

treated as a CFC for limited purposes under section 965(e)(2).

**Note.** A separate Schedule P must be completed by each Category 1a, 1b, 4, 5a, or 5b filer.

If a U.S. shareholder wholly owns the CFC, Schedule P should include the same information reported on Schedule J, Part I, column (e). If there is more than one U.S. shareholder, the amounts reported on Schedule P with respect to each U.S. shareholder might be different from the amounts reported on Schedule J.

**Example.** Corporation A, a domestic corporation, owns 50% of the only class of stock of CFC1, and Corporation B, a domestic corporation, owns the remaining 50% of the stock of CFC1. Corporation A wholly owns the only class of stock of CFC2. The functional currency of all corporations is the U.S. dollar. CFC1 has tested income of \$100x and CFC2 has tested loss of \$30x. See section 951A(c)(2). Neither Corporation A nor Corporation B has any net deemed tangible income return that would reduce the GILTI inclusion of Corporation A or B. Corporation A has a section 951A inclusion of \$20 because its pro rata share of CFC1's tested income (\$50x) is offset by its pro rata share of CFC2's tested loss (\$30x). Corporation B has a section 951A inclusion of \$50x. On Schedule P of the Form 5471 with respect to CFC1 filed by Corporation B, Corporation B will report on line 7, column (h), \$50x of PTEP as a result of its section 951A inclusion with respect to CFC1. Corporation A will report \$20x of PTEP as a result of its section 951A inclusion on its Form 5471, Schedule P, line 7, column (h), with respect to CFC1.

The Form 5471, Schedule J, for CFC1 should include PTEP of \$70x with respect to the aggregate section 951A inclusions of Corporation A and Corporation B. However, if Corporation A does not know Corporation B's section 951A inclusion at the time Corporation A files its Form 5471, Corporation A will only be able to complete Schedule J, Part I, with respect to its PTEP of \$20x on line 8, column (e)(viii). Similarly, Corporation B will only be able to complete Schedule J, Part I, with

respect to its PTEP of \$50x on line 8, column (e)(viii). In the following year, Corporation A and Corporation B should each report the other corporation's PTEP on Schedule J, Part I, line 1b, column (e)(viii), and the corresponding reduction to CFC1's E&P described in section 959(c)(3) on Schedule J, Part I, line 1b, column (a).

**Name of person filing Form 5471.** The name of the person filing Form 5471 is generally the name of the U.S. person described in the applicable category or categories of filers (see [Categories of Filers](#), earlier). However, in the case of a consolidated return, enter the name of the U.S. parent in the field for "Name of person filing Form 5471."

**Reference ID number of foreign corporation.** If applicable, use the reference ID number shown on Form 5471, page 1, item 1b(2).

**Lines a and b.** Complete a separate Schedule P for each applicable separate category of income. Enter the appropriate code on line a (at the top of page 1 of Schedule P). To determine the appropriate code, see [Categories of Income](#) in the Instructions for Form 1118.

A foreign corporation may have PTEP in a PTEP group within any of the separate categories of income, with the exception of foreign branch category income. See Regulations section 1.960-3(c)(1).

If code 901j is entered on line a, enter on line b the country code for the sanctioned country using the two-letter code (from the list at [IRS.gov/CountryCodes](#)).

**Note.** A separate Schedule P should not be completed for the section 951A category. Reclassified section 951A PTEP and section 951A PTEP that is in the section 951A category should be reported on the Schedule P completed for the general category.

**Note.** For purposes of this Schedule P, include in each separate category of income, foreign source and U.S. source income.

**Important.** In addition to the separate category codes referred to above, if you have more than one of the categories of income referred to above, you must complete and file a separate Schedule P using code

"TOTAL" that aggregates all amounts listed for each line and column of all other Schedules P.

## Part I

Enter amounts in the functional currency of the foreign corporation as reported on Form 5471, page 1, [item 1h](#).

Pre-1987 U.S. dollar PTEP should be translated into the foreign corporation's functional currency using the rules of Notice 88-70 and added to post-1986 amounts in the appropriate PTEP category.

## Part II

**Dollar basis.** Enter amounts in U.S. dollars. The U.S. shareholder's U.S. dollar basis in PTEP is generally equal to the U.S. dollar amount of E&P that the U.S. shareholder previously included in gross income. See section 989(b)(1) and (3); and Regulations sections 1.951A-1(d)(1) and 1.965-1(b)(1) and (2).

The U.S. shareholder's U.S. dollar basis is used by the U.S. shareholder to determine the amount of foreign currency gain or loss on the PTEP that the U.S. shareholder is required to recognize under section 986(c).

**Columns (a) through (k).** Use columns (a) through (k) to report the opening balance of, current year additions and subtractions to, and the closing balance of, the PTEP in the U.S. shareholder's annual PTEP accounts with respect to a CFC.

Columns (a) through (j) of Schedule P correspond to Schedule J, columns (e)(i) through (e)(x). See [Schedule J](#), earlier, for specific line instructions.

**Line 1b.** If there is a difference between last year's ending balance on Schedule P and the amount that should be last year's ending balance, taking into account modifications on Schedule P, include the difference on line 1b and attach an explanation for the difference. If there are multiple differences, include the explanation and amount of each such difference on the attachment.

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## Schedule Q

Use Schedule Q to report the CFC's income, deductions, taxes, and assets by CFC income groups for purposes of section 960(a) and (d).

In general, a taxpayer that is subject to tax as a domestic corporation that is a U.S. shareholder (“corporate U.S. shareholder”) of a CFC is deemed to pay all or a portion of the foreign income taxes paid or accrued by the CFC that are properly attributable to subpart F income or tested income included in gross income by the corporate U.S. shareholder. See section 960(a) and (d). A corporate U.S. shareholder may claim a credit for such foreign taxes, subject to certain limitations.

**Note.** If an individual, estate, or trust that is a U.S. shareholder of a CFC makes an election under section 962 (“962 electing shareholder”), any inclusions under section 951 or 951A of the U.S. shareholder will be treated as received by a corporate U.S. shareholder for purposes of section 960. See section 962(b) and Regulations section 1.962-2(b). As a result, these U.S. shareholders may also claim a foreign tax credit for foreign income taxes deemed paid with respect to such inclusions. See sections 962(a)(1) and 951A(f)(1)(A).

**Note.** See also section 1293(f) for inclusions with respect to a PFIC.

To calculate the foreign taxes deemed paid by the corporate U.S. shareholder (including a 962 electing shareholder), determine for each of its CFCs the income, deductions, and taxes that are assigned to each separate category of income and each income group within each separate category. See Regulations section 1.960-1(c)(1). The income groups include the subpart F income groups, the tested income group, and the residual income group.

### Computer-Generated Schedule Q

Expand the Schedule Q if you are reporting with respect to more than two units. Specifically, if you are reporting with respect to more than two units, add to pages 1 to 4, as appropriate, new lines (3), (4), (5), etc., in all necessary locations.

### Specific Instructions for Schedule Q

#### Name of person filing Form 5471.

The name of the person filing Form 5471 is generally the name of the U.S. person described in the applicable

category or categories of filers (see [Categories of Filers](#), earlier). However, in the case of a consolidated return, enter the name of the U.S. parent in the field for “Name of person filing Form 5471.”

**Reference ID number of foreign corporation.** If applicable, use the reference ID number shown on Form 5471, page 1, item 1b(2).

**Line A.** Complete a separate Schedule Q for each applicable separate category of income. Enter the appropriate code from the table below for the separate category of income with respect to which the Schedule Q is being completed.

### Codes for Categories of Income

Code	Category of Income
PAS	Passive category income
901j	Section 901(j) income
GEN	General category income

If code 901j is entered on line A, enter on line 1m, column (i), the country code for the sanctioned country using the two-letter code (from the list at [IRS.gov/CountryCodes](https://www.irs.gov/CountryCodes)).

**Important.** In addition to the separate category codes referred to above, if you have more than one of the categories of income referred to above, you must complete and file a separate Schedule Q using code “TOTAL” that aggregates all amounts listed for each line and column in all other Schedules Q.

**Line B.** If category code “PAS” is entered on line A, a separate Schedule Q must be completed for each applicable grouping under Regulations section 1.904-4(c)(3). See Regulations sections 1.954-1(c)(1)(iii)(B) and 1.904-4(c)(3) through (5). Enter on line B the appropriate code from the table below for each of the following groups under Regulations section 1.904-4(c)(3).

### Codes for Passive Groups

Code	Passive Group
i	All passive income received during the tax year that is subject to a withholding tax of 15% or greater must be treated as one item of income. See Regulations section 1.904-4(c)(3)(i).
ii	All passive income received during the tax year that is subject to a withholding tax of less than 15% (but greater than zero) must be treated as one item of income. See Regulations section 1.904-4(c)(3)(ii).
iii	All passive income received during the tax year that is subject to no withholding tax or other foreign tax must be treated as one item of income. See Regulations section 1.904-4(c)(3)(iii).
iv	All passive income received during the tax year that is subject to no withholding tax but is subject to foreign tax other than a withholding tax must be treated as one item of income. See Regulations section 1.904-4(c)(3)(iv).

**Note.** The grouping rules of Regulations section 1.904-4(c)(3)(i) through (iv) apply separately to income attributable to each tested unit of a CFC. See Regulations section 1.904-4(c)(4). This is one reason that, in the case of a CFC, tested-unit-by-tested-unit reporting is required with respect to the income groups on lines 1a through 1j and lines 3 and 4. A foreign corporation that is not a CFC but that is a noncontrolled 10%-owned foreign corporation must report this information on a foreign-QBU-by-foreign-QBU basis. This would be the case, for example, if you are completing Schedule Q for purposes of attaching it to Schedules K-2 and K-3 for purposes of section 1293(f).

To figure the amounts to enter on lines 1a through 1j, on lines (1), (2), etc., under each line 1a through 1j, enter the name of each unit of the foreign corporation (the relevant unit being each tested unit in the case of a CFC and each QBU in the case of a 10%-owned foreign corporation), including the foreign corporation itself, and the information required in each column (i) through (xvi) with respect to the amount in each subpart F income group within each category for each unit.

On lines (1), (2), etc., under line 4, enter the name of each unit and enter the information required for columns (i) through (xvi) for each unit, but do not enter amounts excluded from subpart F income under the subpart F high-tax exception (those amounts are reported on lines (1), (2), etc., under lines 1a through 1j) or tested income under the GILTI high-tax exclusion (those amounts are reported on lines (1), (2), etc., under line 3).

**Line C.** If code 901j is entered on line A, enter the country code for the sanctioned country using the two-letter code from the list at [IRS.gov/CountryCodes](https://www.irs.gov/CountryCodes).

**Line D.** Taxpayers are generally required to complete a separate Schedule Q for foreign source income in each separate category and U.S. source income in each separate category. On a given Schedule Q, taxpayers are generally required to check the box for either foreign source income or U.S. source income, as applicable. However, if a taxpayer has entered code "TOTAL" on line A and the total reported on that Schedule Q includes both foreign source income and U.S. source income, the taxpayer may check both boxes on line D.

**Line E.** A separate Schedule Q is required for foreign oil and gas extraction income (FOGEI) and foreign oil related income (FORI). If the Schedule Q is being prepared to report the FOGEI or FORI of a CFC, check the box for line E. Indicate the amount of FOGEI and FORI in each income group.

### Line 1. Subpart F Income Groups

The separate subpart F income groups within each applicable section 904 category of a CFC are on line 1 ("subpart F income groups"). See Regulations section 1.960-1(d)(2)(ii) (B). Each single item of foreign base company income (as defined in Regulations section 1.954-1(c)(1)(iii)) is a separate subpart F income group. With respect to a CFC, Regulations section 1.954-1(c)(1)(iii)(A)(2) identifies as a single item of income all foreign base company income (other than foreign personal holding company income) that falls within both a single separate category (typically, general category income) and a single category of foreign base company

income described in each of Regulations section 1.954-1(c)(1)(iii)(A)(2)(i) through (v). For example, with respect to line 1g, there is a single subpart F income group within the general category that consists of all of a CFC's foreign base company sales income.

Use lines 1a through 1f to enter the passive category foreign personal holding company income of the CFC under the appropriate income group (dividends, interest, rents, royalties, and annuities; net gain from certain property transactions; net gain from commodities transactions; net foreign currency gain; income equivalent to interest; and other passive category foreign personal holding company income of the CFC), each of which is also treated as a separate subpart F income group under Regulations section 1.960-1. See Regulations section 1.954-1(c)(1)(iii)(B).

**Note.** Enter the following passive category foreign personal holding company income of the CFC on line 1f (other foreign personal holding company income).

- Income from notional principal contracts.
  - Payments in lieu of dividends.
  - Personal service contracts.
- See section 954(c)(1)(F) through (H).

Attach a statement that includes all of the information requested by Schedule Q, line 1f, delineating the amount on line 1f for each of the three groups reporting on line 1f. For example, if both payments in lieu of dividends and income from notional principal contracts are included on line 1f, on the statement, identify the amount related to each of those income groups for each column of line 1f.

Use lines 1g through 1j to enter the foreign base company sales income, foreign base company services income, full inclusion income, and insurance income described in section 952(a)(1) of the CFC.

To figure the amounts to enter on lines 1a through 1j, on lines (1), (2), etc., under each line 1a through 1j, enter the name of each QBU of the CFC, including the CFC itself, and the information required in each column (i) through (xvi) with respect to the amount in each subpart F income group within each category for each

QBU. On lines 1a through 1j, enter the total for each column by adding the amounts on lines (1), (2), etc., excluding from such total any amounts reported with respect to income excluded from subpart F income under the high-tax exception in section 954(b)(4) ("subpart F high-tax exception"). These amounts are included in the total amount of residual income, which is reported on line 4. As a result, the amounts included on lines 1a through 1j for each column may not equal the sum of the amounts reported on lines (1), (2), etc., for each column because any item excluded from subpart F income by reason of the high-tax election is included in the summation on line 4 instead of the summations on lines 1a through 1j. See the instructions for column (xiv) and line 4.

**Example.** For line 1a(1), gross income of \$50 is reported in column (ii), foreign tax of \$20 is reported in each of columns (x) and (xii), and the checkbox in column (xiv) is checked. For line 1a(2), gross income of \$100 is reported in column (ii), \$5 of foreign tax is reported in each of columns (x) and (xii), and the checkbox in column (xiv) is not checked. For line 1a(3), gross income of \$75 is reported in column (ii), \$3 of foreign tax is reported in each of columns (x) and (xii), and the checkbox in column (xiv) is not checked. As a result, the amount reported in column (ii) on line 1a is the sum of the amounts reported in column (ii) on lines 1a(2) and 1a(3), which is equal to \$175 (\$100 + \$75). The amounts reported in columns (x) and (xii) on line 1a are the sum of the amounts reported in each column on lines 1a(2) and 1a(3), which is equal to \$8 (\$5 + \$3). The items reported on line 1a(1), gross income of \$50 and \$20 of foreign tax, are not included in the totals reported on line 1a. These amounts are included in the totals for each respective column on line 4. As a result, the amount reported on line 4, column (ii), is increased by \$50 and the amount reported in column (x) on line 4 is increased by \$20. No amount is reported on line 4, column (xii), because foreign income taxes attributable to high-tax exception or high-tax exclusion income are not creditable.

On lines 1k through 1m, enter international boycott income

described in section 952(a)(3); illegal bribes, kickbacks, and other payments described in section 952(a)(4); and income included in a section 901(j) separate category described in section 952(a)(5). See Regulations section 1.960-1(d)(2)(ii)(B)(2).

## Line 2. Recaptured Subpart F Income

Enter income that is recaptured as subpart F income in the current year. See section 952(c)(2).

## Line 3. Tested Income Group

Use line 3 to report tested income in the tested income group of the CFC (a "tested income group"). See Regulations section 1.960-1(d)(2)(ii)(C). On lines (1), (2), etc., under line 3, enter the name of each tested unit of the CFC (including the CFC tested unit itself) and enter for each tested unit the information required in columns (ii) through (xvi), based on the tentative gross tested income attributable to each tested unit (without regard to any amounts excluded under the GILTI high-tax exclusion in Regulations section 1.951A-2(c)(7) ("GILTI high-tax exclusion")). If the GILTI high-tax exclusion applies with respect to any tested unit of the CFC, include the amounts reported for columns (ii) through (xiii) and (xvi) in the total reported on line 4. See the instructions for line 4. As a result, the total amount entered on line 3 may not equal the sum of the amounts reported in columns (ii) through (xiii) and (xvi) on lines 3(1), 3(2), etc., if any tested unit's tentative tested income is excluded under the GILTI high-tax exclusion (these amounts are included in the total amounts reported on line 4). In general, tested income will be in a single tested income group within the general category. Because a CFC cannot earn section 951A category income or foreign branch category income at the CFC level, there is no tested income group within either section 904 category. With respect to the general category tested income group of a CFC, GILTI inclusion amounts and taxes with respect to the tested income group will generally be treated as income and deemed paid taxes in the section 951A category. See Regulations sections 1.904-4(g) and 1.904-6(e).

## Line 4. Residual Income Group

Use line 4 to report the information required in columns (i) through (xvi) that is in a section 904 category but that is not of a type that is included in one of the subpart F income groups or a tested income group and is therefore assigned to the residual income group. See Regulations section 1.960-1(d)(2)(ii)(D). Enter the name of each QBU and enter the information required for columns (i) through (xvi) for each QBU on lines 4(1), 4(2), etc., but do not enter amounts excluded from subpart F income under the subpart F high-tax exception (those amounts are reported on lines (1), (2), etc., under lines 1a through 1j) or tested income under the GILTI high-tax exclusion (those amounts are reported on lines 3(1), 3(2), etc.). Enter the sum of the amounts reported on lines 4(1), 4(2), etc., plus the sum of amounts excluded from subpart F income under the subpart F high-tax exception and tested income under the GILTI high-tax exclusion, in the appropriate column on line 4.

**Example.** For line 1a(1), \$100 of gross income is reported in column (ii), \$35 of foreign tax is reported in each of columns (x) and (xii), and the checkbox in column (xiv) is checked. For line 1a(2), \$75 of gross income is reported in column (ii), \$5 of foreign tax is reported in each of columns (x) and (xii), and the checkbox in column (xiv) is not checked. For line 3(1), \$200 of gross income is reported in column (ii), \$70 of foreign tax is reported in each of columns (x) and (xii), and the checkbox in column (xiv) is checked. For line 3(2), \$150 of gross income is reported in column (ii), \$10 of foreign tax is reported in each of columns (x) and (xii), and the checkbox in column (xiv) is not checked. For line 4(1), \$300 of gross income is reported in column (ii) and \$105 of foreign tax is reported in column (x). On line 4(1), both columns (xii) and (xiv) should be blank in all cases. As a result, the amount reported on line 4 for column (ii) is the sum of the amounts reported in column (ii) on lines 1a(1), 3(1), and 4(1), which equals \$600 (\$100 + \$200 + \$300). The amount reported in column (x) of line 4 is the sum of the amounts reported in column (x) on lines 1a(1), 3(1), and 4(1), which equals \$210 (\$35 + \$70 + \$105). No

amount should be reported in column (xii) of line 4 as foreign tax on residual amounts are not creditable. The amounts reported on line 1a(1) would not be included in the total for line 1a, but the amount reported on line 1a(2) would be included in the total reported on line 1a. Similarly, the amounts reported on line 3(1) would not be included in the total reported on line 3, but the amounts reported on line 3(2) would be reported in the total reported on line 3.

**Column (i).** Consistent with the reporting requirement on Form 1118, enter the two-letter code (from the list at [IRS.gov/CountryCodes](https://www.irs.gov/CountryCodes)) of each foreign country and U.S. territory within which income is sourced and/or to which taxes were paid or accrued.

**Column (ii).** Enter the amount of gross income of the CFC that is assigned to each income group within each section 904 category.

**Columns (iii) through (vii). Expenses.** Deductions of the CFC, including for current year taxes, are allocated and apportioned to the income groups to determine net income (or loss) in each income group and to identify the current year foreign income taxes that relate to the income in each income group for section 960 purposes. See Regulations section 1.960-1(c)(1) and 1.960-1(d)(3)(ii). Enter the expenses allocated and apportioned to the item of gross income reported for each QBU or tested unit as well as the aggregate amount of such expenses allocated and apportioned to each group. See the instructions for lines 1 through 4.

**Column (viii). Current year tax on reattributed income from disregarded payments.** This column is used to report current year tax imposed solely by reason of the receipt of a disregarded payment that is a reattribution payment. The current year tax is allocated and apportioned to the income group to which an amount of gross income is assigned by reason of the receipt of the reattribution payment. See Regulations sections 1.960-1(d)(3)(ii)(A) and 1.861-20(d)(3)(v)(B). Report current year taxes allocated and apportioned to the item of gross income reported for each QBU or tested unit as well as the aggregate amount of such foreign taxes in each

group. See the instructions for lines 1 through 4.

**Column (ix). Current year tax on all other disregarded payments.** This column is used to report current tax imposed solely by reason of the receipt of a disregarded payment other than a reattribution payment, and which is therefore either a remittance or a contribution. See Regulations section 1.861-20(d)(3)(v)(C). Foreign tax imposed by reason of a disregarded payment that is a remittance is assigned to the income groups based upon the assets of the payor. See Regulations section 1.861-20(d)(3)(v)(C)(1). Foreign tax imposed by reason of a disregarded payment that is a contribution is assigned to the residual grouping. See Regulations section 1.861-20(d)(3)(v)(C)(2). Report current year taxes allocated and apportioned to the item of gross income reported for each QBU or tested unit as well as the aggregate amount of such foreign taxes allocated and apportioned to each group. See the instructions for lines 1 through 4.

**Column (x). Other current year taxes.** Any other current year tax is allocated and apportioned among the section 904 categories under the rules of Regulations section 1.904-6(a) based on the portion of the foreign taxable income (as characterized under federal income tax principles) that is assigned to a particular section 904 category. Any other current year foreign tax is allocated to the CFC income group to which the items of foreign gross income are assigned under the rules of Regulations section 1.861-20. Report current year taxes allocated and apportioned to the item of gross income reported for each QBU or tested unit as well as the aggregate amount of such foreign taxes allocated and apportioned to each group. See the instructions for lines 1 through 4.

**Column (xii). Foreign taxes for which credit is allowed (U.S. dollars).** The amount reported in column (xii) may not be the same as the sum of the amounts in columns (viii) through (x) if columns (viii) through (x) include taxes that are not creditable, including taxes paid or accrued to sanctioned countries; foreign taxes disallowed under section 901(k), (m),

and (l); and taxes paid or accrued to the United States.

**Column (xiii). Average asset value.** Foreign gross income that arises from a disregarded payment that is treated as a remittance for U.S. tax purposes is assigned to an income group by reference to the income groups to which the assets of the payor taxable unit are assigned (or would be assigned if the taxable unit were a U.S. person) under the rules of Regulations section 1.861-9 for purposes of apportioning interest expense. This rule uses the payor's asset apportionment percentages as a proxy for the accumulated earnings of the payor taxable unit from which the remittance is made. For this purpose, the assets of the taxable unit making the remittance are determined in accordance with the rules of Regulations section 1.987-6(b) that apply in determining the source and separate category of exchange gain or loss on a section 987 remittance, as modified in two respects. See Regulations section 1.861-20(d)(3)(v)(C)(1). Report asset values for each QBU or tested unit as well as the aggregate amount of assets in each group. See the instructions for lines 1 through 4.

**Column (xiv). High-tax election.** Check the box in column (xiv) of the line corresponding to any item of income with respect to which the subpart F high-tax exception applies. If any amount is excluded under the subpart F high-tax exception, do not include it in the total for lines 1a through 1j, but instead add the amount to the total for line 4. See the instructions for lines 1 and 4. If a GILTI high-tax exclusion under Regulations section 1.951A-2(c)(7)(viii) is effective with respect to the CFC for the CFC inclusion year, check the box in column (xiv) that corresponds to the item(s) of income to which the exception applies. If an amount reported on line 3(1), 3(2), etc., is excluded from gross income under the GILTI high-tax exclusion, do not include it in the total amount for line 3. Instead, include the amounts in the total for line 4. See the instructions for lines 3 and 4.

**Column (xv). Loss allocation.** This column is used to report a reduction to subpart F income in each applicable income group when the foreign

corporation's subpart F income exceeds current year E&P. See Regulations sections 1.952-1(c) and (e) and 1.951A-6.

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## Schedule R

Schedule R is used to report basic information pertaining to distributions from foreign corporations. This information is required by sections 245A, 959, and 986(c).

### Name of Person Filing Form 5471

The name of the person filing Form 5471 is generally the name of the U.S. person described in the category or categories of filers (see [Categories of Filers](#), earlier). However, in the case of a consolidated return, enter the name of the U.S. parent in the field for "Name of person filing Form 5471."

### Reference ID Number of Foreign Corporation

If applicable, use the reference ID number shown on Form 5471, page 1, item 1b(2).

**Column (a). Description of distribution.** The description should include whether the distribution was cash or noncash and taxable or nontaxable to shareholders. Use code sections to properly identify the taxable or nontaxable consequences of the distribution. For example, "taxable cash dividend eligible for a dividends received deduction under section 245A" or "nontaxable cash distribution of PTEP." Report parts of a distribution on separate rows if the distribution is partially taxable and partially nontaxable, or if the distribution is either taxable or nontaxable by reason of different Code sections. For example, a cash distribution of \$100 that is a nontaxable distribution of PTEP under section 959(a) of \$30, a taxable dividend eligible for a dividends received deduction under section 245A of \$15, a taxable dividend under section 301(c)(1) of \$25, a nontaxable distribution applied against basis under section 301(c)(2) of \$10, and a taxable distribution treated as gain from the sale or exchange of property under section 301(c)(3) of \$20 would be reported on five rows.

If noncash distributions were made, attach a statement and show both the tax bases and FMVs.