1120 E
Department of the Treasury
Internal Revenue Service

## U.S. Income Tax Return of a Foreign Corporation

OMB No. 1545-0126

For calendar year 1999, or tax year beginning \_\_\_\_\_\_, 1999, and ending \_\_\_\_\_\_, \_\_\_ ► See separate instructions.

print	Name			Employer identification n	umber	
Please type or	Number, street, and room or suite no. (see page 6 of instructions)         City or town, state and ZIP code, or country (see page 6 of instructions)			Check applicable boxes:		
В	Country of incorporation		Check method of accounti (3) □ Other (specify) ► Did the corporation file a	U.S. income tax return	Acc Yes	crual No
D	Date incorporated	J	for the preceding tax year? At any time during the tax year engaged in a trade or busine At any time during the tax year, permanent establishment in the of applying section 894(b) and between the United States and	ear, was the corporation ess in the United States? did the corporation have a United States for purposes any applicable tax treaty		
E	check here	к	If "Yes," enter the name of Is the corporation a for company? (See section 55	f the foreign country: eign personal holding 2 for definition.)		
F	Address Refer to the list beginning on page 18 of the instructions and state the corporation's principal: (1) Business activity code number ► (2) Business activity ► (3) Product or service ►		If "Yes," have you filed Fo (See page 3 of the instruct Did the corporation have related parties? If "Yes," you may have to file I and section 6038C). (See page Enter number of Forms 54 ote: Additional information is r	tions.)	ages 2	and 5.

## Computation of Tax Due or Overpayment

-	Only	yours if self-employed)				EIN ► ZIP cod	e 🕨		
Prep	arer's	Firm's name (or				employed ►			
Paid		Preparer's signature		Da	te	Check if self-		reparer's SSN or PTIN	
		Signature of officer		Da		Title			
Her	re	<b>\</b>							
Sig			complete. Decidiation of prepare		anpayer/ 15 L				meuye.
<u>.</u>		Under penalties of perjury, I decla and belief, it is true, correct, and	are that I have examined this return complete. Declaration of prepare	rn, including	accompanyin	g schedules and statem	nents, ai	nd to the best of my kno	wledge
10	Enter ar	nount of line 9 you want: Cre	dited to 2000 estimated ta	x ►		Refunded ►	10		
9	Overpa	yment. If line 6i is larger than	the total of lines 5 and 7, er	nter amour	nt overpaid		9		
8		e. If line 6i is smaller than the					8		
7	-	ed tax penalty (see page 6 of					7		
i	Total pa	yments. Add lines 6d through	.6h				6i		
		rms 8288-A and 8805 (attach	<b>v v v v v v v v v v</b>		6h				
h	U.S. inc	ome tax paid or withheld at sou	urce (add line 12, page 2, and	l amounts					
g		or Federal tax on fuels (attach			6g				
f	Credit fo	or tax paid on undistributed ca	apital gains (attach Form 24	39)	6f				
е	Tax dep	osited with Form 7004			6e				
с	Less 1999	Prefund applied for on Form 4466	6c (	) Bal ►	6d				
b	1999 es	timated tax payments	6b						
а	1998 ov	erpayment credited to 1999	6a						
6	Paymer	nts:				1			
5	Total ta	x. Add lines 1 through 4					5		
4		I holding company tax (attach		-see page	e 6 of instru	ctions	4		
3		n Section III (add lines 6 and					3		
2		n Section II, Schedule J, line					2		
1	Tax fron	n Section I, line 11, page 2					1		

For Paperwork Reduction Act Notice, see page 17 of separate instructions.

# SECTION I.—Certain Gains, Profits, and Income From U.S. Sources That Are NOT Effectively Connected With the Conduct of a Trade or Business in the United States (See page 6 of instructions.)

If you are required to complete Section II or are using Form 1120-F as a claim for refund of tax withheld at source, include below **ALL** income from U.S. sources that is **NOT** effectively connected with the conduct of a trade or business in the United States. Otherwise, include only those items of income on which the U.S. income tax was not fully paid at the source. The rate of tax on each item of **gross** income listed below is 30% (4% for the gross transportation tax) or such lower rate specified by tax treaty. No deductions are allowed against these types of income. Fill in treaty rates where applicable. If the corporation claimed a lower treaty rate, also complete Item W, page 5.

### Name of treaty country, if any ►

	<b>(a)</b> Nature of income	Gro	<b>(b)</b> ss inco	ome		<b>(c)</b> Rate of tax (%)	<b>(d)</b> Amount of tax	( Amount of U. paid or withhel		
1	Interest									
2	Dividends									
3	Rents									
4	Royalties									
5	Annuities									
6	Gains from disposal of timber, coal, or domestic iron ore with a retained economic interest (attach supporting schedule)									
7	Gains from sale or exchange of									
8	patents, copyrights, etc									
9	Gross transportation income (see page 6 of instructions).					4				
10	Other fixed or determinable annual or periodic gains, profits, and income									
11	Total. Enter here and on line 1, page 1	•••				►				
	Total. Enter here and include on line 6h									
Ad	ditional Information Required (conti	inued fro	om pa	age 1	)					
	Is the corporation a personal holding company section 542 for definition.)		Yes	No	S	(Do not reduce	le NOL carryover from prio it by any deduction on	i line 30a,	Yes	No
	Is the corporation a controlled foreign corpo (See section 957 for definition.)				т		n a subsidiary in a parent-			
	Is the corporation a personal service corporation page 7 of instructions for definition.)						?			
Ρ	Enter tax-exempt interest received or accrued the tax year (see instructions) ► \$	during				number of the pa	arent corporation ►			
Q	At the end of the tax year, did the corporatio directly or indirectly, 50% or more of the voting of a U.S. corporation? (See section 267(c) for attribution.)	n own, g stock rules of			U	partnership, corp or indirectly, 50%	the tax year, did any poration, estate, or trust ov 6 or more of the corporation ion 267(c) for attribution r	vn, directly on's voting		
	If "Yes," attach a schedule showing (1) nan identifying number of such U.S. corporation; (2) per owned; and (3) taxable income or (loss) before N special deductions of such U.S. corporation for the ending with or within your tax year.	centage OL and				identifying numb already entered	a schedule showing the er. (Do not include any ir in T above). e owned ►	nformation		
R	If the corporation has a net operating loss (NC the tax year and is electing to forego the carr period, check here				No		ormation is required at the		age 5.	

If "Yes," attach explanation.

#### IMPORTANT—Fill in all applicable lines and schedules. If you need more space, see Attachments on page 3 of instructions. 1a Gross receipts or sales \_\_\_\_\_\_ b Less returns and allowances \_\_\_\_\_\_ c Bal ► 1c 2 Cost of goods sold (Schedule A, line 8) 2 3 **3** Gross profit (subtract line 2 from line 1c) 4 4 Income 5 5 6 6 7 Gross royalties 7 8 Capital gain net income (attach Schedule D (Form 1120)) 8 9 Net gain or (loss) from Form 4797, Part II, line 18 (attach Form 4797) . . . . 9 10 10 Other income (see page 8 of instructions—attach schedule). 11 11 12 12 Compensation of officers (Schedule E, line 4). Deduct only amounts connected with a U.S. business (See instructions for limitations on deductions.) 13 13 14 14 Repairs and maintenance 15 15 16 16 17 17 Taxes and licenses 18 **18** Interest allowable under Regulations section 1.882-5 (see page 10 of instructions—attach schedule). 19 Charitable contributions (see page 10 of instructions for 10% limitation) 19 21 Less depreciation claimed on Schedule A and elsewhere on return 21 22 22 23 23 24 25 25 Pension, profit-sharing, etc., plans 26 27 27 Other deductions (see page 11 of instructions—attach schedule) . . . . . . . Deductions 28 29 **29** Taxable income before NOL deduction and special deductions (subtract line 28 from line 11) . 30 Less: a Net operating loss deduction (see page 12 of instructions) | 30a | 30c **31** Taxable income or (loss). Subtract line 30c from line 29 . . . . . . . . . . . . . 31 Schedule A Cost of Goods Sold (See page 12 of instructions.) 1 1 2 2 3 3 4 Additional section 263A costs (see instructions—attach schedule) . . . . . . . . 4 5 5 6 6 7 7 8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on Section II, line 2 above 8 9a Check all methods used for valuing closing inventory: (1) $\Box$ Cost as described in Regulations section 1.471-3 (2) $\Box$ Lower of cost or market as described in Regulations section 1.471-4 (3) Other (Specify method used and attach explanation.) b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) If checked, attach Form 970. d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing 9d e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? . . . f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? 🗌 Yes

SECTION II.—Income Effectively Connected With the Conduct of a Trade or Business in the United States (See page 7 of instructions.)

Form **1120-F** (1999)

Sc	hedule C Dividends and Speci	al Deductions (See	instructions.)		(a) Dividen		(b) %	(c) Special deduction	ons:
	Dividends from less-than-20%-owned subject to the 70% deduction (other that				received		70	(a) × (b)	
	Dividends from 20%-or-more-owned						0.0		
	subject to the 80% deduction (other that						80 see		
	<ul> <li>B Dividends on debt-financed stock of domestic and foreign corporations (section 246A)</li> <li>I Dividends on certain preferred stock of less-than-20%-owned public utilities</li> </ul>					ins	structions 42		
	Dividends on certain preferred stock of 2						48		
	Dividends from less-than-20%-owned	•							
	subject to the 70% deduction	0 1					70		
	Dividends from 20%-or-more-owned for o the 80% deduction	•	are subject				80		
8	Total. Add lines 1 through 7. See page	13 of instructions for I	imitation .						_
	Other dividends from foreign corporations								
	Foreign dividend gross-up (section 78)								
	C-DISC and former DISC dividends not includ Other dividends	led on lines 1, 2, or 3 (sec	(ION 246(0))						
	Deduction for dividends paid on certain	preferred stock of a p	ublic utility						
14	Fotal dividends. Add lines 1 through 12.	Enter here and on line	4, page 3						
-	Total deductions. Add lines 8 and 13. Er		1 0						
Sc	hedule E Compensation of Off								
	Section II) are \$500,00		(c) Percent of		Percent of o		page		
	(a) Name of officer	(b) Social security number	time devoted to business		stock of (d) Common		_	(f) Amount of compensation	
1			10 DUSINESS		<b>(d)</b> Common %		6		
			%	-	%		6		
			%	_	%		6		
			%	_	%		6		
				% %	% %		6		
	Total companyation of officers			0	70	7	′o		
2 3	Total compensation of officers Compensation of officers claimed o			 his	return .				
4	Subtract line 3 from line 2. Enter the								
Sc	hedule J Tax Computation (S								
1	Check if the corporation is a membe <b>Important</b> : Members of a controlled			าร 1	561 and 15	63) 🕨 🗌			
2a	If the box on line 1 is checked, en			\$5	50,000, \$25,	,000, and			
	\$9,925,000 taxable income bracket (1) [\$ (2)]								
h	(1) (1) (2) (2) Enter the corporation's share of:	\$	(3) \$	,					
b	(1) Additional 5% tax (not more that	n \$11,750) \$							
	(2) Additional 3% tax (not more that								
3	Income tax. Check this box if the constructions) $\blacktriangleright$	orporation is a qualifie			vice corpora	ation (see	3		
4a	Foreign tax credit (attach Form 111	8)		4a					
b	Check: Nonconventional sourc		4	4b					
С	General business credit. Enter here and $\Box$ 2000 $\Box$ 2468 $\Box$ 500								
	□ 3800       □ 3468       □ 5884         □ 8586       □ 8830       □ 8820		6765						
	$\square 8845 \square 8846 \square 8820$			4c	1				
d				4d					
5	Total credits. Add lines 4a through	4d					5		
6	Subtract line 5 from line 3						6		
7	Recapture taxes. Check if from:	🛛 Form 4255 🛛 Forr	n8611				7		
8	Alternative minimum tax (attach For						8		
9 10	Add lines 6 through 8						9 10		
<u>11</u>	Total tax. Subtract line 10 from line						11		

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SEC	CTION III.—Branch Profits Tax and Tax on Excess Interest (See instructions beginnin	ig on	page 15.)		
Par	t I—Branch Profits Tax				
1	Enter the amount from Section II, line 29	1			
2	Enter total adjustments made to get effectively connected earnings and profits. (Attach a schedule showing the nature and amount of adjustments.) (See page 16 of instructions.)	2			
3	Effectively connected earnings and profits. Combine line 1 and line 2. Enter the result here	3			
4a	Enter U.S. net equity at the end of the current tax year. (Attach schedule.)	4a			
b	Enter U.S. net equity at the end of the prior tax year. (Attach schedule.).	4b			
с	Increase in U.S. net equity. If line 4a is greater than or equal to line 4b, subtract line 4b from line 4a. Enter the result here and skip to line 4e	4c			
d	Decrease in U.S. net equity. If line 4b is greater than line 4a, subtract line 4a from line 4b. Enter the result here	4d			
e	Non-previously taxed accumulated effectively connected earnings and profits. Enter excess, if any, of effectively connected earnings and profits for preceding tax years beginning after 1986 over any dividend equivalent amounts for those tax years	4e			
5	Dividend equivalent amount. Subtract line 4c from line 3. Enter the result here. If zero or less, enter -0 If no amount is entered on line 4c, add the lesser of line 4d or line 4e to line 3 and enter the total here	5			
6	<b>Branch profits tax.</b> Multiply line 5 by 30% (or lower treaty rate if the corporation is a qualified resident or otherwise qualifies for treaty benefits). Enter here and include on line 3, page 1. (See instructions.) Also complete Items W and X below	6			
Par	t II—Tax on Excess Interest				
7a	Enter the interest from Section II, line 18	7a			
	Enter the interest apportioned to the effectively connected income of the foreign corporation that is capitalized or otherwise nondeductible.	7b			
С	Add lines 7a and 7b	7c			
8	Enter the branch interest (including capitalized and other nondeductible interest). (See instructions for definition.) If the interest paid by the foreign corporation's U.S. trade or business was increased because 80% or more of the foreign corporation's assets are U.S.	0			
•	assets, check this box	8 9a			
	Excess interest. Subtract line 8 from line 7c. If zero or less, enter -0	70			
a	If the foreign corporation is a bank, enter the excess interest treated as interest on deposits. Otherwise, enter -0 (See page 17 of instructions.).	9b			
c		9c			
10	<b>Tax on excess interest.</b> Multiply line 9c by 30% or lower treaty rate (if the corporation is a gualified resident or otherwise gualifies for treaty benefits). (See page 17 of instructions.) Enter				
	here and include on line 3, page 1. Also complete Items W and X below	10			
Addi	tional Information Required (continued from page 2)				
	Yes No			Yes	No
	s the corporation claiming a reduction in, or exemption from, the branch profits tax due to: W Is the corporation taking a positive that a U.S. tax treaty overrules Internal Revenue law of the	or m	odifies an		
(	(1) A complete termination of all U.S. trades or businesses?	tax?			
(	(2) The tax-free liquidation or reorganization of a foreign corporation? Note: Failure to disclose a treat position may result in a \$10,0 section 6712).	ty-bas	ed return		
(	<ul> <li>3) The tax-free incorporation of a U.S. trade or business?</li> <li>X If the corporation is claiming is resident of its country of resident</li></ul>				
1	f (1) applies or (2) applies and the transferracia				

If (1) applies or (2) applies and the transferee is domestic, attach Form 8848.

If (3) applies, attach the statement required by Regulations section 1.884-2T(d)(5).

resident of its country of residence for purposes of computing its branch profits tax and excess interest tax, check the basis for that claim:	
Stock ownership and base erosion test	
Publicly traded test	
Active trade or business test	
Private letter ruling	

Private letter ruling . . .

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Sche	Additional schedules to be co edule L Balance Sheets per Books	Beginning			tax year
	ASSETS	(a)	(b)	(c)	(d)
С	Cash				
	rade notes and accounts receivable				
b L	ess allowance for bad debts	()		( )	
lr	nventories				
	J.S. government obligations				
	ax-exempt securities (see instructions)				
	Other current assets (attach schedule)				
	oans to stockholders				
	Aortgage and real estate loans				
	Other investments (attach schedule). uildings and other fixed depreciable assets				
	ess accumulated depreciation	( )		( )	
	Depletable assets				
	ess accumulated depletion	( )		( )	
	and (net of any amortization).				
	ntangible assets (amortizable only)				
	ess accumulated amortization	( )		( )	ļ
	other assets (attach schedule)				L
	otal assets				
	LITIES AND STOCKHOLDERS' EQUITY				
	ccounts payable				
	Itges., notes, bonds payable in less than 1 year				
	Other current liabilities (attach schedule)				
	oans from stockholders Itges., notes, bonds payable in 1 year or more				
	Other liabilities (attach schedule)				
	Capital stock: <b>a</b> Preferred stock				
	<b>b</b> Common stock				
3 A	dditional paid-in capital				
<b>1</b> R	etained earnings—Appropriated (attach schedule)				
5 R	etained earnings—Unappropriated.				
	djustments to shareholders' equity				
	attach schedule)		(		(
	ess cost of treasury stock		( )		
	The corporation is not required to complete Sc	hedules M-1 and M-2 belo	l ow if the total assets on S	L chedule L line 15 columr	l n (d) are less than \$25
	edule M-1 Reconciliation of Inc				r (u) are less than \$20,
	let income (loss) per books			d on books this year	
	ederal income tax			this return (itemize):	
	xcess of capital losses over capital gains			erest, \$	
1 Ir	ncome subject to tax not recorded on		-		
b	ooks this year (itemize):		8 Deductions on th	is return not charged	
			against book inco	me this year (itemize):	
	xpenses recorded on books this year		-	\$	
	ot deducted on this return (itemize):			yover \$	
	Depreciation \$			0	
	contributions carryover \$			8 8	
	Idd lines 1 through 5			page 3)—line 6 less	
ic <u>h</u>	edule M-2 Analysis of Unappr	opriated Retained	Earnings per Bool	ks (Schedule L, lin	e 25)
	Balance at beginning of year			Cash	
	let income (loss) per books			Stock	
	Other increases (itemize):			Property	
-				s (itemize):	
_		1			
	dd lines 1, 2, and 3		7 Add lines 5a thr	ough 6	