

# Instructions for Form 1120-F

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

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Volume 4 of 4



Department of the Treasury  
**Internal Revenue Service**

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# **Schedule J—Tax Computation Line**

## **1. Income Tax**

Multiply taxable income (Form 1120-F, page 5, Section II, line 31) by 21% (0.21). Enter this amount on line 1.

**Increase in tax attributable to partner's additional reporting year tax.** If the taxpayer is a foreign corporate partner and received a Form 8986 from a partnership that has elected to have each reviewed year partner take into account the partner's share of the adjustments, as finally determined, instead of paying the imputed underpayment, the foreign corporate partner (taxpayer) will have to complete Form 8978 to report adjustments shown on the Form 8986 they received from the partnership. The foreign corporate partner (taxpayer) must complete a separate Form 8978 to report adjustments pertaining to income that is effectively connected with the conduct of a trade or business in the United States under section

882 (an "ECI Form 8978") and a separate Form 8978 to report adjustments pertaining to income from U.S. sources not effectively connected with the conduct of a trade or business in the United States under section 881 (an "FDAP Form 8978"). Include any increase in taxes due from the ECI Form 8978, line 14, in the total for Form 1120-F, Section II, Schedule J, line 1. On the dotted line next to line 1, enter "FROM FORM 8978" and the amount. Attach the ECI Form 8978 to Form 1120-F. If the ECI Form 8978, line 14, shows a decrease in tax, see the instructions for Schedule J, line 6.

**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 1. On the dotted line next to line 1, enter "Section

197” and the amount. See section 197(f)(9)(B)(ii).

## **Line 2. Base Erosion Minimum Tax Amount**

If the corporation had gross receipts of at least \$500 million in any 1 of the 3 tax years preceding the current tax year, complete and attach Form 8991. Enter on line 2 the base erosion minimum tax amount from Form 8991, Part IV, line 5e. See section 59A and the Instructions for Form 8991. Also, see the instructions for *Item DD*, earlier.

## **Line 3. Corporate Alternative Minimum Tax**

Enter on line 3 the amount from Form 4626, Part II, line 13, if applicable. See the Instructions for Form 4626.

## **Line 5a. Foreign Tax Credit**

A foreign corporation engaged in a U.S. trade or business during the tax year may take a

credit for income, war profits, and excess profits taxes paid, accrued, or deemed paid to any foreign country or U.S. territory for income effectively connected with the conduct of a trade or business in the United States. See section 906 and Form 1118, Foreign Tax Credit—Corporations.

### **Line 5b. General Business Credit**

Use Form 3800 to claim any of the general business credits. Include on line 5b the allowable credit from Form 3800, Part II, line 38. See the Instructions for Form 3800.

Also include on line 5b the amount of 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. Credit for Prior Year Minimum Tax**

Enter any allowable credit from Form 8827, Credit for Prior Year Minimum Tax—Corporations. Complete and attach Form 8827.

## **Line 5d. Bond Credits From Form 8912**

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

## **Line 6. Total Credits**

Add lines 5a through 5d. Enter the total on line 6.

**Decrease attributable to partner's additional reporting year tax.** If the taxpayer is a foreign corporate partner and received a Form 8986 from a partnership that has elected to have each reviewed year partner take into account the partner's share of the adjustments, as finally determined, instead of paying the imputed underpayment,

the foreign corporate partner (taxpayer) will have to complete Form 8978 to report adjustments shown on the Form 8986 they received from the partnership. The foreign corporate partner (taxpayer) must complete a separate Form 8978 to report adjustments pertaining to income that is effectively connected with the conduct of a trade or business in the United States under section 882 (an "ECI Form 8978") and a separate Form 8978 to report adjustments pertaining to income from U.S. sources not effectively connected with the conduct of a trade or business in the United States under section 881 (an "FDAP Form 8978"). Include any decrease in taxes due (negative amount) from the ECI Form 8978, line 14, in the total for Form 1120-F, Section II, Schedule J, line 6. On the dotted line next to line 6, enter "FROM FORM 8978" and the amount. Attach the ECI Form 8978 to Form 1120-F. If the ECI Form 8978, line 14, shows an increase in tax, see the instructions for Schedule J, line 1.



## **Line 8. Other Taxes**

Include any of the following taxes and interest.

### **Line 8a. Recapture of investment credit.**

If the corporation disposed of investment credit property or changed its use before the end of the 5-year recapture period under section 50(a), enter the increase in tax from Form 4255, Recapture of Investment Credit. See the Instructions for Form 4255.

### **Line 8b. 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 8c. Interest due under the look-back method for 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, Interest Computation Under the Look-Back Method for Completed Long-Term Contracts, to figure any interest due or to be refunded. See the Instructions for Form 8697. Include any interest on line 8c.

**Line 8d. 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 8d.

**Line 8e. Alternative tax on qualifying shipping activities.** Enter any alternative tax on qualifying shipping activities from Form 8902.

**Line 8f. Other.** Include on line 8f additional taxes and interest such as the following. Attach a statement showing the computation of each item included in the total for line 8f 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).
- Interest on deferred tax attributable to certain nondealer installment obligations (section 453A(c)) and dealer installment obligations (section 453(l)).
- Interest due on deferred gain (section 1260(b)).
- Recapture of section 45Q carbon oxide sequestration credit (see Form 8933, Part III, line 22).

# **Section III—Branch Profits Tax and Tax on Excess Interest**

## **Part I—Branch Profits Tax**

Section 884(a) imposes a 30% branch profits tax on the after-tax earnings of a foreign corporation's U.S. trade or business (that is, effectively connected earnings and profits (ECEP)) that are not reinvested in a U.S. trade or business by the close of the tax year, or are disinvested in a later tax year. Changes in the value of the equity of the foreign corporation's U.S. trade or business (that is, U.S. net equity) are used as a measure of whether earnings have been reinvested in, or disinvested from, a U.S. trade or business. An increase in U.S. net equity during the tax year is generally treated as a reinvestment of earnings for the current tax year. A decrease in U.S. net equity is generally treated as a disinvestment of prior year's earnings that have not previously been subject to the branch profits tax.

The amount subject to the branch profits tax for the tax year is the dividend equivalent amount. See Regulations section 1.884-1(b).

### **Other entities subject to the branch profits tax.**

- A foreign corporate partner of a partnership engaged in a U.S. trade or business is subject to the branch profits tax on its ECEP attributable to its distributive share of ECI.
- A foreign government is subject to both the branch profits tax and the branch-level interest tax. However, no branch profits tax or branch-level interest tax will be imposed on ECEP and interest accrued prior to September 11, 1992. See Regulations section 1.884-0.

### **Line 2**

Attach a statement showing the following adjustments (based on the principles of section 312) to the corporation's line 1

effectively connected taxable income (ECTI) (before the NOL deduction and special deductions) to get ECEP.

- Positive adjustments for certain ECI items that are excluded from ECTI but that must be included in computing ECEP (such as tax-exempt interest income).
- Positive adjustments for certain items deducted in computing ECTI but that may not be deducted in computing ECEP. Include adjustments for certain deductions claimed in computing ECTI, such as:
  1. Excess of percentage depletion over cost depletion,
  2. Excess of accelerated depreciation over straight line depreciation (but only if 20% or more of the foreign corporation's gross income from all sources is U.S. source), and
  3. Capital loss carrybacks and carryovers.

- Negative adjustments for certain deductible items (that are allocable to ECI) that may not be deducted in computing ECTI but that must be deducted in computing ECEP (for example, federal income taxes, capital losses in excess of capital gains, and interest and expenses that are not deductible under section 265).

**Note.** Do not reduce ECEP by any dividends or other distributions made by the foreign corporation to its shareholders during the year.

See Temporary Regulations section 1.884-2T for any adjustments to ECEP due to a reorganization, liquidation, or incorporation.

**Exceptions.** Do not include the following types of income when computing ECEP.

- Income from the operation of ships or aircraft exempt from taxation under section 883(a)(1) or (2).



- FSC income and distributions treated as ECI under section 921(d) or 926(b), as in effect before their repeal, that are not otherwise ECI.
- Gain on the disposition of an interest in a domestic corporation that is a U.S. real property interest under section 897(c)(1)(A)(ii) if the gain is not otherwise ECI. • Related person insurance company income that a taxpayer elects to treat as ECI under section 953(c)(3)(C) if the income is not otherwise ECI.
- Income that is exempt from tax under section 892.
- Interest income derived by a possession bank from U.S. obligations if the interest is treated as ECI under section 882(e) and is not otherwise ECI.

**Note.** Deductions and other adjustments attributable (under the principles of Regulations section 1.861-8) to the types of

income not includible in ECEP listed above do not reduce ECEP.

## **Lines 4a and 4b. U.S. Net Equity**

**U.S. net equity** is U.S. assets reduced by U.S. liabilities. U.S. net equity may be less than zero. See Temporary Regulations section 1.884-2T for specific rules regarding the computation of the foreign corporation's U.S. net equity due to a reorganization, liquidation, or incorporation.

**U.S. assets.** In general, property is a U.S. asset if all income from its use and all gain from its disposition (if used or sold on the last day of the tax year) are or would be ECI. The amount of property taken into account as a U.S. asset is the adjusted basis (for purposes of computing earnings and profits) of the property. Special rules exist for specific types of property, such as depreciable property, inventory, and installment obligations. Special rules also exist to determine the amount of a

partnership interest that is treated as a U.S. asset. See Regulations section 1.884-1(d).

**U.S. liabilities.** In general, U.S. liabilities are U.S.-connected liabilities of a foreign corporation (determined under Regulations section 1.882-5), computed as of the end of the tax year, rather than as an average, as required under Regulations section 1.882-5. Special rules may apply to foreign insurance companies. For more details, see Regulations section 1.884-1(e).

If the corporation is electing to reduce liabilities under Regulations section 1.884-1(e)(3), attach a statement that it is making the election and indicate the amount of the reduction of U.S. liabilities and the corresponding reduction in interest expense. The aggregate amount of the corporation's liability reduction elections is also required to be reported on Schedule I (Form 1120-F), line 7b.

**Reporting requirements.** In the statements required for lines 4a and 4b, report U.S. assets according to the categories of U.S. assets in Regulations section 1.884-1(d). For U.S. liabilities, show the formula used to calculate the U.S. liabilities figure.

## **Line 6. Branch Profits Tax**

**Qualification for treaty benefits.** In general, a foreign corporation must be a qualified resident (see definition later) in the tax year in which it has a dividend equivalent amount to obtain treaty benefits for the branch profits tax. It must also meet the requirements of any limitation on benefits article in the treaty. However, a foreign corporation is not required to be a qualified resident if it meets the requirements of a limitation on benefits article of an income tax treaty that entered into force after December 31, 1986.

Treaties other than income tax treaties do not exempt a foreign corporation from the branch profits tax.

**Foreign corporations that meet the requirements of the limitation on benefits article of an income tax treaty that entered into force after December 31, 1986.** Most limitation on benefits articles of treaties that entered into force after December 31, 1986, include a series of objective tests including ownership tests (generally describing the circumstances under which individuals, publicly traded corporations, subsidiaries of publicly traded corporations, etc., will be treated as qualified residents under a treaty), a base erosion test, and a trade or business test. These tests are self-executing. A person that does not meet these objective tests may still be granted benefits under the treaty (and may be treated as a qualified resident for branch profits tax

purposes) at the discretion of the Competent Authority.

See Rev. Proc. 2015-40, 2015-35 I.R.B. 236, available at [IRS.gov/irb/ 2015-35 IRB#RP-2015-40](https://www.irs.gov/irb/2015-35_IRB#RP-2015-40), or its successor.

**Foreign corporations that do not meet the requirements of a limitation on benefits article of an income tax treaty that entered into force after December 31, 1986.** A foreign corporation that does not meet the requirements of a limitation on benefits article of an income tax treaty that entered into force after December 31, 1986, is a **qualified resident** of a country if it meets one of the three tests explained in the regulations under section 1.884-5. See these regulations for details on these tests and certain circumstances in which a foreign corporation that does not meet these tests may request a ruling to be treated as a qualified resident.

**Rate of tax.** If treaty benefits apply, the rate of tax is the rate on branch profits specified in the treaty. If the treaty does not specify a rate for branch profits, the rate of tax is the rate specified in the treaty for dividends paid by a wholly owned domestic corporation to the foreign corporation. See Regulations section 1.884-1(g) for applicable rates of tax. Benefits other than a rate reduction may be available under certain treaties, such as the Canadian income tax treaty.

**Note.** Many treaties listed in Regulations section 1.884-1(g)(3) and (g)(4) are no longer in force and have been replaced by more recently ratified treaty agreements. The corporation should use the applicable rate of tax specified in the treaty agreement currently in force with the United States.

**Effect of complete termination.** If the foreign corporation has completely terminated its U.S. trade or business (within the meaning of Temporary Regulations section 1.884-

2T(a)) during the tax year, enter zero on line 6, and complete line 11 at the bottom of page 6 of Form 1120-F.

In general, a foreign corporation has terminated its U.S. trade or business if it no longer has any U.S. assets, except those retained to pay off liabilities. The foreign corporation (or a related corporation) may not use assets from the terminated U.S. trade or business or the proceeds from their sale in a U.S. trade or business within 3 years after the complete termination. The foreign corporation must also attach Form 8848 extending the period for assessment for the year of complete termination to a date not earlier than the close of the sixth year following the close of that tax year.

**Effect of complete liquidation or reorganization.** If a foreign corporation transfers its U.S. assets in a liquidation or reorganization described in section 381(a), see Temporary Regulations section 1.884-



2T(c). If the transferee is a domestic corporation, the foreign corporation must also file Form 8848. See Temporary Regulations section 1.884-2T(c) and Regulations section 1.884-2(c)(2)(iii).

### **Effect of incorporation under section**

**351.** If a foreign corporation transfers all or a part of its U.S. assets to a domestic corporation in a transaction that qualifies under section 351, see Temporary Regulations section 1.884-2T(d) for the rules for determining the foreign corporation's branch profits tax liability in the year of the transfer, and other rules applicable to the domestic transferee corporation. If a foreign corporation transfers its U.S. assets to another foreign corporation, the foreign corporation must compute its branch profits tax liability under Regulations section 1.884-1.

**Coordination with withholding tax.** If a foreign corporation is subject to the branch profits tax in a tax year, it will not be subject to withholding at source (section 871(a), 881(a), 1441, or 1442) on dividends paid out of earnings and profits for the tax year.

## **Part II—Tax on Excess Interest**

If a foreign corporation is engaged in a U.S. trade or business, has effectively connected gross income, or has U.S. assets for purposes of Regulations section 1.882-5, it is subject to the tax on excess interest.

Excess interest is the interest apportioned to ECI of the foreign corporation (including capitalized and nondeductible interest) under Regulations section 1.882-5, less branch interest. Branch interest is the interest paid by the U.S. trade or business of the foreign corporation (including capitalized and other nondeductible interest).

**Important.** See the instructions for Line 10. Tax on Excess Interest, later, to determine if the foreign corporation is exempt from the tax on excess interest. If it is exempt from the tax, and not simply subject to a reduced rate of tax, **do not** complete Part II of Section III. However, be sure to complete item W(1) on page 2 of Form 1120-F.

### **Line 7a**

Enter the amount of interest expense deduction allocable to ECI under Regulations section 1.882-5, from Section II, line 18.

### **Lines 7b and 7c**

Lines 7b and 7c reconcile the deduction claimed in Section II, line 18, with the amount of interest expense allocable to ECI under Regulations section 1.882-5. Amounts that increase or decrease the amount allocable to ECI are reported on line 7b from Schedule I (Form 1120-F), line 24g. Line 7c reconciles to the amount of interest expense

reported on Schedule I (Form 1120-F), line 23. Lines 7b and 7c are completed as follows.

**Line 7b.** Enter the inverse of the amount reported on Schedule I (Form 1120-F), line 24g. For example, if line 24g is negative, enter as a positive number. If line 24g is positive, enter as a negative number. This is the total amount of interest expense included in the amount allocable under Regulations section 1.882-5 that is deferred, capitalized, and disallowed under other sections after application of the interest expense allocation rules.

**Line 7c.** Combine lines 7a and 7b. The combined amount is the amount of interest expense allocable to ECI for the year under Regulations section 1.882-5. The amount on line 7c must equal the amount on Schedule I (Form 1120-F), line 23.

## **Line 8. Branch Interest**

**Foreign banks.** Enter from Schedule I (Form 1120-F) the sum of line 9, column (c), and line 22, which is the amount of interest expense included on books that give rise to U.S. booked liabilities and that is directly allocable to ECI under Regulations section 1.882-5(a)(1)(ii). The sum of these two amounts is the amount of book interest expense paid or accrued on U.S. booked liabilities defined in Regulations section 1.882-5(d)(2).

**Definition of branch interest.** The term “branch interest” means interest that is:

1. Paid by a foreign corporation with respect to a liability that is (a) a U.S. booked liability within the meaning of Regulations section 1.882-5(d)(2) (other than a U.S. booked liability of a partner within the meaning of Regulations section 1.882-5(d)(2)(vii)), or (b) described in

Regulations section 1.884-1(e)(2) (relating to insurance liabilities on U.S. business and liabilities giving rise to interest expense that is directly allocated to income from a U.S. asset); or

2. In the case of a foreign corporation other than a bank (as defined in section 585(a)(2)(B) without regard to the second sentence thereof), a liability specifically identified as a liability of a U.S. trade or business of the foreign corporation on or before the earlier of the date on which the first payment of interest is made with respect to the liability or the due date (including extensions) of the foreign corporation's income tax return for the tax year provided that (a) the amount of such interest does not exceed 85% of the amount of interest of the foreign corporation that would be excess

interest before taking into account interest treated as branch interest; (b) certain recipient notification requirements are satisfied; and (c) the liability was not incurred in the ordinary course of a foreign business or secured by foreign assets, or is not a U.S. booked liability, or is not an insurance liability on a U.S. business, or is not a liability giving rise to interest expense that is directly allocated to income from a U.S. asset. See Regulations section 1.884-4(b).

**All other foreign corporations.** In general, branch interest of foreign corporations (other than banks) includes:

1. Interest on liabilities shown on the books and records of the U.S. trade or business for purposes of Regulations section 1.882-5(d)(2),
2. Interest on liabilities that are secured predominantly by U.S. assets or that

cause certain nondeductible interest (such as capitalized interest) related to U.S. assets, and

3. Interest on liabilities identified as liabilities of the U.S. trade or business on or before the earlier of the date on which the first interest payment is made or the due date (including extensions) of the foreign corporation's income tax return for the tax year.

However, a liability may not be identified under 3 above if the liability is incurred in the ordinary course of the foreign corporation's trade or business, or if the liability is secured predominantly by assets that are not U.S. assets. The interest on liabilities identified in 3 above that will be treated as interest paid by the U.S. trade or business is capped at 85% of the interest of the foreign corporation that would be excess interest before



considering interest on liabilities identified in 3 above. See Regulations section 1.884-4.

**Interbranch interest.** Any interest paid for interbranch liabilities is disregarded in computing branch interest of any corporation.

**80% rule.** If 80% or more of a foreign corporation's assets are U.S. assets, the foreign corporation's branch interest will generally equal the interest reported on line 7c. However, any interest included on line 7c that has accrued but has not been paid will not be treated as branch interest on line 8 unless an election is made under Regulations section 1.884-4(c)(1) to treat such interest as paid in that year for all purposes of the Code.

If this 80% rule applies, check the box on line 8.

**Note.** Branch interest of a foreign corporation is treated as if paid by a domestic corporation. A foreign corporation is thus required to withhold on interest paid by its

U.S. trade or business to foreign persons (unless the interest is exempt from withholding under a treaty or the Code) and is required to file Forms 1042 and 1042-S for the payments.

Special treaty shopping rules apply if the recipient of the interest paid by the U.S. trade or business is a foreign corporation.

### **Line 9b**

A foreign bank may treat a percentage of its excess interest as if it were interest on deposits and thus exempt from tax. Multiply the amount on line 9a by the greater of 85% (0.85) or the ratio of the foreign bank's worldwide interest-bearing deposits to its worldwide interest-bearing liabilities as of the close of the tax year.

### **Line 10. Tax on Excess Interest**

The rate of tax on excess interest is the same rate that would apply to interest paid to the foreign corporation by a wholly owned

domestic corporation. The tax on excess interest is not prohibited by any provision in any treaty to which the United States is a party. The corporation may qualify for treaty benefits if it meets certain requirements. See Line 6. Branch Profits Tax, earlier. The corporation is exempt from the tax on excess interest if the rate of tax that would apply to interest paid to the foreign corporation by a wholly owned domestic corporation is zero and the foreign corporation qualifies for treaty benefits.

## **Schedule L—Balance Sheets per Books**

### **Balance Sheet per Books**

The balance sheet assets, liabilities, and equity amounts required to be reported on Schedule L are either the worldwide assets, liabilities, and equity of the corporation, or, at the taxpayer's election, the set(s) of books that contains assets located in the United

States and other assets used in the trade or business conducted in the United States. See Regulations section 1.6012-2(g)(1)(iii). If a corporation (including a foreign bank) chooses worldwide reporting on Schedule L, the profit and loss results from the same set(s) of books must be used to report the adjusted worldwide net income (loss) results in Part I, line 11, of Schedule M-3 (Form 1120-F).

**Set(s) of books based on Regulations section 1.882-5(d)(2).** If the corporation chooses to limit the Schedule L reporting to the books that give rise to ECI from assets located in the United States and other assets used in the trade or business conducted in the United States, the total assets, liabilities, and equity on the set(s) of books that contain these characteristics must be reported on Schedule L. These are the total assets, liabilities, and equity amounts reflected on the same set(s) of books that gives rise to

U.S. ECI and U.S. booked liabilities (as defined in Regulations sections 1.882-5(d)(2)(ii)(A) (foreign corporations other than banks) and 1.882-5(d)(2)(iii) (foreign banking corporations)).

The set(s) of books required to be reported on Schedule L by a foreign bank are the same set(s) of books the foreign bank must use to derive the net book income on Schedule M-3 (Form 1120-F), Part I, line 11. The total assets and liabilities required to be reported include the interbranch assets and liabilities and the noneffectively connected assets reflected on such books. The set(s) of books that gives rise to U.S. booked liabilities under Regulations section 1.882-5(d)(2) will generally be the set(s) of books maintained within the United States by the corporation's U.S. trade or business. However, one or more sets of books required to be reported on Schedule L do not have to be maintained within the United States so long as the

totality of the books reflects a substantial ECI activity that gives rise to inclusion of the books' third-party liabilities as U.S. booked liabilities under Regulations section 1.882-5(d)(2). This determination is made under the facts and circumstances pertaining to materiality of the ECI activities reflected on the set(s) of books in accordance with the requirements of the interest expense allocation regulations. See Regulations section 1.882-5(d)(6), example 5. This standard is used to determine U.S. booked liability qualification regardless of whether the foreign corporation uses the Adjusted U.S. Booked Liabilities Method or the Separate Currency Pools Method to allocate interest expense under Regulations section 1.882-5.

A Schedule L set of books does not include a book whose only assets are those that give rise to ECI under section 864(c)(6) or (c)(7). A set of books that has only ECI assets under section 864(c)(6) and (c)(7) is not a set of

books that gives rise to U.S. booked liabilities under the applicable test for a bank or a corporation other than a bank in Regulations section 1.882-5(d)(2). Books and records of this type are generally books maintained in a foreign location that include assets either originated through the material activities of the U.S. trade or business or assets formerly held in connection with a U.S. trade or business that are no longer held or used for that purpose. Transferred assets from a set of books of the U.S. trade or business will generally reflect assets described in section 864(c)(6) or (c)(7). See Regulations section 1.884-1(d) (2)(xi), example 5. Securities that are attributable to a U.S. office of a banking, financing, or similar business that are transferred to a foreign location of a continuing U.S. banking office remain attributable to such U.S. office under Regulations section 1.864-4(c)(5)(iii) and do not constitute assets described in section 864(c)(6) or (c)(7). However, a foreign set of

books and records that reflects securities of a banking, financing, or similar business that gives rise to ECI may or may not constitute books that give rise to U.S. booked liabilities under the facts and circumstances. Generally, a relatively small number of securities reflected on the books and records of the home office of a foreign bank that reflects predominantly noneffectively connected assets of the same type will not cause the foreign book to give rise to U.S. booked liabilities under Regulations section 1.882-5(d)(2)(iii).

If the foreign corporation has more than one set of books and records that give rise to U.S. booked liabilities under Regulations section 1.882-5(d)(2), it must report the combined amounts shown on all such books and records on Schedule L. For example, the books and records of a foreign insurance company required to file Form 1120-F include, but are not limited to, amounts reported on



statements (for example, NAIC statements) filed with a domestic state insurance authority. If a foreign bank maintains a consolidation of two or more sets of books that collectively give rise to U.S. booked liabilities, the corporation may report the financial consolidation of such set of books on Schedule L. See Regulations section 1.882-5(d)(6), example 5. However, if the foreign corporation has a set of books from a disregarded entity that is not included in a U.S. trade or business consolidation and such other set of books gives rise to U.S. booked liabilities under Regulations section 1.882-5(d)(2), then such set of books must be included in the consolidation of books reported on Schedule L. Combined books reported on Schedule L must be adjusted to eliminate transactions recorded between the reportable books. However, amounts recorded between the set(s) of books and other divisions of the foreign corporation or disregarded entities whose books do not give

rise to U.S. booked liabilities are not eliminated unless the taxpayer chooses worldwide reporting under the general rule in Regulations section 1.6012-2(g)(1)(iii).

**Line 1. Cash.** Corporations other than banks include certificates of deposit as cash on line 1. Foreign banks include certificates of deposit as current or non-current assets, as the case may be, in their appropriate interbranch, U.S. asset, or non-U.S. asset categories. **Line 5. Tax-exempt securities.** Include:

- 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 6. Current assets.** On line 6a, enter all current interbranch assets (in accordance with the corporation's accounting practices)

reflected on the combined sets of books that are transacted with other books of the corporation that are not reportable on Schedule L (including books of disregarded entities, if applicable). On line 6b, enter the current non-U.S. assets on the sets of books reportable on Schedule L. Non-U.S. assets are third-party assets (whether with related or unrelated parties) that give rise only to noneffectively connected income. On line 6c, enter the current U.S. assets on the Schedule L reportable books. U.S. assets are assets that give rise to ECI and constitute U.S. assets in whole or in part under Regulations section 1.884-1(d). Enter assets held for trading or dealing to customers in the applicable category on line 6. Attach a statement to indicate the amount for each category of current assets included in line 6, such as money market deposits of banks, trading assets held for the taxpayer's own account, and dealing assets held for customers including amounts recorded on the

books of a global dealing operation that are allocated between ECI and non-ECI under Proposed Regulations section 1.863-3(h) and Proposed Regulations section 1.864-4(c)(2)(iv).

**Line 9. Other loans and investments.** On line 9a, enter the amount of other non-U.S. asset loans and investments to third parties (whether related or unrelated parties). Non-U.S. assets in this category are loans and investments that give rise to noneffectively connected income. If a taxpayer has investments that give rise to ECI in part and non-ECI in part, enter the proportionate amount of the investment asset that gives rise to non-ECI on line 9a. Do not include interbranch amounts on line 9a. On line 9b, report the U.S. asset loans and investments to third parties (whether related or unrelated parties). U.S. asset loans and investments are assets that give rise to ECI. If an investment asset gives rise to ECI in part and non-ECI in

part, enter the proportionate amount of the investment asset that gives rise to ECI on line 9b. See Regulations section 1.884-1(d)(2)(vii). Attach a statement indicating the amount for each category of loans and investment assets held by the corporation that give rise to non-ECI (line 9a) and ECI (line 9b) (for example, loans to customers, securities described in Regulations section 1.864-4(c)(5)(ii)(b) (3)).

**Line 15. Other non-current interbranch assets.** Include on line 15 non-current interbranch amounts on the Schedule L books recorded with other non-Schedule L books of the corporation (including disregarded entities whose books are not reportable on Schedule L). Non-current assets are determined in accordance with the accounting practices of the corporation on its books and records.

**Line 16. Other non-current, third-party assets.** Report on line 16a, other non-current, non-U.S. assets on the Schedule L

books with third parties (whether related or unrelated parties). Non-U.S. assets are those that give rise to noneffectively connected income. Attach a statement to indicate the amount for each category of non-U.S. assets (for example, foreign-related party assets that give rise to non-ECI under section 864(c)(4)(D)). Report on line 16b other non-current U.S. assets on the Schedule L books with third parties (whether related or unrelated parties). U.S. assets are those that give rise to ECI in accordance with Regulations section 1.884-1(d). Attach a statement indicating the amount for each category of assets that give rise to ECI.

**Line 19. Mortgages, notes, bonds payable in less than 1 year.** Enter on line 19a interbranch liabilities on the Schedule L books that are payable in less than one year to books of the corporation that are not reportable on Schedule L (including books of disregarded entities that are not reportable

on Schedule L). Report only interbranch liabilities that accrue or pay interest on the Schedule L books and records to other books of the corporation in accordance with the corporation's internal accounting practices. Attach a statement indicating the amount for each category of interbranch liabilities (for example, money market deposit liabilities, other short-term liabilities, etc.). On line 19b, enter liabilities on the Schedule L books that are payable in less than one year to third parties (whether related or unrelated). Attach a statement indicating the amount for each category of liability owed to third parties (for example, money market deposit liabilities, other short-term borrowings, Vostro accounts, etc.).

**Line 22. Mortgages, notes, bonds payable in 1 year or more.** Enter on line 22a interbranch liabilities on the Schedule L books that are payable in one year or more to books of the corporation that are not reportable on

Schedule L (including books of disregarded entities that are not reportable on Schedule L). Report only interbranch liabilities that accrue or pay interest on the Schedule L books and records to other books of the corporation in accordance with the corporation's internal accounting practices. Attach a statement indicating the amounts for each category of liability (for example, long-term interbranch borrowings). Enter on line 22b liabilities on the Schedule L books that are payable in one year or more to third parties (whether related or unrelated parties). Attach a statement indicating the amounts for each category of liability (for example, long-term certificates of deposit, other long-term borrowings, etc.).

**Line 24. Other liabilities.** Enter on line 24a other interbranch liability amounts on the Schedule L books owed to other books of the corporation (including to books of disregarded entities) not reportable on Schedule L,



including amounts that do not give rise to interest accruals or payments in accordance with the corporation's internal accounting practices. Attach a statement indicating the amount for each category of interbranch liability reported on line 24a. Enter on line 24b other liability amounts on the Schedule L books owed to third parties (whether related or unrelated parties) including amounts that do not give rise to interest accruals or payments in accordance with the corporation's accounting practices. Attach a statement indicating the amount for each category of third-party liability reported on line 24b.

**Line 29. Adjustments to shareholders' equity.** 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 29 is a negative amount, enter the amount in parentheses.

***Adaptation of Schedule L for treaty-based reporting.*** The set(s) of books reported on Schedule L for treaty-based reporting purposes will generally be the same set(s) of books reported on Schedule L, as described below. However, certain books that give rise to ECI might not necessarily give rise to treaty-based reporting. For example, the assets on a set of books could still be attributed to a U.S. office for ECI reporting purposes even when transferred away from the U.S. permanent establishment for treaty

reporting purposes (see, for example, Regulations section 1.864-4(c) (5)(iii)) if under the facts and circumstances, such assets also constitute a set of books that give rise to U.S. booked liabilities under Regulations section 1.882-5(d)(2). Under such circumstances, the set of books would remain reportable on Schedule L for Code-based reporting purposes, but for treaty-based reporting purposes, such transfer may effect attribution to another part of the corporate enterprise under a functional and factual analysis and no longer be reportable on Schedule L as part of the U.S. permanent establishment after the transfer is made. Additionally, a set of books having no ECI or U.S. booked liabilities under Regulations section 1.882-5(d)(2) might still constitute a set of books of the U.S. permanent establishment because the items recorded thereon are primarily attributable to the U.S. permanent establishment under the application by analogy of the OECD Transfer

Pricing Guidelines as authorized by the relevant treaty (for example, see Article 7 (Business Profits) and the accompanying Exchange of Notes). In such cases, the set(s) of books that must be reported on Schedule L are those of the U.S. permanent establishment as determined under the OECD Transfer Pricing Guidelines.

## **Schedules M-1 and M-3**

In completing Schedules M-1 and M-3, the following apply.

- A corporation with total assets of \$10 million or more on the last day of the tax year that are reportable on Schedule L must file Schedule M-3 (Form 1120-F) instead of Schedule M-1.
- A corporation filing Form 1120-F 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-F) for more information.

- Corporations that (a) are required to file Schedule M-3 (Form 1120-F) 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-F) and voluntarily file Schedule M-3 (Form 1120-F), must either (i) complete Schedule M-3 (Form 1120-F) entirely, or (ii) complete Schedule M-3 (Form 1120-F) through Part I, and complete Schedule M-1 instead of completing Parts II and III of Schedule M-3 (Form 1120-F). 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-F) for more information.

- If Schedule M-3 is not required, the foreign corporation must report on line 1 of Schedule M-1 the net income (loss) per the set of books taken into account on Schedule L.
- The foreign corporation must report on line 1 of Schedule M-2 the balance of unappropriated retained earnings per the set(s) of books taken into account on Schedule L.

**Note.** If Schedule M-3 is filed in lieu of Schedule M-1, the corporation is still required to file Schedule M-2.

Do not file Schedules M-1 and M-2 (Form 1120-F) if total assets at the end of the tax year (line 17, column (d), of Schedule L) are less than \$25,000.

## Schedule W

Complete Schedule W to determine the portion of the foreign corporation's overpayment (on Form 1120-F, page 1, line 8a) resulting from tax deducted and withheld under Chapter 3 or 4.

**Line 3.** The amount to be entered on Schedule W, line 3, may be computed using the general guidelines set forth in the following table.

**a. Tax on ECI per the tax**

**return.** Enter the amount from Form 1120-F, page 1, line 2.....

**a.** \_\_\_\_\_

**b.** To properly reflect the overpayment described in section 6611(e)(4), refigure the taxable income on Form 1120-F, Section II, line 31, by excluding from Section II, lines 8 through 10, any amount from

**b.** \_\_\_\_\_

the disposition of a U.S. real property interest, any partnership ECTI allocable to the corporation under the rules of Regulations section 1.1446-2, and for transactions occurring after December 31, 2018, any amount from the disposition of an interest (that is not publicly traded) in a partnership that is engaged in the conduct of a trade or business in the United States (attach explanation of amounts excluded).....

- c. Refigured tax on ECI.** Using the refigured taxable income from line b, refigure the tax for Schedule II of Form 1120-F on Schedule J and enter the

**c.** \_\_\_\_\_



refigured tax from Schedule J,  
line 9, here....

**d.** Subtract line c from line a.

Enter the result here and on  
Schedule W, line 3 .....

**d.** \_\_\_\_\_

**Paperwork Reduction Act Notice.** We ask for the information on this form 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 Internal Revenue Code section 6103.

The estimated burden for taxpayers filing this form is approved under OMB control number 1545-0123.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can send us comments through [IRS.gov/FormsComments](https://www.irs.gov/formscomments). Or you can write to the Internal Revenue Service, Tax Forms and Publications Division, 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.



<b>Form 1120-F</b> <b>Principal Business Activity Codes</b>  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 5, line 1a) plus all other income (page 5, 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 page 1, items F(1), F(2), and F(3). For item F(1), enter the six-digit code selected from the list below. For item F(2), enter the company's business activity. For item F(3), enter a brief description of the principal product or service of the company.			
<b>Agriculture, Forestry, Fishing, and Hunting</b> <b>Crop Production</b> 111100 Oilseed & Grain Farming 111210 Vegetable & Melon Farming (including potatoes & yams)  111300 Fruit & Tree Nut Farming 111400 Greenhouse, Nursery, & Floriculture Production  111900 Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet & all other crop farming) <b>Animal Production</b> 112111 Beef Cattle Ranching & Farming 112112 Cattle Feedlots 112120 Dairy Cattle & Milk Production 112210 Hog & Pig Farming 112300 Poultry & Egg Production 112400 Sheep & Goat Farming 112510 Aquaculture (including shellfish & finfish farms & hatcheries) 112900 Other Animal Production <b>Forestry and Logging</b> 113110 Timber Tract Operations 113210 Forest Nurseries & Gathering of Forest Products 113310 Logging <b>Fishing, Hunting and Trapping</b> 114110 Fishing 114210 Hunting & Trapping <b>Support Activities for Agriculture and Forestry</b> 115110 Support Activities for Crop Production (including cotton ginning, soil preparation, planting, & cultivating)  115210 Support Activities for Animal Production (including farriers) 115310 Support Activities For Forestry		238300 Building Finishing Contractors (including drywall, insulation, painting, wallcovering, flooring, tile, & finished carpentry)  238900 Other Specialty Trade Contractors (including site preparation)  <b>Manufacturing</b> <b>Food Manufacturing</b> 311110 Animal Food Mfg 311200 Grain & Oilseed Milling 311300 Sugar & Confectionery Product Mfg  311400 Fruit & Vegetable Preserving & Specialty Food Mfg 311500 Dairy Product Mfg 311610 Animal Slaughtering & Processing  311710 Seafood Product Preparation & Packaging 311800 Bakeries, Tortilla & Dry Pasta Mfg 311900 Other Food Mfg (including coffee, tea, flavorings & seasonings) <b>Beverage and Tobacco Product Manufacturing</b> 312110 Soft Drink & Ice Mfg 312120 Breweries 312130 Wineries 312140 Distilleries 312200 Tobacco Manufacturing <b>Textile Mills and Textile Product Mills</b> 313000 Textile Mills 314000 Textile Product Mills <b>Apparel Manufacturing</b> 315100 Apparel Knitting Mills 315210 Cut & Sew Apparel Contractors 315250 Cut & Sew Apparel Mfg (except Contractors)  315990 Apparel Accessories & Other Apparel Mfg <b>Leather and Allied Product Manufacturing</b> 316110 Leather & Hide Tanning & Finishing  316210 Footwear Mfg (including rubber & plastics) 316990 Other Leather & Allied Product Mfg <b>Wood Product Manufacturing</b> 321110 Sawmills & Wood Preservation 321210 Veneer, Plywood, & Engineered Wood Product Mfg  321900 Other Wood Product Mfg <b>Paper Manufacturing</b> 322100 Pulp, Paper, & Paperboard Mills 322200 Converted Paper Product Mfg <b>Printing and Related Support Activities</b> 323100 Printing & Related Support Activities <b>Petroleum and Coal Products Manufacturing</b> 324110 Petroleum Refineries (including integrated)  324120 Asphalt Paving, Roofing, & Saturated Materials Mfg 324190 Other Petroleum & Coal Products Mfg <b>Chemical Manufacturing</b> 325100 Basic Chemical Mfg 325200 Resin, Synthetic Rubber, & Artificial & Synthetic Fibers & Filaments Mfg  325300 Pesticide, Fertilizer, & Other Agricultural Chemical Mfg 325410 Pharmaceutical & Medicine Mfg 325500 Paint, Coating, & Adhesive Mfg 325600 Soap, Cleaning Compound, & Toilet Preparation Mfg  325900 Other Chemical Product & Preparation Mfg <b>Plastics and Rubber Products Manufacturing</b> 326100 Plastics Product Mfg		326200 Rubber Product Mfg <b>Nonmetallic Mineral Product Manufacturing</b> 327100 Clay Product & Refractory Mfg 327210 Glass & Glass Product Mfg 327300 Cement & Concrete Product Mfg 327400 Lime & Gypsum Product Mfg 327900 Other Nonmetallic Mineral Product Mfg <b>Primary Metal Manufacturing</b> 331110 Iron & Steel Mills & Ferroalloy Mfg  331200 Steel Product Mfg from Purchased Steel  331310 Alumina & Aluminum Production & Processing 331400 Nonferrous Metal (except Aluminum) Production & Processing  331500 Foundries <b>Fabricated Metal Product Manufacturing</b> 332110 Forging & Stamping 332210 Cutlery & Handtool Mfg 332300 Architectural & Structural Metals Mfg  332400 Boiler, Tank, & Shipping Container Mfg  332510 Hardware Mfg 332610 Spring & Wire Product Mfg 332700 Machine Shops; Turned Product; & Screw, Nut, & Bolt Mfg  332810 Coating, Engraving, Heat Treating, & Allied Activities 332900 Other Fabricated Metal Product Mfg <b>Machinery Manufacturing</b> 333100 Agriculture, Construction, & Mining Machinery Mfg 333200 Industrial Machinery Mfg 333310 Commercial & Service Industry Machinery Mfg  333410 Ventilation, Heating, Air-Conditioning, & Commercial Refrigeration Equipment Mfg 333510 Metalworking Machinery Mfg 333610 Engine, Turbine & Power Transmission Equipment Mfg 333900 Other General Purpose Machinery Mfg <b>Computer and Electronic Product Manufacturing</b> 334110 Computer & Peripheral Equipment Mfg 334200 Communications Equipment Mfg 334310 Audio & Video Equipment Mfg 334410 Semiconductor & Other Electronic Component Mfg  334500 Navigational, Measuring, Electromedical, & Control Instruments Mfg 334610 Manufacturing & Reproducing Magnetic & Optical Media <b>Electrical Equipment, Appliance, and Component Manufacturing</b> 335100 Electric Lighting Equipment Mfg 335200 Major Household Appliance Mfg 335310 Electrical Equipment Mfg 335900 Other Electrical Equipment & Component Mfg <b>Transportation Equipment Manufacturing</b> 336100 Motor Vehicle Mfg 336210 Motor Vehicle Body & Trailer Mfg 336300 Motor Vehicle Parts Mfg 336410 Aerospace Product & Parts Mfg 336510 Railroad Rolling Stock Mfg 336610 Ship & Boat Building 336990 Other Transportation Equipment Mfg <b>Furniture and Related Product Manufacturing</b> 337000 Furniture & Related Product Manufacturing		<b>Miscellaneous Manufacturing</b> 339110 Medical Equipment & Supplies Mfg  339900 Other Miscellaneous Manufacturing <b>Wholesale Trade</b> <b>Merchant Wholesalers, Durable Goods</b> 423100 Motor Vehicle & Motor Vehicle Parts & Supplies  423200 Furniture & Home Furnishings 423300 Lumber & Other Construction Materials  423400 Professional & Commercial Equipment & Supplies 423500 Metal & Mineral (except Petroleum)  423600 Household Appliances & Electrical & Electronic Goods 423700 Hardware, & Plumbing & Heating Equipment & Supplies 423800 Machinery, Equipment, & Supplies 423910 Sporting & Recreational Goods & Supplies  423920 Toy & Hobby Goods & Supplies 423930 Recyclable Materials 423940 Jewelry, Watch, Precious Stone, & Precious Metals 423990 Other Miscellaneous Durable Goods <b>Merchant Wholesalers, Nondurable Goods</b> 424100 Paper & Paper Products 424210 Drugs & Druggists' Sundries 424300 Apparel, Piece Goods, & Notions 424400 Grocery & Related Products 424500 Farm Product Raw Materials 424600 Chemical & Allied Products 424700 Petroleum & Petroleum Products 424800 Beer, Wine, & Distilled Alcoholic Beverages  424910 Farm Supplies 424920 Book, Periodical, & Newspapers 424930 Flower, Nursery Stock, & Florists' Supplies 424940 Tobacco Products & Electronic Cigarettes 424950 Paint, Varnish, & Supplies 424990 Other Miscellaneous Nondurable Goods <b>Wholesale Electronic Markets and Agents and Brokers</b> 425120 Wholesale Trade Agents & Brokers <b>Retail Trade</b> <b>Motor Vehicle and Parts Dealers</b> 441110 New Car Dealers 441120 Used Car Dealers 441210 Recreational Vehicle Dealers 441222 Boat Dealers 441227 Motorcycle, ATV, & All Other Motor Vehicle Dealers  441300 Automotive Parts, Accessories, & Tire Retailers <b>Furniture and Home Furnishings Retailers</b> 449110 Furniture Retailers 449121 Floor Covering Retailers 449122 Window Treatment Retailers 449129 All Other Home Furnishings Retailers <b>Electronics and Appliance Retailers</b> 449210 Electronics & Appliance Retailers (including computers) <b>Building Material and Garden Equipment and Supplies Dealers</b> 444110 Home Centers 444120 Paint & Wallpaper Retailers 444140 Hardware Retailers 444190 Other Building Material Dealers 444200 Lawn & Garden Equipment & Supplies Retailers	
<b>Utilities</b> 221100 Electric Power Generation, Transmission & Distribution 221210 Natural Gas Distribution 221300 Water, Sewage & Other Systems 221500 Combination Gas & Electric							
<b>Construction</b> <b>Construction of Buildings</b> 236110 Residential Building Construction 236200 Nonresidential Building Construction <b>Heavy and Civil Engineering Construction</b> 237100 Utility System Construction 237210 Land Subdivision 237310 Highway, Street, & Bridge Construction  237990 Other Heavy & Civil Engineering Construction <b>Specialty Trade Contractors</b> 238100 Foundation, Structure, & Building Exterior Contractors (including framing carpentry, masonry, glass, roofing, & siding)  238210 Electrical Contractors 238220 Plumbing, Heating, & Air-Conditioning Contractors 238290 Other Building Equipment Contractors							



<b>Food and Beverage Retailers</b> 445110 Supermarkets & Other Grocery Retailers (except Convenience) 445131 Convenience Retailers 445132 Vending Machine Operators 445230 Fruit & Vegetable Retailers 445240 Meat Retailers 445250 Fish & Seafood Retailers 445291 Baked Goods Retailers 445292 Confectionery & Nut Retailers 445298 All Other Specialty Food Retailers 445320 Beer, Wine, & Liquor Retailers <b>Health and Personal Care Retailers</b> 456110 Pharmacies & Drug Retailers 456120 Cosmetics, Beauty Supplies, & Perfume Retailers 456130 Optical Goods Retailers 456190 Other Health & Personal Care Retailers <b>Gasoline Stations &amp; Fuel Dealers</b> 457100 Gasoline Stations (including convenience stores with gas) 457210 Fuel Dealers (including Heating Oil & Liquefied Petroleum) <b>Clothing and Accessories Retailers</b> 458110 Clothing & Clothing Accessories Retailers 458210 Shoe Retailers 458310 Jewelry Retailers 458320 Luggage & Leather Goods Retailers <b>Sporting Goods, Hobby, Book, Musical Instrument and Miscellaneous Retailers</b> 459110 Sporting Goods Retailers 459120 Hobby, Toy, & Game Retailers 459130 Sewing, Needlework, & Piece Goods Retailers 459140 Musical Instrument & Supplies Retailers 459210 Book Retailers & News Dealers (including newsstands) 459310 Florists 459410 Office Supplies & Stationery Retailers 459420 Gift, Novelty, & Souvenir Retailers 459510 Used Merchandise Retailers 459910 Pet & Pet Supplies Retailers 459920 Art Dealers 459930 Manufactured (Mobile) Home Dealers 459990 All Other Miscellaneous Retailers (including tobacco, candle, & trophy retailers) <b>General Merchandise Retailers</b> 455110 Department Stores 455210 Warehouse Clubs, Supercenters, & Other General Merch. Retailers <b>Nonstore Retailers</b> Nonstore retailers sell all types of merchandise using such methods as Internet, mail-order catalogs, interactive television, or direct sales. These types of Retailers should select the PBA associated with their primary line of products sold. For example, establishments primarily selling prescription and non-prescription drugs, select PBA code 456110 Pharmacies & Drug Retailers	485990 Other Transit & Ground Passenger Transportation <b>Pipeline Transportation</b> 486000 Pipeline Transportation <b>Scenic &amp; Sightseeing Transportation</b> 487000 Scenic & Sightseeing Transportation <b>Support Activities for Transportation</b> 488100 Support Activities for Air Transportation 488210 Support Activities for Rail Transportation 488300 Support Activities for Water Transportation 488410 Motor Vehicle Towing 488490 Other Support Activities for Road Transportation 488510 Freight Transportation Arrangement 488990 Other Support Activities for Transportation <b>Couriers and Messengers</b> 492110 Couriers 492210 Local Messengers & Local Delivery <b>Warehousing and Storage</b> 493100 Warehousing & Storage (except lessors of miniwarehouses & self-storage units) <b>Information</b> <b>Motion Picture and Sound Recording Industries</b> 512100 Motion Picture & Video Industries (except video rental) 512200 Sound Recording Industries <b>Publishing Industries</b> 513110 Newspaper Publishers 513120 Periodical Publishers 513130 Book Publishers 513140 Directory & Mailing List Publishers 513190 Other Publishers 513210 Software Publishers <b>Broadcasting, Content Providers, and Telecommunications</b> 516100 Radio & Television Broadcasting Stations 516210 Media Streaming, Social Networks, & Other Content Providers 517000 Telecommunications (including Wired, Wireless, Satellite, Cable & Other Program Distribution, Resellers, Agents, Other Telecommunications, & Internet Service Providers) <b>Data Processing, Web Search Portals, &amp; Other Information Services</b> 518210 Computing Infrastructure Providers, Data Processing, Web Hosting, & Related Services 519200 Web Search, Rentals, Libraries, Archives, & Other Info. Services <b>Finance and Insurance</b> <b>Depository Credit Intermediation</b> 522110 Commercial Banking 522130 Credit Unions 522180 Savings Institutions & Other Depository Credit Intermediation <b>Nondepository Credit Intermediation</b> 522210 Credit Card Issuing 522220 Sales Financing 522291 Consumer Lending 522292 Real Estate Credit (including mortgage bankers & originators) 522299 Intl. Secondary Market, & Other Nondepos. Credit Intermediation <b>Activities Related to Credit Intermediation</b> 522300 Activities Related to Credit Intermediation (including loan brokers, check clearing, & money transmitting) <b>Securities, Commodity Contracts, and Other Financial Investments and Related Activities</b> 523150 Investment Banking & Securities Intermediation 523160 Commodity Contracts Intermediation 523210 Securities & Commodity Exchanges 523900 Other Financial Investment Activities (including portfolio	management & investment advice) <b>Insurance Carriers and Related Activities</b> 524110 Direct Life, Health, and Medical Insurance Carriers 524120 Direct Insurance (except Life, Health, and Medical) Carriers 524210 Insurance Agencies & Brokerages 524290 Other Insurance Related Activities (including third-party administration of insurance & pension funds) <b>Funds, Trusts, and Other Financial Vehicles</b> 525100 Insurance & Employee Benefit Funds 525910 Open-End Investment Funds (Form 1120-RIC) 525920 Trusts, Estates, & Agency Accounts 525990 Other Financial Vehicles (including mortgage REITs & closed-end investment funds) <b>Real Estate and Rental and Leasing</b> <b>Real Estate</b> 531110 Lessors of Residential Buildings & Dwellings (including equity REITs) 531120 Lessors of Nonresidential Buildings (except Miniwarehouses) (including equity REITs) 531130 Lessors of Miniwarehouses & Self-Storage Units (including equity REITs) 531190 Lessors of Other Real Estate Property (including equity REITs) 531210 Offices of Real Estate Agents & Brokers 531310 Real Estate Property Managers 531320 Offices of Real Estate Appraisers 531390 Other Activities Related to Real Estate <b>Rental and Leasing Services</b> 532100 Automotive Equipment Rental & Leasing 532210 Consumer Electronics & Appliances Rental 532281 Formal Wear & Costume Rental 532282 Video Tape & Disc Rental 532283 Home Health Equipment Rental 532284 Recreational Goods Rental 532289 All Other Consumer Goods Rental 532310 General Rental Centers 532400 Commercial & Industrial Machinery & Equipment Rental & Leasing <b>Lessors of Nonfinancial Intangible Assets (except copyrighted works)</b> 533110 Lessors of Nonfinancial Intangible Assets (except copyrighted works) <b>Professional, Scientific, and Technical Services</b> <b>Legal Services</b> 541110 Offices of Lawyers 541190 Other Legal Services <b>Accounting, Tax Preparation, Bookkeeping, and Payroll Services</b> 541211 Offices of Certified Public Accountants 541213 Tax Preparation Services 541214 Payroll Services 541219 Other Accounting Services <b>Architectural, Engineering, and Related Services</b> 541310 Architectural Services 541320 Landscape Architecture Services 541330 Engineering Services 541340 Drafting Services 541350 Building Inspection Services 541360 Geophysical Surveying & Mapping Services 541370 Surveying & Mapping (except Geophysical) Services 541380 Testing Laboratories <b>Specialized Design Services</b> 541400 Specialized Design Services (including interior, industrial, graphic, & fashion design)	<b>Computer Systems Design and Related Services</b> 541511 Custom Computer Programming Services 541512 Computer Systems Design Services 541513 Computer Facilities Management Services 541519 Other Computer Related Services <b>Other Professional, Scientific, and Technical Services</b> 541600 Management, Scientific, & Technical Consulting Services 541700 Scientific Research & Development Services 541800 Advertising, Public Relations, & Related Services 541910 Marketing Research & Public Opinion Polling 541920 Photographic Services 541930 Translation & Interpretation Services 541940 Veterinary Services 541990 All Other Professional, Scientific, & Technical Services <b>Management of Companies (Holding Companies)</b> 551111 Offices of Bank Holding Companies 551112 Offices of Other Holding Companies <b>Administrative and Support and Waste Management and Remediation Services</b> <b>Administrative and Support Services</b> 561110 Office Administrative Services 561210 Facilities Support Services 561300 Employment Services 561410 Document Preparation Services 561420 Telephone Call Centers 561430 Business Service Centers (including private mail centers & copy shops) 561440 Collection Agencies 561450 Credit Bureaus 561490 Other Business Support Services (including repossession services, court reporting, & stenotype services) 561500 Travel Arrangement & Reservation Services 561600 Investigation & Security Services 561710 Exterminating & Pest Control Services 561720 Janitorial Services 561730 Landscaping Services 561740 Carpet & Upholstery Cleaning Services 561790 Other Services to Buildings & Dwellings 561900 Other Support Services (including packaging & labeling services, & convention & trade show organizers) <b>Waste Management and Remediation Services</b> 562000 Waste Management & Remediation Services <b>Educational Services</b> 611000 Educational Services (including schools, colleges, & universities) <b>Health Care and Social Assistance</b> <b>Offices of Physicians and Dentists</b> 621111 Offices of Physicians (except mental health specialists) 621112 Offices of Physicians, Mental Health Specialists 621210 Offices of Dentists <b>Offices of Other Health Practitioners</b> 621310 Offices of Chiropractors 621320 Offices of Optometrists 621330 Offices of Mental Health Practitioners (except Physicians) 621340 Offices of Physical, Occupational & Speech Therapists, & Audiologists 621391 Offices of Podiatrists 621399 Offices of All Other Miscellaneous Health Practitioners
<b>Transportation and Warehousing</b> <b>Air, Rail, and Water Transportation</b> 481000 Air Transportation 482110 Rail Transportation 483000 Water Transportation <b>Truck Transportation</b> 484110 General Freight Trucking, Local 484120 General Freight Trucking, Long-distance 484200 Specialized Freight Trucking <b>Transit and Ground Passenger Transportation</b> 485110 Urban Transit Systems 485210 Interurban & Rural Bus Transportation 485310 Taxi & Ridesharing Services 485320 Limousine Service 485410 School & Employee Bus Transportation 485510 Charter Bus Industry			



<b>Outpatient Care Centers</b> 621410 Family Planning Centers 621420 Outpatient Mental Health & Substance Abuse Centers 621491 HMO Medical Centers 621492 Kidney Dialysis Centers 621493 Freestanding Ambulatory Surgical & Emergency Centers 621498 All Other Outpatient Care Centers <b>Medical and Diagnostic Laboratories</b> 621510 Medical & Diagnostic Laboratories <b>Home Health Care Services</b> 621610 Home Health Care Services <b>Other Ambulatory Health Care Services</b> 621900 Other Ambulatory Health Care Services (including ambulance services & blood & organ banks) <b>Hospitals</b> 622000 Hospitals <b>Nursing and Residential Care Facilities</b> 623000 Nursing & Residential Care Facilities <b>Social Assistance</b> 624100 Individual & Family Services 624200 Community Food & Housing, & Emergency & Other Relief Services 624310 Vocational Rehabilitation Services 624410 Children Services	711210 Spectator Sports (including sports clubs & racetracks) 711300 Promoters of Performing Arts, Sports, & Similar Events 711410 Agents & Managers for Artists, Athletes, Entertainers, & Other Public Figures 711510 Independent Artists, Writers, & Performers <b>Museums, Historical Sites, and Similar Institutions</b> 712100 Museums, Historical Sites, & Similar Institutions <b>Amusement, Gambling, and Recreation Industries</b> 713100 Amusement Parks & Arcades 713200 Gambling Industries 713900 Other Amusement & Recreation Industries (including golf courses, skiing facilities, marinas, fitness centers, & bowling centers)	<b>Food Services and Drinking Places</b> 722300 Special Food Services (including food service contractors & caterers) 722410 Drinking Places (Alcoholic Beverages) 722511 Full-Service Restaurants 722513 Limited-Service Restaurants 722514 Cafeterias Grill Buffets & Buffets 722515 Snack & Non-alcoholic Beverage Bars	812190 Other Personal Care Services (including diet & weight reducing centers) 812210 Funeral Homes & Funeral Services 812220 Cemeteries & Crematories 812310 Coin-Operated Laundries & Drycleaners 812320 Drycleaning & Laundry Services (except Coin-Operated) 812330 Linen & Uniform Supply 812910 Pet Care (except Veterinary) Services 812920 Photofinishing 812930 Parking Lots & Garages 812990 All Other Personal Services <b>Religious, Grantmaking, Civic, Professional, and Similar Organizations</b> 813000 Religious, Grantmaking, Civic, Professional, & Similar Organizations (including condominium & homeowners associations)  <b>Other</b> 999000 Unclassified Establishments (unable to classify)
<b>Arts, Entertainment, and Recreation</b> <b>Performing Arts, Spectator Sports, and Related Industries</b> 711100 Performing Arts Companies	<b>Accommodation and Food Services</b> <b>Accommodation</b> 721110 Hotels (except Casino Hotels) & Motels 721120 Casino Hotels 721191 Bed & Breakfast Inns 721199 All Other Traveler Accommodation 721210 RV (Recreational Vehicle) Parks & Recreational Camps 721310 Rooming & Boarding Houses, Dormitories, & Workers' Camps	<b>Other Services</b> <b>Repair and Maintenance</b> 811110 Automotive Mechanical & Electrical Repair & Maintenance 811120 Automotive Body, Paint, Interior, & Glass Repair 811190 Other Automotive Repair & Maintenance (including oil change & lubrication shops & car washes) 811210 Electronic & Precision Equipment Repair & Maintenance 811310 Commercial & Industrial Machinery & Equipment (except Automotive & Electronic) Repair & Maintenance 811410 Home & Garden Equipment & Appliance Repair & Maintenance 811420 Reupholstery & Furniture Repair 811430 Footwear & Leather Goods Repair 811490 Other Personal & Household Goods Repair & Maintenance <b>Personal and Laundry Services</b> 812111 Barber Shops 812112 Beauty Salons 812113 Nail Salons	

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