2). Use Form 8697 to figure any interest due or to be refunded. See the Instructions for Form 8697. Include any interest due on line 9c.

Line 9d. Interest due under the look-back method—income forecast method. If the corporation used the income forecast method to depreciate property, it must figure any interest due or to be refunded using the look-back method described in section 167(g)(2). Use Form 8866 to figure any interest due or to be refunded. See the Instructions for Form 8866. Include any interest due on line 9d.

Line 9e. Alternative tax on qualifying shipping activities. Enter any alternative tax on qualifying shipping activities from Form 8902.

Line 9f. Other. Include on line 9f additional taxes and interest such as the following. Attach a statement showing the computation of each item included in the total for line 9f and identify the applicable Code section and the type of tax or interest.

- Recapture of Indian employment credit. Generally, if an employer terminates the employment of a qualified employee less than 1 year after the date of initial employment, any Indian employment credit allowed for a prior tax year because of wages paid or incurred to that employee must be recaptured. For details, see Form 8845 and section 45A.
- Recapture of new markets credit (see Form 8874, New Markets Credit, and Form 8874-B, Notice of Recapture Event for New Markets Credit).
- Recapture of employer-provided childcare facilities and services credit (see Form 8882).
- Tax and interest on a nonqualified withdrawal from a capital construction fund (section 7518(g)).
- Interest on deferred tax attributable to (a) installment sales of certain timeshares and residential lots (section 453(l)(3)) and (b) certain nondealer installment obligations (section 453A(c)).
- Interest due on deferred gain (section 1260(b)).
- Interest due under section 1291(c)(3). See Form 8621 and the Instructions for Form 8621.

Line 11

Include any deferred tax on the termination of a section 1294 election applicable to shareholders in a qualified electing fund in the amount entered on line 11.

Subtract the following amounts from the total for line 11.

- Deferred tax on the corporation's share of undistributed earnings of a qualified electing fund. See the Instructions for Form 8621.
- Deferred LIFO recapture tax (section 1363(d)). This tax is the part of the LIFO recapture tax that will be deferred and paid with Form 1120S in the future. To figure the deferred tax, first figure the total LIFO recapture tax. Follow the steps below to figure the total LIFO recapture tax and the deferred amount. Also see *Line 10. Other Income*, earlier.

Step 1. Figure the tax on the corporation's income including the LIFO recapture amount. Complete Schedule J through line 10.

Step 2. Using a separate worksheet, complete Schedule J again, but do not include the LIFO recapture amount in the corporation's taxable income.

Step 3. Compare the tax in Step 2 to the tax in Step 1. The difference between the two is the LIFO recapture tax.

Step 4. Multiply the amount figured in Step 3 by 75% (0.75). The result is the deferred LIFO recapture tax.

How to report. Attach a statement showing the computation of each item included in, or subtracted from, the total for line 11. On the dotted line next to line 11, specify (a) the applicable Code section, (b) the type of tax, and (c) enter the amount of tax. For example, if the corporation is deferring a \$100 LIFO recapture tax, subtract this amount from the total on line 11, then enter "Section 1363-Deferred Tax-\$100" on the dotted line next to line 11.

Part II—Payments and Refundable Credits

Line 13

Enter any estimated tax payments the corporation made for the tax year.

Beneficiaries of trusts. If the corporation is the beneficiary of a trust, and the trust makes a section 643(g) election to credit its estimated tax payments to its beneficiaries, include the corporation's share of the payment in the total for line 13. Enter "T" and the amount on the dotted line next to the entry space.

Special estimated tax payments for certain life insurance companies. If the corporation is required to make or apply special estimated tax payments (SETP) under section 847 in addition to its regular estimated tax payments, enter on line 13, the corporation's total estimated tax payments. On the dotted line next to line 13, enter "Form 8816" and the amount. Attach a statement showing your

computation of estimated tax payments. See Form 8816, Special Loss Discount Account and Special Estimated Tax Payments for Insurance Companies.

Line 14

If the corporation overpaid estimated tax, it may be able to get a quick refund by filing Form 4466. The overpayment must be at least 10% of the corporation's expected income tax liability and at least \$500. File Form 4466 after the end of the corporation's tax year, and no later than the due date for filing the corporation's tax return (not including extensions). Form 4466 must be filed before the corporation files its tax return. See the instructions for Form 4466.

Line 17

If the corporation had federal income tax withheld from any payments it received because, for example, it failed to give the payer its correct EIN or was otherwise subjected to back-up withholding, include the amount withheld in the total for line 17.

Line 19. Refundable Credits

Line 19a. Credit from Form 2439. Enter any credit from Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, for the corporation's share of the tax paid by a regulated investment company (RIC) or a real estate investment trust (REIT) on undistributed long-term capital gains included in the corporation's income. Attach Form 2439.

Line 19b. Credit for federal tax on fuels. Enter the total income tax credit claimed on Form 4136, Credit for Federal Tax Paid on Fuels. Attach Form 4136.

Line 19c. Refundable credits from Form 8827. If the corporation elected to claim certain unused minimum tax credits instead of claiming any additional first-year special depreciation allowance for eligible property, see the instructions for Form 8827. Enter on line 19c the amounts from Form 8827, line 8c.

Line 19d. Other. Include on line 19d any other refundable credit the corporation is claiming, including the following. Attach a statement listing the type of credit and the amount of the credit.

- Credit for tax withheld under Chapter 3 or 4 of the Internal Revenue Code that is shown on Form 1042-S, Form 8805, or Form 8288-A. Attach the applicable form.
- Credit for tax on ozone-depleting chemicals. See section 4682(g)(2).
- Credit under section 960(b). If an increase in the limitation under section 960(b) exceeds the total tax on Schedule J, line 11, for the tax year, the amount of the excess is deemed an overpayment of tax for the tax year. See

section 960(b) for more information regarding the circumstances under which such an excess arises.

Schedule K. Other Information

Complete all items that apply to the corporation.

Question 2

See the list of Principal Business Activity Codes later in the instructions. Using the list of codes and activities, determine from which activity the corporation derives the highest percentage of its total receipts. Enter on lines 2a, 2b, and 2c the principal business activity code number, the corporation's business activity, and a description of the principal product or service of the corporation.

Question 3

Check the "Yes" box for question 3 if:

- The corporation is a subsidiary in an affiliated group (defined below), but is not filing a consolidated return for the tax year with that group, or
- The corporation is a subsidiary in a parent-subsidiary controlled group. For a definition of a parent-subsidiary controlled group, see the Instructions for Schedule O (Form 1120).

Any corporation that meets either of the requirements above should check the "Yes" box. This applies even if the corporation is a subsidiary member of one group and the parent corporation of another.

Note. If the corporation is an "excluded member" of a controlled group (see definition in the Instructions for Schedule O (Form 1120)), it is still considered a member of a controlled group for this purpose.

Affiliated group. An affiliated group is one or more chains of includible corporations (section 1504(a)) connected through stock ownership with a common parent corporation. The common parent must be an includible corporation and the following requirements must be met.

1. The common parent must own directly stock that represents at least 80% of the total voting power and at least 80% of the total value of the stock of at least one of the other includible corporations.
2. Stock that represents at least 80% of the total voting power and at least 80% of the total value of the stock of each of the other corporations (except for the common parent) must be owned directly by one or more of the other includible corporations.

For this purpose, the term "stock" generally does not include any stock that

(a) is nonvoting, (b) is nonconvertible, (c) is limited and preferred as to dividends and does not participate significantly in corporate growth, and (d) has redemption and liquidation rights that do not exceed the issue price of the stock (except for a reasonable redemption or liquidation premium). See section 1504(a)(4).

Question 4. Constructive Ownership of the Corporation

For purposes of question 4, the constructive ownership rules of section 267(c) (excluding section 267(c)(3)) apply to ownership of interests in corporate stock and ownership of interests in the profit, loss, or capital of a partnership. If the corporation checked "Yes" to question 4a or 4b, complete and attach Schedule G (Form 1120), Information on Certain Persons Owning the Corporation's Voting Stock.

Question 5. Constructive Ownership of Other Entities

For purposes of determining the corporation's constructive ownership of other entities, the constructive ownership rules of section 267(c) (excluding section 267(c)(3)) apply to ownership of interests in partnerships and trusts as well as corporate stock. Generally, if an entity (a corporation, partnership, or trust) is owned, directly or indirectly, by or for another entity (corporation, partnership, estate, or trust), the owned entity is considered to be owned proportionately by or for the owners (shareholders, partners, or beneficiaries) of the owning entity.

Question 5a

List each foreign or domestic corporation not included on Form 851, Affiliations Schedule, in which the corporation, at the end of the tax year, owned directly 20% or more, or owned, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote. Indicate the name of the corporation, EIN (if any), country of incorporation, and the percentage interest owned, directly or indirectly, in the total voting power. List the parent corporation of an affiliated group of corporations filing a consolidated tax return rather than the subsidiary members except for subsidiary members in which an interest is owned, directly or indirectly, independent of the interest owned, directly or indirectly, in the parent corporation. List a corporation owned through a disregarded entity rather than the disregarded entity.

Question 5b

List each foreign or domestic partnership in which the corporation, at the end of the tax year, owned directly an interest of 20%

or more, or owned, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership. List each trust in which the corporation, at the end of the tax year, owned directly an interest of 20% or more, or owned, directly or indirectly, an interest of 50% or more in the trust beneficial interest. Indicate the name, EIN (if any), country of organization, and the maximum percentage interest owned, directly or indirectly, in the profit, loss, or capital of the partnership at the end of the partnership tax year, or, for a trust, the percentage interest owned in the trust beneficial interest. List a partnership or trust owned through a disregarded entity rather than the disregarded entity.

Maximum percentage owned in partnership profit, loss, or capital. For the purposes of question 5b, the term "maximum percentage owned" means the highest percentage of interest in a partnership's profit, loss, or capital as of the end of the partnership's tax year, as determined under the partnership agreement, when taking into account the constructive ownership rules earlier. If the partnership agreement does not express the partner's share of profit, loss, and capital as fixed percentages, use a reasonable method in arriving at the percentage items for the purposes of completing question 5b. Such method must be consistent with the partnership agreement. The method used to compute a percentage share of profit, loss, and capital must be applied consistently from year to year. Maintain records to support the determination of the share of profits, losses, and share of capital.

Example. Corporation A owns, directly, a 50% interest in the profit, loss, or capital of Partnership B. Corporation A also owns, directly, a 15% interest in the profit, loss, or capital of Partnership C and owns, directly, 15% of the voting stock of Corporation D. Partnership B owns, directly, a 70% interest in the profit, loss, or capital of Partnership C and owns, directly, 70% of the voting stock of Corporation D. Corporation A owns, indirectly, through Partnership B, a 35% interest (50% of 70%) in the profit, loss, or capital of Partnership C and owns, indirectly, 35% of the voting stock of Corporation D. Corporation A owns, directly or indirectly, a 50% interest in the profit, loss, or capital of Partnership C (15% directly and 35% indirectly), and owns, directly or indirectly, 50% of the voting stock of Corporation D (15% directly and 35% indirectly).

Corporation A reports in its answer to question 5a that it owns, directly or indirectly, 50% of the voting stock of Corporation D. Corporation A reports in its answer to question 5b that it owns, directly, an interest of 50% in the profit,

loss, or capital of Partnership B and owns, directly or indirectly, 50% of the profit, loss, or capital of Partnership C.

Question 7

Check the "Yes" box if one foreign person owned at least 25% of the total voting power of all classes of stock of the corporation entitled to vote or at least 25% of the total value of all classes of stock of the corporation.

The constructive ownership rules of section 318 apply in determining if a corporation is foreign owned. See section 6038A(c)(5) and the related regulations.

Enter on line 7a the percentage owned by the foreign person specified in question 7. On line 7b, enter the name of the owner's country.

Note. If there is more than one 25%-or-more foreign owner, complete question 7 for the foreign person with the highest percentage of ownership.

Foreign person. The term "foreign person" means:

- An individual who is not a citizen or resident of the United States;
- An individual who is a citizen or resident of a U.S. possession who is not otherwise a citizen or resident of the United States;
- Any partnership, association, company, or corporation that is not created or organized in the United States;
- Any foreign estate or trust within the meaning of section 7701(a)(31); or
- A foreign government (or one of its agencies or instrumentalities) to the extent that it is engaged in the conduct of a commercial activity as described in section 892.

However, the term "foreign person" does not include any foreign person who consents to the filing of a joint U.S. income tax return.

Owner's country. For individuals, the term "owner's country" means the country of residence. For all others, it is the country where incorporated, organized, created, or administered.

Requirement to file Form 5472. If the corporation checked "Yes," it may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Generally, a 25% foreign-owned corporation that had a reportable transaction with a foreign or domestic related party during the tax year must file Form 5472. See the Instructions for Form 5472, for filing instructions and penalties for failure to file.

Item 9

Show any tax-exempt interest received or accrued. Include any exempt-interest dividends received as a shareholder in a

mutual fund or other RIC. Also, if required, include the same amount on Schedule M-1, line 7 (or Schedule M-3, Part II, line 13, if applicable).

Item 11

If the corporation has an NOL, it generally can elect to waive the entire carryback period for the NOL and instead carry the NOL forward to future tax years. To do so, check the box on line 11 and file the tax return by its due date, including extensions. Do not attach the statement described in Temporary Regulations section 301.9100-12T. Once made, the election is irrevocable.

If the corporation timely filed its return for the loss year without making the election, it can make the election on an amended return filed within 6 months of the due date of the loss year return (excluding extensions). Attach the election to the amended return and write "Filed pursuant to section 301.9100-2" on the election statement. See the Instructions for Form 1139.

Corporations filing a consolidated return that elect to waive the entire carryback period for the group must also attach the statement required by Regulations section 1.1502-21(b)(3) or the election won't be valid.

Note. The 2-year carryback rule does not apply to NOLs arising in tax years ending after December 31, 2017. Exceptions apply to certain farming losses and NOLs of property and casualty insurance companies. See section 172(b), as amended by P.L. 115-97, section 13302.

Item 12

Enter the amount of the NOL carryover to the tax year from prior years, even if some of the loss is used to offset income on this return. The amount to enter is the total of all NOLs generated in prior years but not used to offset income (either as a carryback or carryover) to a tax year prior to 2017. Do not reduce the amount by any NOL deduction reported on line 29a.

Question 14

A corporation that files Form 1120 must file Schedule UTP (Form 1120), Uncertain Tax Position Statement, with its 2017 income tax return if:

- For 2017, the corporation's total assets equal or exceed \$10 million;
- The corporation or a related party issued audited financial statements reporting all or a portion of the corporation's operations for all or a portion of the corporation's tax year; and
- The corporation has one or more tax positions that must be reported on Schedule UTP.

Attach Schedule UTP to the corporation's income tax return. Do not file

it separately. A taxpayer that files a protective Form 1120 must also file Schedule UTP if it satisfies the requirements set forth above.

For details, see the Instructions for Schedule UTP.

Questions 15a and 15b

If the corporation made any payment in 2017 that would require the corporation to file any Form(s) 1099, check the "Yes" box for question 15a and answer question 15b. Otherwise, check the "No" box for question 15a and skip question 15b. See [Am I Required to File a Form 1099 or Other Information Return?](#) on IRS.gov.

Question 19

If the corporation made any payments in 2017 that would require the corporation to file any Forms 1042 and 1042-S, check the "Yes" box. See the Instructions for Form 1042 and Instructions for Form 1042-S for information regarding who is required to file Forms 1042 and 1042-S and what types of payments are subject to reporting on Forms 1042 and 1042-S.

Schedule L.

Balance Sheets per Books

The balance sheets should agree with the corporation's books and records.

Corporations with total receipts (page 1, line 1a plus lines 4 through 10) **and** total assets at the end of the tax year less than \$250,000 are not required to complete Schedules L, M-1, and M-2 if the "Yes" box on Schedule K, question 13, is checked.

Corporations with total assets non-consolidated (or consolidated for all corporations included within the tax consolidation group) of \$10 million or more on the last day of the tax year must file Schedule M-3 (Form 1120) instead of Schedule M-1. However, see the instructions for Schedule M-1 below. See the separate Instructions for Schedule M-3 (Form 1120) for provisions that also affect Schedule L.

If filing a consolidated return, report total consolidated assets, liabilities, and shareholder's equity for all corporations joining in the return. See *Consolidated Return*, earlier.

Line 1

Include certificates of deposit as cash on this line.

Line 5

Include on this line:

- State and local government obligations, the interest on which is excludable from gross income under section 103(a), and

- Stock in a mutual fund or other RIC that distributed exempt-interest dividends during the tax year of the corporation.

Line 26

Some examples of adjustments to report on this line include:

- Unrealized gains and losses on securities held "available for sale."
- Foreign currency translation adjustments.
- The excess of additional pension liability over unrecognized prior service cost.
- Guarantees of employee stock (ESOP) debt.
- Compensation related to employee stock award plans.

If the total adjustment to be entered on line 26 is a negative amount, enter the amount in parentheses.

Schedule M-1. Reconciliation of Income (Loss) per Books With Income per Return

In completing Schedule M-1, the following apply.

- Corporations with total receipts (page 1, line 1a plus lines 4 through 10) **and** total assets at the end of the tax year less than \$250,000 are not required to complete Schedules L, M-1, and M-2 if the "Yes" box on Schedule K, question 13, is checked.
- Corporations with total assets non-consolidated (or consolidated for all corporations included within the tax consolidation group) of \$10 million or more on the last day of the tax year must file Schedule M-3 (Form 1120) instead of Schedule M-1.
- A corporation filing Form 1120 that is not required to file Schedule M-3 may voluntarily file Schedule M-3 instead of Schedule M-1. See the Instructions for Schedule M-3 (Form 1120) for more information.
- Corporations that (a) are required to file Schedule M-3 (Form 1120) and have less than \$50 million total assets at the end of the tax year, or (b) are not required to file Schedule M-3 (Form 1120) and voluntarily file Schedule M-3 (Form 1120), must either (i) complete Schedule M-3 (Form 1120) entirely or (ii) complete Schedule M-3 (Form 1120) through Part I, and complete Form 1120, Schedule M-1, instead of completing Parts II and III of Schedule M-3 (Form 1120). If the corporation chooses to complete Schedule M-1 instead of completing Parts II and III of Schedule M-3, the amount on Schedule M-1, line 1, must equal the amount on Schedule M-3, Part I, line 11. See the Instructions for Schedule M-3 (Form 1120) for more information.

Line 5c

Include any of the following applicable expenses.

- Meal and entertainment expenses not deductible under section 274(n).
- Expenses for the use of an entertainment facility.
- The part of business gifts over \$25.
- Expenses of an individual over \$2,000, which are allocable to conventions on cruise ships.

- Employee achievement awards over \$400.
- The cost of entertainment tickets over face value (also subject to 50% limit under section 274(n)).
- The cost of skyboxes over the face value of nonluxury box seat tickets.
- The part of luxury water travel expenses not deductible under section 274(m).
- Expenses for travel as a form of education.

- Other nondeductible travel and entertainment expenses.

For more information, see Pub. 535.

Line 7

Report any tax-exempt interest received or accrued, including any exempt-interest dividends received as a shareholder in a mutual fund or other RIC. Also report this same amount on Schedule K, item 9.

Paperwork Reduction Act Notice. We ask for the information on these forms to carry out the Internal Revenue laws of the United States. You are required to give us the information. 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 not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

Estimates of Taxpayer Burden. The following tables show burden estimates based on current statutory requirements as of December 2017, for taxpayers filing 2017 Forms 1065, 1065-B, 1066, 1120, 1120-C, 1120-F, 1120-H, 1120-ND, 1120S, 1120-SF, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, 1120-RIC, 1120-POL, and related attachments. Time spent and out-of-pocket costs are presented separately. Time burden is broken out by taxpayer activity, with reporting representing the largest component. Out-of-pocket costs include any expenses incurred by taxpayers to prepare and submit their tax returns. Examples include tax return preparation and submission fees, postage and photocopying costs, and tax preparation software costs. While these estimates do not include burden associated with post-filing activities, IRS operational data indicate that electronically prepared and filed returns have fewer arithmetic errors, implying lower post-filing burden.

Reported time and cost burdens are national averages and do not necessarily reflect a “typical” case. Most taxpayers experience lower than average burden, with taxpayer burden varying considerably by taxpayer type. For instance, the estimated average time burden for all taxpayers filing Forms 1065, 1066, or 1120 and related forms is 275 hours, with an average cost of \$4,700 per return. This average includes all associated forms and schedules, across all preparation methods and taxpayer activities.

The average burden for taxpayers filing Forms 1065, 1065-B, 1066, and related attachments is about 388 hours and \$13,000; the average burden for taxpayers filing Form 1120 and associated forms is about 610 hours and \$26,233; and the average for Forms 1120-REIT, 1120-RIC, 1120S, and all related attachments is 363 hours and \$12,467. Within each of these estimates there is significant variation in taxpayer activity. Tax preparation fees and other out-of-pocket costs vary extensively depending on the tax situation of the taxpayer, the type of software or professional preparer used, and the geographic location. Third-party burden hours are not included in these estimates.

Table 1 – Taxpayer Burden for Entities Taxed As Partnerships

Forms 1065, 1065-B, 1066 and all attachments			
Primary Form Filed or Type of Taxpayer	Number of Returns (millions)	Average Time per Taxpayer (hours)	Average Cost per Taxpayer
All Partnerships	3.9	290	\$5,700
Small	3.7	270	\$4,400
Large*	0.2	610	\$29,000

*A large business is defined as one having end-of-year assets greater than \$10 million. A large business is defined the same way for partnerships, taxable corporations, and pass-through corporations. A small business is any business that does not meet the definition of a large business.

Table 2 – Taxpayer Burden for Entities Taxed As Taxable Corporations

Forms 1120, 1120-C, 1120-F, 1120-H, 1120-ND, 1120-SF, 1120-FSC, 1120-L, 1120-PC, 1120-POL and all attachments			
Primary Form Filed or Type of Taxpayer	Number of Returns (millions)	Average Time per Taxpayer (hours)	Average Cost per Taxpayer
All Taxable Corporations	2.1	315	\$6,300
Small	2.0	280	\$4,000
Large*	0.1	1,250	\$68,900

*A large business is defined as one having end-of-year assets greater than \$10 million. A large business is defined the same way for partnerships, taxable corporations, and pass-through corporations. A small business is any business that does not meet the definition of a large business.

Table 3 – Taxpayer Burden for Entities Taxed As Pass-Through Corporations

Forms 1120-REIT, 1120-RIC, 1120S and all attachments			
Primary Form Filed or Type of Taxpayer	Number of Returns (millions)	Average Time per Taxpayer (hours)	Average Cost per Taxpayer
All Pass-Through Corporations	4.9	245	\$3,500
Small	4.8	240	\$3,100
Large*	0.1	610	\$30,800

*A large business is defined as one having end-of-year assets greater than \$10 million. A large business is defined the same way for partnerships, taxable corporations, and pass-through corporations. A small business is any business that does not meet the definition of a large business.

Comments. If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or you can write to the Internal Revenue Service, Tax Forms and Publications, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the tax form to this address. Instead, see *Where To File*, earlier, near the beginning of the instructions.

Principal Business Activity Codes

This list of principal business activities and their associated codes is designed to classify an enterprise by the type of activity in which it is engaged to facilitate the administration of the Internal Revenue Code. These principal business activity codes are based on the North American Industry Classification System.

Using the list of activities and codes below, determine from which activity the company derives the

largest percentage of its "total receipts." Total receipts is defined as the sum of gross receipts or sales (page 1, line 1a) plus all other income (page 1, lines 4 through 10). If the company purchases raw materials and supplies them to a subcontractor to produce the finished product, but retains title to the product, the company is considered a manufacturer and must use one of the manufacturing codes (311110-339900).

Once the principal business activity is determined, entries must be made on Form 1120, Schedule K, lines

2a, 2b, and 2c. On line 2a, enter the six-digit code selected from the list below. On line 2b, enter the company's business activity. On line 2c, enter a brief description of the principal product or service of the company.

<p>Agriculture, Forestry, Fishing, and Hunting</p> <p>Crop Production</p> <p>111100 Oilseed & Grain Farming</p> <p>111210 Vegetable & Melon Farming (including potatoes & yams)</p> <p>111300 Fruit & Tree Nut Farming</p> <p>111400 Greenhouse, Nursery, & Floriculture Production</p> <p>111900 Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet, & all other crop farming)</p> <p>Animal Production</p> <p>112111 Beef Cattle Ranching & Farming</p> <p>112112 Cattle Feedlots</p> <p>112120 Dairy Cattle & Milk Production</p> <p>112210 Hog & Pig Farming</p> <p>112300 Poultry & Egg Production</p> <p>112400 Sheep & Goat Farming</p> <p>112510 Aquaculture (including shellfish & finfish farms & hatcheries)</p> <p>112900 Other Animal Production</p> <p>Forestry and Logging</p> <p>113110 Timber Tract Operations</p> <p>113210 Forest Nurseries & Gathering of Forest Products</p> <p>113310 Logging</p> <p>Fishing, Hunting, and Trapping</p> <p>114110 Fishing</p> <p>114210 Hunting & Trapping</p> <p>Support Activities for Agriculture and Forestry</p> <p>115110 Support Activities for Crop Production (including cotton ginning, soil preparation, planting, & cultivating)</p> <p>115210 Support Activities for Animal Production</p> <p>115310 Support Activities for Forestry</p>	<p>238300 Building Finishing Contractors (including drywall, insulation, painting, wallcovering, flooring, tile, & finish carpentry)</p> <p>238900 Other Specialty Trade Contractors (including site preparation)</p> <p>Manufacturing</p> <p>Food Manufacturing</p> <p>311110 Animal Food Mfg</p> <p>311200 Grain & Oilseed Milling</p> <p>311300 Sugar & Confectionery Product Mfg</p> <p>311400 Fruit & Vegetable Preserving & Specialty Food Mfg</p> <p>311500 Dairy Product Mfg</p> <p>311610 Animal Slaughtering and Processing</p> <p>311710 Seafood Product Preparation & Packaging</p> <p>311800 Bakeries, Tortilla & Dry Pasta Mfg</p> <p>311900 Other Food Mfg (including coffee, tea, flavorings & seasonings)</p> <p>Beverage and Tobacco Product Manufacturing</p> <p>312110 Soft Drink & Ice Mfg</p> <p>312120 Breweries</p> <p>312130 Wineries</p> <p>312140 Distilleries</p> <p>312200 Tobacco Manufacturing</p> <p>Textile Mills and Textile Product Mills</p> <p>313000 Textile Mills</p> <p>314000 Textile Product Mills</p> <p>Apparel Manufacturing</p> <p>315100 Apparel Knitting Mills</p> <p>315210 Cut & Sew Apparel Contractors</p> <p>315220 Men's & Boys' Cut & Sew Apparel Mfg</p> <p>315240 Women's, Girls' and Infants' Cut & Sew Apparel Mfg</p> <p>315280 Other Cut & Sew Apparel Mfg</p> <p>315990 Apparel Accessories & Other Apparel Mfg</p> <p>Leather and Allied Product Manufacturing</p> <p>316110 Leather & Hide Tanning & Finishing</p> <p>316210 Footwear Mfg (including rubber & plastics)</p> <p>316990 Other Leather & Allied Product Mfg</p> <p>Wood Product Manufacturing</p> <p>321110 Sawmills & Wood Preservation</p> <p>321210 Veneer, Plywood, & Engineered Wood Product Mfg</p> <p>321900 Other Wood Product Mfg</p> <p>Paper Manufacturing</p> <p>322100 Pulp, Paper, & Paperboard Mills</p> <p>322200 Converted Paper Product Mfg</p> <p>Printing and Related Support Activities</p> <p>323100 Printing & Related Support Activities</p> <p>Petroleum and Coal Products Manufacturing</p> <p>324110 Petroleum Refineries (including integrated)</p> <p>324120 Asphalt Paving, Roofing, & Saturated Materials Mfg</p> <p>324190 Other Petroleum & Coal Products Mfg</p> <p>Chemical Manufacturing</p> <p>325100 Basic Chemical Mfg</p> <p>325200 Resin, Synthetic Rubber, & Artificial & Synthetic Fibers & Filaments Mfg</p> <p>325300 Pesticide, Fertilizer, & Other Agricultural Chemical Mfg</p> <p>325410 Pharmaceutical & Medicine Mfg</p> <p>325500 Paint, Coating, & Adhesive Mfg</p> <p>325600 Soap, Cleaning Compound, & Toilet Preparation Mfg</p>	<p>325900 Other Chemical Product & Preparation Mfg</p> <p>Plastics and Rubber Products Manufacturing</p> <p>326100 Plastics Product Mfg</p> <p>326200 Rubber Product Mfg</p> <p>Nonmetallic Mineral Product Manufacturing</p> <p>327100 Clay Product & Refractory Mfg</p> <p>327210 Glass & Glass Product Mfg</p> <p>327300 Cement & Concrete Product Mfg</p> <p>327400 Lime & Gypsum Product Mfg</p> <p>327900 Other Nonmetallic Mineral Product Mfg</p> <p>Primary Metal Manufacturing</p> <p>331110 Iron & Steel Mills & Ferroalloy Mfg</p> <p>331200 Steel Product Mfg from Purchased Steel</p> <p>331310 Alumina & Aluminum Production & Processing</p> <p>331400 Nonferrous Metal (except Aluminum) Production & Processing</p> <p>331500 Foundries</p> <p>Fabricated Metal Product Manufacturing</p> <p>332110 Forging & Stamping</p> <p>332210 Cutlery & Handtool Mfg</p> <p>332300 Architectural & Structural Metals Mfg</p> <p>332400 Boiler, Tank, & Shipping Container Mfg</p> <p>332510 Hardware Mfg</p> <p>332610 Spring & Wire Product Mfg</p> <p>332700 Machine Shops; Turned Product; & Screw, Nut, & Bolt Mfg</p> <p>332810 Coating, Engraving, Heat Treating, & Allied Activities</p> <p>332900 Other Fabricated Metal Product Mfg</p> <p>Machinery Manufacturing</p> <p>333100 Agriculture, Construction, & Mining Machinery Mfg</p> <p>333200 Industrial Machinery Mfg</p> <p>333310 Commercial & Service Industry Machinery Mfg</p> <p>333410 Ventilation, Heating, Air-Conditioning, & Commercial Refrigeration Equipment Mfg</p> <p>333510 Metalworking Machinery Mfg</p> <p>333610 Engine, Turbine & Power Transmission Equipment Mfg</p> <p>333900 Other General Purpose Machinery Mfg</p> <p>Computer and Electronic Product Manufacturing</p> <p>334110 Computer & Peripheral Equipment Mfg</p> <p>334200 Communications Equipment Mfg</p> <p>334310 Audio & Video Equipment Mfg</p> <p>334410 Semiconductor & Other Electronic Component Mfg</p> <p>334500 Navigational, Measuring, Electromedical, & Control Instruments Mfg</p> <p>334610 Manufacturing & Reproducing Magnetic & Optical Media</p> <p>Electrical Equipment, Appliance, and Component Manufacturing</p> <p>335100 Electric Lighting Equipment Mfg</p> <p>335200 Major Household Appliance Mfg</p> <p>335310 Electrical Equipment Mfg</p> <p>335900 Other Electrical Equipment & Component Mfg</p> <p>Transportation Equipment Manufacturing</p> <p>336100 Motor Vehicle Mfg</p> <p>336210 Motor Vehicle Body & Trailer Mfg</p> <p>336300 Motor Vehicle Parts Mfg</p> <p>336410 Aerospace Product & Parts Mfg</p> <p>336510 Railroad Rolling Stock Mfg</p> <p>336610 Ship & Boat Building</p>	<p>336990 Other Transportation Equipment Mfg</p> <p>Furniture and Related Product Manufacturing</p> <p>337000 Furniture & Related Product Manufacturing</p> <p>Miscellaneous Manufacturing</p> <p>339110 Medical Equipment & Supplies Mfg</p> <p>339900 Other Miscellaneous Manufacturing</p> <p>Wholesale Trade</p> <p>Merchant Wholesalers, Durable Goods</p> <p>423100 Motor Vehicle & Motor Vehicle Parts & Supplies</p> <p>423200 Furniture & Home Furnishings</p> <p>423300 Lumber & Other Construction Materials</p> <p>423400 Professional & Commercial Equipment & Supplies</p> <p>423500 Metal & Mineral (except Petroleum)</p> <p>423600 Household Appliances and Electrical & Electronic Goods</p> <p>423700 Hardware, Plumbing, & Heating Equipment & Supplies</p> <p>423800 Machinery, Equipment, & Supplies</p> <p>423910 Sporting & Recreational Goods & Supplies</p> <p>423920 Toy & Hobby Goods & Supplies</p> <p>423930 Recyclable Materials</p> <p>423940 Jewelry, Watch, Precious Stone, & Precious Metals</p> <p>423990 Other Miscellaneous Durable Goods</p> <p>Merchant Wholesalers, Nondurable Goods</p> <p>424100 Paper & Paper Products</p> <p>424210 Drugs & Druggists' Sundries</p> <p>424300 Apparel, Piece Goods, & Notions</p> <p>424400 Grocery & Related Products</p> <p>424500 Farm Product Raw Materials</p> <p>424600 Chemical & Allied Products</p> <p>424700 Petroleum & Petroleum Products</p> <p>424800 Beer, Wine, & Distilled Alcoholic Beverages</p> <p>424910 Farm Supplies</p> <p>424920 Book, Periodical, & Newspapers</p> <p>424930 Flower, Nursery Stock, & Florists' Supplies</p> <p>424940 Tobacco & Tobacco Products</p> <p>424950 Paint, Varnish, & Supplies</p> <p>424990 Other Miscellaneous Nondurable Goods</p> <p>Wholesale Electronic Markets and Agents and Brokers</p> <p>425110 Business to Business Electronic Markets</p> <p>425120 Wholesale Trade Agents & Brokers</p> <p>Retail Trade</p> <p>Motor Vehicle and Parts Dealers</p> <p>441110 New Car Dealers</p> <p>441120 Used Car Dealers</p> <p>441210 Recreational Vehicle Dealers</p> <p>441222 Boat Dealers</p> <p>441228 Motorcycle, ATV, and All Other Motor Vehicle Dealers</p> <p>441300 Automotive Parts, Accessories, & Tire Stores</p> <p>Furniture and Home Furnishings Stores</p> <p>442110 Furniture Stores</p> <p>442210 Floor Covering Stores</p> <p>442291 Window Treatment Stores</p> <p>442299 All Other Home Furnishings Stores</p> <p>Electronics and Appliance Stores</p> <p>443141 Household Appliance Stores</p> <p>443142 Electronics Stores (including Audio, Video, Computer, and Camera Stores)</p>
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Principal Business Activity Codes (Continued)

<p>Building Material and Garden Equipment and Supplies Dealers</p> <p>444110 Home Centers</p> <p>444120 Paint & Wallpaper Stores</p> <p>444130 Hardware Stores</p> <p>444190 Other Building Material Dealers</p> <p>444200 Lawn & Garden Equipment & Supplies Stores</p> <p>Food and Beverage Stores</p> <p>445110 Supermarkets and Other Grocery (except Convenience) Stores</p> <p>445120 Convenience Stores</p> <p>445210 Meat Markets</p> <p>445220 Fish & Seafood Markets</p> <p>445230 Fruit & Vegetable Markets</p> <p>445291 Baked Goods Stores</p> <p>445292 Confectionery & Nut Stores</p> <p>445299 All Other Specialty Food Stores</p> <p>445310 Beer, Wine, & Liquor Stores</p> <p>Health and Personal Care Stores</p> <p>446110 Pharmacies & Drug Stores</p> <p>446120 Cosmetics, Beauty Supplies, & Perfume Stores</p> <p>446130 Optical Goods Stores</p> <p>446190 Other Health & Personal Care Stores</p> <p>Gasoline Stations</p> <p>447100 Gasoline Stations (including convenience stores with gas)</p> <p>Clothing and Clothing Accessories Stores</p> <p>448110 Men's Clothing Stores</p> <p>448120 Women's Clothing Stores</p> <p>448130 Children's & Infants' Clothing Stores</p> <p>448140 Family Clothing Stores</p> <p>448150 Clothing Accessories Stores</p> <p>448190 Other Clothing Stores</p> <p>448210 Shoe Stores</p> <p>448310 Jewelry Stores</p> <p>448320 Luggage & Leather Goods Stores</p> <p>Sporting Goods, Hobby, Book, and Music Stores</p> <p>451110 Sporting Goods Stores</p> <p>451120 Hobby, Toy, & Game Stores</p> <p>451130 Sewing, Needlework, & Piece Goods Stores</p> <p>451140 Musical Instrument & Supplies Stores</p> <p>451211 Book Stores</p> <p>451212 News Dealers & Newsstands</p> <p>General Merchandise Stores</p> <p>452200 Department Stores</p> <p>452300 General Merchandise Stores, incl. Warehouse Clubs and Supercenters</p> <p>Miscellaneous Store Retailers</p> <p>453110 Florists</p> <p>453210 Office Supplies & Stationery Stores</p> <p>453220 Gift, Novelty, & Souvenir Stores</p> <p>453310 Used Merchandise Stores</p> <p>453910 Pet & Pet Supplies Stores</p> <p>453920 Art Dealers</p> <p>453930 Manufactured (Mobile) Home Dealers</p> <p>453990 All Other Miscellaneous Store Retailers (including tobacco, candle, & trophy shops)</p> <p>Nonstore Retailers</p> <p>454110 Electronic Shopping & Mail-Order Houses</p> <p>454210 Vending Machine Operators</p> <p>454310 Fuel Dealers (including Heating Oil and Liquefied Petroleum)</p> <p>454390 Other Direct Selling Establishments (including door-to-door retailing, frozen food plan providers, party plan merchandisers, & coffee-break service providers)</p> <p>Transportation and Warehousing</p> <p>Air, Rail, and Water Transportation</p> <p>481000 Air Transportation</p> <p>482110 Rail Transportation</p> <p>483000 Water Transportation</p> <p>Truck Transportation</p> <p>484110 General Freight Trucking, Local</p>	<p>484120 General Freight Trucking, Long-distance</p> <p>484200 Specialized Freight Trucking</p> <p>Transit and Ground Passenger Transportation</p> <p>485110 Urban Transit Systems</p> <p>485210 Interurban & Rural Bus Transportation</p> <p>485310 Taxi Service</p> <p>485320 Limousine Service</p> <p>485410 School & Employee Bus Transportation</p> <p>485510 Charter Bus Industry</p> <p>485990 Other Transit & Ground Passenger Transportation</p> <p>Pipeline Transportation</p> <p>486000 Pipeline Transportation</p> <p>Scenic & Sightseeing Transportation</p> <p>487000 Scenic & Sightseeing Transportation</p> <p>Support Activities for Transportation</p> <p>488100 Support Activities for Air Transportation</p> <p>488210 Support Activities for Rail Transportation</p> <p>488300 Support Activities for Water Transportation</p> <p>488410 Motor Vehicle Towing</p> <p>488490 Other Support Activities for Road Transportation</p> <p>488510 Freight Transportation Arrangement</p> <p>488990 Other Support Activities for Transportation</p> <p>Couriers and Messengers</p> <p>492110 Couriers</p> <p>492210 Local Messengers & Local Delivery</p> <p>Warehousing and Storage</p> <p>493100 Warehousing & Storage (except lessors of miniwarehouses & self-storage units)</p> <p>Information</p> <p>Publishing Industries (except Internet)</p> <p>511110 Newspaper Publishers</p> <p>511120 Periodical Publishers</p> <p>511130 Book Publishers</p> <p>511140 Directory & Mailing List Publishers</p> <p>511190 Other Publishers</p> <p>511210 Software Publishers</p> <p>Motion Picture and Sound Recording Industries</p> <p>512100 Motion Picture & Video Industries (except video rental)</p> <p>512200 Sound Recording Industries</p> <p>Broadcasting (except Internet)</p> <p>515100 Radio & Television Broadcasting</p> <p>515210 Cable & Other Subscription Programming</p> <p>Telecommunications</p> <p>517000 Telecommunications (including paging, cellular, satellite, cable & other program distribution, resellers, other telecommunications, & Internet service providers)</p> <p>Data Processing Services</p> <p>518210 Data Processing, Hosting, & Related Services</p> <p>Other Information Services</p> <p>519100 Other Information Services (including news syndicates, libraries, Internet publishing & broadcasting)</p> <p>Finance and Insurance</p> <p>Depository Credit Intermediation</p> <p>522110 Commercial Banking</p> <p>522120 Savings Institutions</p> <p>522130 Credit Unions</p> <p>522190 Other Depository Credit Intermediation</p> <p>Nondepository Credit Intermediation</p> <p>522210 Credit Card Issuing</p> <p>522220 Sales Financing</p> <p>522291 Consumer Lending</p> <p>522292 Real Estate Credit (including mortgage bankers & originators)</p> <p>522293 International Trade Financing</p> <p>522294 Secondary Market Financing</p> <p>522298 All Other Nondepository Credit Intermediation</p>	<p>Activities Related to Credit Intermediation</p> <p>522300 Activities Related to Credit Intermediation (including loan brokers, check clearing, & money transmitting)</p> <p>Securities, Commodity Contracts, and Other Financial Investments and Related Activities</p> <p>523110 Investment Banking & Securities Dealing</p> <p>523120 Securities Brokerage</p> <p>523130 Commodity Contracts Dealing</p> <p>523140 Commodity Contracts Brokerage</p> <p>523210 Securities & Commodity Exchanges</p> <p>523900 Other Financial Investment Activities (including portfolio management & investment advice)</p> <p>Insurance Carriers and Related Activities</p> <p>524140 Direct Life, Health, & Medical Insurance & Reinsurance Carriers</p> <p>524150 Direct Insurance & Reinsurance (except Life, Health, & Medical) Carriers</p> <p>524210 Insurance Agencies & Brokerages</p> <p>524290 Other Insurance Related Activities (including third-party administration of insurance and pension funds)</p> <p>Funds, Trusts, and Other Financial Vehicles</p> <p>525100 Insurance & Employee Benefit Funds</p> <p>525910 Open-End Investment Funds (Form 1120-RIC)</p> <p>525920 Trusts, Estates, & Agency Accounts</p> <p>525990 Other Financial Vehicles (including mortgage REITs & closed-end investment funds) "Offices of Bank Holding Companies" and "Offices of Other Holding Companies" are located under Management of Companies (Holding Companies), later.</p>	<p>Accounting, Tax Preparation, Bookkeeping, and Payroll Services</p> <p>541211 Offices of Certified Public Accountants</p> <p>541213 Tax Preparation Services</p> <p>541214 Payroll Services</p> <p>541219 Other Accounting Services</p> <p>Architectural, Engineering, and Related Services</p> <p>541310 Architectural Services</p> <p>541320 Landscape Architecture Services</p> <p>541330 Engineering Services</p> <p>541340 Drafting Services</p> <p>541350 Building Inspection Services</p> <p>541360 Geophysical Surveying & Mapping Services</p> <p>541370 Surveying & Mapping (except Geophysical) Services</p> <p>541380 Testing Laboratories</p> <p>Specialized Design Services</p> <p>541400 Specialized Design Services (including interior, industrial, graphic, & fashion design)</p> <p>Computer Systems Design and Related Services</p> <p>541511 Custom Computer Programming Services</p> <p>541512 Computer Systems Design Services</p> <p>541513 Computer Facilities Management Services</p> <p>541519 Other Computer Related Services</p> <p>Other Professional, Scientific, and Technical Services</p> <p>541600 Management, Scientific, & Technical Consulting Services</p> <p>541700 Scientific Research & Development Services</p> <p>541800 Advertising & Related Services</p> <p>541910 Marketing Research & Public Opinion Polling</p> <p>541920 Photographic Services</p> <p>541930 Translation & Interpretation Services</p> <p>541940 Veterinary Services</p> <p>541990 All Other Professional, Scientific, & Technical Services</p>
		<p>Real Estate and Rental and Leasing</p> <p>Real Estate</p> <p>531110 Lessors of Residential Buildings & Dwellings (including equity REITs)</p> <p>531120 Lessors of Nonresidential Buildings (except Miniwarehouses) (including equity REITs)</p> <p>531130 Lessors of Miniwarehouses & Self-Storage Units (including equity REITs)</p> <p>531190 Lessors of Other Real Estate Property (including equity REITs)</p> <p>531210 Offices of Real Estate Agents & Brokers</p> <p>531310 Real Estate Property Managers</p> <p>531320 Offices of Real Estate Appraisers</p> <p>531390 Other Activities Related to Real Estate</p> <p>Rental and Leasing Services</p> <p>532100 Automotive Equipment Rental & Leasing</p> <p>532210 Consumer Electronics & Appliances Rental</p> <p>532281 Formal Wear & Costume Rental</p> <p>532282 Video Tape & Disc Rental</p> <p>532283 Home Health Equipment Rental</p> <p>532284 Recreational Goods Rental</p> <p>532289 All Other Consumer Goods Rental</p> <p>532310 General Rental Centers</p> <p>532400 Commercial & Industrial Machinery & Equipment Rental & Leasing</p> <p>Lessors of Nonfinancial Intangible Assets (except copyrighted works)</p> <p>533110 Lessors of Nonfinancial Intangible Assets (except copyrighted works)</p>	<p>Management of Companies (Holding Companies)</p> <p>551111 Offices of Bank Holding Companies</p> <p>551112 Offices of Other Holding Companies</p> <p>Administrative and Support and Waste Management and Remediation Services</p> <p>Administrative and Support Services</p> <p>561110 Office Administrative Services</p> <p>561210 Facilities Support Services</p> <p>561300 Employment Services</p> <p>561410 Document Preparation Services</p> <p>561420 Telephone Call Centers</p> <p>561430 Business Service Centers (including private mail centers & copy shops)</p> <p>561440 Collection Agencies</p> <p>561450 Credit Bureaus</p> <p>561490 Other Business Support Services (including repossession services, court reporting, & stenotype services)</p> <p>561500 Travel Arrangement & Reservation Services</p> <p>561600 Investigation & Security Services</p> <p>561710 Exterminating & Pest Control Services</p> <p>561720 Janitorial Services</p> <p>561730 Landscaping Services</p> <p>561740 Carpet & Upholstery Cleaning Services</p> <p>561790 Other Services to Buildings & Dwellings</p> <p>561900 Other Support Services (including packaging & labeling services, & convention & trade show organizers)</p> <p>Waste Management and Remediation Services</p> <p>562000 Waste Management & Remediation Services</p>
		<p>Professional, Scientific, and Technical Services</p> <p>Legal Services</p> <p>541110 Offices of Lawyers</p> <p>541190 Other Legal Services</p>	

Principal Business Activity Codes (Continued)

Educational Services 611000 Educational Services (including schools, colleges, & universities)	Other Ambulatory Health Care Services 621900 Other Ambulatory Health Care Services (including ambulance services & blood & organ banks)	courses, skiing facilities, marinas, fitness centers, & bowling centers)	Automotive & Electronic) Repair & Maintenance
Health Care and Social Assistance	Hospitals 622000 Hospitals	Accommodation and Food Services	811410 Home & Garden Equipment & Appliance Repair & Maintenance
Offices of Physicians and Dentists	Nursing and Residential Care Facilities 623000 Nursing & Residential Care Facilities	Accommodation 721110 Hotels (except Casino Hotels) & Motels	811420 Reupholstery & Furniture Repair
621111 Offices of Physicians (except mental health specialists)	Social Assistance 624100 Individual & Family Services	721120 Casino Hotels	811430 Footwear & Leather Goods Repair
621112 Offices of Physicians, Mental Health Specialists	624200 Community Food & Housing, & Emergency & Other Relief Services	721191 Bed & Breakfast Inns	811490 Other Personal & Household Goods Repair & Maintenance
621210 Offices of Dentists	624310 Vocational Rehabilitation Services	721199 All Other Traveler Accommodation	Personal and Laundry Services
Offices of Other Health Practitioners	624410 Child Day Care Services	721210 RV (Recreational Vehicle) Parks & Recreational Camps	812111 Barber Shops
621310 Offices of Chiropractors	Arts, Entertainment, and Recreation	721310 Rooming & Boarding Houses, Dormitories, & Workers' Camps	812112 Beauty Salons
621320 Offices of Optometrists	Performing Arts, Spectator Sports, and Related Industries	Food Services and Drinking Places 722300 Special Food Services (including food service contractors & caterers)	812113 Nail Salons
621330 Offices of Mental Health Practitioners (except Physicians)	711100 Performing Arts Companies	722410 Drinking Places (Alcoholic Beverages)	812190 Other Personal Care Services (including diet & weight reducing centers)
621340 Offices of Physical, Occupational & Speech Therapists, & Audiologists	711210 Spectator Sports (including sports clubs & racetracks)	722511 Full-Service Restaurants	812210 Funeral Homes & Funeral Services
621391 Offices of Podiatrists	711300 Promoters of Performing Arts, Sports, & Similar Events	722513 Limited-Service Restaurants	812220 Cemeteries & Crematories
621399 Offices of All Other Miscellaneous Health Practitioners	711410 Agents & Managers for Artists, Athletes, Entertainers, & Other Public Figures	722514 Cafeterias and Buffets	812310 Coin-Operated Laundries & Drycleaners
Outpatient Care Centers	711510 Independent Artists, Writers, & Performers	722515 Snack and Non-alcoholic Beverage Bars	812320 Drycleaning & Laundry Services (except Coin-Operated)
621410 Family Planning Centers	Museums, Historical Sites, and Similar Institutions	Other Services	812330 Linen & Uniform Supply
621420 Outpatient Mental Health & Substance Abuse Centers	712100 Museums, Historical Sites, & Similar Institutions	Repair and Maintenance	812910 Pet Care (except Veterinary) Services
621491 HMO Medical Centers	Amusement, Gambling, and Recreation Industries	811110 Automotive Mechanical & Electrical Repair & Maintenance	812920 Photofinishing
621492 Kidney Dialysis Centers	713100 Amusement Parks & Arcades	811120 Automotive Body, Paint, Interior, & Glass Repair	812930 Parking Lots & Garages
621493 Freestanding Ambulatory Surgical & Emergency Centers	713200 Gambling Industries	811190 Other Automotive Repair & Maintenance (including oil change & lubrication shops & car washes)	812990 All Other Personal Services
621498 All Other Outpatient Care Centers	713900 Other Amusement & Recreation Industries (including golf	811210 Electronic & Precision Equipment Repair & Maintenance	Religious, Grantmaking, Civic, Professional, and Similar Organizations
Medical and Diagnostic Laboratories		811310 Commercial & Industrial Machinery & Equipment (except	813000 Religious, Grantmaking, Civic, Professional, & Similar Organizations (including condominium and homeowners associations)
621510 Medical & Diagnostic Laboratories			
Home Health Care Services			
621610 Home Health Care Services			

Index

A

Accounting methods [6](#)
Accounting period (Tax Year) [6](#)
Address change [9](#)
Advance payments [9](#)
Affiliated group [20](#)
Amended return [6](#)
Amortization [10](#)
Assembling the return [4](#)
At-risk rules [15](#)

B

Backup withholding [20](#)
Bad debts [12](#)
Balance sheets [22](#)
Beneficiaries of trusts [20](#)
Business start-up expenses [10](#)

C

Capital construction fund (See Merchant Marine capital construction fund)
Closely held corporations [11](#)
Compensation of officers [11](#)
Consolidated return [8, 22](#)
Contributions, charitable [12](#)
Contributions to reduce public debt [2](#)
Controlled group [18](#)
Cost of goods sold [9](#)
Credits against tax [19](#)

D

Deductions [10](#)
Depletion [13](#)
Depository methods of tax payment [5](#)
Depreciation [13](#)
Direct deposit of refund [2, 16](#)
Disclosure statement [6](#)
Dividend income [9](#)
Dividends-received deduction [16-18](#)
Dues, membership and other [14](#)

E

Electronic deposit requirement [5](#)

Electronic filing [3](#)
Employee benefit programs [14](#)
Employer identification number (EIN) [8](#)
Entities electing to be taxed as corporations [2](#)
Estimated tax:
Penalty [16](#)
Estimated tax payments [5](#)
Estimated tax penalty [5](#)
Extension of time to file [4](#)

F

Farming, corporations engaged in [2](#)
Final return [9](#)
Financial asset securitization investment trust (FASIT) [3](#)
Foreign person (defined) [21](#)
Foreign tax credit [19](#)
Forms and publications, how to get [2](#)
Future Developments [1](#)

G

General business credit [19](#)
General Instructions [2](#)
Gross receipts [9](#)

I

Installment sales [9](#)
Interest due:
Late payment of tax [5, 6](#)
Look-back method [19](#)
Interest expense [12](#)
Interest income:
Taxable [9](#)
Tax-exempt [21, 23](#)
Inventory:
Uniform capitalization rules [10](#)

L

Life insurance special estimates [20](#)
LIFO recapture:
Tax on [20](#)
Limitations on deductions [10, 13](#)
Limited liability companies [2](#)

Lobbying expenses, nondeductibility [15](#)

M

Merchant Marine capital construction fund:
Deduction for contributions [16](#)
Tax on nonqualified withdrawal [19](#)
Minimum tax:
Alternative [19](#)
Prior year, credit for [19](#)
Mutual savings banks conducting life insurance business [18](#)

N

Name change [9](#)
Net operating loss [15, 22](#)
Nonaccrual experience method [9](#)

O

Other deductions [14](#)
Other income [10](#)
Other taxes [19](#)
Overpaid estimated tax [20](#)

P

Partnership income (loss) [14](#)
Passive activity limitations [11](#)
Payments and refundable credits [20](#)
Penalties [5, 16](#)
Pension, profit-sharing, etc. plans [14](#)
Personal holding company [8](#)
Personal holding company tax [19](#)
Personal service corporation [8](#)
Preparer, tax return [4](#)
Private delivery services [4](#)

Q

Qualified personal service corporation [18](#)

R

Recapture taxes [19](#)
Reconciliation of income [23](#)
Recordkeeping [6](#)
Refundable credits [20](#)
Related party transactions [10](#)
Rents (expense) [12](#)
Rents (income) [10](#)
Repairs and maintenance [11](#)

S

Salaries and wages [11](#)
Schedule:
C [16](#)
J [18](#)
K [20](#)
L [22](#)
M-1 [22](#)
M-3 [8, 22](#)
O [18](#)
Section 263A costs [10](#)
Shareholders' equity adjustments [22](#)
Signature [4](#)
Specific Instructions [7](#)

T

Taxes and licenses [12](#)
Tax-exempt securities [22](#)
Tax issues, unresolved [2](#)
Tax rate schedule [18](#)
Total assets [8](#)
Travel, meals, and entertainment [14](#)

W

What's New [1](#)
When to file [3](#)
Where to file [4](#)
Who must file [2](#)
Who must sign [4](#)
Worksheets [18](#)
Schedule C [18](#)