



## § 965 Tax Calculator Instructions

Due to privacy concerns we will not allow client sensitive data to be entered into our system. You will need to add the taxpayer name and tax ID after printing the final PDF.

The tool is simple to use, but will require a certain amount of information be gathered prior to creating a § 965 Tax Report for you.

**You will need to have prepared or estimated the client's tax return calculations without regard to any § 965 income or credits:**

AGI (Form 1040 line 38)

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Standard/itemized deductions & personal exemptions  
(Form 1040 lines 40+42)

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Tax (Form 1040 line 44)

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Foreign tax credit (Form 1040 line 48)

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**For each specified foreign corporation owned** *(additional tables on Page 4)*

Company Name

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Percent of client's direct and indirect ownership %

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Total Post 1986 earnings and profits on November 2, 2017 \*

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Total Post 1986 earnings and profits on December 31, 2017 \*

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Current year US effectively connected income

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Current year subpart F income (not related to §965)

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Total Pool of foreign taxes paid by the SFC adjusted for PTI  
and distributions over the years

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\*Convert to USD using the December 31 exchange rate.

## Cash Positions:

Include cash (U.S. or foreign), net accounts receivables (receivables less payables), actively traded investments, CDs, commercial paper, government securities, short-term obligations, any other asset the IRS identifies as economically equivalent (be mindful of loans between related parties)

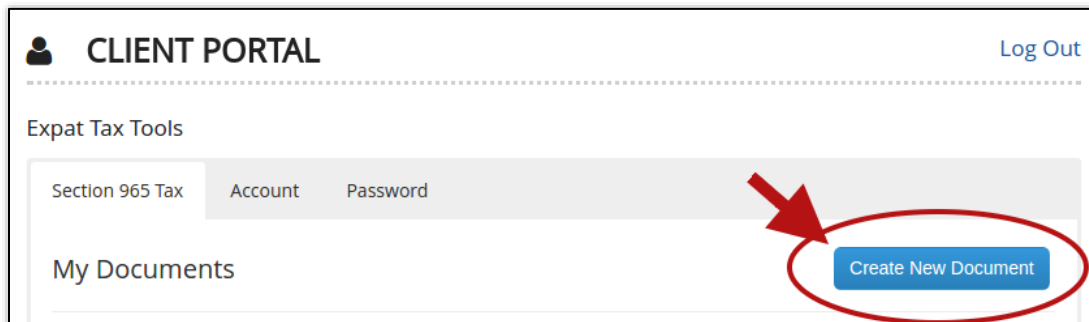
Convert to USD using the December 31 exchange rate for each year

December 31, 2015 \_\_\_\_\_

December 31, 2016 \_\_\_\_\_

December 31, 2017 \_\_\_\_\_

Once you are logged into the Client Portal



- Go to Section 965 Tax tab and click on Create New Document
- Enter the data on the applicable line as indicated.
- If you do not have the data available yet, such as the amount of 965 tax and foreign tax credits- enter a -0-. All lines with an asterisk must have an entry.
- Use the “enter new company” or “remove this company” buttons as needed.
- After entering all SFCs and other information click the “Save & Preview Calculations” button at the bottom of the page.

The §965 calculations are a multi-step process. At this point you will need to take the key numbers from our preview page and enter them in your tax software. Write down the new tax amount on Form 1040 line 44, Foreign tax credit amount on Form 1040 line 47 so you can enter them into the §965 Calculator.

Don't worry about losing your place in the § 965 Tax Calculator if you need to step away to enter the information into the software, a document number as well as a QR code appears at the top of the Calculation Preview page, these are all you need to access the incomplete file when you are ready to finish. As documents are stored in your client portal you don't have write the document number down.

- Enter the tax return numbers on the data entry screen once you have them and click on the "Save & Preview Calculations" button at the bottom of the page.
- CAREFULLY review all the information on the Section 965 Tax Calculation Preview screen. If you need to edit any entries- click on the "Edit Data" button at the bottom of the page.

Once you are satisfied that the information showing is correct, before you can access the final report and §965 Transition Tax Statement you will need to apply a coupon code or make a payment by credit card. The fee per report is \$49.99 USD or \$74.99 CAD. Once you have generated the PDF report –it cannot be edited without paying for a new report.

The PDF can be saved to your computer, or printed. A copy will remain in your client portal for future access.



## Specified foreign corporation Information

Company Name \_\_\_\_\_

Percent of client's direct and indirect ownership \_\_\_\_\_ %

Total Post 1986 earnings and profits on November 2, 2017 \_\_\_\_\_ \*

Total Post 1986 earnings and profits on December 31, 2017 \_\_\_\_\_ \*

Current year US effectively connected income \_\_\_\_\_

Current year subpart F income (not related to §965) \_\_\_\_\_

Total Pool of foreign taxes paid by the SFC adjusted for PTI and distributions over the years \_\_\_\_\_

## Cash Positions

December 31, 2015 \_\_\_\_\_

December 31, 2016 \_\_\_\_\_

December 31, 2017 \_\_\_\_\_

\*Convert to USD using the December 31 exchange rate.