

Schedule O (Form 1120), Consent Plan and Apportionment Schedule for a Controlled Group (Rev. December 2009)

Purpose: This is the first circulated draft of the Schedule O (Form 1120) (Rev. December 2009) for your review and comments. See below for a discussion of the major changes.

TPCC Meeting: None, but one may be arranged if requested.

Prior Version: The Schedule O (Form 1120) (Rev. December 2008) is available at: <http://www.irs.gov/pub/irs-pdf/f1120so.pdf>.

Instructions: The Instructions for Schedule O (Form 1120) (Rev. December 2009) will be circulated at a later date. The December 2008 revision is available at <http://www.irs.gov/pub/irs-pdf/i1120so.pdf>.

Other Products: Circulations of draft tax forms, instructions, notices, and publications are posted at: <http://taxforms.web.irs.gov/Circulations/index.htm>.

Comments: Please email, fax, call, or mail any comments by **July 1, 2009**, to me at the address below and email the reviewer at Joan.A.McAlpine@irs.gov.

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Major Changes

New line 4 was added to clarify if the termination on line 3c or 3d was voluntary or involuntary.

Renumbered old lines 4, 5, and 6 to now read lines 5, 6, and 7.

For line 7:

- The lead-in sentence was changed from “Elections under section 1561. See instructions” now reads “Required information and elections. Check the applicable box(es) (see instructions).”
- The apportionment of tax items is different if only one or more members of the group has a short tax year that does not include December 31. Line 7c was added to identify such a member and clarify how the allocations on pages 2 and 3 were determined.

All changes were made at the request of the Chief Counsel and Schedule O work group.

**SCHEDULE O
(Form 1120)**(Rev. December 2009)
Department of the Treasury
Internal Revenue Service**Consent Plan and Apportionment Schedule
for a Controlled Group**▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, or 1120-RIC.
▶ See separate instructions.

OMB No. 1545-0123

Name

Employer identification number

Part I Apportionment Plan Information

- 1** Type of controlled group:
- a** Parent-subsidiary group
- b** Brother-sister group
- c** Combined group
- d** Life insurance companies only
- 2** This corporation has been a member of this group:
- a** For the entire year.
- b** From _____, 20_____, until _____, 20_____.
- 3** This corporation consents and represents to:
- a** Adopt an apportionment plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on _____, 20_____, and for all succeeding tax years.
- b** Amend the current apportionment plan. All the other members of this group are currently amending a previously adopted plan, which was in effect for the tax year ending _____, 20_____, and for all succeeding tax years.
- c** Terminate the current apportionment plan and not adopt a new plan. All the other members of this group are not adopting an apportionment plan.
- d** Terminate the current apportionment plan and adopt a new plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on _____, 20_____, and for all succeeding tax years.
- 4** If you checked box 3c or 3d above, check the applicable box below to indicate if the termination of the current apportionment plan was:
- a** Voluntary
- b** Involuntary
- 5** If you did not check a box on line 3 above, check the applicable box below concerning the status of the group's apportionment plan (see instructions).
- a** No apportionment plan is in effect and none is being adopted.
- b** An apportionment plan is already in effect. It was adopted for the tax year ending _____, 20_____, and for all succeeding tax years.
- 6** If all the members of this group are adopting a plan or amending the current plan for a tax year after the due date (including extensions) of the tax return for this corporation, is there at least one year remaining on the statute of limitations from the date this corporation filed its amended return for such tax year for assessing any resulting deficiency?
See instructions.
- a** Yes.
- (i) The statute of limitations for this year will expire on _____, 20_____.
- (ii) On _____, 20_____, this corporation entered into an agreement with the Internal Revenue Service to extend the statute of limitations for purposes of assessment until _____, 20_____.
- b** No. The members may not adopt or amend an apportionment plan.
- 7** Required information and elections under section 1561. Check the applicable box(es) (see instructions).
- a** The corporation will determine its tax liability by applying the maximum tax rate under section 11 to the entire amount of its taxable income.
- b** The corporation and the other members of the group elect the FIFO method (rather than defaulting to the proportionate method) for allocating the group's section 11(b)(1) additional tax.
- c** The corporation has a short tax year that does not include December 31.

Part II Taxable Income Apportionment (See instructions)

Caution: Each total in Part II, column (g) for each component member must agree with Form 1120, page 1, line 30 or the comparable line of such member's tax return.

	(a) Group member's name and employer identification number	(b) Tax year end (Yr-Mo)	Taxable Income Amount Allocated to Each Bracket				(g) Total (add columns (c) through (f))
			(c) 15%	(d) 25%	(e) 34%	(f) 35%	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total							

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Part III Income Tax Apportionment (See instructions)

Income Tax Apportionment

(a) Group member's name	(b) 15%	(c) 25%	(d) 34%	(e) 35%	(f) 5%	(g) 3%	(h) Total income tax (combine lines (b) through (g))
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total							

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Part IV Other Apportionments (See instructions)

	(a) Group member's name	Other Apportionments				(f) Other
		(b) Accumulated earnings credit	(c) AMT exemption amount	(d) Phaseout of AMT exemption amount	(e) Penalty for failure to pay estimated tax	
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
Total						

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