Form **1118**
(Rev. November 1991)
Department of the Treasury
Internal Revenue Service

Foreign Tax Credit—Corporations

▶ **Attach to your tax return.**

OMB No. 1545-0122
Expires 11-30-94

Name

For calendar year 19_____ , or other tax year beginning _____ , 19 ____ , and ending _____ , 19 ____

Employer identification number

This form is being completed for credit with respect to the following separate limitation categories:

(Use a separate Form 1118 for each separate limitation category. See instructions.)

- ☐ Passive Income
- ☐ High Withholding Tax Interest
- ☐ Financial Services Income
- ☐ Shipping Income
- ☐ Dividends From **Each** Noncontrolled Section 902 Corporation (see instructions): Name of Foreign Corporation ▶
- ☐ Dividends From a DISC or Former DISC
- ☐ Taxable Income Attributable To Foreign Trade Income
- ☐ Certain Distributions From a FSC or Former FSC
- ☐ All Other Income From Sources Outside the U.S. (General Limitation Income) Country of Incorporation ▶

Schedule A   Separate Limitation Income or (Loss) Before Adjustments

Separate Limitation Gross Income or (Loss) From Sources Outside the U.S.
(INCLUDE Foreign Branch and Section 863(b) Gross Income here and on Schedule F—See instructions)

1. Foreign Country or U.S. Possession (Enter two-letter code from last page of instructions. Use a separate line for each.)	2. Deemed Dividends (see instructions)		3. Other Dividends		4. Interest	5. Gross Rents, Royalties, and License Fees	6. Gross Income From Performance of Services	7. Other (attach schedule)	8. Total (add columns 2a through 7)
	(a) Exclude gross-up	(b) Gross-up (sec. 78)	(a) Exclude gross-up	(b) Gross-up (sec. 78)					
A									
B									
C									
D									
E									
F									
G									
H									
Totals (add lines A through H)									

Separate Limitation Deductions
(INCLUDE Foreign Branch and Section 863(b) Deductions here and on Schedule F—See instructions)

	Rental, Royalty, and Licensing Expenses		9. Definitely Allocable Deductions		10. Apportioned Share of Deductions Not Definitely Allocable (enter amount from applicable line of column (d), Part II, Schedule H)	11. Total Deductions (add columns 9e and 10)	12. Total Separate Limitation Income or (Loss) Before Adjustments (subtract column 11 from column 8)
	(a) Depreciation, Depletion, and Amortization	(b) Other Expenses	(c) Expenses Related to Gross Income From Performance of Services	(d) Other Definitely Allocable Deductions	(e) Total Definitely Allocable Deductions (add columns 9a through 9d)		
A							
B							
C							
D							
E							
F							
G							
H							
Totals							

For Paperwork Reduction Act Notice, see page 1 of the Instructions.

Cat. No. 10900F

Form **1118** (Rev. 11-91)

Schedule B Foreign Tax Credit

Part I—Foreign Taxes Paid, Accrued, and Deemed Paid

1. Credit is Claimed for Taxes: ☐ Paid ☐ Accrued		2. Foreign Taxes Paid or Accrued (attach schedule showing amounts in foreign currency and conversion rate(s) used)							3. Tax Deemed Paid (from Schedule C, Part I, column 9, and Schedule C, Part II, column 10)
		Tax Withheld at Source on:		Other Foreign Taxes Paid or Accrued on:					
Date Paid	Date Accrued	**(a)** Dividends	**(b)** Interest	**(c)** Rents, Royalties, and License Fees	**(d)** Section 863(b) Income	**(e)** Foreign Branch Income	**(f)** Services Income	**(g)** Other	**(h)** Total Foreign Taxes Paid or Accrued (add columns 2a through 2g)
A									
B									
C									
D									
E									
F									
G									
H									
Totals (add lines A through H)									

Part II—Separate Limitation Foreign Tax Credit

1	Total foreign taxes paid or accrued (from Part I, column 2h, "Totals" line)	
2	Total taxes deemed paid (from Part I, column 3, "Totals" line)	
3	Reductions of taxes paid, accrued, or deemed paid (enter total from Part II, Schedule G). . .	( )
4	Carryback or carryover (attach schedule showing computation in detail—see General Instruction H)	
5	Total foreign taxes (combine lines 1 through 4)	

Foreign Tax Credit Limitation:

6	Numerator of Limitation Fraction.—If you are required to complete Schedule J, enter the result from the applicable column of line 11, Part I, Schedule J. If you are **not** required to complete Schedule J, enter the result from the "Totals" line of column 12 of the applicable Schedule A	
7a	Total taxable income from all sources (enter taxable income from your tax return)	
b	Adjustments to line 7a (see General Instruction D(3) for an example)	
c	Denominator of Limitation Fraction.—Subtract line 7b from line 7a	
8	Divide line 6 by line 7c. (Enter the resulting fraction as a decimal less than 1.00000. If line 6 is greater than line 7c, enter "1.")	
9	Total U.S. income tax against which credit is allowed (regular tax liability (as defined in section 26(b)) less possessions tax credit determined under section 936)	
10	Limitation (multiply line 8 by line 9)	
11	Foreign tax credit (enter the lesser of line 5 or line 10 here and on the appropriate line of Part III) . .	

Part III—Summary of Separate Limitation Foreign Tax Credits from Part II, Schedule B of Separate Forms 1118

1	Credit for taxes on passive income	
2	Credit for taxes on high withholding tax interest	
3	Credit for taxes on financial services income	
4	Credit for taxes on shipping income	
5	Credit for taxes on dividends from each noncontrolled section 902 corporation (combine all such credits on this line)	
6	Credit for taxes on dividends from a DISC or former DISC	
7	Credit for taxes on taxable income attributable to foreign trade income	
8	Credit for taxes on certain distributions from a FSC or former FSC	
9	Credit for taxes on all other income from sources outside the United States (General Limitation Income).	
10	Total (add lines 1 through 9)	
11	Reduction in credit for international boycott operations (see instructions)	
12	Total foreign tax credit (subtract line 11 from line 10). Enter here and on your tax return . . .	

Schedule C

Taxes Deemed Paid by Domestic Corporation Filing Return—Report all amounts in U.S. dollars unless otherwise specified.

This schedule is used to compute the tax deemed paid by the corporation with respect to actual distributions from a first-tier foreign corporation under section 902(a), and deemed distributions from a first-tier, second-tier, or third-tier foreign corporation under section 960(a).

Part I—Distributions From Post-1986 Earnings and Profits

1. Name of Corporation (identify DISCs and former DISCs)	2. Incorporated Under the Laws of (enter country code from instructions)	3. Undistributed E & P for Tax Years Beginning After 1986 (excluding PTI)—attach schedule. (Report amounts in functional currency)	4. Foreign Taxes Paid or Accrued on E & P (and not previously credited) for Tax Years Beginning After 1986	5. Taxes Deemed Paid (from Schedule D, Part I, column 9)	6. Add Columns 4 and 5	7. Dividends Paid and Deemed Paid		8. Divide Column 7a by Column 3	9. Tax Deemed Paid (multiply column 8 by column 6)
						(a) Functional Currency	**(b)** U.S. Dollars		
Total (add lines and include result here and on "Totals" line of Schedule B, Part I, column 3) . . . . ▶									

Part II—Distributions From Pre-1987 Earnings and Profits

1. Name of Corporation (identify DISCs and former DISCs)	2. Tax Year End (Yr-Mo) (see instructions)	3. Incorporated Under the Laws of (enter country code from instructions)	4. E & P for Tax Year Indicated (attach schedule)	5. Foreign Taxes Paid or Accrued on E & P for Tax Year Indicated (see instructions)	6. Taxes Deemed Paid (from Schedule D, Part II, column 10)	7. Add Columns 5 and 6	8. Dividends Paid and Deemed Paid	9. Divide Column 8 by Column 4	10. Tax Deemed Paid (multiply column 9 by column 7)
Total (add lines and include result here and on "Totals" line of Schedule B, Part I, column 3) . . . . ▶									

Schedule D — Tax Deemed Paid by First-Tier Foreign Corporations—Report all amounts in U.S. dollars unless otherwise specified.

Part I—Distributions From Post-1986 Earnings and Profits (Enter the column 9 results in Schedule C, Part I, column 5.)

This schedule is used to compute the tax deemed paid by a first-tier foreign corporation with respect to dividends from a second-tier foreign corporation under section 902(b)(1).

1. Name of Second-Tier Foreign Corporation and its Related First-Tier Foreign Corporation	2. Incorporated Under the Laws of (enter country code from instructions)	3. Undistributed E & P for Tax Years Beginning After 1986 (excluding PTI)—attach schedule. (Report amounts in functional currency.)	4. Foreign Taxes Paid or Accrued on E & P (and not previously credited) for Tax Years Beginning After 1986 (see instructions)	5. Taxes Deemed Paid (from Schedule E, Part I, Column 7)	6. Add Columns 4 and 5 (a) Functional Currency	(b) U.S. Dollars	7. Dividends Paid and Deemed Paid (a) Functional Currency	(b) U.S. Dollars	8. Divide Column 7a by Column 3	9. Tax Deemed Paid (multiply column 8 by column 6)

Part II—Distributions From Pre-1987 Earnings and Profits (Enter the column 10 results in Schedule C, Part II, column 6.)

1. Name of Second-Tier Foreign Corporation and its Related First-Tier Foreign Corporation	2. Tax Year End (Yr-Mo) (see instructions)	3. Incorporated Under the Laws of (enter country code from instructions)	4. E & P for Tax Year Indicated (attach schedule)	5. Foreign Taxes Paid or Accrued on E & P for Tax Year Indicated (see instructions)	6. Taxes Deemed Paid (from Schedule E, Part II, Column 8)	7. Add Columns 5 and 6	8. Dividends Paid and Deemed Paid	9. Divide Column 8 by Column 4	10. Tax Deemed Paid (multiply column 9 by column 7)

Schedule E — Tax Deemed Paid by Second-Tier Foreign Corporations—Report all amounts in U.S. dollars unless otherwise specified.

Part I—Distributions From Post-1986 Earnings and Profits (Enter the column 7 results in Schedule D, Part I, column 5.)

This schedule is used to compute the tax deemed paid by a second-tier foreign corporation with respect to dividends from a third-tier foreign corporation under section 902(b)(2).

1. Name of Third-Tier Foreign Corporation and its Related Second-Tier Foreign Corporation	2. Incorporated Under the Laws of (enter country code from instructions)	3. Undistributed E & P for Tax Years Beginning After 1986 (excluding PTI)—attach schedule. (Report amounts in functional currency.)	4. Foreign Taxes Paid or Accrued on E & P (and not previously credited) for Tax Years Beginning After 1986 (see instructions)	5. Dividends Paid and Deemed Paid (a) Functional Currency	(b) U.S. Dollars	6. Divide Column 5a by Column 3	7. Tax Deemed Paid (multiply column 6 by column 4)

Part II—Distributions From Pre-1987 Earnings and Profits (Enter the column 8 results in Schedule D, Part II, column 6.)

1. Name of Third-Tier Foreign Corporation and its Related Second-Tier Foreign Corporation	2. Tax Year End (Yr-Mo) (see instructions)	3. Incorporated Under the Laws of (enter country code from instructions)	4. E & P for Tax Year Indicated (attach schedule)	5. Foreign Taxes Paid or Accrued on E & P for Tax Year Indicated (see instructions)	6. Dividends Paid and Deemed Paid	7. Divide Column 6 by Column 4	8. Tax Deemed Paid (multiply column 7 by column 5)

Schedule F — Gross Income and Definitely Allocable Deductions From Sources Outside the U.S. Under Section 863(b) and for Foreign Branches

Part I—Section 863(b)

1. Name of Foreign Country or U.S. Possession (Use a separate line for each.)	2. Gross Income	3. Definitely Allocable Deductions
A		
B		
C		
D		
E		
F		
G		
H		

Totals (add lines A through H)* ▶

Part II—Foreign Branches

A		
B		
C		
D		
E		
F		
G		
H		

Totals (add lines A through H)* ▶

*** Note**: The Schedule F totals are not carried over to any other Form 1118 Schedule. (These totals were already included in Schedule A.) However, the IRS requires you to complete Schedule F under the authority of section 905(b).

Schedule G — Reductions of Taxes Paid, Accrued, or Deemed Paid (Including Reduction for Taxes Under Section 901(j))

Part I—Reduction of Taxes Under Section 901(j)

1. Name of Foreign Country (Use a separate line for each.)	2. Taxable Income or (Loss)	3. Foreign Income Tax Paid, Accrued, or Deemed Paid
A		
B		
C		
D		
E		
F		
G		
H		

Total (add lines A through H). Enter here and on line B, Part II below.

Part II—Summary of Reductions of Taxes Paid, Accrued, or Deemed Paid

A	Reduction of Taxes Under Section 901(j)—Attach separate schedule	
B	Reduction of Taxes Under Section 901(e)—Enter total from Part I above	
C	Reduction of Oil and Gas Extraction Taxes—Enter amount from line 6, Part II, Schedule I	
D	Reduction of Taxes Due to International Boycott Provisions—Enter appropriate portion of line 2b, Schedule C, Form 5713. **Important:** Enter only "specifically attributable taxes" here.	
E	Reduction of Taxes for Section 6038(c) Penalty—Attach separate schedule	
F	Other Reductions of Taxes—Attach schedule(s)	

Total (add lines A through F). Enter here and on line 3, Part II, Schedule B .   .   .   .   ▶

Schedule H — Apportionment of Deductions Not Definitely Allocable

Part I—Research and Development Deductions

	(a) Sales Method						(b) Gross Income Method—Check method used: ☐ Option 1 ☐ Option 2 (See instructions.)	
	Product line #1 (SIC Code:)*		Product line #2 (SIC Code:)*		(v) Total R&D Deductions Under Sales Method (add columns (ii) and (iv))	(c) Total R&D Deductions Not Definitely Allocable (enter all amounts from column (a)(v) or all amounts from column (b)(vii))		
	(i) Gross Sales	(ii) R&D Deductions	(iii) Gross Sales	(iv) R&D Deductions		(vi) Gross Income	(vii) Total R&D Deductions Under Gross Income Method	
1 Totals (see instructions)								
2 Total to be apportioned								
3 Apportionment among statutory groupings:								
a General limitation income								
b Passive income								
c High withholding tax interest								
d Financial services income								
e Shipping income								
f Dividends from noncontrolled section 902 corporation #1*								
g Dividends from noncontrolled section 902 corporation #2*								
h Taxable income attributable to foreign trade income								
4 Total foreign (add lines 3a through 3h)								

Part II—Interest Deductions, All Other Deductions, and Total Deductions

	(a) Average value of assets—Check method used: ☐ Fair market value ☐ Tax book value			(b) Interest Deductions			(c) All Other Deductions Not Definitely Allocable	(d) Totals (add the corresponding amounts from column (c), Part I; columns (b)(ii) and (b)(iv), Part II; and column (c), Part II). Enter each amount from lines 3a through 3j below in column 10 of the corresponding Schedule A.
	(i) Non-Financial Corporations	(ii) Financial Corporations	(iii) Non-Financial Corporations	(iv) Financial Corporations				
1a Totals (see instructions)								
b Amounts specifically allocable under Temp. Regs. 1.861-10T(e)								
c Other specific allocations under Temp. Regs. 1.861-10T								
d Other allocations (see instructions)								
2 Total to be apportioned (subtract lines 1b and 1c from line 1a)								
3 Apportionment among statutory groupings:								
a General limitation income								
b Passive income								
c High withholding tax interest								
d Financial services income								
e Shipping income								
f Dividends from noncontrolled section 902 corporation #1*								
g Dividends from noncontrolled section 902 corporation #2*								
h Taxable income attributable to foreign trade income								
i Certain distributions from a FSC or former FSC								
j Dividends from a DISC or former DISC								
4 Total foreign (add lines 3a through 3j)								

* Important: If you have more than two product lines **OR** if you received dividends from more than two noncontrolled section 902 corporations, see instructions.