

IMPLEMENTATION PLAN for 1120L INST

Run by User MRCYRU00

December 5, 2008

Page 2 of 4

P.L. 110-343, Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (Division C)

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00022	321		Extension of the enhanced deduction for qualified computer contributions to 12/31/09	TYBA	31-DEC-2007	26-DEC-2008	
66.00024	323(a)		Extension of the enhanced charitable deduction for contributions of food inventory to 12/31/09	TYEA DOE	03-OCT-2008	26-DEC-2008	
66.00027	323(a)		Expiration of the enhanced charitable deduction for contributions of food inventory	TYBA	31-DEC-2009	26-DEC-2008	
66.00029	324		Extension of enhanced charitable deduction for contributions of book inventory	A	31-DEC-2007	26-DEC-2008	

P.L. 110-343, Emergency Economic Stabilization Act of 2008 (Division A)

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
65.00001	302	108	Special rules for tax treatment of executive compensation of employers participating in the troubled assets relief program	TYEOA	03-OCT-2008	26-DEC-2008	

P.L. 110-289, Housing and Economic Recovery Act of 2008

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00068	3022	38 42 47	Revise product to reflect repeal of AMT limitations on the low-income housing credit and rehabilitation credit.	A	31-DEC-2007	26-DEC-2008	
66.00070	3081	168(k)	Revise product to reflect the election to accelerate the AMT and research credits in lieu of bonus depreciation.	TYEA	31-MAR-2008	26-DEC-2008	

P.L. 110-246, Food, Conservation, and Energy Act of 2008

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00126	15316	54A 54B	Revise product to reflect the credit to holders of qualified tax credit bonds (qualified forestry conservation bonds).	A	22-MAY-2008	26-DEC-2008	
66.00128	15321	40	Revise product to reflect credit for production of cellulosic biofuel.	A	31-DEC-2008	26-DEC-2008	

IMPLEMENTATION PLAN for 1120L INST

Run by User MRCYRU00

December 5, 2008

Page 3 of 4

P.L. 110-245, Heroes Earnings Assistance and Relief Tax Act of 2008

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00048	111	45P	Revise product to reflect the credit for employer differential wage payments to employees who are active duty members of the uniformed services.	A	17-JUN-2008	26-DEC-2008	
66.00056	111	45P	Revise product to reflect the termination of the credit for employer differential wage payments to employees who are active duty members of the uniformed services.	A	17-JUN-2008	26-DEC-2010	
66.00060	303	6651	Revise product to reflect the increase in the minimum penalty for failure to file a return.	RFA	31-DEC-2008	26-DEC-2008	

P.L. 109-280, Pension Protection Act of 2006

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00028	1202	170	Revise product to reflect that the modification of charitable deduction of food inventory ended at the end of 2007.	A	31-DEC-2007	31-DEC-2008	
66.00096	1204	170	Revise product to reflect that the modification of charitable deduction of book inventory ended at the end of 2007.	A	31-DEC-2007	31-DEC-2008	

IMPLEMENTATION PLAN for 1120L INST

Run by User MRCYRU00

December 5, 2008

Page 4 of 4

P.L. 109-58, Energy Policy Act of 2005

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00026	1303	54(l)(5)	Revise product to reflect the treatment of the credit to holders of clean renewable energy bonds as an estimated tax payment for purposes of IRC section 6655.	A	31-DEC-2005	28-DEC-2007	
66.00068	1301(a)	45	Revise the product to reflect 2-year extension from 2006 to 2008 of the renewable electricity production credit for certain facilities.	DOE	08-AUG-2005	28-DEC-2007	
66.00258	1331	179D	Revise product to reflect the termination of the energy efficient commercial buildings deduction.	PPSA	31-DEC-2005	01-DEC-2007	
66.00264	1332	45L	Revise product to reflect the termination of the energy efficient home credit.	A	31-DEC-2005	31-DEC-2007	
66.00294	1342	30C	Revise product to reflect the termination of the alternative fuel vehicle refueling property credit.	PPSA	31-DEC-2005	31-DEC-2014	
66.00301	1344	40A	Revise product to reflect the termination of the biodiesel and renewable diesel credit.	DOE	08-AUG-2005	01-DEC-2008	

P.L. 108-357, American Jobs Creation Act of 2004

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00394	705(a)	815(g)	Reinstatement of policyholders surplus account provisions after 12/31/06.	TYBA	31-DEC-2006	01-DEC-2007	

P.L. 106-554, Community Renewal Tax Relief Act of 2000

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00973	101(a)	1400F	Revise the 2014 Form 1120L instructions to reflect that gross income does not include capital gain from the sale of qualified community assets held more than five years and acquired after 2001 and before 2010.	A	03-DEC-2001	01-DEC-2014	

Total Action Items: 22

Major Changes to the Instructions for 2008 Form 1120-L

p.1

The **What's New** area is rewritten re the following.

- The filing address for Georgia and Tennessee filers is changed. (Director, Submission Processing, SE:W:CAS:SP:PMO, IRS Memo 6/5/2008)
- **New line 29j** and the election to claim additional research and minimum tax credits in lieu of claiming any additional first-year special depreciation allowance. (P. L. 100-289, sec. 3081)
- Start-up and organizational costs for the election under sections 195(b) or 248(a). (Temporary Regulations sec. 1.195-1T and 1.248-1T)
- Temporary tax relief in Kiowa County, Kansas, and surrounding disaster areas. (Publication 4492-A)
- ~~• Four new credits for 2008. (Inst. for Forms 6478, 8912, 8931, and 8932)~~
- Rev. Rul. 2008-37 requires life insurance companies to indicate statutory reserves differently.

p. 2

The **IRS Tax Products DVD** area is rewritten with new prices and other info. (National Technical Information Service)

The **IRS E-Services Make Taxes Easier** area is rewritten, indicating the names of products, including the new name of Form 7004.

p. 3

In the **Where to File** table, Georgia and Tennessee filers are changed from Ogden to Cincinnati. (Director, Submission Processing, SE:W:CAS:SP:PMO, IRS Memo 6/5/2008)

p. 4

The text under **Statements** is rewritten because Rev. Rul. 2008-37 requires life insurance companies to indicate statutory reserves differently. Similarly, the text under **Reconciliation** is rewritten.

p. 5

Under **Late filing of return**, the minimum penalty is changed from \$100 to \$135. (IRC 6651(a)(3); P.L. 110-245, sec. 303)

p. 6

Under **Accounting Methods (begins on p. 5)**, a statement is added re a procedure for automatic consent to change to certain accounting methods. (Rev. Proc. 2008-52; Announcement 2008-84)

Under **Other Forms and Statements That May Be Required**, the listing for certain transactions resulting in a tax credit of more than \$250,000, if the corporation held an asset generating the credit for 45 days or less, is deleted as it was valid only before August 3, 2007. (T.D. 9350; Reg. 1.6011-4; Form 8886 Inst.) Also, a reference to the Form 8886 Inst. is added.

Under **Reportable transactions by material advisors**, a statement is added re material advisors must file Form 8918. (Reg. 301.6111-3)

Under **Transfers to a corporation controlled by the transferor**, a statement is added re every significant transferor (under Reg. 1.351-3(d)) receiving stock of a corporation in exchange for property in a nonrecognition event must attach the statement required under Reg. 1.351-3(a) to its return for the tax year of the exchange. (requested by Chief Counsel)

A new section, **Distributions under section 355**, is added. (Reg. 1.355-5; T.D. 9329)

A statement is added under **Election to Reduce Basis under Section 362(e)(2)(C)**, re (1) if the election is made by a controlled foreign corporation, its controlling U.S. shareholders may also make the election and (2) the common parent of a consolidated group can make the election for its members. (requested by Chief Counsel)

p. 8

Under **Item B. Employer Identification Number (EIN) (begins on p. 7)**, a Caution is added re only corporations located in the United States or U.S. possessions can use the online application. (Form SS-4 inst.)

p. 9

Under **Transactions between related taxpayers**, a reference to the Instructions for Form 8926 is added.

The section, **Business start-up and organizational costs**, is rewritten for costs before and after September 8, 2008. (Prop. Reg. 1.195-1T; 1.248-1T; T.D. 9411)

p. 10

Under **Reducing certain expenses for which credits are allowable**, the agricultural chemicals security credit and the credit for employer differential wage payments are added (IRC 45O and 45P).

p. 11

Under **Other deductions (begins on p. 10)**:

- The bullet for the deduction for certain energy efficient commercial building property is updated with a reference to Notice 2008-40, which amplifies Notice 2006-52.
- A bullet is added for certain environmental remediation costs for the Midwestern disaster areas. (IRC 1400N(g); P.L. 110-343, secs. 702(d)(4) and 318, Div. C)

- A bullet is added for a deduction for qualified disaster expenses. (IRC 198A; P.L. 110-343, sec. 707, Div. C)

A section, **Limitations on tax benefits for executive compensation under a Treasury troubled asset relief program**, is added. (P.L. 110-343, Div. A, sec. 302).

p. 12

Under **Employment credits**, new Form 8932 (IRC 45P) and old form 5884-A (with a new name) (PL 110-343, Div. C, sec. 702(d)(11)), are added.

Under **Charitable contributions**, a section, **Temporary suspension of 10% limit for contributions to Midwestern disaster areas**, is added. (P.L. 110-343, Div. C, sec. 702(d)(12))

p. 14

Under **Operations loss deduction (begins on p. 13)**:

~~• A statement is added re guidance in Notice 2008-100 re applying section 382 to loss corporations whose instruments were acquired by Treasury.~~

~~• A paragraph is added re (a) a five-year period to replace converted property in the Kansas Disaster Zone that is compulsorily or involuntarily converted on or after May 4, 2007, and (b) public utility property casualty losses attributable to storms and tornados in the Kansas Disaster Zone, and (c) qualified Disaster Recovery Disaster losses that may be eligible for a 5-year carryback. (IRC 1400N(k) and (o); P.L. 110-234, sec. 15345(b) and (g))~~

~~• A paragraph is added re certain qualified disaster losses related to federally declared disasters that are eligible for a 5-year carryback period. (IRC 172(b)(1)(J) and 172(j); P.L. 110-343, Div. C, sec. 708)~~

~~• References to "GO Zone losses," are changed to "Disaster Recovery Assistance losses." (IRC 1400N(k); P.L. 110-343, Div. C, 702(d)(6)).~~

New line 29j instructions are added re an election to claim additional research and minimum tax credits in lieu of claiming additional first-year depreciation. (P. L. 100-289, sec. 3081) Subsequent line number references are renumbered as necessary.

p. 17

A **Note** is added re a statement must be attached re reconciliation of lines 1 – 6 of Sch. F (re statutory reserves). (Rev. Rul. 2008-37; LMSB team)

p. 21

~~The **line 5b** instructions are retitled to include the names of the forms, for clarity, since both form names do not appear on line 5b of the 1120-L. (P.L. 110-343, Div.C, sec. 309 extends the American Samoa economic development credit)~~

The **line 5c** references to Forms 5884, 6478, 8835, 8844, and 8846 are removed because those forms are now re-incorporated on the Form 3800 and no longer have to be considered separately.

On **line 5e**, the reference to Form 8860 is removed because the form is obsolete for 2008. The name of Form 8912 is changed per its latest WRN.

The section, **Minimum effectively connected investment income**, is updated with a reference to Rev. Proc. 2008-53.