

# Affiliations Schedule

► **File with each consolidated income tax return**

OMB No. 1545-0025

Tax year ending .....

Common parent corporation	Employer identification number
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Number, street, and room or suite no. (If a P.O. box, see instructions.)

City or town, state, and ZIP code

**Part I Prepayment Credits**

No.	Name and address of corporation	Employer identification number	Prepayment Credits	
			Portion of Form 7004 tax deposits	Portion of estimated tax credits and deposits
1	Common parent corporation . . . . .			
	Subsidiary corporations:			
2				
3				
4				
5				
6				
7				
8				
9				
10				
Totals (Must equal amounts shown on the consolidated tax return) . . . . . ►				

**Part II Voting Stock Information, Principal Business Activity, Etc. (See instructions.)**

No.	Principal business activity (PBA)	PBA Code No.	Did the subsidiary make any nondividend distributions? (See instructions.)		Stock holdings at beginning of year			
			Yes	No	Number of shares	Percent of voting power	Percent of value	Owned by corporation no.
1	Common parent corporation							
	Subsidiary corporations:							
2						%	%	
3						%	%	
4						%	%	
5						%	%	
6						%	%	
7						%	%	
8						%	%	
9						%	%	
10						%	%	



**Part IV Additional Information** (See instructions.)

**1** During the tax year, did the corporation have more than one class of stock outstanding?

No.	Name	Answer to Question 1		If yes, list and describe each class of stock.
		Yes	No	

**2** During the tax year, was there any member of the consolidated group that reaffiliated within 60 months of disaffiliation, or was there any member of the affiliated group that was deconsolidated under Rev. Proc. 91-11, 1991-1 C.B. 470 (as modified by Rev. Proc. 91-39, 1991-2 C.B. 694), Rev. Proc. 95-11, 1995-1 C.B. 505, or Rev. Proc. 95-39, 1995-2 C.B. 399?

No.	Name	Answer to Question 2		If yes for any part of question 2, list and explain the circumstances.
		Yes	No	

**3a** During the tax year, was there any arrangement in existence by which one or more persons that were not members of the affiliated group could acquire any stock, or acquire any voting power without acquiring stock, in the corporation, other than a de minimis amount, from the corporation or another member of the affiliated group?

No.	Name	Answer to Question 3a		Item 3b (see instructions)	Item 3c (see instructions)	Item 3d (see instructions)
		Yes	No			
				%	%	%
				%	%	%
				%	%	%
				%	%	%

No.	Item 3e—Description of arrangements.

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this form, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete for the tax year as stated.

 \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_  
 Signature of officer | Date | Title

## Instructions

Section references are to the Internal Revenue Code.

### Purpose of Form

Form 851 is filed by the parent corporation for itself and for corporations in the affiliated group. File Form 851 by attaching it to the consolidated tax return for the group.

### Affiliated Group

The term "affiliated group" means one or more chains of includible corporations connected through stock ownership with a common parent corporation. See sections 1504(a) and (b). The common parent must be an includible corporation and the following requirements must be met:

1. The common parent must own directly stock that represents at least 80% of the total voting power and at least 80% of the total value of the stock of at least one of the other includible corporations.

2. Stock that represents at least 80% of the total voting power, and at least 80% of the total value of the stock of each of the other corporations (except for the common parent) must be owned directly by one or more of the other includible corporations.

For this purpose, the term "stock" generally does not include any stock that (1) is nonvoting, (2) is nonconvertible, (3) is limited and preferred as to dividends and does not participate significantly in corporate growth, and (4) has redemption and liquidation rights that do not exceed the issue price of the stock (except for a reasonable redemption or liquidation premium).

### Address

Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the corporation has a P.O. box, show the box number instead of the street address.

## Corporation Numbers

When listing information in Parts II, III, and IV, be sure to use the same number for each corporation as you used in Part I, page 1.

### Part II

**PBA (Principal Business Activity) code number.**—Enter in Part II the PBA code number for the parent corporation and each subsidiary. A list of the PBA code numbers can be found in the Instructions for Forms 1120 and 1120-A. Use the code number for the specific industry group from which the largest percentage of each corporation's total receipts is derived.

Also list for each subsidiary the corresponding principal business activity on which the code is based.

**Nondividend distributions.**—For purposes of Part II, nondividend distributions are any distributions (other than stock dividends and distributions in exchange for stock) paid during the tax year for which the consolidated tax return is filed that were in excess of the corporation's current and accumulated earnings and profits. See sections 301 and 316.

### Part IV

**Question 1.**—For purposes of Question 1 only, disregard section 1504(a)(4).

**Question 3a.**—The term "arrangement" includes, but is not limited to, phantom stock, stock appreciation rights, an option, warrant, conversion feature, or similar arrangement. If you answer "Yes" to question 3a, complete items 3b through 3e.

**Item 3b.**—If you answer "Yes" to question 3a, show the percentage of the value of the outstanding stock that the person(s) could acquire.

**Item 3c.**—If you answer "Yes" to question 3a, and the arrangement was associated with voting stock, show the percentage of outstanding voting stock that the person(s) could acquire.

**Item 3d.**—If you answer "Yes" to question 3a, and the arrangement was associated with the acquisition of voting power without the acquisition of the related stock, show the percentage of voting power that the person(s) could acquire.

**Item 3e.**—If you answer "Yes" to question 3a, give a brief description of any arrangement (defined above) by which a person that is not a member of the affiliated group could acquire any stock, or acquire any voting power without acquiring stock, in the corporation.

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## Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** . . . . 8 hr., 51 min.
- Learning about the law or the form** . . . . 42 min.
- Preparing and sending the form to the IRS** . . . . 52 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.

