

# Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund

▶ See separate instructions.

Name of shareholder	Identifying number (see instructions)
Number, street, and room or suite no. (If a P.O. box, see instructions.)	Your tax year: Calendar year 19      or other tax year beginning      19      and ending      19
City or town, state, and ZIP code or country	
Check type of shareholder filing the return: <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> S Corporation <input type="checkbox"/> Nongrantor Trust <input type="checkbox"/> Estate	
Name of passive foreign investment company (PFIC) or qualified electing fund (QEF)	Employer identification number (if any)
Address (Enter number, street, city or town, and country.)	Tax year of Company or Fund: Calendar year 19      or other tax year beginning      19      and ending      19

**Part I Elections (See Specific Instructions for Information To Attach When Making an Election.)**

- 1  I, a shareholder of a PFIC, elect to treat the PFIC as a QEF. (Section 1295.)  
*Complete lines 6a through 7c of Part II.*
- 2  I, a shareholder on the first day of the first tax year of a PFIC as a QEF, elect to recognize gain on the deemed sale of my interest in the PFIC. (Section 1291(d)(2)(A).)  
*Enter gain or loss on line 10f. A shareholder who makes the line 2 election is also required to complete lines 6a through 7c of Part II.*
- 3  I, a shareholder on the first day of the first tax year of a PFIC as a QEF that is a controlled foreign corporation (CFC), elect to treat an amount equal to my share of the post-1986 earnings and profits of the CFC as an excess distribution. (Section 1291(d)(2)(B).)  
*Enter this amount on line 10e. See Specific Instructions for tax years over which the excess distribution is allocated. A shareholder who makes the line 3 election is also required to complete lines 6a through 7c of Part II for its QEF earnings.*
- 4  I, a shareholder of a QEF, elect to extend the time for payment of tax on the undistributed earnings and profits of the QEF until terminated. (Section 1294.) For the calculation of the tax that may be deferred, see lines 8a through 9c, below.  
**Note:** *If any portion of line 6a or line 7a is includible under section 551 or 951, you may not make the line 4 election. See sections 1294(c) and 1294(f) for events that terminate this election.*
- 5  I, a shareholder of a former PFIC, elect to recognize gain on the deemed sale of my interest in the PFIC on the last day of the last tax year the foreign corporation qualified as a PFIC. (Section 1297(b)(1).)  
*Enter gain or loss on line 10f.*

**Part II Income From a Qualified Electing Fund (QEF).** All QEF shareholders complete lines 6a through 7c. Those making the line 4 election also complete lines 8a through 9c.

6a Enter your pro rata share of the ordinary earnings of the QEF . . . . .	<b>6a</b>
6b Enter the portion of line 6a that is included in income under section 551 or 951 or that may be excluded under section 1293(g) . . . . .	<b>6b</b>
6c Subtract line 6b from line 6a. Enter this amount on your tax return as dividend income. . . . .	<b>6c</b>
7a Enter your pro rata share of the net capital gain of the QEF . . . . .	<b>7a</b>
7b Enter the portion of line 7a that is included in income under section 551 or 951 or that may be excluded under section 1293(g) . . . . .	<b>7b</b>
7c Subtract line 7b from line 7a. This amount is long-term capital gain. Enter this amount in Part II of the Schedule D used for your income tax return . . . . .	<b>7c</b>
8a Add lines 6c and 7c . . . . .	<b>8a</b>
8b Enter the total amount of cash and the fair market value of other property distributed or deemed distributed to you during the tax year of the QEF (See instructions for line 8b.) . . . . .	<b>8b</b>
8c Enter the portion of line 8a to the extent not already included in line 8b that is attributable to shares in the QEF that you disposed of, pledged, or otherwise transferred during the tax year . . . . .	<b>8c</b>
8d Add lines 8b and 8c . . . . .	<b>8d</b>
8e Subtract line 8d from line 8a, and enter the difference (if zero or less, enter amount in brackets) . . . . . If no portion of line 6a or line 7a is includible in income under section 551 or 951 and line 8e is greater than zero, you may make the line 4 election with respect to the amount on line 8e.	<b>8e</b>
<b>Computation of Tax for Which the Time for Payment Is Extended</b>	
9a Enter the total tax for total taxable income for the tax year . . . . .	<b>9a</b>
b Enter the total tax for the tax year determined without regard to the amount entered on line 8e . . . . .	<b>9b</b>
c Subtract line 9b from line 9a. This is the deferred tax, the time for payment of which is extended by making the line 4 election. See instructions . . . . .	<b>9c</b>

**Part III Distributions and Disposition of Stock in a Section 1291 Fund** (See instructions.)

<b>10a</b> Enter the total amount of distributions made to you by the PFIC during the tax year. If the holding period of the stock began in the tax year, enter this amount as a dividend on your tax return to the extent there are accumulated earnings and profits . . . . .	<b>10a</b>	
<b>b</b> Enter the total amount of distributions, reduced by the portions of such distributions that were excess distributions but not included in income under section 1291(a)(1)(B), made by the company for each of the 3 years preceding the current tax year (or if shorter, the portion of the shareholder's holding period before the current tax year). . . . .	<b>10b</b>	
<b>c</b> Divide line 10b by 3 (but see instructions if the number of preceding tax years is less than 3)	<b>10c</b>	
<b>d</b> Multiply line 10c by 125%. Enter the lesser of line 10a or line 10d as a dividend on your income tax return	<b>10d</b>	
<b>e</b> Subtract line 10d from line 10a. If zero or less and you did not dispose of stock during the tax year, do not complete the rest of Part III. The amount on line 10e, if more than zero, is the total excess distribution. See instructions if you received more than one distribution during the tax year . . .	<b>10e</b>	
<b>f</b> Enter gain or loss from the disposition of stock of a section 1291 fund or former section 1291 fund. A loss is not recognized. If a loss, show it in brackets and do not complete lines 11a through 11f. If a gain, complete lines 11a through 11f . . . . .	<b>10f</b>	
<b>11</b> On an attached statement for each distribution and disposition, show your holding period for each share of stock or block of shares held and:		
<b>a</b> Allocate the excess distribution to each day in your holding period. Add all amounts that are allocated to days in each tax year.		
<b>b</b> Enter the total of the amounts determined in line 11a that are allocable to the current tax year and tax years before the foreign corporation became a PFIC (pre-PFIC tax years). Enter these amounts on your income tax return as dividend income. (See instructions.) . . . . .	<b>11b</b>	
<b>c</b> To determine the increase in tax for each tax year in your holding period (other than the current tax year and pre-PFIC years), multiply the amount allocated to each tax year by the highest rate of tax under section 1 or section 11, whichever applies, in effect for that tax year. Enter the aggregate increases in taxes (before credits) here . . . . .	<b>11c</b>	
<b>d</b> Foreign tax credit . . . . .	<b>11d</b>	
<b>e</b> Subtract the amount on line 11d from the amount on line 11c. Enter this amount on your income tax return as "additional tax" . . . . .	<b>11e</b>	
<b>f</b> Determine interest on each net increase in tax (increase in tax less any foreign tax credit) determined in line 11e by using the rates and method contained in section 6621 and enter the aggregate amount of interest here . . . . .	<b>11f</b>	

**Part IV Status of Prior Year Section 1294 Elections and Termination of Section 1294 Elections**

Complete a separate column for each outstanding election.

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
<b>1</b> Tax year of outstanding election	.....,19.....	.....,19.....	.....,19.....	.....,19.....	.....,19.....	.....,19.....
<b>2</b> Undistributed earnings to which the election relates						
<b>3</b> Deferred tax						
<b>4</b> Interest accrued on deferred tax (line 3) as of the filing date						
<b>5</b> Event terminating election						
<b>6</b> Earnings distributed or deemed distributed during the tax year						
<b>7</b> Deferred tax due with this return						
<b>8</b> Accrued interest due with this return						
Complete lines 9 and 10 only if there is a partial termination of the section 1294 election						
<b>9</b> Portion of deferred tax outstanding after partial termination of section 1294 election						
<b>10</b> Portion of interest accrued after partial termination of section 1294 election						