

Major Changes to the 2008 Schedule M-3 (1120-L)

The following changes were requested by the LMSB M-3 Team.

Page 1.

1] Line 4b (re accounting standard used) is added so line 4 is renamed line 4a (as are its references on lines 1c and 3a).

2] A rule is inserted between lines 3c and 4a.

3] On Line 7a, the text "includible foreign" is added.

4] On Line 7b, the text "U.S. disregarded" is added.

5] Line 7c (re income/loss of other includible corporations) is added.

6] On line 11, a Note is added (re its relationship to Part II, line 30), a rule is added below the line, and the line references are corrected.

7] Line 12 (re entity assets and liabilities) is added.

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1] Before line 1, text is inserted (re schedules should be attached).

2] The text "(attach schedule)" is deleted from lines 9, 10, and 11.

Page 4

3] On line 36, text is inserted (re amounts to enter on Part II, line 27).