

# One-Time Dividends Received Deduction for Certain Cash Dividends from Controlled Foreign Corporations

▶ Attach to the corporation's tax return.

Name of corporation \_\_\_\_\_

Employer identification number \_\_\_\_\_

## Part I Qualifying Information

- A** Enter the date(s) the corporation's domestic reinvestment plan(s) (DRP) was approved by the corporation's president, CEO, or comparable official ▶ \_\_\_\_\_, 20 \_\_\_\_.
- B** Enter the date(s) the DRP was approved by the corporation's board of directors, management committee, executive committee, or similar body ▶ \_\_\_\_\_, 20 \_\_\_\_.
- C** The DRP states that the corporation anticipates completing all reinvestments in the tax year ending \_\_\_\_\_, 20 \_\_\_\_ . See Notice 2005-10 for required attachment.
- D** Does the corporation have an applicable financial statement (as defined in section 965(c)(1)) that shows a specific amount of earnings permanently reinvested outside the United States?  Yes  No  
 If "Yes," enter that amount on line 2 below. However, if the corporation is a member of a controlled group of corporations, see instructions.  
 If "No," complete item E below.
- E** If item D is "No," does the corporation have an applicable financial statement that shows a specific amount of tax liability attributable to earnings permanently reinvested outside the United States?  Yes  No  
 If "Yes," divide the tax liability by 0.35 and enter the result on line 2 below. However, if the corporation is a member of a controlled group of corporations, see instructions.  
 If "No," enter -0- on line 2 below.
- F** Is the corporation required to adjust the amount of its base period inclusions, APB 23 limitation, or related party indebtedness pursuant to Notice 2005-38?  Yes  No

## Part II Dividends Received Deduction

<b>1</b> Enter the "cash dividends" that the corporation received from all controlled foreign corporations (CFCs) during the tax year. See instructions . . . . .	<b>1</b>		
<b>2</b> Earnings permanently reinvested outside the United States (see items D and E above) . . . . .	<b>2</b>		
<b>3 Section 965(b)(1) limit.</b> Enter the greater of line 2 or \$500,000,000. However, if the corporation is a member of a controlled group of corporations, see instructions . . . . .	<b>3</b>		
<b>4</b> Section 965(b)(2) base period amount. Enter amount from Part VI, line 51 . . . . .	<b>4</b>		
<b>5 Section 965(b)(2) limit.</b> Subtract line 4 from line 1. If zero or less, stop here (see instructions).	<b>5</b>		
<b>6 Section 965(b)(4) limit.</b> Amounts to be reinvested in the United States under a DRP . . . . .	<b>6</b>		
<b>7</b> Enter the smallest of lines 3, 5, and 6 . . . . .	<b>7</b>		
<b>8</b> Enter the amount of CFC indebtedness to any related person as of the close of the tax year (see instructions) . . . . .	<b>8</b>		
<b>9</b> Enter the amount of CFC indebtedness to any related person as of the close of October 3, 2004 (see instructions) . . . . .	<b>9</b>		
<b>10 Section 965(b)(3) limit.</b> Subtract line 9 from line 8. If zero or less, enter -0- . . . . .	<b>10</b>		
<b>11 Qualifying dividends.</b> Subtract line 10 from line 7. If zero or less, stop here (see instructions). If more than zero, enter the result here and on Form 1120, Schedule C, line 12, column (a) . . . . .	<b>11</b>		
<b>12</b> Enter all section 965(a)(2) amounts included on line 11 (see instructions) <span style="float: right;"><b>12</b></span>			
<b>13 Deductible portion of qualifying dividends.</b> Multiply line 11 by 85%. Enter here and on Form 1120, Schedule C, line 12, column (c) . . . . .	<b>13</b>		
<b>14</b> Expenses disallowed under section 965(d)(2) with respect to line 13 amount <span style="float: right;"><b>14</b></span>			
<b>15 Nondeductible CFC dividends.</b> Subtract line 13 from line 11. See instructions . . . . .	<b>15</b>		

## Part III Regular Tax Liability for Computing Credit Limitations and Alternative Minimum Tax

<b>16</b> Enter the corporation's taxable income (Form 1120, line 30) . . . . .	<b>16</b>		
<b>17 Taxable income excluding nondeductible CFC dividends.</b> Subtract line 15 from line 16 . . . . .	<b>17</b>		
<b>18</b> Enter the corporation's regular tax liability (Form 1120, Schedule J, line 3) . . . . .	<b>18</b>		
<b>19 Tax on nondeductible CFC dividends.</b> Enter the smaller of line 18 or 35% of line 15 . . . . .	<b>19</b>		
<b>20 Tax on line 17 amount.</b> Subtract line 19 from line 18 . . . . .	<b>20</b>		
<b>21 Foreign tax credit that reduces tax on line 19</b> (see instructions) . . . . .	<b>21</b>		
<b>22</b> Subtract line 21 from line 19 . . . . .	<b>22</b>		
<b>23 Foreign tax credit that reduces tax on line 20.</b> Subtract line 21 from line 39 . . . . .	<b>23</b>		
<b>24</b> Subtract line 23 from line 20 . . . . .	<b>24</b>		
<b>25</b> Alternative minimum tax (see instructions) . . . . .	<b>25</b>		

