

FORM 8621 **CALCULATOR**

USER GUIDE

2016 v1

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Form 8621 Calculator - User Guide

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Software Requirements

The Form 8621 calculator solution is a web based application.

To ensure full compatibility, please use the current version of one of the following browsers:

- » Internet Explorer 10+
- » Chrome 22+
- » Firefox 27+
- » Safari 6+

The 8621 Calculator will run on Internet Explorer and other browsers, but may not function as well.


Calculation modules:

- » Section 1291
- » Mark-to-Market (first year election)
- » Section 1296
 - » US Transitional Rules Application

Last Update: March 25, 2016

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1 General Information & First Login

FORM 8621
CALCULATOR

email: info@expattaxtools.com
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fax: 1 (844) 546-2615

HOME THE CALCULATOR NEWS SERVICES ABOUT PFICs PRICING CONTACT

SAVE TIME. SERVE YOUR CLIENTS. STOP THE HEADACHES.

Tired of the time-consuming calculation of Form 8621 for foreign citizens living in the U.S. or U.S. citizens living abroad who need to report their foreign investments? There is an easy solution.

Form 8621 Calculator makes reporting all of the elements of Passive Foreign Investment Company Income (PFICs) easier.

Enter your PFICs information and let Form 8621 Calculator handle the complex calculations.

- Section 1291 Calculation
- Mark to Market Election & Section 1296 Calculation
 - Becoming a US person transitional rule application
- QEF Election
 - Deemed Sale Election
 - Pedigreed and Unpedigreed QEF Calculation
- Expatriation

Member Log In

Company Code

User Number

Password

[Reset Password](#)

[Request access to the demo calculator](#)

[Privacy Policy](#)

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Main login screen

1.1 Logging in the first time

The main administrative account will be set up by Expat Tax Tools. You will receive a company code, administrative user name and password after the license agreement is signed and payment has been received.



Use the Administration Guide for instructions on adding users to your company profile.

User accounts will be setup by the Administrator.

Initially a default password will be assigned; the user will be prompted to change it when they login for the first time

1.1.1 Choosing the right password

A strong password is minimum 8 characters long, includes at least one upper and lower case letters, numbers and punctuations/symbols.

CHANGE PASSWORD close

New password: x

Confirm password:

The password must have:

- ☐ At least 8 characters
- ☐ At least one number
- ☐ At least one uppercase letter
- ☐ At least one special character

save cancel

To help you select a strong password, our strength indicator will show you when you have met each requirement.

CHANGE PASSWORD close

New password: x

Confirm password:

The password must have:

- ☐ At least 8 characters
- ☒ At least one number
- ☒ At least one uppercase letter
- ☐ At least one special character

save cancel

The “save” button will remain disabled until you have selected a suitable password and confirmed it.

CHANGE PASSWORD close

New password: ✓

Confirm password: ✓

save cancel

Note that passwords are case sensitive.

Click “save” to continue.

2 Software Customization



Note that you may also access any of these features by choosing the "Settings" option from the top ribbon, then select the desired item from the list.

2.1 Security Questions

Select one of the security questions from the dropdown and enter an answer you will be able to remember. This will enable the reset password option at log in.

Question	Answer
What was your childhood nickname?	
In what city did you meet your spouse/significant other?	
What is the name of your favorite childhood friend?	
What street did you live on in third grade?	
What is the middle name of your oldest child?	
What is your oldest sibling's middle name?	
What school did you attend for sixth grade?	
What is your oldest cousin's first and last name?	
What was the name of your first stuffed animal?	
In what city or town did your mother and father meet?	
Where were you when you had your first kiss?	
What is the first name of the boy or girl that you first kissed?	
What was the last name of your third grade teacher?	
In what city does your nearest sibling live?	
What is your maternal grandmother's maiden name?	
In what city or town was your first job?	
What is the name of the place your wedding reception was held?	
What is the name of a college you applied to but didn't attend?	

The answer is not case sensitive.

Click "save" to continue.

2.2 Currencies

By default, the calculator only has the US and Canadian dollar currencies enabled in each user profile.

The calculator currently supports 169 different currencies from around the world.


Additional currencies that you commonly use may be added to your user account by selecting desired currencies from the currency table and click on "save" to associate the selected currencies with your account.

The program will automatically apply the daily exchange rate when entering transactions using the currency setting of the account of the PFIC investment.

If a rate for a certain date is not available in the database, the program automatically defaults to the next banking day's rates.

Exchange Rate
for 2014-11-30
1.564500000

The daily transaction exchange rates can be over-written if desired.


CURRENCIES
close

Only the selected currencies will show up in drop down when setting up accounts. Removing currencies from the list will not affect any currencies already associated with an account.

<input type="checkbox"/> AED	<input type="checkbox"/> AFN	<input type="checkbox"/> ALL	<input type="checkbox"/> AMD	<input type="checkbox"/> ANG	<input type="checkbox"/> AOA	<input type="checkbox"/> ARS	<input checked="" type="checkbox"/> AUD	<input type="checkbox"/> AWG	<input type="checkbox"/> AZN	<input type="checkbox"/> BAM	<input type="checkbox"/> BBD	<input type="checkbox"/> BDT
<input type="checkbox"/> BGN	<input type="checkbox"/> BHD	<input type="checkbox"/> BIF	<input type="checkbox"/> BMD	<input type="checkbox"/> BND	<input type="checkbox"/> BOB	<input type="checkbox"/> BRL	<input type="checkbox"/> BSD	<input type="checkbox"/> BTN	<input type="checkbox"/> BWP	<input type="checkbox"/> BYR	<input type="checkbox"/> BZD	<input checked="" type="checkbox"/> CAD
<input type="checkbox"/> CDF	<input type="checkbox"/> CHF	<input type="checkbox"/> CLP	<input type="checkbox"/> CNY	<input type="checkbox"/> COP	<input type="checkbox"/> CRC	<input type="checkbox"/> CUC	<input type="checkbox"/> CUP	<input type="checkbox"/> CVE	<input type="checkbox"/> CZK	<input type="checkbox"/> DJF	<input type="checkbox"/> DKK	<input type="checkbox"/> DOP
<input type="checkbox"/> DZD	<input type="checkbox"/> EGP	<input type="checkbox"/> ERN	<input type="checkbox"/> ETB	<input type="checkbox"/> EUR	<input type="checkbox"/> FJD	<input type="checkbox"/> FKP	<input checked="" type="checkbox"/> GBP	<input type="checkbox"/> GEL	<input type="checkbox"/> GGP	<input type="checkbox"/> GHS	<input type="checkbox"/> GIP	<input type="checkbox"/> GMD
<input type="checkbox"/> GNF	<input type="checkbox"/> GTQ	<input type="checkbox"/> GYD	<input type="checkbox"/> HKD	<input type="checkbox"/> HNL	<input type="checkbox"/> HRK	<input type="checkbox"/> HTG	<input type="checkbox"/> HUF	<input type="checkbox"/> IDR	<input checked="" type="checkbox"/> ILS	<input type="checkbox"/> IMP	<input type="checkbox"/> INR	<input type="checkbox"/> IQD
<input type="checkbox"/> IRR	<input type="checkbox"/> ISK	<input type="checkbox"/> JEP	<input type="checkbox"/> JMD	<input type="checkbox"/> JOD	<input type="checkbox"/> JPY	<input type="checkbox"/> KES	<input type="checkbox"/> KGS	<input type="checkbox"/> KHR	<input type="checkbox"/> KMF	<input type="checkbox"/> KPW	<input type="checkbox"/> KRW	<input type="checkbox"/> KWD
<input type="checkbox"/> KYD	<input type="checkbox"/> KZT	<input type="checkbox"/> LAK	<input type="checkbox"/> LBP	<input type="checkbox"/> LKR	<input type="checkbox"/> LRD	<input type="checkbox"/> LSL	<input type="checkbox"/> LTL	<input type="checkbox"/> LVL	<input type="checkbox"/> LYD	<input type="checkbox"/> MAD	<input type="checkbox"/> MDL	<input type="checkbox"/> MGA
<input type="checkbox"/> MKD	<input type="checkbox"/> MMK	<input type="checkbox"/> MNT	<input type="checkbox"/> MOP	<input type="checkbox"/> MRO	<input type="checkbox"/> MUR	<input type="checkbox"/> MVR	<input type="checkbox"/> MWK	<input type="checkbox"/> MXN	<input type="checkbox"/> MYR	<input type="checkbox"/> MZN	<input type="checkbox"/> NAD	<input type="checkbox"/> NGN
<input type="checkbox"/> NIO	<input type="checkbox"/> NOK	<input type="checkbox"/> NPR	<input type="checkbox"/> NZD	<input type="checkbox"/> OMR	<input type="checkbox"/> PAB	<input type="checkbox"/> PEN	<input type="checkbox"/> PGK	<input type="checkbox"/> PHP	<input type="checkbox"/> PKR	<input type="checkbox"/> PLN	<input type="checkbox"/> PYG	<input type="checkbox"/> QAR
<input type="checkbox"/> RON	<input type="checkbox"/> RSD	<input type="checkbox"/> RUB	<input type="checkbox"/> RWF	<input type="checkbox"/> SAR	<input type="checkbox"/> SBD	<input type="checkbox"/> SCR	<input type="checkbox"/> SDG	<input type="checkbox"/> SEK	<input type="checkbox"/> SGD	<input type="checkbox"/> SHP	<input type="checkbox"/> SLL	<input type="checkbox"/> SOS
<input type="checkbox"/> SPL	<input type="checkbox"/> SRD	<input type="checkbox"/> STD	<input type="checkbox"/> SVC	<input type="checkbox"/> SYP	<input type="checkbox"/> SZL	<input type="checkbox"/> THB	<input type="checkbox"/> TJS	<input type="checkbox"/> TMT	<input type="checkbox"/> TND	<input type="checkbox"/> TOP	<input type="checkbox"/> TRY	<input type="checkbox"/> TTD
<input type="checkbox"/> TVD	<input type="checkbox"/> TWD	<input type="checkbox"/> TZS	<input type="checkbox"/> UAH	<input type="checkbox"/> UGX	<input checked="" type="checkbox"/> USD	<input type="checkbox"/> UYU	<input type="checkbox"/> UZS	<input type="checkbox"/> VEF	<input type="checkbox"/> VND	<input type="checkbox"/> VUV	<input type="checkbox"/> WST	<input type="checkbox"/> XAF
<input type="checkbox"/> XAG	<input type="checkbox"/> XAU	<input type="checkbox"/> XBT	<input type="checkbox"/> XCD	<input type="checkbox"/> XDR	<input type="checkbox"/> XOF	<input type="checkbox"/> XPD	<input type="checkbox"/> XPF	<input type="checkbox"/> XPT	<input type="checkbox"/> YER	<input type="checkbox"/> ZAR	<input type="checkbox"/> ZMW	<input type="checkbox"/> ZWD

save
close

Currency list

The calculator contains the exchange rates up to the first day of the current calendar year.


Click on “save” to continue.

2.3 Language Settings

The calculator supports the following user interface language options:

- » English
- » French

Note that since the IRS does not accept forms and returns in any other language than the official language, all forms, statements, and calculations will be still presented only in English; regardless of the language setting of the user interface.


LANGUAGE SETTINGS
close

Default Language English ▼

save

Click on “save” to continue.

2.4 Client List Setting

Customize your Client list on the main page to display only the information you select.

CLIENT LIST SETTINGS close

- ☒ Social Security Number
- ☒ Address
- ☒ City
- ☒ State / Province
- ☒ Zip / Postal Code
- ☒ Country
- ☒ Type of Shareholder
- ☒ User Name
- ☒ User Number
- ☐ Notes

save

You may choose to enable or disable any columns in this section.

Depending on your administrative setting some of these columns will not be visible. For example cloud users will have the option to the following columns only:

CLIENT LIST SETTINGS close

- ☒ Type of Shareholder
- ☒ User Name
- ☒ User Number
- ☒ Notes

save

Select your options and click "save" to continue.

2.5 Account List Setting

Available options are limited by the system administrator.

ACCOUNT LIST SETTINGS close

- ☒ Address
- ☒ City
- ☒ State / Province
- ☒ Zip / Postal Code
- ☒ Country
- ☒ Account Type
- ☒ Currency
- ☒ Registered Accounts
- ☒ Show Closed Accounts

ACCOUNT LIST SETTINGS close

- ☒ Account Type
- ☒ Currency
- ☒ Registered Accounts
- ☒ Show Closed Accounts


save

Account list options in the Desktop and Cloud versions.

Select your options and click "save" to continue.

2.6 Input Order of the Transactions

The calculator allows you to select the order of data input.



TRANSACTION ENTRY

close

☒ Date / Transaction Type / Units / Original Currency / Exchange
☐ Date / Units / Original Currency / Exchange / Transaction Type

save


You may switch between the orders at any time.

Select the preferred option and click "save" to continue.

2.7 Reporting Details

The IRS form instructions indicate that each excess distribution should be reported using a separate page 3 of form 8621 which can easily grow into a major multi-page exercise when working with a fund that reinvests monthly distributions.

The form 8621 calculator provides the user with two options:



REPORTING DETAILS

close

☐ **Detailed Reporting.**
 The form will be generated reporting each distributions/dispositions treated as excess distributions on a separate Part V as per the form's instructions.

 Note that this may generate Form many pages long.

☒ **Summary Reporting.**
 Only one Part V will be generated with an override on Line 15e and Line 15f. Line 16b - Line 16e will contain the aggregate amount of additional tax and interest reportable by the fund.

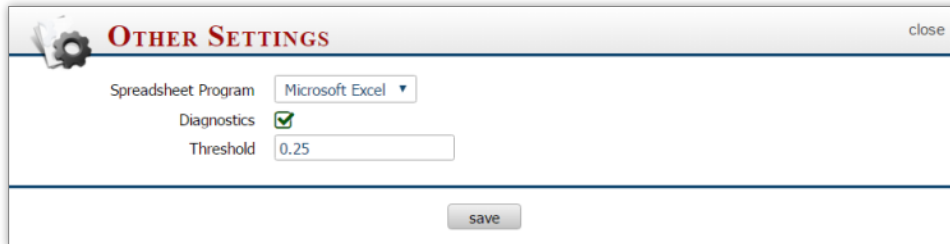
save

Detailed Reporting follows the government form instructions and reports each excess distribution separately.

Summary Reporting will produce one summary page and will detail the excess calculations in a statement, reducing the number of pages required to report the PFIC to the IRS. The statement contains all information required by the IRS.

When preparing Form 8621, the Form 8621 Calculator will default to your preference, but you can elect to switch between the reporting options on a fund-by-fund/year-by-year basis.

2.8 Other Settings



2.8.1 Spreadsheet Program – Export to Excel

If you use Prosystem fx, Global fx, or Axxess Tax software you will be able to import some data into the tax software using the import grids. When importing into the CCH tax software using the import function, the first line of data in the sheet has to be line seven to accommodate for the table header and other information.

By Selecting Excel from the drop down the calculator will start the data grid output on line seven so the grid can be imported into the tax software without worrying about data loss.

If you are do not have Excel, you can import using a “copy and paste” method.

By selecting Open Office, the calculator will start the output on Line 1, so the spreadsheet can be easily selected and copied.

2.8.2 Diagnostics settings

The calculator offers multiple diagnostics tools to help troubleshoot data entry mistakes.

Some of these functions are permanent, but others can be disabled.

See “Diagnostics” section for more information.

2.8.3 Threshold

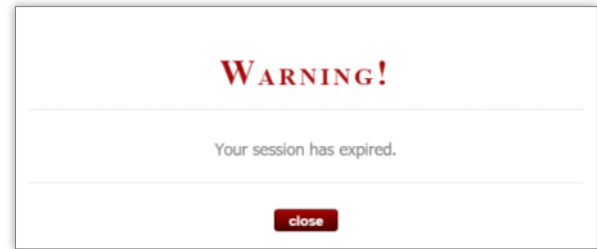
Set the warning threshold when entering transactions over/under the average transaction amount. The default amount is 0.25

See 9.1.2 and 9.1.4 for more information.

3 Timing Out

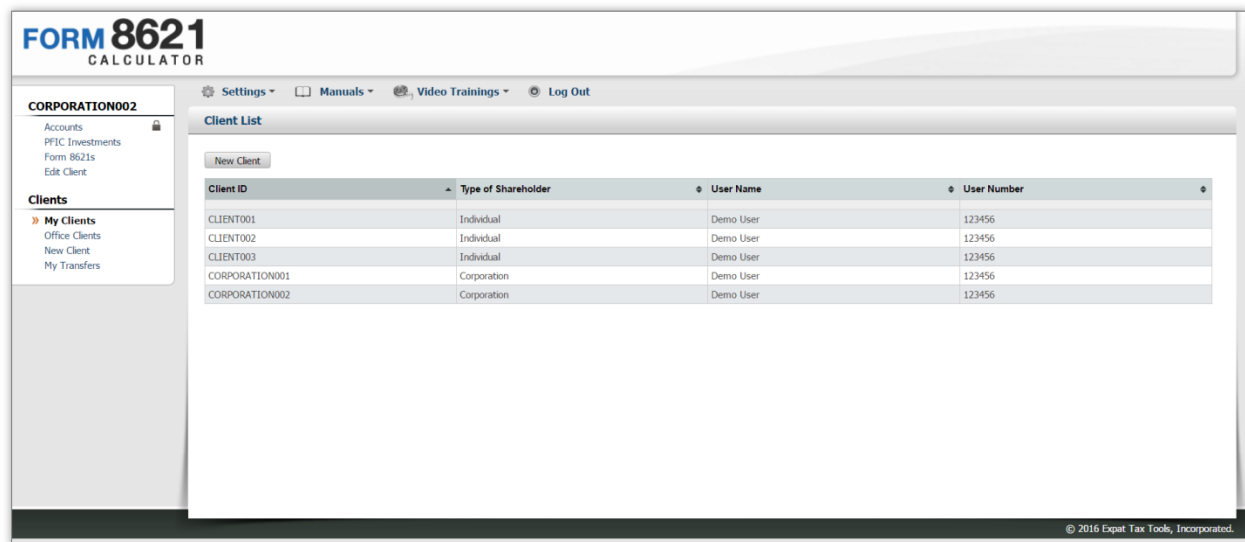
For security reasons your session expires after 24 minutes of inactivity.

The program will log you out and redirect you to the main log in page with the message on the right.



4 User Interface

The software will automatically open to the client list.

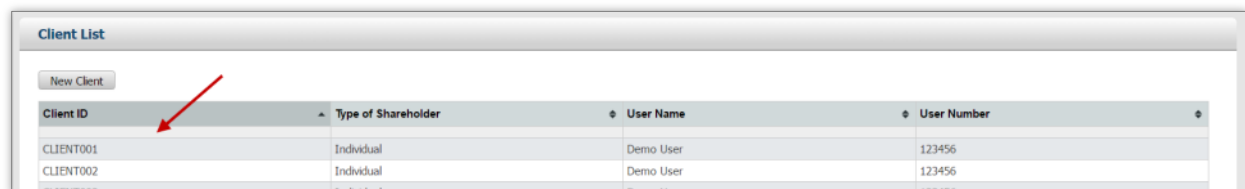


4.1 Data Grids

Most information in the calculator is presented in a data grid.

4.1.1 Searching / Filtering results

To activate the filter function, hover over the grey line in the first row.



Location of the filter bar

Client ID	Type of Shareholder	User Name	User Number
CLIENT001	Individual	Demo User	123456
CLIENT002	Individual	Demo User	123456

The filter bar opened

Filter by one or multiple columns to narrow down to the required data.


4.1.2 Selecting items in the grid

The active row in the grid has a darker gray highlight.


To select an item simply click on the row.

CLIENT002	Individual	Demo User	123456
CLIENT003	Individual	Demo User	123456
CORPORATION001	Corporation	Demo User	123456

4.1.3 Sorting Grids

In order to sort the data grids simply click on the table header. Sortable columns are marked with the  double arrow.

Client ID	Type of Shareholder	User Name	User Number
CORPORATION001	Corporation	Demo User	123456
CORPORATION002	Corporation	Demo User	123456
CLIENT001	Individual	Demo User	123456
CLIENT002	Individual	Demo User	123456
CLIENT003	Individual	Demo User	123456

The column marked with a darker header is being used in the sorting. The arrow  on the right side of the header shows the sorting order.

To change the sorting order, click on the header again.

To sort by multiple columns, press and hold the SHIFT key while making your selections.

4.1.4 On screen help

The information icon  indicates that more information is available for a specific data field.

Click on the icon to view the information pop-up.

To close, simply click outside the area or click on the "ok" button.



U.S. Years

Enter the date the client became subject to US taxation.

If the client is US citizen by birth enter the date of birth.

Leave the ending date blank if continues.

OK

4.1.5 Activity indicator

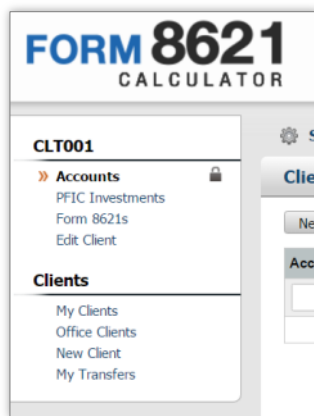
The activity indicator is located at the top right corner of the screen shows your current place in the program.



The example above shows that we are currently working on "Client One" and we are looking at the client's "Account detail".

5 Navigation

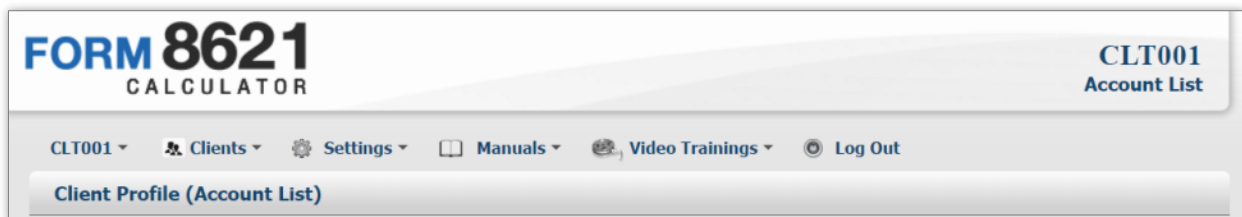
5.1 Menu options (Top-ribbon)



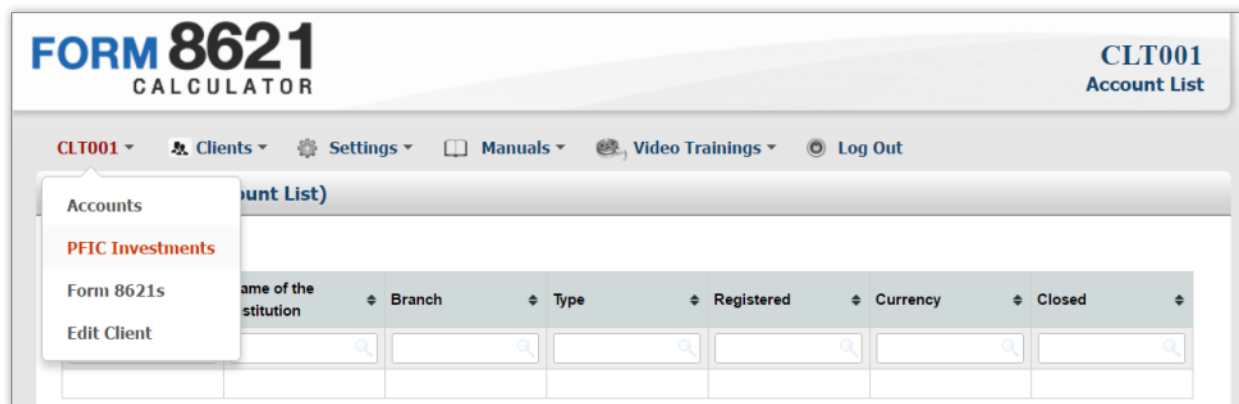
The calculator's main menu is located on the left side of the screen. In this menu you will find options for client and account management as you move around the software. .

The calculator is equipped with a responsive layout, which means that it will optimize the side menu location based on your current screen resolution.

On smaller screens the left menu is merged with the top-sub menu containing the settings, help documents and the log out button.



To access the sub items of the menu in the top ribbon, move your mouse over the menu item. A sub menu will open with additional options.



5.1.1 Client Menu

The client menu will be located in the left menu or the top ribbon depending on your screen resolution.

The options under this menu:

- » My Clients
- » Office Clients *(optional)*
- » All Clients *(optional)*
- » New Client
- » My Transfers

5.1.1.1 My Clients

My Clients contains your client portfolios. By selecting the My Client's menu you can see the client list that contains your clients only.

5.1.1.2 Office Clients & All Clients

This is an optional menu selection only available when the system administrator has enabled the office or companywide searching function (not applicable in the cloud setting).

By selecting "Office clients", the client list will show all clients associated with any user in your office.

The "All Clients" option will list the company's full client list.

Note that users set up with a Supervisory account will have access to the full client list at all times.



The Office search function requires that all users in your company are assigned to an office.

See the Administrative Guide for more details on how to assign users to offices.

5.1.1.3 New Client

Select this menu option to add a new client to the database. See 6.1 for more information about the process.

5.1.1.4 My Transfers

Clients are associated with a specific user in the database. Only the associated user will have editing rights to the client information. In some cases it is required to transfer clients between users.

Under this section you will see all the “incoming” and “outgoing” transfer requests, and their status.

My TRANSFERS close							
Date of Request	Request Type	Status	Action Date	Client	User	Email	Notes
2016-03-18 12:09:06	Transfer In	Approved	2016-03-18 12:09:58	Lois Lane (LANE1111)	Demo User 2 (123123)	noemail@f8621.com	
2016-03-18 12:09:29	Transfer In	Disapproved	2016-03-18 12:09:58	Peter Parker (PARK0000)	Demo User 2 (123123)	noemail@f8621.com	I'm sorry but I'm still working on this client file.
2016-03-18 12:10:26	Transfer In	Pending		TENN5555	Demo User 2 (123123)	noemail@f8621.com	
2016-03-17 09:59:29	Transfer Out	Supervisor	2016-03-17 09:59:29	CLIENT001	Demo User 2 (123123)	noemail@f8621.com	

By default the grid is sorted by the Date of Request.

The request type can either be

- » “Transfer In” – An unassociated user has sent a request to the user who currently “owns” the client, to transfer the client file to them for editing.
- » “Transfer Out” – The associated user has received a request to allow a client account to be transferred to another user.

The Status has four different options:

- » Approved – the transfer is completed and the date of approval is recorded.
- » Disapproved – the transfer was rejected and the date of rejection is recorded.
- » Pending – no approval/rejection received, the date of approval field is blank.
- » Supervisor – Since supervisors do not have to go through the approval process and they can transfer clients between any two user accounts freely, the supervisory request simply noted and the date of transfer is recorded.

The Action Date column shows either the transfer date, the date of approval or denial.

The Client column contains the client's name (if enabled) and the client ID.

The User column shows where the client was transferred to or from.

The email field contains the user's email.

The notes contain the notes entered by the user at the time of approving or rejecting the client's transfer request.

For information about how to transfer client see 6.1.

5.1.2 Active Client Menu

The active client menu is the first item in the top ribbon, or it is located on the left side depending on the user's screen resolution.

The options under this menu:

- » Accounts
- » PFIC Investments
- » Form 8621s
- » Edit Client
- » Transfer Client *(if applicable - supervisors)*
- » Request Client Transfer *(if applicable – users: when looking at a client associated with another user)*
- » Orphaned Clients *(if applicable – users & supervisors: when there are clients in the database associated with an inactive use account)*

5.1.2.1 Accounts

The accounts page contains an overview of the active client's list of accounts.

Depending on the administrative setting, the data grid can contain the following columns:

Account Number	Name of the Institution	Branch	Address	City	Province	Postal Code	Country	Type	Registered	Currency	Closed
#4571	Bank Of Montreal	0125	175 Grafton Street	Charlottetown	PE	C0A 1J0	Canada	Checking	No	CAD	

The closed column will indicate the year an account was closed.

In the cloud version the account number will be limited to four characters and only the following columns are available:

Account Number	Name of the Institution	Branch	Type	Registered	Currency	Closed
#4571	Bank Of Montreal	0125	Checking	No	CAD	

For more information about opening, closing or editing accounts see 7.1

5.1.2.2 PFIC Investments

The PFIC investments page contains the client's PFIC portfolio.

Name of the Fund	Fund Code	Class	Units	Financial Institution	Account Number	Currency	Ownership %
Fund One	F001	A		Bank Of Montreal	4571	CAD	100.00
Fund Two	F002	S		Bank Of Montreal	4571	CAD	100.00

5.1.2.3 Form 8621s

This page lists all completed pending Forms under the client's portfolio.

Form 8621s Accounts All Year All

Fund One - F001 (class: A) #4571 (Bank Of Montreal - 0125)

FUND INFORMATION (USD)						REPORTED BY CLIENT			
Year	FMV	Units at year start	Regular Distributions	Excess Distributions	Share %	Regular Distributions	Excess Distributions	Unreversed Inclusions	
2012	11,034.97	0.000000	-	-	100	-	-	0.00	
2013	11,756.63	10,000.000000	-	-	100	-	-	0.00	
2014	-	10,000.000000	-	-	100	-	-	0.00	

Fund Three - F003 (class: B) #4571 (Bank Of Montreal - 0125)

New Form 8621

Fund Two - F002 (class: S) #4571 (Bank Of Montreal - 0125)

FUND INFORMATION (USD)						REPORTED BY CLIENT			
Year	FMV	Units at year start	Regular Distributions	Excess Distributions	Share %	Regular Distributions	Excess Distributions	Unreversed Inclusions	
2014	1,423.52	0.000000	-	-	100	-	-	0.00	MTM
2015	-	1,500.000000	-	-	100	-	-	510.59	

For more information about creating and managing Forms see 10.

5.1.2.4 Edit Client

Select this menu option to edit the current client information. See 6.4 for more information about the process.

5.1.2.5 Client Transfers

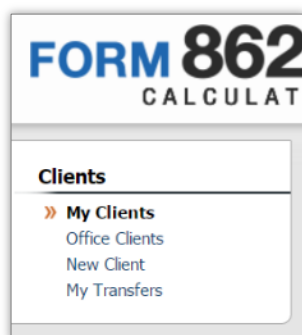
If you are using the calculator as a user, you will be able to request client transfers for any client's that are not associated with your account, providing the search by office or company was enabled by your administrator.

Supervisor accounts are able to transfer clients between any two users.

For more information about transfer see 6.3.

6 Working with clients

6.1 New Client




To add a new client to the database, select "New Client" from the "Clients" menu in the side menu or click on the "New Client" button in client view.

On smaller screens, the "Clients" menu is located in the Top Ribbon.

The new client form in the Cloud version

The new client form in Desktop mode, with all options enabled.



Note that some of the entry options may not be available, depending on your administrative settings. See 4.1.4 for explanation of the “On Screen Help”  icon.

Entry Fields

Type of Shareholder: the following options are available:

- » Individual
- » Corporation
- » Partnership
- » S Corporation
- » Non-grantor Trust
- » Estate

By changing the “Type of Shareholder”, the entry options automatically update to represent the entries needed.

The tool will generate the Form 8621 for any type of shareholder but currently, the tool will only provide you with a preview of other forms (Schedule B, Schedule D, etc.) for individuals filing the Form 1040.

Shareholder tax year ending: You may change the shareholder's year end at any time. Note this only updates the default information for the client's year end. It has no effect on any forms already in the system. You may update the shareholder's tax year at a later time or simply change the reporting period at the time of entering the Form 8621 year end information.

Taxpayer / Spouse: This identifies the owner of the PFIC. Use the "Spouse" option if the client is Married Filing Jointly, and the owner of the investment is not the primary taxpayer on the return. For all other filing statuses use the "Taxpayer" option. For a jointly owned PFIC select the Taxpayer option.

First Name / Last Name or Company name: Enter the client or company's full name

SSN / EIN / Reference Number: the client's Social Security Number, or in case of companies, the Employer Identification Number or any other alphanumeric number that uniquely identifies the company.

US Years: The calculator allocates and reports the PFIC income using the fund's holding period. In certain cases the fund's holding period may fall into Non-US periods (for example when the client became a US person after purchasing a PFIC). In order to properly report the income always ensure to complete the client's US periods accurately.

You may enter one or more qualified periods using the "add row" button.

Leave the ending date blank if the client continues to be subject to U.S. taxation.

U.S. Years	Beginning	Ending
Leave the ending date blank if continues	1995-08-08 *	2005-12-31
<input type="checkbox"/>	2008-06-01	
	add row	delete row

Example of a client who was a US resident during August 8, 1995 and December 31, 2005, become subject to US reporting again in June 1, 2008 and currently is considered a US individual.

To delete a row check the checkbox and click the “delete row” button.

If the client is citizen by birth, enter the date of birth or 1987-01-01 in the “beginning” field and leave the “ending” field blank.

Note that if the client already has completed Form 8621s in the database, you may not be able to edit the US years or the editing options will be limited to years not affected by the completed forms.

Address: The client's full mailing address

Client ID: When the SSN option is disabled by your administrator you must manually key in the Client ID.

If the SSN is provided the tool will automatically assign the Client ID based on the first 4 letters of the client's last name + the last 4 digits of the clients tax ID

Example:

New Client											
Client ID	First Name	Last Name	SSN / EIN	Address	City	State / Province	Zip / Postal Code	Country	Type of Shareholder	User Name	User Number

Current client list


Client name: John Smith (SSN: 987-65-4321), born in December 1, 1945.

He is a Canadian citizen by birth. He has lived and worked in the United States between January 1, 2006 and June 28, 2010. After that he spent three years waiting for his citizenship application to be approved. On August 20, 2013 he received his citizenship and in 2014 June moved to the United States permanently.

He is filing for 2014.

His mailing address is 123 Park Ave, Lincoln Park, MI 48146

You would need to make the following entries:


NEW CLIENT
close

Type of Shareholder

Shareholder tax year ending

Taxpayer / Spouse

First Name

Last Name

SSN

U.S. Years
Leave the ending date blank if continues

	Beginning	Ending
<input checked="" type="checkbox"/>	<input type="text" value="2006-01-01"/>	<input type="text" value="2010-06-28"/>
<input type="checkbox"/>	<input type="text" value="2013-08-20"/>	<input type="text"/>

Address

Address 2

City
 State / Province
 Zip / Postal Code

Country

Notes

Click on “save” to record John’s information.

Client ID	First Name	Last Name	SSN / EIN	Address	City	State / Province	Zip / Postal Code	Country	Type of Shareholder	User Name	User Number
SMIT4321	John	Smith	987-65-4321	123 Park Avenue	Lincoln Park	MI	48146	United States	Individual	Demo User	123456

His account was created and his information is automatically added to the client list.

6.2 Setting up Joint clients

You would setup joint clients if they are filing a joint return and jointly own PFIC investment.

The “filing a joint form” option will only be available if two clients are married and setup as joint clients. They must also be the only owners of the PFIC investment.

In order to setup joint clients:

- » Always create the main taxpayer account first.
- » When creating the Spouse’s account chose the “Spouse” option from the dropdown menu at the “Taxpayer / Spouse” line.

Example 2:

Jane Smith (SSN 123-45-6789), John's wife would like to file jointly with John and they have PFIC investments in a joint account. Jane is a US citizen by birth and her date of birth is May 5, 1951

We need to add Jane as John's spouse to the system.

Select "New Client" and select the "Spouse" option from the dropdown.

Select John Smith from the second drop-down.

The screenshot shows the 'NEW CLIENT' form with the following fields and values:


- Type of Shareholder:** Individual
- Shareholder tax year ending:** Dec 31
- Taxpayer / Spouse:** Spouse of [dropdown]
- Transfer spousal info:** ☐
- First Name:** [dropdown showing John Smith (SMIT4321)]
- Last Name:** [empty]

If you would like to transfer John's address to Jane's account, check the "Transfer spousal info" box (only available in the desktop application).

The screenshot shows the 'NEW CLIENT' form with the following fields and values:

- Type of Shareholder:** Individual
- Shareholder tax year ending:** Dec 31
- Taxpayer / Spouse:** Spouse of John Smith (SMIT4321)
- Transfer spousal info:** ☒
- First Name:** [empty]
- Last Name:** Smith
- SSN:** [empty]
- U.S. Years:** Beginning [empty] Ending [empty]
- Address:** 123 Park Avenue
- Address 2:** [empty]
- City:** Lincoln Park
- State / Province:** MI
- Zip / Postal Code:** 48146
- Country:** United States
- Notes:** [empty]

Complete any missing information.


NEW CLIENT
close

Type of Shareholder

Shareholder tax year ending

Taxpayer / Spouse of ☒ Transfer spousal info

First Name

Last Name

SSN

U.S. Years
Leave the ending date blank if continues

Beginning

Ending

Address

Address 2

City State / Province Zip / Postal Code

Country

Notes

Jane's completed client information profile

Click "save" to record Jane's information.

Client List
New Client

Client ID	First Name	Last Name	SSN / EIN	Address	City	State / Province	Zip / Postal Code	Country	Type of Shareholder	User Name	User Number
SMIT4321	John	Smith	987-65-4321	123 Park Avenue	Lincoln Park	MI	48146	United States	Individual	Demo User	123456
SMIT6789	Jane	Smith	123-45-6789	123 Park Avenue	Lincoln Park	MI	48146	United States	Individual	Demo User	123456

The client list is now updated, showing both John and Jane in the system.

Note that the program will only list individual "Taxpayers" associated with the logged in user that has no spouse.

6.2.1 Duplicate Clients / Client IDs (server version only)

In a server installation, it can happen from time to time that a client moves and goes to a different office or more than one client has the same Client ID (for example: Jane Smith from the previous example and Anita Smithson 578-47-6789 would both have the same generated ID: SMIT6789).

When saving Anita's information the program checks the database for the Client IDs and warns the user that the database already contains client(s) with the same ID.

EXISTING CLIENT
close

We have found another client in the database with the same "Client ID".

Please compare the client the information below and request a client transfer if the two clients are the same or click on new client to proceed and open a new client account.

Client (1)

Client ID SMIT6789
First Name Jane
Last Name Smith
SSN 123-45-6789
Type of Shareholder Individual
Address 123 Park Avenue
Lincoln Park, MI 48146
United States
Notes

New client Information

Client ID SMIT6789
First Name Anita
Last Name Smithson
SSN 578-47-6789
Type of Shareholder Individual
Address 123 Main Street
Ottawa, ON K1V 6P5
Canada

Clicking on 'new client' will add the new client information to the database with a Client ID: SMIT6789-1

Client ID	First Name	Last Name	SSN / EIN	Address	City	State / Province	Zip / Postal Code	Country	Type of Shareholder	User Name	User Number
SMIT4321	John	Smith	987-65-4321	123 Park Avenue	Lincoln Park	MI	48146	United States	Individual	Demo User	123456
SMIT6789	Jane	Smith	123-45-6789	123 Park Avenue	Lincoln Park	MI	48146	United States	Individual	Demo User	123456
SMIT6789-1	Anita	Smithson	578-47-6789	123 Main Street	Ottawa	ON	K1V 6P5	Canada	Individual	Demo User	123456

Let say Anita decides to use an office at the same firm closer to her home. Since the firm is setup with one central Form 8621 server, when her information was entered into the system at the new office, the accountant will get a notification of the duplicate client record.

EXISTING CLIENT
close

We have found another client in the database with the same "Client ID".

Please compare the client the information below and request a client transfer if the two clients are the same or click on new client to proceed and open a new client account.

Client (1)

Client ID SMIT6789
First Name Jane
Last Name Smith
SSN 123-45-6789
Type of Shareholder Individual
Address 123 Park Avenue
Lincoln Park, MI 48146
United States
Notes

New client Information

Client ID SMIT6789
First Name Anita
Last Name Smithson
SSN 578-47-6789
Type of Shareholder Individual
Address 123 Main Street
Ottawa, ON K1V 6P5
Canada

Client (2)

Client ID SMIT6789-1
First Name Anita
Last Name Smithson
SSN 578-47-6789
Type of Shareholder Individual
Address 123 Main Street
Ottawa, ON K1V 6P5
Canada
Notes

Select the same as client#2 option, seeing that Client (2) is the same as the client the user is trying to add. A client transfer will be generated see 6.3.1.1

6.3 Client Transfers

6.3.1 Client Transfer Request by Users

6.3.1.1 Transfer Request while adding a new user

To keep track of your transfer requests use the “My Transfers” option under the Client menu.

My TRANSFERS							
Date of Request	Request Type	Status	Date of Approval	Client	User	Email	Notes
2016-03-18 12:09:06	Transfer In	Approved	2016-03-18 12:09:58	Lois Lane (LANE1111)	Demo User 2 (123123)	noemail@f8621.com	
2016-03-18 12:10:26	Transfer In	Approved	2016-03-18 13:26:48	TENN5555	Demo User 2 (123123)	noemail@f8621.com	
2016-03-18 12:09:29	Transfer In	Disapproved	2016-03-18 12:09:58	Peter Parker (PARK0000)	Demo User 2 (123123)	noemail@f8621.com	I'm sorry but I'm still working on this client file
2016-03-18 18:08:43	Transfer Out	Pending		Anita Smithson (SMIT6789)	Demo User 2 (123123)	noemail@f8621.com	
2016-03-17 09:59:29	Transfer Out	Supervisor	2016-03-17 09:59:29	CLIENT001	Demo User 2 (123123)	noemail@f8621.com	

After a client transfer request is initiated, the original user will receive a notification the next time they log in. A pop-up will ask if he/she authorizes the client transfer.

You've received a CLIENT TRANSFER REQUEST

Please review the client transfer request(s) below.
By approving the transfer the client data will be blocked for future edit.
Please contact the tax professional making the request if you have any questions.

Client #1
SSN/EIN
Requested by

Anita Smithson (SMIT6789-1)
578-47-6789
Demo User 2 (123123)
noemail@f8621.com
1-401-555-4512
☐ Approve
☐ Disapprove

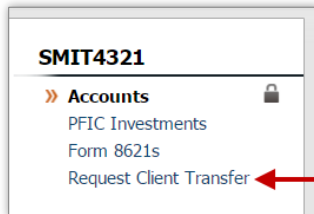
Notes

save

Since you'll have to wait for the authorization, if time is of the essence you may ask any users with supervisory access to transfer the client over.

6.3.1.2 Sending Request from the Client List

If it was enabled by the system administrator, a user may view other user's clients.

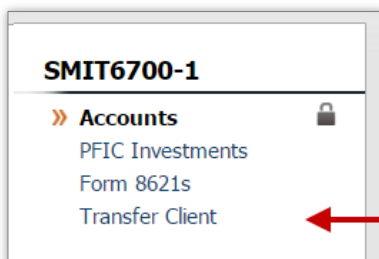


When a user selects a client who is assigned to another user and would like to have editing rights he/she must send a client transfer request to the original user.

Note that if the original user's account is marked inactive the transfer will occur automatically.

The rest of the procedure is detailed in 6.3.1.1

6.3.2 Client Transfer Request by Supervisors



Supervisors may view all clients in the system.

To transfer clients between users, chose the "All clients" option from the "Client menu".

Select the client you would like to transfer from the client list.

Select "Transfer Client" from the "Active Client" menu.

A new pop-up window will open where you can select the new user from a drop down list.

Click "confirm" to complete the transfer.

Note that the transfer will be instant, without the need for an approval from the original user.

7 Bank Accounts

7.1 Adding accounts to the client's portfolio

Go to your client list ("My Clients") and select the client from the grid.

Client ID	First Name	Last Name	SSN / EIN	Address	City	State / Province	Zip / Postal Code	Country	Type of Shareholder	User Name	User Number
SMIT6789-1	Anita	Smithson	578-47-6789	123 Main Street	Ottawa	ON	K1V 6P5	Canada	Individual	Demo User	123456
SMIT6789	Jane	Smith	123-45-6789	123 Park Avenue	Lincoln Park	MI	48146	United States	Individual	Demo User	123456
SMIT4321	John	Smith	987-65-4321	123 Park Avenue	Lincoln Park	MI	48146	United States	Individual	Demo User	123456

The program will redirect you to the Account list for the selected client.

FORM 8621
 CALCULATOR

ANITA SMITHSON
Account List

SMIT6789-1
 Accounts
 PFIC Investments
 Form 8621s
 Edit Client
 Transfer Client

Clients
 My Clients
 Office Clients
 All Clients
 New Client
 My Transfers

Settings
 Manuals
 Reference
 Log Out

Client Profile (Account List)
 New Account

Account Number	Name of the Institution	Branch	Type	Registered	Currency	Closed

Adding an account to a client's portfolio is a two-step process.

1. Select/Add the financial institution's information, then
2. Enter the account details.

STEP 1:

Click on the "New Account" button.

A new pop-up window will open listing all financial institutions in the database.

STEP 1: SELECT / ADD NEW INSTITUTION INFORMATION
close

New Institution

Name of the Institution	Branch	Address	City	Province	Postal Code	Country
ACB Bank		123 Charlotte Street	London		W1T 1RJ	United Kingdom
Bank Of Montreal	0125	175 Grafton Street	Charlottetown	PE	C0A 1X0	Canada
CIBC		465 University Avenue	Charlottetown	PE	C1A 4N9	Canada
RBC Royal Bank		335 University Ave	Charlottetown	PE	C1A 4M6	Canada
TD BANK	12	1 MAIN	CALGARY	AB	T3H3Z2	Canada

If the bank has been entered for a prior client it will appear on the grid and you may select it by clicking anywhere on the row containing the financial institution's

information. If the bank has not been entered previously- click on the “New Institution” and complete the information as directed.

NOTES:

- You may only edit the financial institutions which are associated with your user account by clicking on the “edit” icon beside the table.
- Individual branches of the same bank are entered separately.

STEP 2

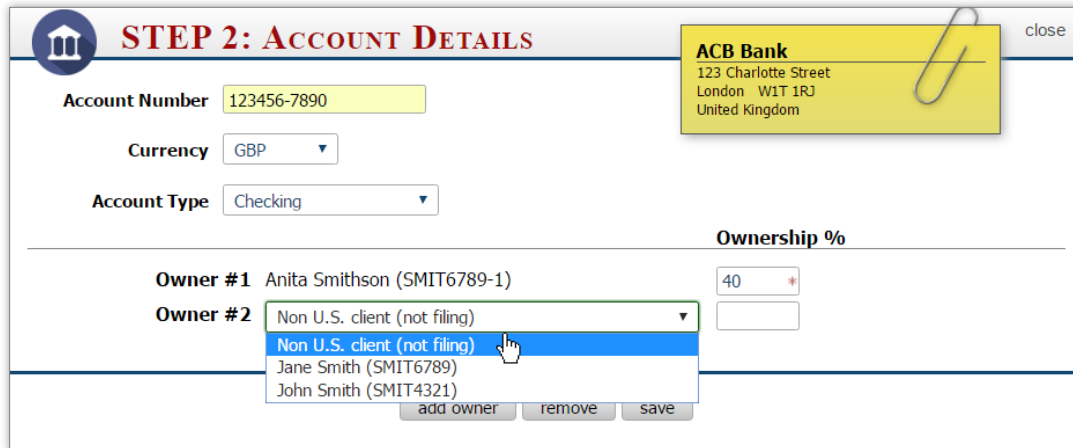
If you need to change financial institutions, you may click on the yellow “post-it” note.

Available Fields (all fields are required)

- Account Number** The account number is limited in the cloud environment to 4 digits.
- Currency** Select the account currency from the drop down list.
If the currency of the account is not listed go to the “Settings Menu” and select “Currencies” from the available options. See 2.2 for more information.
- Account Type** From the dropdown select the account type that most accurately reflects the client's account.
- Ownership** Enter the % of ownership.

7.2 Setting up Joint Accounts

The ownership must total 100%.



STEP 2: ACCOUNT DETAILS close

Account Number 123456-7890

Currency GBP

Account Type Checking

ACB Bank
123 Charlotte Street
London W1T 1RJ
United Kingdom

Ownership %

Owner #1 Anita Smithson (SMIT6789-1) 40 *

Owner #2 Non U.S. client (not filing) *

Non U.S. client (not filing)
Jane Smith (SMIT6789)
John Smith (SMIT4321)

add owner remove save

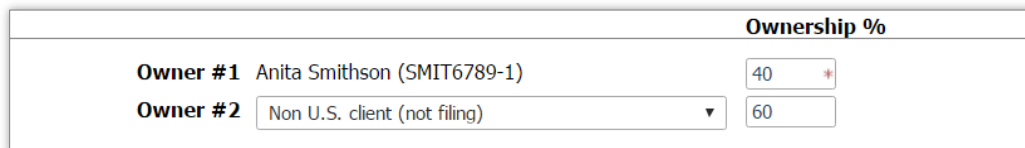
In cases where the joint owner is not a US person and has not elected to file a joint return with the client (or any other joint owner who is not filing a US return) use the 'Non U.S. client (not filing)' option to set up the account.

The calculator will take into account the portion of the account that is not subject to US taxation based on this entry.

Notes: the owners list in this section will be limited to the user's client list since editing is only available for clients assigned to the current user

All joint owners must be entered into the database before the account setup is started.

If the joint owner is already in the database please submit the client transfer request before proceeding.



Ownership %

Owner #1 Anita Smithson (SMIT6789-1) 40 *

Owner #2 Non U.S. client (not filing) 60

Once saved the information will appear on the "Client profile | account list".

Client Profile (Account List)

New Account

Account Number	Name of the Institution	Branch	Type	Registered	Currency	Closed
#123456-7890	ACB Bank		Checking	No	CAD	

7.3 Editing the client's account information

Client Profile (Account List)

New Account

Account Number	Name of the Institution	Branch	Type	Registered	Currency	Closed
#123456-7890	ACB Bank		Checking	No	CAD	

Go to the Account List and select the account you would like to edit

Account Detail

Currency: GBP
Account Type: Checking
Owner(s):
Non U.S. client (not filing) 60.00 %
[T] Anita Smithson (SMIT6789) 40.00 %

add new

Name of the Fund	Fund Code	Class	Units

ACB Bank
123 Charlotte Street
London W1T 1RJ
United Kingdom

Account detail view

The Account detail view provides you with the currency, type and owners of the account as well as the financial institution information.


The owners are marked with [T] for taxpayer and [S] for Spouse.

If the only joint owners are a taxpayer and spouse, the program will allow you to elect to file a joint Form 8621 for any fund under the account (see 10 - Entering the Form 8621 information)

Note: The “edit” and “add new” functions are not available in “view mode”.


Request a client transfer to enable editing.

ACB Bank
123 Charlotte Street
London W1T 1RJ
United Kingdom

On the post-it note click on the  icon to edit the account information.


Step 1: Changing/Editing the financial institution information

STEP 1: UPDATE INSTITUTION INFORMATION

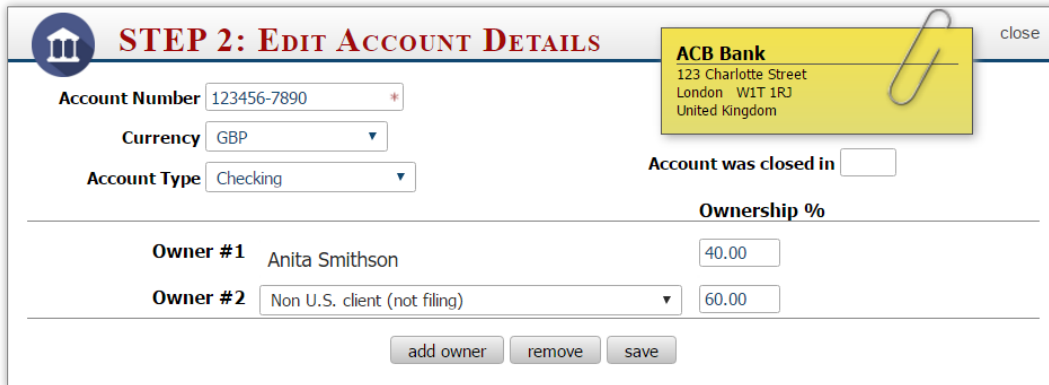
Use Current Institution (ACB Bank, 123 Charlotte Street, London W1T 1RJ United Kingdom) 

New Institution

Name of the Institution	Branch	Address	City	Province	Postal Code	Country
ACB Bank		123 Charlotte Street	London		W1T 1RJ	United Kingdom
Bank Of Montreal	0125	175 Grafton Street	Charlottetown	PE	C0A 1J0	Canada
CIBC		465 University Avenue	Charlottetown	PE	C1A 4N9	Canada
RBC Royal Bank		335 University Ave	Charlottetown	PE	C1A 4M6	Canada
TD BANK	12	1 MAIN	CALGARY	AB	T3H3Z2	Canada

- » To edit the current financial institution, click on the  icon.
- » To leave the current institution, select the current institution.
- » To change institutions, select another institution from the list.
- » To add a new institution, click the “New Institution” button.


Step Two:



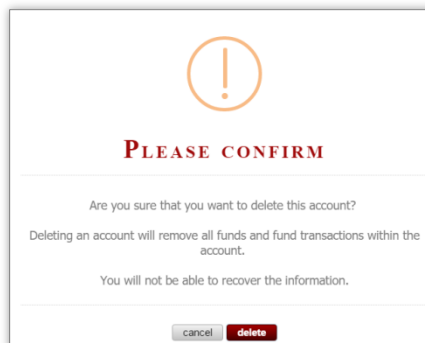
Year closed field: If the account was closed please enter the year in the “Account was closed in” field. Note that an entry in this field will prevent adding additional transactions to the account after the closing year.

Note: Once a Form 8621 has been marked as submitted for any fund within the account, editing the account is no longer allowed.

7.4 Deleting Accounts

You may also delete the account by clicking on the  icon. When you delete an account all funds and transactions will be removed and the data will be permanently lost.

A pop-up warning will alert you to confirm you want to delete the account.



Note: Once a Form 8621 has been marked as submitted for any fund within the account, deleting the account is no longer allowed.

8 Funds

8.1 Adding fund to an account

In the Accounts menu select the account where you would like to add funds.

Account Detail

Currency: CAD
Account Type: Checking
Owner(s): [T] John Smith (SMIT4321) 100.00 %

add new

Name of the Fund	Fund Code	Class	Units

Bank Of Montreal (0125)
 175 Grafton Street
 Charlottetown PE C0A 1J0
 Canada

Click on the “add new” button.

FUND INFORMATION

Name of the Fund Fund Code Class

Available Fields

- Name of the fund** Enter the name of the fund as listed on the financial statements
- Fund Code** Enter the fund code. Note that this field will become part of the name of the fund on the reports when it is enabled by the System Administrator.
- Class** Enter the class of the shares.
- Units** The “units” field in the data grid is Information only and not editable. This field will populate automatically when transactions are entered.

Click on “save” to add the fund information into the account.

Account Detail

Currency: CAD
Account Type: Checking
Owner(s): [T] John Smith (SMIT4321) 100.00 %


add new

Name of the Fund	Fund Code	Class	Units
BMO Monthly Income Fund	BMO173	A	

Bank Of Montreal (0125)
 175 Grafton Street
 Charlottetown PE C0A 1J0
 Canada

8.2 Editing Fund information

To make corrections click on the “edit”  icon to the right of the fund name and save your changes.

FUND INFORMATION 


Name of the Fund	Fund Code	Class	
BMO Monthly Income Fund *	BMO173	A	<input type="button" value="save"/> <input type="button" value="cancel"/>

Note that the edit function is no longer available once a Form 8621 for the fund is marked as submitted.

8.3 Deleting a fund

Under the *funds* menu click on the delete  icon to delete the fund.


Name of the Fund	Fund Code	Class	Units
BMO Monthly Income Fund	BMO173	A	




Deleting the fund will permanently remove all information from the database.

All information must be re-keyed if the fund was deleted by error.

Before the delete becomes permanent a pop-up window will ask for your confirmation.



PLEASE CONFIRM

Are you sure you want to delete this fund and all of its transactions?

You will not be able to recover the information.

You must answer “delete” to proceed with the deletion of the fund.

Note that the delete function is no longer available once a Form 8621 for the fund is marked as submitted.

9 Transaction History

The transaction history screen has three main sections.

- » Diagnostics (top left)
- » New Transactions (top right)
- » Transaction Summary (bottom)

TD Short Term Bond Fund (TDB967) Bank Of Montreal #0001

Currency: CAD
 Ownership: 100.00 %
 Total Units: 0.0000
 Diagnostics: 9.97

New Transaction | TD Short Term Bond Fund (#0001) *

Date (mm-dd-yy)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail
	Purchase					N/A

Transaction Summary

Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
9.87 2013-12-30	Sale	(1,710.7200)	16,884.81	0.939774	15,867.90		
9.87 2013-12-13	Reinvestment Dividend	1.4670	14.48	0.943805	13.67	Yes	13.67
9.88 2013-11-28	Reinvestment Dividend	2.5640	25.33	0.944140	23.92	Yes	23.92
9.88 2013-10-30	Reinvestment Dividend	2.6370	26.05	0.956268	24.91	Yes	24.91
9.84 2013-09-27	Reinvestment Dividend	2.5720	25.31	0.970439	24.56	Yes	24.56
9.83 2013-08-29	Reinvestment Dividend	3.0260	29.75	0.949798	28.26	Yes	28.26
9.86 2013-07-30	Reinvestment Dividend	2.9490	29.08	0.971230	28.24	Yes	28.24
9.85 2013-06-27	Reinvestment Dividend	2.6610	26.21	0.954154	25.01	Yes	25.01
9.93 2013-05-30	Reinvestment Dividend	3.2930	32.70	0.970047	31.72	Yes	31.72
9.99 2013-04-29	Reinvestment Dividend	3.2520	32.49	0.986268	32.04	Yes	32.04
9.98 2013-03-27	Reinvestment Dividend	2.8290	28.23	0.982803	27.74	Yes	27.74
9.98 2013-02-27	Reinvestment Dividend	2.8830	28.77	0.975436	28.06	Yes	28.06

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9.1 Adding transactions to the fund

- Option 1: In the *account detail* screen select the fund from the grid.
- Option 2: Under the *funds* menu screen select the fund from the grid.

BMO Monthly Income Fund (BMO173) Bank Of Montreal #987654-3210

Currency: CAD
 Ownership: 100.00 %
 Total Units: 0.0000
 Diagnostics: 0.00

New Transaction

Date (mm-dd-yy)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail
	Purchase					N/A

Transaction Summary

Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
------	------------------	-------	-----	---------------	-----	----------	-----

Add new transactions by filling in the **“New Transaction”** section of the form.

The form is intuitive and will only request the information required for the transaction type selected.

9.1.1 Purchases

New Transaction							
Date (YYYY-MM-DD)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail	Reported as income on US tax return
<input type="text"/>	Purchase	<input type="text"/>	<input type="text"/>	<input type="text"/>		Other	<input checked="" type="checkbox"/>
							<input type="button" value="save"/>

Date: Enter the date using YYYY-MM-DD format. Only numbers need to be entered. The “-“ is added automatically.

Security features:

- The first number must be a 1 or 2;
- The second number must be a 9 or 0;
- The first number of the month must be 0 or 1;
- The first number of the day must be between 0 and 3.
- Invalid dates will also prompt users to correct their entry

Units: enter the number of units purchased in the transaction.

CAD: transaction amount in the functional currency of the account. If your account is in a currency other than USD, the header will show the appropriate currency code.

Exchange: The exchange rate is automatically populated based on the currency selected in your settings and the date of the transaction. Exchange rate can be over written if desired.

The Calculator uses “multiply by” method.

USD: Transaction amount in US currency.

Transaction Type - Detail:

CESG (Canada Education Savings Grant) or Other. In order to track the CESG earnings within the fund the CESG option can be selected.

Note that CESG or other income received inside of a PFIC do not have a cost base unless reported on a US tax return in the year received by a US person.

You must unselect the “reported” field if the client did not report the CESG or Other as income on his/her US tax return.

9.1.2 Reinvestment

New Transaction

Date (YYYY-MM-DD)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail	Reported as income on US tax return
	Reinvestment					Dividend	<input checked="" type="checkbox"/>

save

Use the Reinvestment option when the distributions are automatically used to purchase additional shares of the fund.

See entry field details under Purchase.

9.1.2.1 Reinvested Earnings Detail

Detail options:

- » Dividend,
- » Interest,
- » Capital Gain, and
- » Return of Capital

The calculator starts with “Dividend” option but will default to the last used selection.

You must unselect the “Reported” option if the client did not report the income that was used to purchase the additional units.

In case you made a mistake and unchecked the reported option in a current year reinvestment transaction, the program will give you a “Data Error” message when calculating the form to double check the information and make any necessary corrections.

	Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
1.00	2015-05-05	Reinvestment Dividend	1,000.0000	1,000.00	0.830501	830.50	No	0.00

DATA ERROR

There are transactions in the current year which are marked as 'not reported' on the current tax return.

Please double check your entries for 1291 & MTM shares. If this is a QEF, tick the "Reported as income on US tax return" box.

Cancel!

Data Correct. Proceed!

If you chose to correct the error click on “Cancel” and correct the mistake. The calculator will block access to save or carry over this calculation to next year.

If you would like to proceed with the incorrect information click on "Proceed".
The calculator will record that you selected to accept the notice and will allow you to continue with your calculation.

9.1.3 Sale

New Transaction						
Date (YYYY-MM-DD)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail
<input type="text"/>	Sale	<input type="text"/>	<input type="text"/>	<input type="text"/>		<input type="text" value="Sale"/> <input type="button" value="save"/>

Enter date of sale. The software will automatically use the FIFO (first in/ first out method to calculate gain/loss on the disposition).

See entry field details under Purchase.

Under the detail option you may select if your disposition is a sale of shares, donation or gift.

– the donation/gift option is an upcoming feature to the Form 8621 Calculator.

Notes: Do not enter negative values in any field.

The calculator does not support specific share identification or LIFO (last in /first out) for dispositions.

9.1.4 Distributed Earnings (distribution)

Enter the distributed amounts not automatically reinvested to purchase additional shares.

New Transaction						
Date (YYYY-MM-DD)	Transaction Type	CAD	Exchange Rate	USD		Detail
<input type="text"/>	Distribution	<input type="text"/>	<input type="text"/>			<input type="text" value="Dividend"/> <input type="button" value="save"/>

See entry field details under Purchase.

9.1.4.1 Distributed Earnings Detail

Detail options:

- » Dividend,
- » Interest,
- » Capital Gain, and
- » Return of Capital

9.2 Edit / Delete transactions

Use the  icon to edit a transaction, the  icon to delete and the  icon to delete all transactions that are not locked.

Note that all transactions used in the Form 8621 calculation will be locked once a Form 8621 is marked as filed for the fund.

9.3 Diagnostics

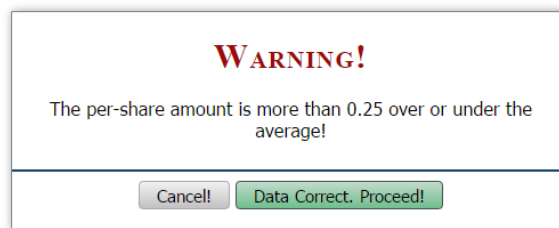
The calculator provides multiple diagnostics to help avoid data entry errors.

9.3.1 Total Units

It keeps track of the total number of units as each transaction entered, making it easy to compare the running total against the fund statements.

9.3.2 Average per-share tracking

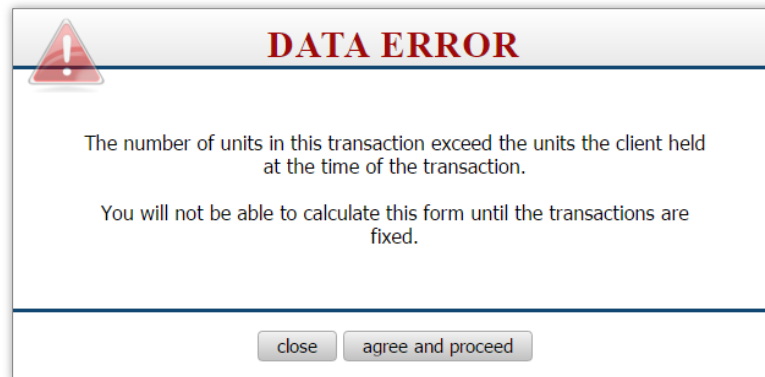
It also provides a per-share average of the transactions entered. If a new transaction is entered and the per-share amount of the new transaction differs from the average by more than 0.25, the program will show a pop-up message.



(This feature can be disabled during the initial setup or by going to the "Settings" menu and selecting the "Other settings" option.)

9.3.3 Selling more shares than the total available

When you enter a sale transaction and the number of unit exceeds the total units in the system, the program provides a warning.



Select "close" to discard the transaction, or select "agree and proceed" to keep the transaction. Note that you will not be able to complete the Form 8621 until this issue is fixed. Trying to generate the form while you have negative units in your transaction history will result in an incorrect form and will produce an error.

9.3.4 Transaction history highlighting

On top of the threshold warning, there is a visual highlighting in the data grid for any transactions over/under the threshold of the average transaction amount.

TD Short Term Bond Fund (TDB967) Bank Of Montreal #0001

Currency: CAD
Ownership: 100.00 %
Total Units: 1,000.0000
Diagnostics: 9.82


New Transaction | TD Short Term Bond Fund (#0001) *

Date (YYYY-MM-DD)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail
	Purchase					N/A

save

Transaction Summary

	Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
9.87	2013-12-30	Sale	(1,710.7200)	16,884.81	0.939774	15,867.90		
9.87	2013-12-13	Reinvestment	Dividend	1.4670	14.48	0.943805	13.67	Yes
1.20	2013-11-29	Purchase	1,000.0000	1,200.00	0.943530	1,132.24		1,132.24
9.88	2013-11-28	Reinvestment	Dividend	2.5640	25.33	0.944140	23.92	Yes
9.88	2013-10-30	Reinvestment	Dividend	2.6370	26.05	0.956268	24.91	Yes

The per-share pricing for each transaction is listed under the  column, and the average transaction amount is noted under the Diagnostics in the top right corner.

Double check your entries and make any corrections required.


See 2.8.3 to set the variance threshold.


9.4 Transaction History

Transaction Summary									
	Date		Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
1.04	2015-06-06	Sale	Sale	(1,500.0000)	1,560.00	0.804117	1,254.42		
1.00	2015-05-05	Reinvestment	Dividend	15.2500	15.25	0.830501	12.67	No	0.00
	2015-04-04	Distribution	Capital Gain		150.00	0.800641	120.10		
	2015-03-03	Distribution	Return of Capital		150.00	0.803090	120.46		
1.00	2015-02-02	Purchase	CESG	250.0000	250.00	0.794337	198.58	Yes	198.58
1.00	2015-01-01	Purchase		5,000.0000	5,000.00	0.860720	4,303.60		4,303.60

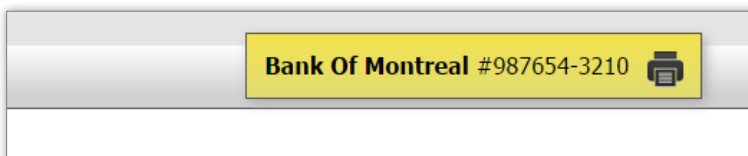
Transactions are color coded for easy review.

9.5 Recalculate the running total of Units

Currency:	CAD
Ownership:	100.00 %
Total Units:	3,765.2500 
Diagnostics:	1.01

If required you may recalculate the running total of units by clicking on the  icon.

9.6 Transaction History Printout



Click on the  icon to generate a printable transaction history.

Transaction Summary									
	Date		Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
1.04	2015-06-06	Sale	Sale	(1,500.0000)	1,560.00	0.804117	1,254.42		
1.00	2015-05-05	Reinvestment	Dividend	15.2500	15.25	0.830501	12.67	No	0.00
	2015-04-04	Distribution	Capital Gain		150.00	0.800641	120.10		
	2015-03-03	Distribution	Return of Capital		150.00	0.803090	120.46		
1.00	2015-02-02	Purchase	CESG	250.0000	250.00	0.794337	198.58	Yes	198.58
1.00	2015-01-01	Purchase		5,000.0000	5,000.00	0.860720	4,303.60		4,303.60

Screen view of the transaction history

John Smith			987-65-4321		
Form 8621		Transaction History			
Name of PFIC or QEF					
BMO Monthly Income Fund (BMO173)					
Date	Transaction Type	Number of Shares	CAD	Exchange	USD
01/01/15	Purchase	5,000.0000	5,000.00	0.860720	4,303.60
02/02/15	Purchase CESG	250.0000	250.00	0.794337	198.58
05/05/15	Reinvestment Dividend	15.2500	15.25	0.830501	12.67
06/06/15	Sale	(1,500.0000)	1,560.00	0.804117	1,254.42
Total for 2015		3,765.2500		ACB	3,223.77

PDF view of the transaction history with US ACB totals at year end

9.7 Save/Open transaction history

You may create a backup file of the fund transaction history by clicking on the  icon.

This will generate an ".f8621" file. This file is encrypted and can only be decrypted by the Form 8621 Calculator ensuring that the fund information is secure.

The fund transaction history can be imported from this file to another fund saving data

entry time by clicking on the  icon and selecting the file.

Example:

Two clients, a brother and sister are filing their tax returns. They jointly own a PFIC investment.

When the first client (Brother) came in Form 8621 was prepared with "Non filer - joint owner option".

When the second client (Sister) comes in the same fund information must be re-entered to create a form 8621 for her.

To transfer the fund history, simply go to the first client's fund information and click on the

"Save Transactions"  button.

TD Short Term Bond Fund (TDB967) Bank Of Montreal #0001

Currency: CAD
Ownership: 100.00 %
Total Units: 0.0000
Diagnostics: 9.97

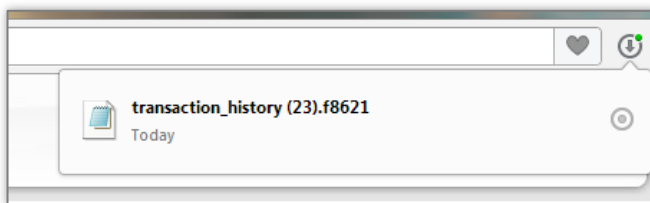
New Transaction | TD Short Term Bond Fund (#0001)

Date (YYYY-MM-DD)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail
	Purchase					N/A

Save Transactions

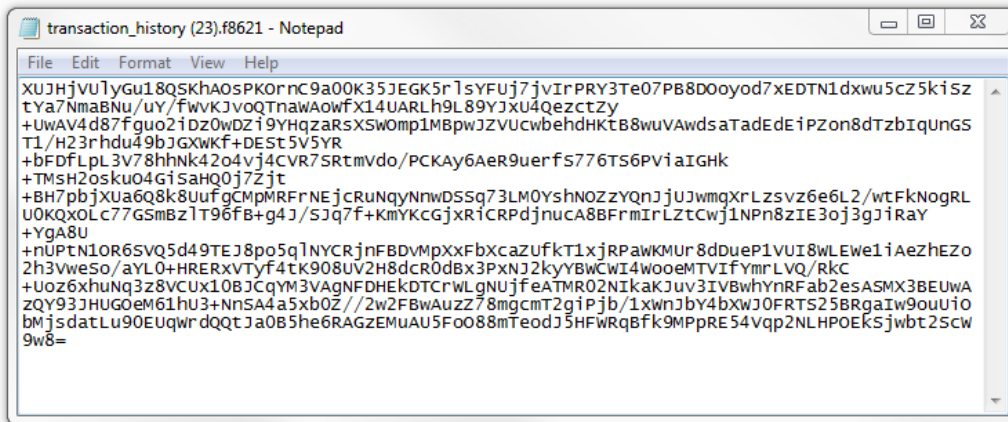
Transaction Summary

Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported
9.87 2013-12-30	Sale	(1,710.7200)	16,884.81	0.939774	15,867.90	
9.87 2013-12-13	Reinvestment	Dividend	1.4670	14.48	0.943805	13.67
9.88 2013-11-28	Reinvestment	Dividend	2.5640	25.33	0.944140	23.92
9.88 2013-10-30	Reinvestment	Dividend	2.6370	26.05	0.956268	24.91
9.84 2013-09-27	Reinvestment	Dividend	2.5720	25.31	0.970439	24.56
9.83 2013-08-29	Reinvestment	Dividend	3.0260	29.75	0.949798	28.26



The "transaction_history(23).f8621" file was generated.

Contents of the encrypted file:



Open a new client profile (Sister), setup the account and fund information, then go to the transaction entry page.

TD Short Term Bond Fund (TDB967) Bank Of Montreal #987654-3210

Currency: CAD
Ownership: 100.00 %
Total Units: 0.0000
Diagnostics: 0.00

New Transaction


Date (YYYY-MM-DD)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail
	Purchase					N/A

Save

Transaction Summary

Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
------	------------------	-------	-----	---------------	-----	----------	-----

Click on the  icon and select the "transaction_history(23).f8621" file.


OPEN TRANSACTIONS
close

Choose your file:

No file chosen
*

Click on the "Submit" button to import the transaction history.

TD Short Term Bond Fund (TDB967)
Bank Of Montreal #987654-3210

Currency: CAD
 Ownership: 100.00 %
 Total Units: 0.0000
 Diagnostics: 9.97


New Transaction

Date (YYYY-MM-DD)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail
	Purchase					N/A

Transaction Summary

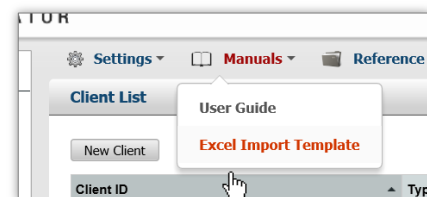
Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
2013-12-30	Sale	(1,710.7200)	16,884.81	0.939774	15,867.90		
2013-12-13	Reinvestment Dividend	1.4670	14.48	0.943805	13.67	Yes	13.67
2013-11-28	Reinvestment Dividend	2.5640	25.33	0.944140	23.92	Yes	23.92
2013-10-30	Reinvestment Dividend	2.6370	26.05	0.956268	24.91	Yes	24.91
2013-09-27	Reinvestment Dividend	2.5720	25.31	0.970439	24.56	Yes	24.56
2013-08-29	Reinvestment Dividend	3.0260	29.75	0.949798	28.26	Yes	28.26
2013-07-30	Reinvestment Dividend	2.9490	29.08	0.971230	28.24	Yes	28.24
2013-06-27	Reinvestment Dividend	2.6610	26.21	0.954154	25.01	Yes	25.01

The new fund with the same transaction history

Use the recalculate  icon to force the program to update the running total.

9.8 Excel Import

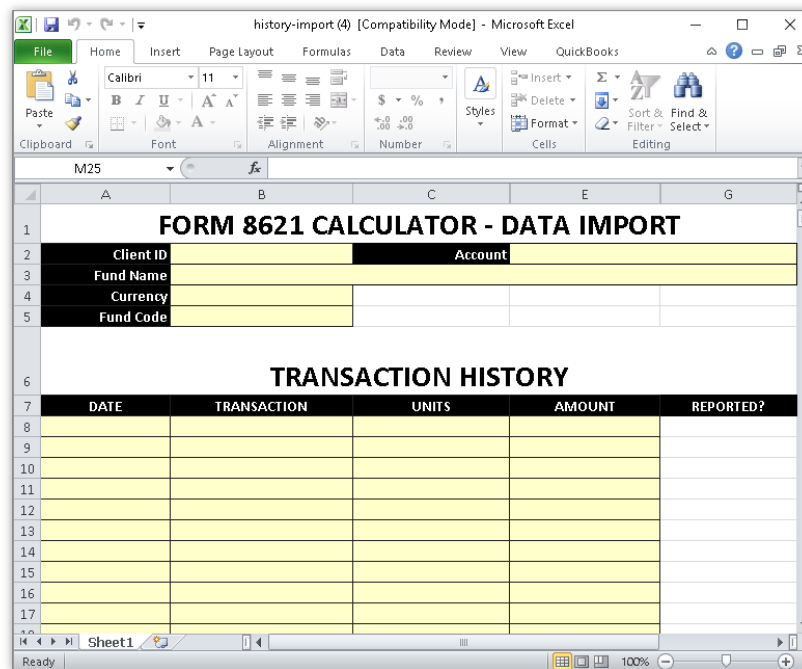
To import the transaction history of the investment from excel, first you must download the Excel Import Template ("history-import.xls") file which is located in the main menu under the "Manuals" section.



If prompted, chose to save the file. You may leave the file name as is ("history-import.xls") or you may rename it to suit your own needs.

Open the template and fill in or copy the transaction history into the file. The first six lines are for reference only and are not used during the import process.

If the file opens in "read only" mode, you will have to enable the editing manually, before you can make any changes.



Note: Always use the Paste Special / As Values option.


When importing Sales transactions, the number of units can be either Positive or Negative (see lines 10 and 11), for all other transactions, the number of units must be positive.

TRANSACTION HISTORY					
	DATE	TRANSACTION	UNITS	AMOUNT	REPORTED?
8	2014/05/05	Purchase	10000.0000	10000.00	
9	2014/12/24	Reinvestment	101.7020	98.75	no
10	2015/06/21	Sale	-2500.0000	2551.98	
11	2015/07/12	Sale	2500.0000	2615.45	
12	2015/12/24	Reinvestment	64.2450	68.41	yes
13					
14					

The reported column must be completed for reinvestments. In the example below the client did not file a 2014 US return so we select “no” for the reported reinvestment.

Save the file and go to the transaction history of the fund.

Select the open transactions  icon and browse for your completed excel document.


OPEN TRANSACTIONS
close

Choose your file:

Select "Submit" to process the excel worksheet.

TD Short Term Bond Fund (TDB967)
Bank Of Montreal #987654-3210

Currency: CAD
 Ownership: 100.00 %
 Total Units: 0.0000
 Diagnostics: 1.02

New Transaction

Date (YYYY-MM-DD) Transaction Type Units CAD Exchange Rate USD Detail

Transaction Summary

	Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
1.06	2015-12-24	Reinvestment Dividend	64.2450	68.41	0.722754	49.44	Yes	49.44
1.05	2015-07-12	Sale	(2,500.0000)	2,615.45	0.789796	2,065.67		
1.02	2015-06-21	Sale	(2,500.0000)	2,551.98	0.814996	2,079.85		
0.97	2014-12-24	Reinvestment Dividend	101.7020	98.75	0.860587	84.98	No	0.00
1.00	2014-05-05	Purchase	10,000.0000	10,000.00	0.912930	9,129.30		9,129.30

Even though the excel worksheet contains preset formatting and cell protection, it is possible that when pasting the information into the template, the other worksheet would override the cell formatting and result in data that cannot be processed by the calculator. To avoid this from occurring, always use the Paste Special / as Values function when copying information into the template.

The program will produce processing errors when:

- » The transaction type is not recognized
- » The number of units or the amount are not numeric figures
- » The reported field was not completed

For example:

TRANSACTION HISTORY					
	DATE	TRANSACTION	UNITS	AMOUNT	REPORTED?
6	2014/05/05	Purchase	10000.0000	10000.00	
7	2014/12/24	Reinvestment	100 units	98.75	no
8	2015/06/21	Sale	-2500.0000	2551.98	
9	2015/07/12	sela	2500.0000	2,154..00	
10	2015/12/24	Reinvestment	64.2450	68.41	
11					
12					
13					
14					

Importing the worksheet above will produce the following error message:


WARNING!

Invalid characters in the number of units on row 9
 Unknown transaction type on row 11
 Invalid characters in the transaction amount on row 11
 Please select 'yes' or 'no' from the reported column on row(s):
 12

close

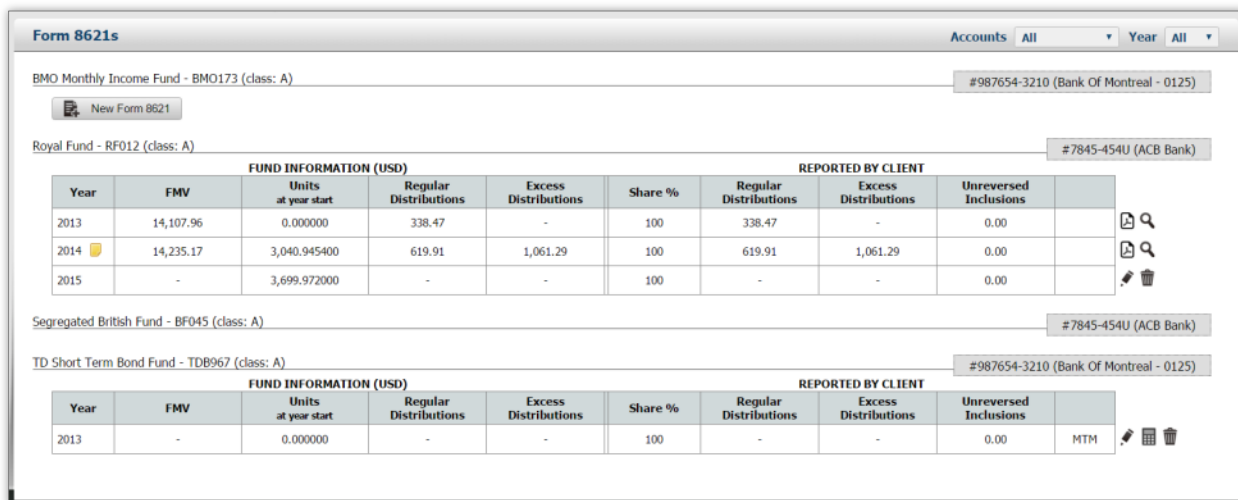
10 Entering the Form 8621 information

SMIT4321

Accounts 
 PFIC Investments
 » **Form 8621s**
 Edit Client
 Transfer Client

After entering the fund transactions, switch to the **Form 8621s** menu.

10.1 Form 8621 List



The screenshot shows the 'Form 8621s' interface with a table of fund transactions. The table is organized by fund, with each fund having its own section. The funds listed are BMO Monthly Income Fund, Royal Fund, Segregated British Fund, and TD Short Term Bond Fund. Each fund section contains a table with columns for Year, FMV, Units at year start, Regular Distributions, Excess Distributions, Share %, Regular Distributions, Excess Distributions, and Unreversed Inclusions. The table also includes a 'New Form 8621' button and a 'REPORTED BY CLIENT' section.

FUND INFORMATION (USD)									REPORTED BY CLIENT		
Year	FMV	Units at year start	Regular Distributions	Excess Distributions	Share %	Regular Distributions	Excess Distributions	Unreversed Inclusions			
2013	14,107.96	0.000000	338.47	-	100	338.47	-	0.00			
2014	14,235.17	3,040.945400	619.91	1,061.29	100	619.91	1,061.29	0.00			
2015	-	3,699.972000	-	-	100	-	-	0.00			

This page provides an overview of all funds and Form 8621 in the client's portfolio.

Note: All funds will be shown, even the ones without any transactions; however you will not be able to add a new form until the transactions are entered. (See Segregated British Fund on the image above.)

Function icons



'Calculate'

Preview the Form 8621 calculation worksheets, TPS entry options (for ProSystem fx, Global fx, and Axxess Tax users) and the tax return forms that are being used by the fund.



'Edit'

Editing the Form 8621 Calculator entries (make corrections, change the elections)



'Delete'

Deleting information.

Note: this delete function only removes the form 8621. It does not affect the transaction summary or any other fund information.



'Print View'

PDF printable version of the form 8621 and its calculation statements. To be attached to the tax return.



'Preview'

Shows the calculations, TPS entry and form preview details.

Similar to Calculate, but no saving option is available due to editing rights limitation, or if the form has already been carried forward.



'Unlock'

Use the unlock function to enable the editing / deleting option for the Form 8621 information, and the fund's transaction history.

Unlocking the Form 8621 deletes the PDF form view statements and enables editing the Form 8621 information. Once all edits has been made, you can re-calculate and create a new 8621 with the new parameters. It does not delete the transaction history.




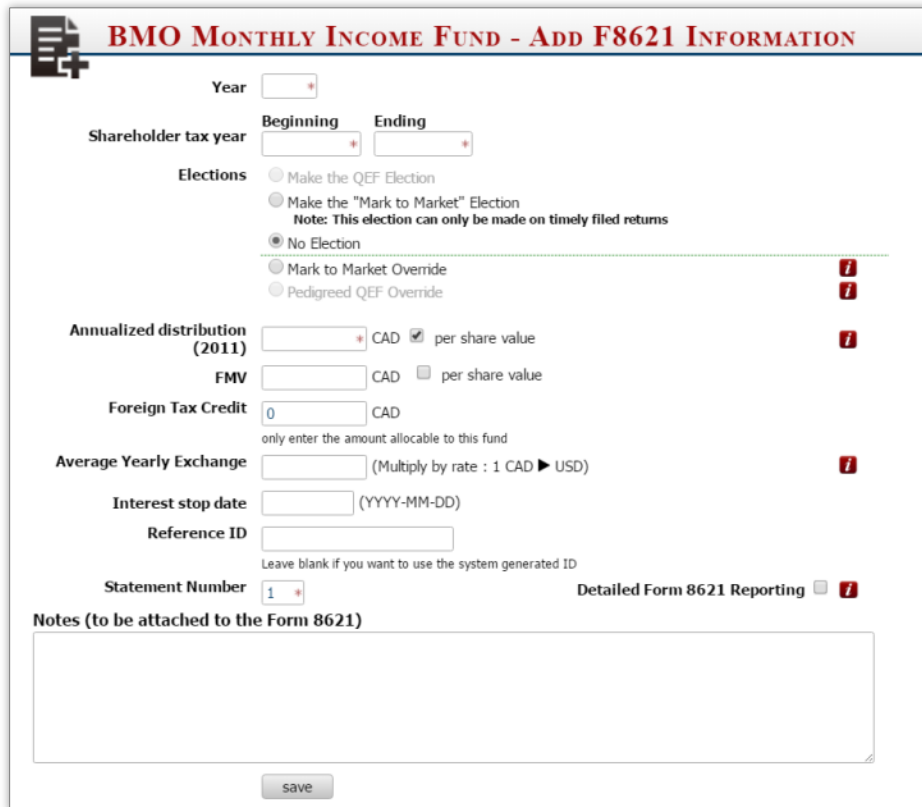
Preparer's Notes

Contains the notes entered at the Form 8621 yearend form.

F8621 notes: **MTM** - first year the Mark to Market election is made
MTM - a Mark to Market Override was applied
sold - all funds were sold, but the account remained open

10.2 Creating a New Form 8621

In order to create a new Form 8621 select the  button under the name of the fund and enter the Form 8621 yearend information.



BMO MONTHLY INCOME FUND - ADD F8621 INFORMATION

Year

Shareholder tax year Beginning Ending

Elections

- ☐ Make the QEF Election
- ☐ Make the "Mark to Market" Election
Note: This election can only be made on timely filed returns
- ☒ No Election
- ☐ Mark to Market Override
- ☐ Pedigreed QEF Override

Annualized distribution (2011) CAD ☒ per share value

FMV CAD ☐ per share value

Foreign Tax Credit CAD
only enter the amount allocable to this fund

Average Yearly Exchange (Multiply by rate : 1 CAD ► USD)

Interest stop date (YYYY-MM-DD)

Reference ID
Leave blank if you want to use the system generated ID

Statement Number Detailed Form 8621 Reporting ☐

Notes (to be attached to the Form 8621)

save

The form is intuitive and only shows the required fields based on your elections.

Year

The year for which you are preparing Form 8621

Shareholder tax year

This entry auto populates based on the client's year end and the year entries.

The Beginning date will be locked if the Form 8621 has been carried forward.

File a joint Form 8621

This option would only show up if the fund is owned jointly by the taxpayer and the spouse. Select if you would like to file a joint form on a jointly filed tax return.

Elections

- » **QEF Election** (upcoming module)
 - » **Deemed Sale Election**
 - » **Deemed Dividend Election**

- » **Mark to Market** (Section 1296)

Note that you can only make this election on timely filed returns.

- » **Exchange at Year end**

You may choose to override the exchange rate at the end of the tax year. If you wish to use the rate from the database leave this field blank.

- » **No Election** (Section 1291)

This is the default calculation method. If you are preparing a form that is part of a tax return that is late filed, you must use this option, unless a prior election is already in place.

- » **Mark to Market Override**

The mark to market override function is designed to allow you to enter and carry over a PFIC that already has a Mark to Market Election in place, but it was prepared in a different system.

- » **Exchange at Year end**

You may choose to override the exchange rate at the end of the tax year. If you wish to use the rate from the database leave this field blank.

- » **Unreversed Inclusions (USD)**

Enter any available unreversed inclusions.

- » **Pedigreed QEF Override** (upcoming module)

The pedigreed QEF override function is designed to allow you to enter and carry over a PFIC that already has a QEF Election in place, and the taint was purged by using either the Deemed sale or Deemed Dividend election, but it was prepared in a different system.

Annualized Distribution

The Annualized distribution field will be present if the fund will use the default 1291 module (no election, first year Mark to Market election).

This information is often available online or from the broker. The supporting document must be kept on file in case it is requested by the IRS. It does not have to be submitted with the return.

You must use the per share information in this field.

NOTE: If the annual distribution per share information is not available enter 0 (zero). The calculator will use the actual distribution amount entered in the transaction history.

FMV

Fair Market Value of the fund at the end of the taxpayer's tax year (December 31).

FMV US

If the client became subject to US taxation during the year, the program is going to ask for the FMV on the first day of the US period to accommodate the "Becoming a US person" transitional rule. Not that you must make a Mark to market election in order to take advantage of the "step up" adjustment in the FMV.

Foreign Tax Credit

Enter the foreign tax credit applicable to the fund. If no foreign taxes were paid for the fund enter 0 (zero).

Note that the Form 1116 must be used and attached to the tax return in order to claim the FTC on the Form 8621.

Average Yearly Exchange

Enter the average exchange rate for the year. This rate is used to convert the foreign tax credit to US currency.

Use the appropriate number for the multiply-by method
(USD = foreign currency * exchange rate)

Interest stop date

Enter the due date of the taxpayer's return - not the date the return will be filed and paid.

Reference ID

An alphanumeric number that uniquely identifies the fund. Leave this field blank if you would like to use the system generated number.

Statement Number

Enter the desired starting statement number.

Detailed reporting option

Select the detailed reporting if you would like to report each excess distribution on a separate Part V. This option can cause the final form to be extremely large.

Notes

Any entry in the notes section will generate a PDF statement you can attach to the tax return.

Click on the 'Save' button to record the information.

11 Calculating the Form

After entering the transaction history:

BMO Monthly Income Fund (BMO173) Bank Of Montreal #987654-3210

Currency: CAD
Ownership: 100.00 %
Total Units: 9,800.0000
Diagnostics: 0.95

New Transaction | BMO Monthly Income Fund (#987654-3210) *

Date (YYYY-MM-DD)	Transaction Type	Units	CAD	Exchange Rate	USD	Detail
	Purchase					N/A

Transaction Summary

	Date	Transaction Type	Units	CAD	Exchange Rate	USD	Reported	ACB
1.00	2014-12-24	Reinvestment Dividend	100.0000	100.00	0.860587	86.06	Yes	86.06
1.00	2014-05-05	Sale	(1,500.0000)	1,500.00	0.912930	1,369.40		
1.00	2013-12-24	Reinvestment Dividend	100.0000	100.00	0.941996	94.20	Yes	94.20
1.00	2012-12-24	Reinvestment Dividend	100.0000	100.00	1.008655	100.87	Yes	100.87
1.00	2012-06-12	Purchase	10,000.0000	10,000.00	0.973669	9,736.69		9,736.69
0.70	2012-03-04	Purchase	1,000.0000	700.00	1.010867	707.61		707.61

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And the year-end information:

BMO MONTHLY INCOME FUND - EDIT FORM 8621 INFORMATION

Year: 2014 *

Shareholder tax year: Beginning 2014-01-01 * Ending 2014-12-31 *

Elections:

- ☐ Make the QEF Election
- ☐ Make the "Mark to Market" Election
Note: This election can only be made on timely filed returns
- ☒ No Election
- ☐ Mark to Market Override
- ☐ Pedigreed QEF Override

Qualification Date:

Annualized distribution (2012): 0.0052620380 * CAD ☒ per share value

FMV on Dec 31, 2014: 15000.00 CAD ☐ per share value

Foreign Tax Credit: 150.00 * CAD

only enter the amount allocable to this fund

Average Yearly Exchange: 0.9054 * (Multiply by rate : 1 CAD ► USD)

Interest stop date: 2015-04-15 * (YYYY-MM-DD)

Reference ID: ETTSMT43210004 ☐ Check to Override

Leave blank if you want to use the system generated ID

Statement Number: 1 * Detailed Form 8621 Reporting ☐

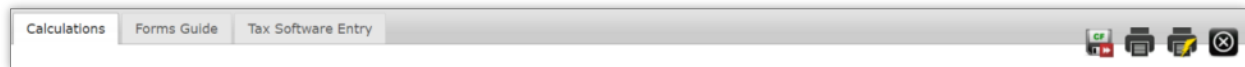
Notes (to be attached to the Form 8621)

save

Save and click on the  icon to calculate the form.

The new pop-up window contains three tabs:

- » Calculations
- » Forms Guide
- » Tax Software Entry





It also contains the following Icons:



Save and Carryforward

Use the 'save' function to calculate the carry-overs. Marking the form as completed and filed, locks the account to prevent editing after the form has been finalized, and generates the printable Form 8621 and its statements in PDF format.

Unless the fund was sold, this will also create the placeholder in the Form 8621 Calculator for the next taxation year.

For joint accounts where one of the owners has already filed Form 8621, the 'save'  option is no longer available, since the carryovers for the fund have already been recorded. Instead a new save icon is presented  'save PDF'.



Print Current Tab



Print All Tabs



Close window

11.1 Calculations

Calculations

Forms Guide

Tax Software Entry

cr

Print

Save

Close

PREVIEW ONLY / DO NOT FILE

CURRENT YEAR HOLDINGS

Show Details

Allocation to Blocks			Number of Securities		Transaction amount (USD)	Adjustments	After Adjustments	
Block Number	Date	Transaction Type	Beginning of Year	Additions		Sale # of Securities	# of Securities	Cost Base
1	03/04/12	Purchase	1,000,000		707.61	(1,000,000)	0.0000	0.00
2	06/12/12	Purchase	10,000,000		9,736.69	(500,000)	9,500,000	9,249.86
3	12/24/12	Reinvestment	100,000		100.87		100,000	100.87
4	12/24/13	Reinvestment	100,000		94.20		100,000	94.20
5	12/24/14	Reinvestment		100,000	86.06		100,000	86.06

FOREIGN TAX CREDITS ALLOCATION

Total Distributions 291

Distributions Treated as Excess Distributions 221

Foreign Tax Credits (USD) 136

Foreign Tax Credits on Excess 57

SECTION 1291 SALES

Purchase Date	Sale Date	Days Held	Securities in Block	Securities Sold	Securities Left	Basis	Sale Price	Gain / Loss	Line 15f
03/04/12	05/05/14	793	1,000,000	1,000,000	0.0000	708.00	913.00	205.00	205
06/12/12	05/05/14	693	10,000,000	500,000	9,500,000	487.00	456.00	-31.00	-31

SECTION 1291 GAIN ALLOCATION

** Excess Distribution Allocated to Current Tax Year or Pre-PFIC period

The calculation statement contains all calculations and detail grids when using the summary reporting option.

By default the sub calculation grids are hidden.

DISTRIBUTED & REINVESTED EARNINGS												
\$ 86.06 USD Reinvestment on 12/24/14												
Adjusted Annual Distributions Per Share:												
2013: 0.008115 2012: 0.005262 2011: 0.000000												
Holding Start	Holding End	Units	Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 15b	Line 15c	Line 15d	Line 15e	Line 15f
06/12/12	12/24/14	9,500.0000	84.28	109.37	54.68	68.36	15.93	6.16	3.71	0.25	3.46	0.14
12/24/12	12/24/14	100.0000	0.89	1.15	0.58	0.72	0.17	0.08	0.03	0.00	0.03	0.00
12/24/13	12/24/14	100.0000	0.89	0.70	0.70	0.87	0.01	0.01	0.00	0.00	0.00	0.00

Click on the “Show Details” link to open up the sub calculation grids.

DISTRIBUTED & REINVESTED EARNINGS																
\$ 86.06 USD Reinvestment on 12/24/14																
Adjusted Annual Distributions Per Share:																
2013: 0.008115 2012: 0.005262 2011: 0.000000																
Holding Start	Holding End	Units	Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f				
06/24/12	12/24/14	9,500.0000	84.28	109.37	54.68	68.36	15.93	6.16	3.71	0.25	3.46	0.14				
Tax Year	Days	Allocated Excess	Increase in Tax	Allocated Foreign Tax Credit	Additional Tax	Interest										
** 2012	203	3.4919	1.22	0.09	1.13	0.07										
2013	365	6.2786	2.49	0.16	2.33	0.07										
2014	358	6.1562														
Holding Start	Holding End	Units	Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f				
12/24/12	12/24/14	100.0000	0.89	1.15	0.58	0.72	0.17	0.08	0.03	0.00	0.03	0.00				
Tax Year	Days	Allocated Excess	Increase in Tax	Allocated Foreign Tax Credit	Additional Tax	Interest										
** 2012	8	0.0018	0.00	0.00	0.00	0.00										
2013	365	0.0637	0.03	0.00	0.03	0.00										
2014	358	0.0621														
Holding Start	Holding End	Units	Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f				
12/24/13	12/24/14	100.0000	0.89	0.70	0.70	0.87	0.01	0.01	0.00	0.00	0.00	0.00				
Tax Year	Days	Allocated Excess	Increase in Tax	Allocated Foreign Tax Credit	Additional Tax	Interest										
** 2013	8	0.0003	0.00	0.00	0.00	0.00										
2014	358	0.0139														

EXCESS DISTRIBUTION SUMMARY

Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 15f	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f
86				16	205	39	69	57	12	0

Do not use the preview forms with your tax return, always use the PDF statements.

11.2 Forms Guide

The second tab is the Forms guide. This page shows a preview of all affected forms in a 1040 tax return and shows where the numbers from the 8621 end up on the tax return.

See 12 for a full sample of the forms guide previews

11.3 Tax Software Entry

If you are using CCH Axcess , Goba! fx or Prosystem fx, the third tab shows what entries you have to make in order to generate the Form in the tax return. Note that entries onto other forms are often required, when the Tax software does not pick up the proper numbers or when the data entry is limited by the tax software.

Schedule B and D are often need separate entries from the Form 8621 , the Form 1116 adjustments are also have to be made separately.

INCOME/DEDUCTIONS | DIVIDENDS | DETAILS

Warning! Make sure not to double up with the income reported on slips issued for this fund

1 - Dividends (Schedule B)

TSJ	Payer Name	Ordinary Dividends	Foreign Country Code	Foreign Income Code
T	Form 8621, Line 15d - SMT432104	70	CA	2

Export to Excel

INCOME | GAINS AND LOSSES

PART 1 - Stocks, Securities, and Other Non-Passive Transactions

Description	Sales Price	Cost	Date Acquired	Date Sold	Term Code	1099-B Code	Foreign Country Code	Foreign Income Code	TSJ
500,000 SHS BMO Monthly Income Fund (BMO173)	456	487	06/12/12	05/05/14	L	C	CA	2	T

Export to Excel

CREDITS | 1116

PART 9 - Other

Form 1116 Alternative Minimum Tax Form 1116

2 Reduction in foreign taxes - adjustment

*** Attach a List, and add the following information:**

Description:	Amount:
Form 8621 - BMO Monthly Income Fund (BMO173)	<input type="text" value="57"/>

FOREIGN | 8621

PART 1 - PFIC or QEF Information

2 Name of PFIC or QEF - line 1

3 - line 2

4 Employer Identification Number

5 Address of PFIC or QEF - Street address

6 - City

7 - State

8 - Zip or Postal Code

9 - Foreign country

10 - Foreign province

14 Foreign Country Code

15 Foreign Income Code

16 Reference ID Number

Additional Information Required

Class of Stock	Shares at Beginning of Year	Changes During Year	Date of Change	Shares at Year End - Override	Value of Shares Held Year End	Jointly
A	10200.0000	-1500.0000	05/05/14	0.0000		
		100.0000	12/24/14	8800.0000	12941.06	

Export to Excel

** Note that the CCH tax software rounds the numbers which may result in an inaccurate or negative result. Adjustments may be required.

PART 12 - Distributions / Dispositions from Section 1291 Fund

1 Total distributions from the section 1291 fund during the year

2 Total distributions made by the fund for each of the 3 years preceding the current tax year

3 Number of prior years if fewer than 3

4 Gain or loss from disposition of section 1291 fund stock

5 Excess Distribution - override

6 Holding period beginning date

7 PFIC applicable date

8 Holding period ending date

9 Distribution number

PART 13 - Section 1291 Distribution Detail

Distribution Number	Current Year Tax Credit	Excess Distribution Alloc. to Each Day in Holding Period - OR	Foreign Tax Credit Alloc. to Each Year in Holding Period - OR	Amount Allocated to Current Tax Year and Pre-PFIC years - OR	Tax Increase Override	Foreign Tax Credit - Override	Interest
1				39	69	57	0

12 Form Previews

The calculator has full support for prior year forms back to 2006.

The information is presented on the forms that are affected in the specific year.

Form 1040		Department of the Treasury—Internal Revenue Service (99)		2014		OMB No. 1545-0074		IRS Use Only—Do not write or staple in this space.	
U.S. Individual Income Tax Return									
Income		<p>7 Wages, salaries, tips, etc. Attach Form(s) W-2 7</p> <p>8a Taxable interest. Attach Schedule B if required 8a</p> <p>b Tax-exempt interest. Do not include on line 8a 8b</p> <p>9a Ordinary dividends. Attach Schedule B if required 9a 70.</p> <p>b Qualified dividends 9b</p> <p>10 Taxable refunds, credits, or offsets of state and local income taxes 10</p> <p>11 Alimony received 11</p> <p>12 Business income or (loss). Attach Schedule C or C-EZ 12</p> <p>13 Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/> 13 (31.)</p> <p>14 Other gains or (losses). Attach Form 4797 14</p> <p>15a IRA distributions 15a b Taxable amount 15b</p> <p>16a Pensions and annuities 16a b Taxable amount 16b</p> <p>17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 17</p> <p>18 Farm income or (loss). Attach Schedule F 18</p> <p>19 Unemployment compensation 19</p> <p>20a Social security benefits 20a b Taxable amount 20b</p> <p>21 Other income. List type and amount STATEMENT - LINE 21 21 39.</p> <p>22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶ 22</p>						<p>Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.</p> <p>If you did not get a W-2, see instructions.</p>	
Tax and Credits		<p>43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- 43</p> <p>44 Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input checked="" type="checkbox"/> 1291TAX. 44 12.</p> <p>45 Alternative minimum tax (see instructions). Attach Form 6251 45</p>							
Other Taxes		<p>61 Health care: individual responsibility (see instructions) Full-year coverage <input type="checkbox"/> 61</p> <p>62 Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s) 62</p> <p>63 Add lines 56 through 62. This is your total tax ▶ 63</p>							
STATEMENT									
								LINE 21	
Form 8621, Line 16b - SMIT432104 / Excess allocated to current year or pre-PFIC periods								39.	
TOTAL								39.	
SCHEDULE B (Form 1040A or 1040)		Interest and Ordinary Dividends						OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service (99)		▶ Attach to Form 1040A or 1040.						2014	
Name(s) shown on return		▶ Information about Schedule B and its instructions is at www.irs.gov/scheduleb .						Attachment Sequence No. 08	
		Your social security number							
Part I Interest		<p>1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also, show that buyer's social security number and address ▶</p>						Amount	
Part II Ordinary Dividends		<p>5 List name of payer ▶</p> <p>Form 8621, Line 15d - SMIT432104</p>						70.	

SCHEDULE D (Form 1040) <small>Department of the Treasury Internal Revenue Service (99)</small> <small>Name(s) shown on return</small>	Capital Gains and Losses ▶ Attach to Form 1040 or Form 1040NR. ▶ Information about Schedule D and its separate instructions is at www.irs.gov/scheduled . ▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.	<small>OMB No. 1545-0074</small> <div style="font-size: 24pt; font-weight: bold;">2014</div> Attachment Sequence No. 12		
		Your social security number		
Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.				
	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.				
	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
10 Totals for all transactions reported on Form(s) 8949 with Box F checked	456.	487.		(31.)

Form 8949 <small>Department of the Treasury Internal Revenue Service</small> <small>Name(s) shown on return</small>	Sales and Other Dispositions of Capital Assets ▶ Information about Form 8949 and its separate instructions is at www.irs.gov/form8949 . ▶ File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.	<small>OMB No. 1545-0074</small> <div style="font-size: 24pt; font-weight: bold;">2014</div> Attachment Sequence No. 12A					
		Social security number or taxpayer identification number					
<p><i>Before you check Box A, B, or C below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either may show your basis (usually your cost) even if your broker did not report it to the IRS. Brokers must report basis to the IRS for most stock you bought in 2011 or later (and for certain debt instruments you bought in 2014 or later).</i></p>							
Part I Short-Term. Transactions involving capital assets you held 1 year or less are short term. For long-term transactions, see page 2. Note. You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the total directly on Schedule D, line 1a; you are not required to report these transactions on Form 8949 (see instructions).							
<p>You must check Box A, B, or C below. Check only one box. If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.</p> <p> <input type="checkbox"/> (A) Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see Note above) <input type="checkbox"/> (B) Short-term transactions reported on Form(s) 1099-B showing basis was not reported to the IRS <input checked="" type="checkbox"/> (C) Short-term transactions not reported to you on Form 1099-B </p>							
1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see Column (e) in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.	(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 1b (if Box A above is checked), line 2 (if Box B above is checked), or line 3 (if Box C above is checked) ▶							
Note. If you checked Box A above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See Column (g) in the separate instructions for how to figure the amount of the adjustment.							
For Paperwork Reduction Act Notice, see your tax return instructions.						Cat. No. 37768Z	Form 8949 (2014)

Form 8949 (2014) Attachment Sequence No. **12A** Page **2**

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side Social security number or taxpayer identification number

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either may show your basis (usually your cost) even if your broker did not report it to the IRS. Brokers must report basis to the IRS for most stock you bought in 2011 or later (and for certain debt instruments you bought in 2014 or later).

Part II Long-Term. Transactions involving capital assets you held more than 1 year are long term. For short-term transactions, see page 1.

Note. You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the total directly on Schedule D, line 8a; you are not required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

☐ (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
☐ (E) Long-term transactions reported on Form(s) 1099-B showing basis was **not** reported to the IRS
☒ (F) Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see Column (e) in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	500,000 SRS BMO Monthly Income Fund (BMO173)	06/12/12	05/05/14	456.	487.			(31.)
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ▶				456.	487.			(31.)

Note. If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See **Column (g)** in the separate instructions for how to figure the amount of the adjustment.

Form **8949** (2014)

Form **1116** Foreign Tax Credit (Individual, Estate, or Trust) OMB No. 1545-0121

Department of the Treasury Internal Revenue Service (99) ▶ Attach to Form 1040, 1040NR, 1041, or 990-T. **2014** Attachment Sequence No. **19**

▶ Information about Form 1116 and its separate instructions is at www.irs.gov/form1116.

Name Identifying number as shown on page 1 of your tax return

Use a separate Form 1116 for each category of income listed below. See **Categories of Income** in the instructions. Check only one box on each Form 1116. Report all amounts in U.S. dollars except where specified in Part II below.

a ☒ Passive category income c ☐ Section 901(j) income e ☐ Lump-sum distributions
b ☐ General category income d ☐ Certain income re-sourced by treaty

Form 1116 (2014) Page **2**

Part III Figuring the Credit

9	Enter the amount from line 8. These are your total foreign taxes paid or accrued for the category of income checked above Part I	9	
10	Carryback or carryover (attach detailed computation)	10	
11	Add lines 9 and 10	11	
12	Reduction in foreign taxes (see instructions)	12	(57.)
13	Taxes reclassified under high tax kickout (see instructions)	13	

12.1 Detailed Reporting of Form 8621

Form 8621
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

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

► Information about Form 8621 and its separate instructions is at www.irs.gov/form8621.

OMB No. 1545-1002

Attachment
Sequence No. **69**

Name of shareholder <u>John Smith</u>	Identifying number (see instructions) <u>987-65-4321</u>
Number, street, and room or suite no. (If a P.O. box, see instructions.) <u>123 Park Avenue</u>	Shareholder tax year: calendar year 2014 or other tax year beginning , 20 and ending , 20 .
City or town, state, and ZIP code or country <u>Lincoln Park, MI, 48146 United States</u>	
Check type of shareholder filing the return: <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> S Corporation <input type="checkbox"/> Nongrantor Trust <input type="checkbox"/> Estate	
Name of passive foreign investment company (PFIC) or qualified electing fund (QEF) <u>BMD Monthly Income Fund (BMD173)</u> <u>Bank Of Montreal / #987654-3210</u>	Employer identification number (if any)
Address (Enter number, street, city or town, and country.) <u>175 Grafton Street</u> <u>Charlottetown, PE C0A 1J0</u> <u>Canada</u>	Reference ID number (see instructions) <u>SMIT432104</u>
	Tax year of PFIC or QEF: calendar year 2014 or other tax year beginning , 20 and ending , 20 .

Part I Summary of Annual Information (See instructions.)

Provide the following information with respect to all shares of the PFIC held by the shareholder:

- Description of each class of shares held by the shareholder: Class A
☐ Check if shares jointly owned with spouse.
- Date shares acquired during the taxable year, if applicable: Multiple
- Number of shares held at the end of the taxable year: 8,800,000.
- Value of shares held at the end of the taxable year (check the appropriate box, if applicable):
(a) ☒ \$0-50,000 (b) ☐ \$50,001-100,000 (c) ☐ \$100,001-150,000 (d) ☐ \$150,001-200,000
(e) If more than \$200,000, list value: _____
- Type of PFIC and amount of any excess distribution or gain treated as an excess distribution under section 1291, inclusion under section 1293, or inclusion or deduction under section 1296:
(a) ☒ Section 1291 \$ 221.
(b) ☐ Section 1293 (Qualified Electing Fund) \$ _____
(c) ☐ Section 1296 (Mark to Market) \$ _____

Part II Elections (See instructions.)

A ☐ **Election To Treat the PFIC as a QEF.** I, a shareholder of a PFIC, elect to treat the PFIC as a QEF. Complete lines 6a through 7c of Part III.

B ☐ **Election To Extend Time For Payment of Tax.** I, a shareholder of a QEF, elect to extend the time for payment of tax on the undistributed earnings and profits of the QEF until this election is terminated. Complete lines 8a through 9c of Part III to calculate the tax that may be deferred.

Note: If any portion of line 6a or line 7a of Part III is includible under section 951, you may **not** make this election. Also, see sections 1294(c) and 1294(f) and the related regulations for events that terminate this election.

C ☐ **Election To Mark-to-Market PFIC Stock.** I, a shareholder of a PFIC, elect to mark-to-market the PFIC stock that is marketable within the meaning of section 1296(e). Complete Part IV.

D ☐ **Deemed Sale Election.** I, a shareholder on the first day of a PFIC's first tax year as a QEF, elect to recognize gain on the deemed sale of my interest in the PFIC. Enter gain or loss on line 15f of Part V.

E ☐ **Deemed Dividend Election.** I, a shareholder on the first day of a PFIC's first tax year as a QEF that is a controlled foreign corporation (CFC), elect to treat an amount equal to my share of the post-1986 earnings and profits of the CFC as an excess distribution. Enter this amount on line 15e of Part V. If the excess distribution is greater than zero, also complete line 16 of Part V.

F ☐ **Election To Recognize Gain on Deemed Sale of PFIC.** I, a shareholder of a former PFIC or a PFIC to which section 1297(d) applies, elect to treat as an excess distribution the gain recognized on the deemed sale of my interest in the PFIC on the last day of its last tax year as a PFIC under section 1297(a). Enter gain on line 15f of Part V.

G ☐ **Deemed Dividend Election With Respect to a Section 1297(e) PFIC.** I, a shareholder of a section 1297(e) PFIC, within the meaning of Regulations section 1.1297-3(a), elect to make a deemed dividend election with respect to the Section 1297(e) PFIC. My holding period in the stock of the Section 1297(e) PFIC includes the CFC qualification date, as defined in Regulations section 1.1297-3(d). Enter the excess distribution on line 15e, Part V. If the excess distribution is greater than zero, also complete line 16, Part V.

H ☐ **Deemed Dividend Election With Respect to a Former PFIC.** I, a shareholder of a former PFIC, within the meaning of Regulations section 1.1298-3(a), elect to make a deemed dividend election with respect to the former PFIC. My holding period in the stock of the former PFIC includes the termination date, as defined in Regulations section 1.1298-3(d). Enter the excess distribution on line 15e, Part V. If the excess distribution is greater than zero, also complete line 16, Part V.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 64174H Form **8621** (Rev. 12-2014)

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Form 8621 (Rev. 12-2014)

Page **2**

Part III Income From a Qualified Electing Fund (QEF). All QEF shareholders complete lines 6a through 7c. If you are making Election B, also complete lines 8a through 9c. (See instructions.)

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

Part IV Gain or (Loss) From Mark-to-Market Election (See instructions.)

10a	Enter the fair market value of your PFIC stock at the end of the tax year	10a	
b	Enter your adjusted basis in the stock at the end of the tax year	10b	
c	Subtract line 10b from line 10a. If a gain, do not complete lines 11 and 12. Include this amount as ordinary income on your tax return. If a loss, go to line 11	10c	
11	Enter any unreversed inclusions (as defined in section 1296(d))	11	
12	Enter the loss from line 10c, but only to the extent of unreversed inclusions on line 11. Include this amount as an ordinary loss on your tax return	12	
13 If you sold or otherwise disposed of any section 1296 stock (see instructions) during the tax year:			
a	Enter the fair market value of the stock on the date of sale or disposition	13a	
b	Enter the adjusted basis of the stock on the date of sale or disposition	13b	
c	Subtract line 13b from line 13a. If a gain, do not complete line 14. Include this amount as ordinary income on your tax return. If a loss, go to line 14	13c	
14a	Enter any unreversed inclusions (as defined in section 1296(d))	14a	
b	Enter the loss from line 13c, but only to the extent of unreversed inclusions on line 14a. Include this amount as an ordinary loss on your tax return. If the loss on line 13c exceeds unreversed inclusions on line 14a, complete line 14c	14b	
c	Enter the amount by which the loss on line 13c exceeds unreversed inclusions on line 14a. Include this amount on your tax return according to the rules generally applicable for losses provided elsewhere in the Code and regulations	14c	

Note. See instructions in case of multiple sales or dispositions.

Form **8621** (Rev. 12-2014)

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Form 8621 (Rev. 12-2014) Page **3**

Part V Distributions From and Dispositions of Stock of a Section 1291 Fund (See instructions.)
Complete a **separate Part V** for each excess distribution and disposition (see instructions).

15a Enter your total distributions from the section 1291 fund during the current tax year with respect to the applicable stock. If the holding period of the stock began in the current tax year, see instructions **15a** _____

b Enter the total distributions (reduced by the portions of such distributions that were excess distributions but not included in income under section 1291(a)(1)(B)) made by the fund with respect to the applicable stock for each of the 3 years preceding the current tax year (or if shorter, the portion of the shareholder's holding period before the current tax year) **15b** _____

c Divide line 15b by 3. (See instructions if the number of preceding tax years is less than 3.) **15c** _____

d Multiply line 15c by 125% (1.25) **15d** _____

e Subtract line 15d from line 15a. This amount, if more than zero, is the excess distribution with respect to the applicable stock. If there is an excess distribution, complete line 16. If zero or less and you did not dispose of stock during the tax year, **do not** complete the rest of Part V. See instructions if you received more than one distribution during the current tax year. Also, see instructions for rules for reporting a nonexcess distribution on your income tax return **15e** _____

f Enter gain or loss from the disposition of stock of a section 1291 fund or former section 1291 fund. If a gain, complete line 16. If a loss, show it in brackets and **do not** complete line 16 **15f** 205.

16a If there is a positive amount on line 15e or 15f (or both), attach a statement for each excess distribution and disposition. Show your holding period for each share of stock or block of shares held. Allocate the excess distribution or gain to each day in your holding period. Add all amounts that are allocated to days in each tax year.

b Enter the total of the amounts determined in line 16a that are allocable to the current tax year and tax years before the foreign corporation became a PFIC (pre-PFIC years). Enter these amounts on your income tax return as other income **16b** 32.

c Enter the aggregate increases in tax (before credits) for each tax year in your holding period (other than the current tax year and pre-PFIC years). (See instructions.) **16c** 65.

d Foreign tax credit. (See instructions.) **16d** 57.

e Subtract line 16d from line 16c. Enter this amount on your income tax return as "additional tax." (See instructions.) **16e** 8.

f Determine interest on each net increase in tax determined on line 16e using the rates and methods of section 6621. Enter the aggregate amount of interest here. (See instructions.) **16f** 0.

Part VI Status of Prior Year Section 1294 Elections and Termination of Section 1294 Elections
Complete a **separate column** for each outstanding election. Complete lines 25 and 26 only if there is a **partial termination** of the section 1294 election.

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
17 Tax year of outstanding election						
18 Undistributed earnings to which the election relates						
19 Deferred tax						
20 Interest accrued on deferred tax (line 19) as of the filing date						
21 Event terminating election						
22 Earnings distributed or deemed distributed during the tax year						
23 Deferred tax due with this return						
24 Accrued interest due with this return						
25 Deferred tax outstanding after partial termination of election						
26 Interest accrued after partial termination of election						

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Page **3**

Page **3**

Page **3**

(31.)

a partial

(vi)

partial

partial

vi)

partial

(Rev. 12-2014)

(Rev. 12-2014)

(Rev. 12-2014)

(Rev. 12-2014)

Reporting each excess distribution on a separate Part V

12.2 Summary reporting of Form 8621

Form 8621
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

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

► Information about Form 8621 and its separate instructions is at www.irs.gov/form8621.

OMB No. 1545-1002

Attachment
Sequence No. **69**

Name of shareholder <u>John Smith</u>	Identifying number (see instructions) <u>987-65-4321</u>
Number, street, and room or suite no. (If a P.O. box, see instructions.) <u>123 Park Avenue</u>	Shareholder tax year: calendar year 2014 or other tax year beginning , 20 and ending , 20 .
City or town, state, and ZIP code or country <u>Lincoln Park, MI, 48146 United States</u>	
Check type of shareholder filing the return: <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> S Corporation <input type="checkbox"/> Nongrantor Trust <input type="checkbox"/> Estate	
Name of passive foreign investment company (PFIC) or qualified electing fund (QEF) <u>BMD Monthly Income Fund (BMD173)</u> <u>Bank Of Montreal / #987654-3210</u>	Employer identification number (if any)
Address (Enter number, street, city or town, and country.) <u>175 Grafton Street</u> <u>Charlottetown, PE C0A 1J0</u> <u>Canada</u>	Reference ID number (see instructions) <u>SMIT432104</u>
	Tax year of PFIC or QEF: calendar year 2014 or other tax year beginning , 20 and ending , 20 .

Part I Summary of Annual Information (See instructions.)

Provide the following information with respect to all shares of the PFIC held by the shareholder:

- Description of each class of shares held by the shareholder: Class A
☐ Check if shares jointly owned with spouse.
- Date shares acquired during the taxable year, if applicable: Multiple
- Number of shares held at the end of the taxable year: 8,800,000.
- Value of shares held at the end of the taxable year (check the appropriate box, if applicable):
(a) ☒ \$0-50,000 (b) ☐ \$50,001-100,000 (c) ☐ \$100,001-150,000 (d) ☐ \$150,001-200,000
(e) If more than \$200,000, list value: _____
- Type of PFIC and amount of any excess distribution or gain treated as an excess distribution under section 1291, inclusion under section 1293, or inclusion or deduction under section 1296:
(a) ☒ Section 1291 \$ 221.
(b) ☐ Section 1293 (Qualified Electing Fund) \$ _____
(c) ☐ Section 1296 (Mark to Market) \$ _____

Part II Elections (See instructions.)

A ☐ **Election To Treat the PFIC as a QEF.** I, a shareholder of a PFIC, elect to treat the PFIC as a QEF. Complete lines 6a through 7c of Part III.

B ☐ **Election To Extend Time For Payment of Tax.** I, a shareholder of a QEF, elect to extend the time for payment of tax on the undistributed earnings and profits of the QEF until this election is terminated. Complete lines 8a through 9c of Part III to calculate the tax that may be deferred.

Note: If any portion of line 6a or line 7a of Part III is includible under section 951, you may **not** make this election. Also, see sections 1294(c) and 1294(f) and the related regulations for events that terminate this election.

C ☐ **Election To Mark-to-Market PFIC Stock.** I, a shareholder of a PFIC, elect to mark-to-market the PFIC stock that is marketable within the meaning of section 1296(e). Complete Part IV.

D ☐ **Deemed Sale Election.** I, a shareholder on the first day of a PFIC's first tax year as a QEF, elect to recognize gain on the deemed sale of my interest in the PFIC. Enter gain or loss on line 15f of Part V.

E ☐ **Deemed Dividend Election.** I, a shareholder on the first day of a PFIC's first tax year as a QEF that is a controlled foreign corporation (CFC), elect to treat an amount equal to my share of the post-1986 earnings and profits of the CFC as an excess distribution. Enter this amount on line 15e of Part V. If the excess distribution is greater than zero, also complete line 16 of Part V.

F ☐ **Election To Recognize Gain on Deemed Sale of PFIC.** I, a shareholder of a former PFIC or a PFIC to which section 1297(d) applies, elect to treat as an excess distribution the gain recognized on the deemed sale of my interest in the PFIC on the last day of its last tax year as a PFIC under section 1297(a). Enter gain on line 15f of Part V.

G ☐ **Deemed Dividend Election With Respect to a Section 1297(e) PFIC.** I, a shareholder of a section 1297(e) PFIC, within the meaning of Regulations section 1.1297-3(a), elect to make a deemed dividend election with respect to the Section 1297(e) PFIC. My holding period in the stock of the Section 1297(e) PFIC includes the CFC qualification date, as defined in Regulations section 1.1297-3(d). Enter the excess distribution on line 15e, Part V. If the excess distribution is greater than zero, also complete line 16, Part V.

H ☐ **Deemed Dividend Election With Respect to a Former PFIC.** I, a shareholder of a former PFIC, within the meaning of Regulations section 1.1298-3(a), elect to make a deemed dividend election with respect to the former PFIC. My holding period in the stock of the former PFIC includes the termination date, as defined in Regulations section 1.1298-3(d). Enter the excess distribution on line 15e, Part V. If the excess distribution is greater than zero, also complete line 16, Part V.

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Form 8621 (Rev. 12-2014)

Page **2**

Part III Income From a Qualified Electing Fund (QEF). All QEF shareholders complete lines 6a through 7c. If you are making Election B, also complete lines 8a through 9c. (See instructions.)

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

Part IV Gain or (Loss) From Mark-to-Market Election (See instructions.)

10a	Enter the fair market value of your PFIC stock at the end of the tax year	10a	
b	Enter your adjusted basis in the stock at the end of the tax year	10b	
c	Subtract line 10b from line 10a. If a gain, do not complete lines 11 and 12. Include this amount as ordinary income on your tax return. If a loss, go to line 11	10c	
11	Enter any unreversed inclusions (as defined in section 1296(d))	11	
12	Enter the loss from line 10c, but only to the extent of unreversed inclusions on line 11. Include this amount as an ordinary loss on your tax return	12	
13 If you sold or otherwise disposed of any section 1296 stock (see instructions) during the tax year:			
a	Enter the fair market value of the stock on the date of sale or disposition	13a	
b	Enter the adjusted basis of the stock on the date of sale or disposition	13b	
c	Subtract line 13b from line 13a. If a gain, do not complete line 14. Include this amount as ordinary income on your tax return. If a loss, go to line 14	13c	
14a	Enter any unreversed inclusions (as defined in section 1296(d))	14a	
b	Enter the loss from line 13c, but only to the extent of unreversed inclusions on line 14a. Include this amount as an ordinary loss on your tax return. If the loss on line 13c exceeds unreversed inclusions on line 14a, complete line 14c	14b	
c	Enter the amount by which the loss on line 13c exceeds unreversed inclusions on line 14a. Include this amount on your tax return according to the rules generally applicable for losses provided elsewhere in the Code and regulations	14c	

Note. See instructions in case of multiple sales or dispositions.

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Form 8621 (Rev. 12-2014)

Page **3**

Part V Distributions From and Dispositions of Stock of a Section 1291 Fund (See instructions.)

Complete a **separate** Part V for each excess distribution and disposition (see instructions).

<p>15a Enter your total distributions from the section 1291 fund during the current tax year with respect to the applicable stock. If the holding period of the stock began in the current tax year, see instructions</p> <p>b Enter the total distributions (reduced by the portions of such distributions that were excess distributions but not included in income under section 1291(a)(1)(B)) made by the fund with respect to the applicable stock for each of the 3 years preceding the current tax year (or if shorter, the portion of the shareholder's holding period before the current tax year)</p> <p>c Divide line 15b by 3. (See instructions if the number of preceding tax years is less than 3.)</p> <p>d Multiply line 15c by 125% (1.25)</p> <p>e Subtract line 15d from line 15a. This amount, if more than zero, is the excess distribution with respect to the applicable stock. If there is an excess distribution, complete line 16. If zero or less and you did not dispose of stock during the tax year, do not complete the rest of Part V. See instructions if you received more than one distribution during the current tax year. Also, see instructions for rules for reporting a nonexcess distribution on your income tax return</p> <p>f Enter gain or loss from the disposition of stock of a section 1291 fund or former section 1291 fund. If a gain, complete line 16. If a loss, show it in brackets and do not complete line 16</p> <p>16a If there is a positive amount on line 15e or 15f (or both), attach a statement for each excess distribution and disposition. Show your holding period for each share of stock or block of shares held. Allocate the excess distribution or gain to each day in your holding period. Add all amounts that are allocated to days in each tax year.</p> <p>b Enter the total of the amounts determined in line 16a that are allocable to the current tax year and tax years before the foreign corporation became a PFIC (pre-PFIC years). Enter these amounts on your income tax return as other income</p> <p>c Enter the aggregate increases in tax (before credits) for each tax year in your holding period (other than the current tax year and pre-PFIC years). (See instructions.)</p> <p>d Foreign tax credit. (See instructions.)</p> <p>e Subtract line 16d from line 16c. Enter this amount on your income tax return as "additional tax." (See instructions.)</p> <p>f Determine interest on each net increase in tax determined on line 16e using the rates and methods of section 6621. Enter the aggregate amount of interest here. (See instructions.)</p>	<p>15a 86. **</p> <p>15b</p> <p>15c</p> <p>15d</p> <p>15e 16.</p> <p>15f 205.</p> <p>16b 39.</p> <p>16c 69.</p> <p>16d 57.</p> <p>16e 12.</p> <p>16f 0.</p>
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Part VI Status of Prior Year Section 1294 Elections and Termination of Section 1294 Elections

Complete a **separate** column for each outstanding election. Complete lines 25 and 26 only if there is a partial termination of the section 1294 election.

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
17 Tax year of outstanding election						
18 Undistributed earnings to which the election relates						
19 Deferred tax						
20 Interest accrued on deferred tax (line 19) as of the filing date						
21 Event terminating election						
22 Earnings distributed or deemed distributed during the tax year						
23 Deferred tax due with this return						
24 Accrued interest due with this return						
25 Deferred tax outstanding after partial termination of election						
26 Interest accrued after partial termination of election						

** SEE CALCULATION STATEMENT (REF. ID SMIT432104) FOR LINES 15b TO 15d CALCULATION DETAILS

Form **8621** (Rev. 12-2014)





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Reporting only the totals of Lines 15e to Lines 15f

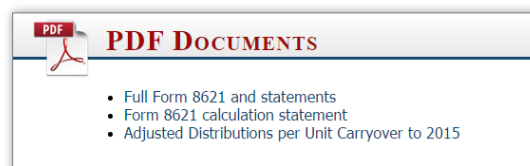
See the TPS entry guide for practical examples including different elections and samples of reports generated by the calculator.

13 PDF Statements

After the form is completed always save and carry the form forward.

BMO Monthly Income Fund - BMO173 (class: A)							#987654-3210 (Bank Of Montreal - 0125)		
FUND INFORMATION (USD)					REPORTED BY CLIENT				
Year	FMV	Units at year start	Regular Distributions	Excess Distributions	Share %	Regular Distributions	Excess Distributions	Unreversed Inclusions	
2014	12,941.06	0.000000	69.95	221.11	100	69.95	221.11	0.00	 
2015	-	9,800.000000	-	-	100	-	-	0.00	 

The PDF version of the calculation statement will be listed in the form view page (📄 icon) and it is formatted to fit a printed page and always includes the sub-grids, client/PFIC information and page numbering.



13.1.1 Full Form 8621 and Statements

Use the Full Form 8621 and Statement document if your tax software does not support the Form 8621. This statement includes everything you need to slip into the Form 1040.

You can use the Forms Guide to transfer the income from the Form 8621 to your tax return.

13.1.2 Form 8621 Calculation Statement

The Calculation statement has to be used when you use your Tax software to complete the Form 8621. The statement provides the required information that needs to be attached to the tax return, showing the line calculations and details.

13.1.3 Adjusted Distributions per Unit Carryover statement

This information statement shows how the actual distribution amounts are adjusted to remove any income that was not reported on the tax return, since the amounts on Line 15b cannot include these figures.

See next chapter for a sample PDF report including the attachable calculation statement.

14 Sample PDF report

Form 8621 <small>(Rev. December 2014) Department of the Treasury Internal Revenue Service</small>	Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund <small>► Information about Form 8621 and its separate instructions is at www.irs.gov/form8621.</small>	<small>OMB No. 1545-1002</small> <small>Attachment Sequence No. 69</small>
Name of shareholder John Smith		
Identifying number (see instructions) 987-65-4321		
Number, street, and room or suite no. (If a P.O. box, see instructions.) 123 Park Avenue		
Shareholder tax year: calendar year 2014 or other tax year beginning , 20 and ending , 20		
City or town, state, and ZIP code or country Lincoln Park, MI, 48146 United States		
Check type of shareholder filing the return: <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> S Corporation <input type="checkbox"/> Nongrantor Trust <input type="checkbox"/> Estate		
Name of passive foreign investment company (PFIC) or qualified electing fund (QEF) BMO Monthly Income Fund (BMO173)		
Employer identification number (if any)		
Address (Enter number, street, city or town, and country.) Bank Of Montreal / #987654-3210 175 Grafton Street Charlottetown, PE C0A 1J0 Canada		
Reference ID number (see instructions) SMIT432104		
Tax year of PFIC or QEF: calendar year 2014 or other tax year beginning , 20 and ending , 20		
Part I Summary of Annual Information (See instructions.)		
Provide the following information with respect to all shares of the PFIC held by the shareholder:		
1 Description of each class of shares held by the shareholder: <u>A</u> <input type="checkbox"/> Check if shares jointly owned with spouse.		
2 Date shares acquired during the taxable year, if applicable: <u>Multiple</u>		
3 Number of shares held at the end of the taxable year: <u>8,800.0000</u>		
4 Value of shares held at the end of the taxable year (check the appropriate box, if applicable): (a) <input checked="" type="checkbox"/> \$0-50,000 (b) <input type="checkbox"/> \$50,001-100,000 (c) <input type="checkbox"/> \$100,001-150,000 (d) <input type="checkbox"/> \$150,001-200,000 (e) If more than \$200,000, list value:		
5 Type of PFIC and amount of any excess distribution or gain treated as an excess distribution under section 1291, inclusion under section 1293, or inclusion or deduction under section 1296: (a) <input checked="" type="checkbox"/> Section 1291 \$ <u>221</u> (b) <input type="checkbox"/> Section 1293 (Qualified Electing Fund) \$ (c) <input type="checkbox"/> Section 1296 (Mark to Market) \$		
Part II Elections (See instructions.)		
A <input type="checkbox"/> Election To Treat the PFIC as a QEF. I, a shareholder of a PFIC, elect to treat the PFIC as a QEF. Complete lines 6a through 7c of Part III.		
B <input type="checkbox"/> Election To Extend Time For Payment of Tax. I, a shareholder of a QEF, elect to extend the time for payment of tax on the undistributed earnings and profits of the QEF until this election is terminated. Complete lines 8a through 9c of Part III to calculate the tax that may be deferred. <small>Note: If any portion of line 6a or line 7a of Part III is includible under section 951, you may not make this election. Also, see sections 1294(c) and 1294(f) and the related regulations for events that terminate this election.</small>		
C <input type="checkbox"/> Election To Mark-to-Market PFIC Stock. I, a shareholder of a PFIC, elect to mark-to-market the PFIC stock that is marketable within the meaning of section 1296(e). Complete Part IV.		
D <input type="checkbox"/> Deemed Sale Election. I, a shareholder on the first day of a PFIC's first tax year as a QEF, elect to recognize gain on the deemed sale of my interest in the PFIC. Enter gain or loss on line 15f of Part V.		
E <input type="checkbox"/> Deemed Dividend Election. I, a shareholder on the first day of a PFIC's first tax year as a QEF that is a controlled foreign corporation (CFC), elect to treat an amount equal to my share of the post-1986 earnings and profits of the CFC as an excess distribution. Enter this amount on line 15e of Part V. If the excess distribution is greater than zero, also complete line 16 of Part V.		
F <input type="checkbox"/> Election To Recognize Gain on Deemed Sale of PFIC. I, a shareholder of a former PFIC or a PFIC to which section 1297(d) applies, elect to treat as an excess distribution the gain recognized on the deemed sale of my interest in the PFIC on the last day of its last tax year as a PFIC under section 1297(a). Enter gain on line 15f of Part V.		
G <input type="checkbox"/> Deemed Dividend Election With Respect to a Section 1297(e) PFIC. I, a shareholder of a section 1297(e) PFIC, within the meaning of Regulations section 1.1297-3(a), elect to make a deemed dividend election with respect to the Section 1297(e) PFIC. My holding period in the stock of the Section 1297(e) PFIC includes the CFC qualification date, as defined in Regulations section 1.1297-3(d). Enter the excess distribution on line 15e, Part V. If the excess distribution is greater than zero, also complete line 16, Part V.		
H <input type="checkbox"/> Deemed Dividend Election With Respect to a Former PFIC. I, a shareholder of a former PFIC, within the meaning of Regulations section 1.1298-3(a), elect to make a deemed dividend election with respect to the former PFIC. My holding period in the stock of the former PFIC includes the termination date, as defined in Regulations section 1.1298-3(d). Enter the excess distribution on line 15e, Part V. If the excess distribution is greater than zero, also complete line 16, Part V.		
For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 64174H Form 8621 (Rev. 12-2014)		

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Part III Income From a Qualified Electing Fund (QEF). All QEF shareholders complete lines 6a through 7c. If you are making Election B, also complete lines 8a through 9c. (See instructions.)

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

Part IV Gain or (Loss) From Mark-to-Market Election (See instructions.)

10a	Enter the fair market value of your PFIC stock at the end of the tax year	10a	
b	Enter your adjusted basis in the stock at the end of the tax year	10b	
c	Subtract line 10b from line 10a. If a gain, do not complete lines 11 and 12. Include this amount as ordinary income on your tax return. If a loss, go to line 11	10c	
11	Enter any unreversed inclusions (as defined in section 1296(d))	11	
12	Enter the loss from line 10c, but only to the extent of unreversed inclusions on line 11. Include this amount as an ordinary loss on your tax return	12	
13	If you sold or otherwise disposed of any section 1296 stock (see instructions) during the tax year:		
a	Enter the fair market value of the stock on the date of sale or disposition	13a	
b	Enter the adjusted basis of the stock on the date of sale or disposition	13b	
c	Subtract line 13b from line 13a. If a gain, do not complete line 14. Include this amount as ordinary income on your tax return. If a loss, go to line 14	13c	
14a	Enter any unreversed inclusions (as defined in section 1296(d))	14a	
b	Enter the loss from line 13c, but only to the extent of unreversed inclusions on line 14a. Include this amount as an ordinary loss on your tax return. If the loss on line 13c exceeds unreversed inclusions on line 14a, complete line 14c	14b	
c	Enter the amount by which the loss on line 13c exceeds unreversed inclusions on line 14a. Include this amount on your tax return according to the rules generally applicable for losses provided elsewhere in the Code and regulations	14c	

Note. See instructions in case of multiple sales or dispositions.

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Part V Distributions From and Dispositions of Stock of a Section 1291 Fund (See instructions.)
Complete a separate Part V for each excess distribution and disposition (see instructions).

15a	Enter your total distributions from the section 1291 fund during the current tax year with respect to the applicable stock. If the holding period of the stock began in the current tax year, see instructions	15a	86. **
b	Enter the total distributions (reduced by the portions of such distributions that were excess distributions but not included in income under section 1291(a)(1)(B)) made by the fund with respect to the applicable stock for each of the 3 years preceding the current tax year (or if shorter, the portion of the shareholder's holding period before the current tax year)	15b	
c	Divide line 15b by 3. (See instructions if the number of preceding tax years is less than 3.)	15c	
d	Multiply line 15c by 125% (1.25)	15d	
e	Subtract line 15d from line 15a. This amount, if more than zero, is the excess distribution with respect to the applicable stock. If there is an excess distribution, complete line 16. If zero or less and you did not dispose of stock during the tax year, do not complete the rest of Part V. See instructions if you received more than one distribution during the current tax year. Also, see instructions for rules for reporting a nonexcess distribution on your income tax return	15e	16.
f	Enter gain or loss from the disposition of stock of a section 1291 fund or former section 1291 fund. If a gain, complete line 16. If a loss, show it in brackets and do not complete line 16	15f	205.
16a	If there is a positive amount on line 15e or 15f (or both), attach a statement for each excess distribution and disposition. Show your holding period for each share of stock or block of shares held. Allocate the excess distribution or gain to each day in your holding period. Add all amounts that are allocated to days in each tax year.		
b	Enter the total of the amounts determined in line 16a that are allocable to the current tax year and tax years before the foreign corporation became a PFIC (pre-PFIC years). Enter these amounts on your income tax return as other income	16b	39.
c	Enter the aggregate increases in tax (before credits) for each tax year in your holding period (other than the current tax year and pre-PFIC years). (See instructions.)	16c	69.
d	Foreign tax credit. (See instructions.)	16d	57.
e	Subtract line 16d from line 16c. Enter this amount on your income tax return as "additional tax." (See instructions.)	16e	12.
f	Determine interest on each net increase in tax determined on line 16e using the rates and methods of section 6621. Enter the aggregate amount of interest here. (See instructions.)	16f	0.

Part VI Status of Prior Year Section 1294 Elections and Termination of Section 1294 Elections

Complete a separate column for each outstanding election. Complete lines 25 and 26 only if there is a partial termination of the section 1294 election.

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
17 Tax year of outstanding election						
18 Undistributed earnings to which the election relates						
19 Deferred tax						
20 Interest accrued on deferred tax (line 19) as of the filing date						
21 Event terminating election						
22 Earnings distributed or deemed distributed during the tax year						
23 Deferred tax due with this return						
24 Accrued interest due with this return						
25 Deferred tax outstanding after partial termination of election						
26 Interest accrued after partial termination of election						

** SEE CALCULATION STATEMENT (REF. ID ETTSMT43210004) FOR LINES 15b TO 15d CALCULATION DETAILS

Form **8621** (Rev. 12-2014)

John Smith

987-65-4321

Form 8621

Calculation Statement

BMO Monthly Income Fund (BMO173)

Reference ID Number: ETTSMIT43210004

CURRENT YEAR HOLDINGS

Allocation to Blocks			Number of Units		Transaction Amount (USD)	Adjustments		End of Year	
Block Number	Date	Transaction	Beginning of Year	Additions		Return of Capital	Sale: Number of Units	Number of Units	Cost Base
1	03/04/12	Purchase	1,000.0000		707.61		(1,000.0000)	0.0000	0.00
2	06/12/12	Purchase	10,000.0000		9,736.69		(500.0000)	9,500.0000	9,249.86
3	12/24/12	Reinvestment	100.0000		100.87			100.0000	100.87
4	12/24/13	Reinvestment	100.0000		94.20			100.0000	94.20
5	12/24/14	Reinvestment		100.0000	86.06			100.0000	86.06

FOREIGN TAX CREDITS ALLOCATION

Total Distributions	\$	291.06
Distributions Treated as Excess Distributions	\$	221.11
Foreign Tax Credits (USD)	\$	135.81
Foreign Tax Credits on Excess	\$	57.00

SECTION 1291 SALES

Purchase Date	Sale Date	Units in Block	Units Sold	Units Left	Basis	Sale Price	Gain / Loss	Line 15f
03/04/12	05/05/14	1,000.0000	1,000.0000	0.0000	708.00	913.00	205.00	205
06/12/12	05/05/14	10,000.0000	500.0000	9,500.0000	487.00	456.00	-31.00	-31

SECTION 1291 GAIN ALLOCATION

** Excess Distribution Allocated to Current Tax Year or Pre-PPIC periods

Line 15f	Holding Start	Holding End	Days	Excess Per Day	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f
205.00	03/04/12	05/05/14	793	0.25851198	32.31	64.78	56.75	8.03	0.29

Tax Year	Days	Allocated Excess	Increase in Tax	Foreign Tax Credit	Additional Tax	Interest
2012	303	78.33	27.42	25.74	1.67	0.10
2013	365	94.36	37.37	31.01	6.36	0.19
** 2014	125	32.31				

DISTRIBUTED & REINVESTED EARNINGS

\$ 86 USD Reinvestment on 12/24/14
Adjusted Annual Distributions Per Share:
2013: 0.008115 -- 2012: 0.005262 -- 2011: 0.000000

HP Start	HP End	Units	Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f
06/12/12	12/24/14	9,500.0000	84.28	109.37	54.68	68.36	15.93	6.16	3.71	0.25	3.46	0.14

Excess: \$ 15.93 -- Total Days: 926 -- Excess Per Day: 0.01720162

Tax Year	Days	Allocated Excess	Increase in Tax	Foreign Tax Credit	Additional Tax	Interest
2012	203	3.49	1.22	0.09	1.13	0.07
2013	365	6.28	2.49	0.16	2.33	0.07
** 2014	358	6.16				

HP Start	HP End	Units	Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f
12/24/12	12/24/14	100.0000	0.89	1.15	0.58	0.72	0.17	0.08	0.03	0.00	0.03	0.00

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John Smith

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Form 8621

Calculation Statement

BMO Monthly Income Fund (BMO173)

Reference ID Number: ETTSMIT43210004

Excess: \$ 0.17 -- Total Days: 731 -- Excess Per Day: 0.00022927

Tax Year	Days	Allocated Excess	Increase in Tax	Foreign Tax Credit	Additional Tax	Interest
2012	8	0.00	0.00	0.00	0.00	0.00
2013	365	0.08	0.03	0.00	0.03	0.00
** 2014	358	0.08				

HP Start	HP End	Units	Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f
12/24/13	12/24/14	100.0000	0.89	0.70	0.70	0.87	0.01	0.01	0.00	0.00	0.00	0.00

Excess: \$ 0.01 -- Total Days: 366 -- Excess Per Day: 0.00003880

Tax Year	Days	Allocated Excess	Increase in Tax	Foreign Tax Credit	Additional Tax	Interest
2013	8	0.00	0.00	0.00	0.00	0.00
** 2014	358	0.01				

EXCESS DISTRIBUTION SUMMARY

Line 15a	Line 15b	Line 15c	Line 15d	Line 15e	Line 15f	Line 16b	Line 16c	Line 16d	Line 16e	Line 16f
86				16	205	39	69	57	12	0

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Form 8621

Calculation Statement

BMO Monthly Income Fund (BMO173)

Reference ID Number: ETTSMIT43210004

2015 CARRYOVER CALCULATION - ADJUSTED DISTRIBUTIONS PER UNIT

2014 DISTRIBUTIONS PER UNIT ADJUSTMENT

Calculating in Original Currency

Units	Distribution	Adjustment	Adjusted Distribution	Distribution Per Share
9,700.0000	100.00	11.45	88.55	0.0091285437
Average				0.0091285437

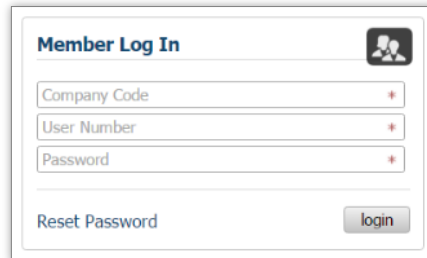
2014 Adjusted Annual Distributions Per Unit: 0.0091285437

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15 Password Reset

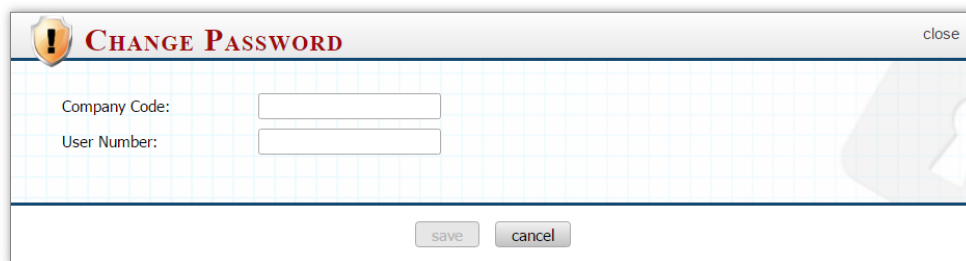
In case you need to reset your password you may do so on the main login page. To change your password visit the Settings menu, and select the Change Password submenu. See 1.1.1 for details about how to change your password.



A dialog box titled "Member Log In" with a user icon. It contains three input fields: "Company Code", "User Number", and "Password", each with a red asterisk on the right. Below these fields is a "Reset Password" link and a "login" button.

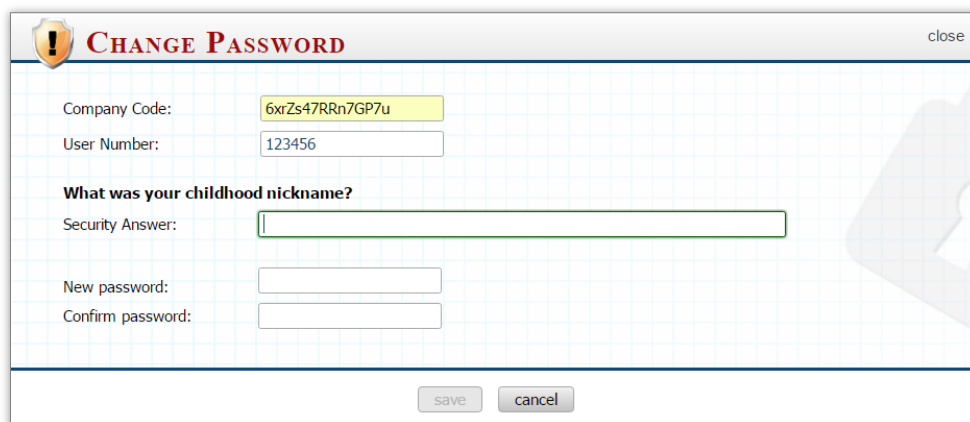
Select the "Reset Password" link

On the cloud system you have to enter the Company code and your user number



A dialog box titled "CHANGE PASSWORD" with a close button in the top right. It contains two input fields: "Company Code:" and "User Number:". At the bottom are "save" and "cancel" buttons.

Tab out of the User Number Field, after entering the company code and user number. The program will look up your account information and ask you additional security questions based on your security settings (see 2.1 on how to set up your security settings).



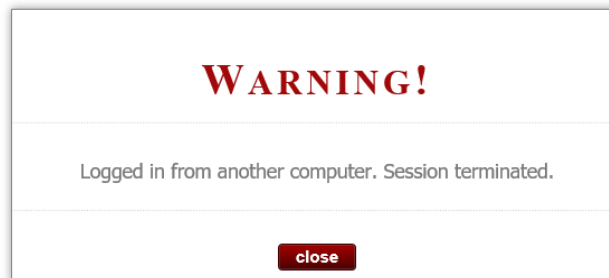
A dialog box titled "CHANGE PASSWORD" with a close button in the top right. It contains two input fields: "Company Code:" (with the value "6xrZs47RRn7GP7u") and "User Number:" (with the value "123456"). Below these is a section titled "What was your childhood nickname?" with a "Security Answer:" label and a text input field. At the bottom are "New password:" and "Confirm password:" labels with corresponding input fields. At the very bottom are "save" and "cancel" buttons.

Enter your security answer and the new password, then click on the "save" button.

16 Logging in From Multiple Workstations

Using the calculator under the same user profile on multiple workstations at the same time is not allowed.

When the user logs in on a second workstation, the original session will be terminated, the user will be logged out from the original workstation, and redirected to the log in page automatically with a warning.



17 Log Out

For security reasons, and in order to terminate your user session you should always log out from the calculator when you are not using it.

Your session terminates after 24 minutes of inactivity automatically.

18 Research/Reference Materials

Our website contains reference materials under the About PFICs menu.

- » Frequently Asked Questions
- » PFIC taxation basics (How is a PFIC Taxed?)
- » All versions of the Form 8621 and its instructions back to 2004
- » Current version of U.S. Code § 1291 to § 1298
- » Code of Federal Regulations § 1.1291-1 to § 1.1298-3