

Tax Forms & Publications

Work Request Notification (WRN)/Circulation

Product **Form 8621**

Title **Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund**

Tax year **12-2011**

Processing year **2012**

This is the **First** circulation of this product for your review and comments. This circulation can be used to support any necessary work requests. **We have reviewed this product and propose the following. For circulations of forms, our review included the instructions and related worksheets.**

No changes that would impact a Unified Work Request (UWR) (other than Modernized e-File (MeF) stylesheet changes).

Changes that may impact a UWR as a result of:

Legislation or Chief Counsel guidance: **CC:INTL**
IRC 1294
Regulations section 1.1294-1(c)

A program change initiated by:

Signature of Approving Official

Ronald W. Gamble

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Date: 2011.04.29 16:09:51 -04'00'

Date

4/29/2011

Description of major changes

We removed the references to IRC 551 throughout the form as this code section has been repealed by the American Jobs Creation Act of 2004 (P.L. 108-357, section 413(a)(d)). Please note that the form was last revised December 2004 and section 551 was still needed on that revision of the form.

We added the word "Information" at the beginning of the title of the form at the request of Chief Counsel (International).

On Part I, Elections, at the request of Counsel, we added two new checkboxes as follows: (1) New checkbox G for filers who make a timely deemed dividend election with respect to a Section 1297(e) PFIC (to reflect Regulations section 1.1297-3(d)), and (2) New checkbox H for filers who make a timely deemed dividend election with respect to a former PFIC (to reflect Regulations section 1.1298-3(d)).

On Part II, line 1c, we changed the word "dividend" to "ordinary" at the request of Chief Counsel (International). Filers are now instructed to enter line 1c amounts on their tax return as ordinary income (instead of as dividend income).

On Part III, Gain (Loss) From Mark-to-Market Election, we added additional lines to report dispositions of section 1296 stock during the tax year. This change was made to reflect IRC 1296 and Regulations section 1.1296-1(c).

Comments: We will consider all comments received. However, comments received after 30 days may be deferred until the next revision. Comments should be sent via email to both the Tax Law Specialist and Reviewer listed below. If we need to make significant changes based on comments or other new information received, we will issue a subsequent circulation of this product; otherwise, these changes are final.

Tax Law Specialist **Carl M Tenny**

Reviewer

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