

**SCHEDULE I
(Form 1120-F)**

**Interest Expense Allocation Under Regulations
Section 1.882-5**

OMB No. 1545-0123

2020

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1120-F.

▶ Go to www.irs.gov/Form1120F for instructions and the latest information.

Name of corporation

Employer identification number

A Check here if the corporation is a foreign bank as defined in Regulations section 1.882-5(c)(4)

B This Schedule I is being completed with respect to (check one):

- Adjusted U.S. booked liabilities method under Regs. sec. 1.882-5(d). **Complete lines 1 through 15 and 21 through 25.**
- Separate currency pools method under Regs. sec. 1.882-5(e). **Complete lines 1 through 9 and 16a through 25.**

Step 1 Average U.S. Assets for the Tax Year: Regulations Section 1.882-5(b)

	(a) Set(s) of Books that Give Rise to U.S. Booked Liabilities (see inst.)	(b) Partnership Interests	(c) Set(s) of Books Other than those Described in Columns (a) and (b)	(d) Totals. Add columns (a) through (c)
1 Specify the method used to determine the value of the corporation's U.S. assets on lines 2 through 5 below (check one): <input type="checkbox"/> Adjusted basis method: Regs. sec. 1.882-5(b)(2)(i) <input type="checkbox"/> Fair market value method: Regs. sec. 1.882-5(b)(2)(ii)				
2 Total assets per books				
3a Total interbranch assets				
b Total non-ECI assets under section 864(c)(4)(D)				
c Total other non-ECI assets (attach statement-see instructions)				
d Adjustments for amounts from partnerships and certain disregarded entities included on line 2, column (a)				
e Adjustments for assets that give rise to direct interest expense allocations under Regs. sec. 1.882-5(a)(1)(ii)				
f Other adjustments to average assets included in line 2 (e.g., mark-to-market differences)				
4 Combine lines 3a through 3f				
5 Total value of U.S. assets for the tax year				
Column (a): Subtract line 4 from line 2. Column (b): See instructions for amount to enter. Column (c): See instructions for amount to enter.				

Step 2 U.S.-Connected Liabilities for the Tax Year: Regulations Section 1.882-5(c)

6 Specify the method used to determine the amounts in Step 2 (check one): <input type="checkbox"/> Actual ratio under Regs. sec. 1.882-5(c)(2). Complete lines 6a through 6c below. <input type="checkbox"/> Fixed ratio under Regs. sec. 1.882-5(c)(4). Complete line 6d below.				
a Average worldwide liabilities				
b Average worldwide assets				
c Divide line 6a by line 6b			%	
d Fixed ratio under Regs. sec. 1.882-5(c)(4). If the corporation is a foreign bank as defined in Regs. sec. 1.882-5(c)(4), enter 95% on line 6d. If the corporation is not a foreign bank or an insurance company, enter 50% on line 6d			%	
e Enter the ratio from line 6c or 6d, as applicable				%
7a U.S.-connected liabilities before Regs. sec. 1.884-1(e)(3) election(s). Multiply line 5, column (d) by line 6e				
b U.S. liability reduction under Regs. sec. 1.884-1(e)(3) election				
c U.S.-Connected Liabilities. Subtract line 7b from line 7a ▶				

Step 3 Interest Expense Paid or Accrued on Average U.S. Booked Liabilities: Regulations Section 1.882-5(d)

	(a) Set(s) of Books that Give Rise to U.S. Booked Liabilities (see inst.)	(b) Partnership Interests	(c) Totals. Add columns (a) and (b)
8 Total average amount of U.S. booked liabilities as defined in Regs. sec. 1.882-5(d)(2) (see instructions)			
Column (a): Do not include amounts that give rise to directly allocable interest under Regs. sec. 1.882-5(a)(1)(ii) or from partnerships includible in column (b). Column (b): Enter the portion of the total from Schedule P, line 18 that constitutes U.S. booked liabilities.			

Step 3 (cont.) Interest Expense Paid or Accrued on Average U.S. Booked Liabilities: Regulations Section 1.882-5(d)

	(a) Set(s) of Books that Give Rise to U.S. Booked Liabilities (see inst.)	(b) Partnership Interests	(c) Totals. Add columns (a) and (b)
9 Total interest paid or accrued during the tax year on line 8 amount			
Column (a): Do not include amounts that give rise to directly allocable interest under Regs. sec. 1.882-5(a)(1)(ii) or from partnerships includible in column (b). Column (b): Enter the portion of the total from Schedule P, line 15c that is interest on U.S. booked liabilities.			

Step 3 (cont.) Adjusted U.S. Booked Liabilities Method: Regulations Section 1.882-5(d)

If line 7c is greater than line 8, column (c), complete lines 10 through 13 below and skip lines 14a and 14b.

If line 7c is less than or equal to line 8, column (c), skip lines 10 through 13 and complete lines 14a and 14b.

10 If the corporation is a foreign bank which is making a current-year election to use a published rate as provided under Regs. sec. 1.882-5(d)(5)(ii)(B), check the box on this line, skip lines 10a through 10c, and enter the rate on line 10d <input type="checkbox"/>				
a Total interest paid or accrued during the tax year on U.S. dollar liabilities that are not U.S. booked liabilities included on line 8	10a			
b Average U.S. dollar denominated liabilities that are not U.S. booked liabilities included on line 8	10b			
c Divide line 10a by line 10b	10c	%		
d Enter the published rate, if elected under Regs. sec. 1.882-5(d)(5)(ii)(B)	10d	%		
e Enter the rate from line 10c or, if elected, the published rate on line 10d. See instructions if amount on line 10c is zero	10e		%	
11 Excess U.S.-connected liabilities. Subtract line 8, column (c), from line 7c	11			
12 Excess interest. Multiply line 10e by line 11	12			
13 Add lines 9, column (c) and 12	13			
14a Scaling ratio. Divide line 7c by line 8, column (c)	14a		%	
b Multiply line 9, column (c) by line 14a. See instructions for hedging amounts	14b			
15 Interest expense allocable to ECI under the adjusted U.S. booked liabilities method. Enter the result from line 13 or line 14b here and on line 21	15			

Step 3 (cont.) Separate Currency Pools Method: Regulations Section 1.882-5(e)

	(a) U.S. Dollar Denominated	(b) Home Country Currency. Specify:	(c) Other Currency. Specify:	(d) Other Currency. Specify:
16a U.S. assets. Enter the corporation's U.S. assets, using the methodology in Regs. sec. 1.882-5(e)(1)(i). If more columns are needed, attach statement (see instructions)				
b Check here if a less than 3% currency election was made <input type="checkbox"/>				
17a Enter the percentage from line 6e	%	%	%	%
b U.S.-connected liabilities. Multiply line 16a by line 17a, or, if a liability reduction election is made, see instructions				
18a Enter the total interest expense paid or accrued for the tax year with respect to the foreign corporation's worldwide liabilities denominated in that foreign currency (enter in functional currency)				
b Enter the corporation's average worldwide liabilities (whether interest bearing or not) denominated in that foreign currency (enter in functional currency)				
c Borrowing rate: Divide line 18a by line 18b	%	%	%	%
19 Interest expense allocation by separate currency pool. Multiply line 17b by line 18c				
20 Interest expense allocable to ECI under the separate currency pools method. Total the amounts on line 19, columns (a) through (d), and amounts from attached statement, if any, and enter the result here and on line 21				

SUMMARY—Interest Expense Allocation and Deduction under Regulations Section 1.882-5

21	Amount from line 15 or line 20, as applicable	21					
22	Enter the corporation's interest expense directly allocable under Regs. sec. 1.882-5(a)(1)(ii). (Include total from Schedule P, line 15b.)	22					
23	Interest expense allocable to ECI under Regs. sec. 1.882-5. Add lines 21 and 22 ▶	23					
24a	Amount of line 23 that is disallowed as a deduction under the Internal Revenue Code or under an income tax treaty (attach statement—see instructions)	24a	()		
b	Deferred interest expense included on line 23 or previously deferred and recognized in the current year (attach statement—see instructions)	24b					
c	Amount of line 23 that is capitalized under section 263A (attach statement—see instructions)	24c	()		
d	Combine lines 24a through 24c	24d					
25	Total interest expense deduction under Regs. sec. 1.882-5. Combine lines 23 and 24d and enter here and on Form 1120F, Section II, line 18. The amount entered on line 25 may not exceed the total interest expense paid or accrued by the foreign corporation ▶	25					