**Note:** The draft you are looking for begins on the next page.



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## Form **3520**

## Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts

OMB No. 1545-0159

2019

Department of the Treasury Internal Revenue Service

▶ Go to www.irs.gov/Form3520 for instructions and the latest information.

NOR	e: All information must be in English	i. Snow all amounts in 0.5. dolla	irs. File a <b>separate</b> For	11 3520 101 6	ach ioreign	trust.				
For o	calendar year 2019, or tax year beg	inning	, 2019, ending			, 20				
<b>A</b> (	Check appropriate boxes: 🗌 Initi	al return 🔲 Initial return (exter	nsion filed)	return	Amended re	eturn				
<b>B</b> (	Check box that applies to person fil	ing return: 🗌 Individual 📗	Partnership	oration 🔲	Trust _	Executor				
C	Check if any excepted specified for	eign financial assets are reported	d on this form (see instru	uctions) .		L				
Che	ck all applicable boxes.									
ti	(a) You are a U.S. transferor who, directly or indirectly, transferred money or other property during the current tax year to a foreign trust, (b) You are a U.S. person who (1) during the current tax year, transferred property (including cash) to a related foreign trust (or a person related to the trust) in exchange for an obligation, or (2) holds a qualified obligation from the trust that is currently outstanding, or (c) You are the executor of the estate of a U.S. decedent and (1) the decedent made a transfer to a foreign trust by reason of death, (2) the decedent was treated as the owner of any portion of a foreign trust immediately prior to death, or (3) the decedent's estate included any portion of the assets of a foreign trust. Complete all applicable identifying information requested below and Part I of the form and see the instructions for Part I.									
r	You are a U.S. owner of all or any portion of a foreign trust at any time during the tax year. <b>Complete all applicable identifying information requested below and Part II of the form</b> and see the instructions for Part II. You may also need to complete lines 15 through 18 of Part I if you answered "No" to line 3 and Part III. See the instructions for Parts I and III.									
y u s	(a) You are a U.S. person (including a U.S. owner) or an executor of the estate of a U.S. person who, during the current tax year, received, directly or indirectly, a distribution from a foreign trust, (b) You are a U.S. person who is a U.S. owner or beneficiary of a foreign trust and in the current tax year, you or a U.S. person related to you received (1) a loan of cash or marketable securities, directly or indirectly, from such foreign trust, or (2) the uncompensated use of trust property, or (c) You are a U.S. person who is a U.S. owner or beneficiary of a foreign trust and in the current tax year such foreign trust holds an outstanding qualified obligation of yours or a U.S. person related to you. Complete all applicable identifying information requested below and Part III of the form and see the instructions for Part III.  You are a U.S. person who, during the current tax year, received certain gifts or bequests from a foreign person. Complete all applicable									
	dentifying information requested belo									
1a	Name of U.S. person(s) with respect to wi	nom this Form 3520 is being filed (see ins	tructions)	<b>b</b> Identificat	ion number					
c	Number, street, and room or suite no. (if a	P.O. box, see instructions)		d Spouse's identification number						
е	e City or town	f State or province	g ZIP or foreign postal code	h Country						
i	Check the box if you are married and filir	ng a joint 2019 income tax return, and vo	u are filing a ioint Form 3520 v	vith vour spou	se.					
i	Service center where U.S. person's	• • •			<u> </u>					
•	, , , , , , , , , , , , , , , , , , ,				-					
k	k If an extension was requested for the tax return, check this box ☐ and enter the form number of the tax return to be filed. ▶									
2a	Name of foreign trust (if applicable)		b(1) Employ	yer identification	number (if any)					
С	Number, street, and room or suite no. (if a	b(2) Referen	nce ID number (s	ee instructions)						
d	d City or town	e State or province	f ZIP or foreign postal code	<b>g</b> Country						
3 3	3 Did the foreign trust appoint a U.S. agent (defined in the instructions) who can provide the IRS with all relevant trust information?									
с	c Number, street, and room or suite no. (if a P.O. box, see instructions)									
d	d City or town	e State or province	f ZIP or postal code	<b>g</b> Country						
4a	Name of U.S. decedent (see instr.)	<b>b</b> Address		c TIN of dec	cedent					
d	Date of death			e EIN of est	ate					
f	f Check applicable box.  U.S. decedent made transfer to a foreign trust by reason of death.  U.S. decedent treated as owner of foreign trust immediately prior to death.  Assets of foreign trust were included in estate of U.S. decedent.									

Part	ш	Transte	rs by U.S. Per	sons to	a Fore	eign Trust Dur	ing the Curren	t Tax Year	' (see instructioi	ns)
5а	Name	e of trust creat	tor	<b>b</b> Addı	ress			<b>c</b> Ide	ntification number (if	any)
6a	Coun	ntry code of co	ountry where trust wa	s created	<b>b</b> Cour	ntry code of country	whose law governs the	e trust <b>c</b> Da	te trust was created	
70	\A/;II	any paraon	ather than the for	oian truct)	ho troots	ad as the surper of	the transferred ass	ota after the t	ranofor?	Yes No
7a		(i)		eign trust)		ed as the owner of		sets after the t		(v)
b		me of all foreig trust owners	gn C		(ii) Address		(iii) Country of residen	ce Identific	cation number, if any	Relevant Code section
8	Was	the transfer	a completed gift	or beques	t? If "Yes	s," see instructions	3			Yes  No
9a	Now	or at any tir	me in the future, c	an any par	rt of the i	ncome or corpus	of the trust benefit a	any U.S. bene	eficiary?	Yes No
b	If "N	lo," could th	e trust be revised	or amende	ed to ber	nefit a U.S. benefic	ciary?			Yes No
10	Res	erved		. W				U	/ · · · · · ·	Yes No
			Sche	dule A-	-Oblig	ations of a Re	elated Trust (se	e instructio	ons)	
11a										
	If "Y	es," comple	te the rest of Sche	edule A, as	s applica	ble. If "No," go to	Schedule B.			
b	Wer	e any of the	obligations you re	ceived (wi	ith respe	ct to a transfer de	scribed in line 11a a	above) qualifie	d obligations? .	Yes No
	If "Ye	es," complete	the rest of Schedule	A and atta	ch a copy	of each loan docun	nent entered into with	respect to each	n qualified obligation	
	repoi	rted on line 11	(b). If these documen	ts have bee	en attache	d to a Form 3520 file	d within the previous 3	years, attach o	nly relevant updates.	
	If "N	lo," go to Sc	hedule B.							
		(i)				(ii)	(iii	)		(iv)
	Date of	transfer givin	g rise to obligation		Max	imum term	Yield to n	naturity	FMV o	f obligation
12	With respect to each qualified obligation you reported on line 11b: Do you agree to extend the period of assessment of any income or transfer tax attributable to the transfer, and any consequential income tax changes for each year that the obligation is outstanding, to a date 3 years after the maturity date of the obligation?									
	Schedule B—Gratuitous Transfers (see instructions)									
							•			
13	During the current tax year, did you make any transfers (directly or indirectly) to the trust and receive less than FMV, or no consideration at all, for the property transferred?									
		·					(f)			
<b>(a)</b> Date trans	of	(b) Description of property transferred	(c) FMV of property transferred	(d) U.S. adj basis prope transfe	justed s of erty	(e) Gain recognized at time of transfer, if any	Excess, if any, of column (c) over the sum of columns (d) and (e)	(g) Description of property received, if any	(h) FMV of property received	(i) Excess of column (c) over column (h)
Totals	<b>&gt;</b>						\$			\$
14				•			entered into in con is 3 years, attach or		•	d on line 13. If these
								V	Attache	
	Are	you attachin	g a copy of:					Yes	No Previous	sly Attached
а	Sale	document?						. $\square$		-
b	Loar	n document	?					. 🗆		
С	Sub	sequent vari	ances to original s	ale or loar	n docum	ents?		. 🗌		

## Schedule B-Gratuitous Transfers (continued) Part I Note: Complete lines 15 through 18 only if you answered "No" to line 3, acknowledging that the foreign trust did not appoint a U.S. agent to provide the IRS with all relevant trust information. 15 (c) (b) (d) U.S. beneficiary? Name of beneficiary Address of beneficiary Identification number, if any Yes No 16 (a) (b) Name of trustee Address of trustee Identification number, if any (a) Name of other persons (c) Description of 17 (b) (d) Identification number, if any Address of other persons with trust powers with trust powers If you checked "No" on line 3, you are required to attach a copy of all trust documents as indicated below. If these documents have been 18 attached to a Form 3520-A or Form 3520 filed within the previous 3 years, attach only relevant updates. **Attached** Year No **Previously** Attached Are you attaching a copy of: а Summary of all written and oral agreements and understandings relating to the trust? . . . The trust instrument? . . . . . Memoranda or letters of wishes? С Trust financial statements? . . . Other trust documents? Schedule C-Qualified Obligations Outstanding in the Current Tax Year (see instructions) Did you, at any time during your tax year, hold an outstanding obligation of a related foreign trust (or a person related to 19 ☐ No If "Yes," complete columns (a) through (e) below. (e) Does the obligation (c) (d) Amount of principal Amount of interest still meet the Date of original Tax year qualified criteria for a payments made during payments made during obligation obligation first reported qualified obligation? your tax year your tax year Yes

Form **3520** (2019)

Form 3520 (2019) Page 4 Part II U.S. Owner of a Foreign Trust (see instructions) (e) Relevant Code (a) Name of all foreign 20 (c) Address Country of tax residence Identification number, if any trust owners section 21 (b) (c) Country code of country where foreign trust Country code of country whose law governs the foreign trust Date foreign trust was created ☐ No 22 Did the foreign trust file Form 3520-A for the current year? . Yes If "Yes," attach the Foreign Grantor Trust Owner Statement you received from the foreign trust. If "No," to the best of your ability, complete and attach a substitute Form 3520-A for the foreign trust. See instructions for information on penalties for failing to complete and attach a substitute Form 3520-A. Enter the gross value of the portion of the foreign trust that you are treated as owning at the end of your tax year ▶ \$ Distributions to a U.S. Person From a Foreign Trust During the Current Tax Year (see instructions) Part III Note: If you received an amount from a portion of a foreign trust of which you are treated as the owner, only complete lines 24 and 27. Cash amounts or FMV of property received, directly or indirectly, during your current tax year, from the foreign trust (exclude loans and uncompensated 24 use of trust property included on line 25). (d)
Description of property (e) FMV of property transferred (f) Excess of column (c) FMV of property received (determined on date of distribution) Date of distribution Description of property received over column (e) transferred, if any **Totals** 25 During your current tax year, did you (or a person related to you) receive a loan or uncompensated use of trust property No from a related foreign trust (including an extension of credit upon the purchase of property from the trust)? . . . . If "Yes," complete columns (a) through (g) below for each such loan or use of trust property. Note: See instructions for additional information, including how to complete columns (a) through (g) for use of trust property. (a) (b) (d) (f) Is the obligation a Maximum term of Amount treated as distribution FMV of loan proceeds Date of original FMV of qualified Interest rate qualified obligation? repayment of from the trust (subtract of obligation or property transaction obligation obligation Yes No column (f) from column (a)) Total 26 With respect to each obligation you reported as a "qualified obligation" on line 25: Do you agree to extend the period of assessment of any income or transfer tax attributable to the transaction, and any consequential income tax changes for each year that the obligation is outstanding, to a date 3 years after the maturity date of the obligation? Yes No Note: You have the right to refuse to extend the period of limitations or limit this extension to a mutually agreed-upon issue(s) or mutually agreed-upon period of time. Generally, if you refuse to extend the period of limitations with respect to an obligation that you reported as a "qualified obligation" on line 25, then such obligation is not a qualified obligation and you cannot check "Yes" in column (e) of line 25. 27 Total distributions received during your current tax year. Add line 24, column (f), and line 25, column (g) . . . Did the trust, at any time during the current tax year, hold an outstanding obligation of yours (or a person related to you) No that you reported as a "qualified obligation"? If "Yes," complete columns (a) through (e) below for each obligation.

<b>(a)</b> Date of original loan	(b) Tax year qualified	(c) Amount of principal payments	(d) Amount of interest payments	Does the loan still meet the criteria of a qualified obligation?		
transaction	obligation first reported	made during your tax year	made during your tax year	Yes	No	
				F	orm <b>3520</b> (2019	

Part	Distributions to a U.S. Person From a Foreign Trust During the Current Tax Year (continued)	
29	Did you receive a Foreign Grantor Trust Beneficiary Statement from the foreign trust with respect to a distribution?	/A
	If "Yes," attach the statement and do not complete the remainder of Part III with respect to that distribution.	A
	If "No," complete Schedule A with respect to that distribution. Also complete Schedule C if you enter an amount greater than zero on line 37.	
30	Did you receive a Foreign Nongrantor Trust Beneficiary Statement from the foreign trust with respect to a distribution?	<b>′</b> A
	complete Schedule C if you enter an amount greater than zero on line 37 or line 41a.	
	If "No," complete Schedule A with respect to that distribution. Also complete Schedule C if you enter an amount greater than zero on line 37.	
	Schedule A—Default Calculation of Trust Distributions (see instructions)	
31	Enter amount from line 27	
32	Number of years the trust has been a foreign trust (see instructions)	
33	Enter total distributions received from the foreign trust during the 3 preceding tax years (or during the number of years the trust has been a foreign trust, if fewer than 3)	
34	Multiply line 33 by 1.25	
35	Average distribution. Divide line 34 by 3 (or the number of years the trust has been a foreign trust, if fewer than 3)	
	and enter the result	
36	Amount treated as ordinary income earned in the current year. Enter the smaller of line 31 or line 35	
37	Amount treated as accumulation distribution. Subtract line 36 from line 31. If -0-, do not complete the rest of Part III	
38	Applicable number of years of trust. Divide line 32 by 2 and enter the result here .	
	Schedule B – Actual Calculation of Trust Distributions (see instructions)	
39 40a	Enter amount from line 27	
40a b	Amount treated as ordinary income in the current tax year	
41a	Amount treated as accumulation distribution. If -0-, do not complete Schedule C, Part III	
b	Amount of line 41a that is tax exempt	
42a	Amount treated as net short-term capital gain in the current tax year	
b	Amount treated as net long-term capital gain in the current tax year	
С	28% rate gain	
d	Unrecaptured section 1250 gain	
43	Amount treated as distribution from trust corpus	
44	Enter any other distributed amount received from the foreign trust not included on lines 40a, 41a, 42a, 42b, and 43 (attach explanation)	
45	Amount of foreign trust's aggregate undistributed net income	
46	Amount of foreign trust's weighted undistributed net income	
47	Applicable number of years of trust. Divide line 46 by line 45 and enter the result here ▶	
	Schedule C—Calculation of Interest Charge (see instructions)	
48	Enter accumulation distribution from line 37 or 41a, as applicable	
49	Enter tax on total accumulation distribution from line 28 of Form 4970 (attach Form 4970—see instructions)	
50	Enter applicable number of years of foreign trust from line 38 or 47, as applicable (round to nearest half-year)	
51	Combined interest rate imposed on the total accumulation distribution (see instructions)	
52	Interest charge. Multiply the amount on line 49 by the combined interest rate on line 51	
53	Tax attributable to accumulation distributions. Add lines 49 and 52. Enter here and as "additional tax" on your income tax return	

Part I\	U.S. Red (see instr	•	r Bequests Re	eceived During the Cu	rrent Tax Year F	rom Foreign	Persons		
r f I	nonresident alie foreign estate? f "Yes," comple	uring your current tax year, did you receive more than \$100,000 that you treated as gifts or bequences identified the contest of the contest					son) or a	☐ No	
I	(a) Date of gift or bequest			(b) Description of property receiv	ed		(c) FMV of property	y received	
Total .				00		0.4	\$		
<b>55</b> [	oreign partners nstructions reg	ship (including a dist arding related donor	ribution received s	than \$16,388 that you treated from a domestic trust tree	eated as owned by	a foreign pers	ation or a on)? See	☐ No	
(a) (b) Date of gift Name of foreign do			ign donor	(c) Address of foreign donor			(d) Identification number, if any		
						-			
(e) Check the box that applies to the foreign donor			or	<b>(f)</b> Description of property received			<b>(g)</b> FMV of property received		
Corporation		Partnership							
	•	•	•	donor, in making any gift ner person? If "Yes," see in	•	ibed in lines 54	l and 55, □ <b>Yes</b>	☐ No	
Sign Here		of perjury, I declare that belief, it is true, correct,		this return, including any according to the second	mpanying reports, sc	hedules, or staten	nents, and to the best  Date	of my	
Paid Proper		oreparer's name	Preparer's signat	ture	Date	Check if self-employed	PTIN		
Prepare Use On	l	e <b>▶</b>				Firm's EIN ▶			
	Firm's address ▶					Phone no.			