



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

Caution: DRAFT—NOT FOR FILING

This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information. **Do not file draft forms** and do **not** rely on draft forms, instructions, and publications for filing. We do **not** release draft forms until we believe we have incorporated all changes (except when explicitly stated on this coversheet). However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions generally are subject to OMB approval before they can be officially released, so we post only drafts of them until they are approved. Drafts of instructions and publications usually have some changes before their final release.

Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). All information about all forms, instructions, and pubs is at [IRS.gov/Forms](https://www.irs.gov/Forms).

Almost every form and publication has a page on IRS.gov with a friendly shortcut. For example, the Form 1040 page is at [IRS.gov/Form1040](https://www.irs.gov/Form1040); the Pub. 501 page is at [IRS.gov/Pub501](https://www.irs.gov/Pub501); the Form W-4 page is at [IRS.gov/W4](https://www.irs.gov/W4); and the Schedule A (Form 1040/SR) page is at [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA). If typing in a link above instead of clicking on it, be sure to type the link into the address bar of your browser, not a Search box.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or publications at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). Include “NTF” followed by the form number (for example, “NTF1040” or “NTFW4”, etc.) in the body of the message to route your message properly. We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product, but we will review each routed message.

If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).

SCHEDULE S (Form 1120-F)

(Rev. December 2022) Department of the Treasury Internal Revenue Service

Exclusion of Income From the International Operation of Ships or Aircraft Under Section 883

Attach to Form 1120-F.

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

OMB No. 1545-0123

Name of corporation

Employer identification number

Part I Qualified Foreign Corporation

1a Enter the name of the qualified foreign country in which the foreign corporation was organized:

b Check one (and only one) of the following boxes to indicate the type of equivalent exemption granted by the foreign country listed on line 1a above.

- Domestic law
Exchange of notes
Income tax convention

c Enter the applicable authority of the equivalent exemption type indicated on line 1b (see instructions):

2 Enter the gross income in each of the following categories of qualified income for which the exemption is being claimed. Note: If an amount is not readily determinable, enter a reasonable estimate. If an estimate is used on any of the lines below, check here

Table with 2 columns: Description of income category (a-h) and Amount (2a-2h)

Stock ownership test of Regulations section 1.883-1(c)(2):

3 Check one (and only one) of the following boxes to indicate the test under which the stock ownership test of Regulations section 1.883-1(c)(2) was satisfied.

- The publicly-traded test of Regulations section 1.883-2(a). Complete Part II.
The CFC stock ownership test of Regulations section 1.883-3(a). Complete Part III.
The qualified shareholder stock ownership test of Regulations section 1.883-4(a). Complete Part IV.

4 Check the box if any of the shares of the foreign corporation's stock or the stock of any direct, indirect, or constructive shareholder are issued in bearer form

5 If the box on line 4 is checked:

- a Check the box on this line 5a if none of the bearer shares (other than bearer shares maintained in a dematerialized or immobilized book-entry system) were relied on to satisfy any of the stock ownership tests described in Regulations section 1.883-1(c)(2)
b Check the box on this line 5b if any of the bearer shares were maintained in a dematerialized or immobilized book-entry system and were relied on to satisfy any of the stock ownership tests described in Regulations section 1.883-1(c)(2)

Part II Stock Ownership Test for Publicly-Traded Corporations

6 Enter the name of the country in which the stock is primarily traded:

7 Enter the name of the securities market(s) on which the stock is listed:

8 Enter a description of each class of stock relied on to meet the "regularly traded test" of Regulations section 1.883-2(d) (see instructions for description requirements):

9 Do one or more 5% shareholders (see instructions for definition) own in the aggregate 50% or more of the vote and value of the outstanding shares of any class of stock for more than half the number of days during the tax year? Yes No
If "Yes," complete line 10.
If "No," skip line 10.

- 10** For each class of stock relied on to meet the "regularly traded test" of Regulations section 1.883-2(d), indicate:
- a (i)** The number of days during the tax year of the corporation in which the class of stock was closely held, without regard to the exception in Regulations section 1.883-2(d)(3)(ii): _____
 - (ii)** The total percentage of the vote and value of the class of stock that was owned by 5% shareholders during such days: _____ %
 - b** For all qualified shareholders on which the corporation intends to rely to satisfy the closely-held exception test of Regulations section 1.883-2(d)(3)(ii), and who own stock in the closely-held block (directly, indirectly, or by applying the attribution rules of Regulations section 1.883-4(c)), enter:
 - (i)** The total number of qualified shareholders, as defined in Regulations section 1.883-4(b)(1): _____
 - (ii)** The total percentage of the value of the shares of the class of stock in the closely-held block of stock owned, directly or indirectly, by such qualified shareholders by country of residence (see instructions):

Country code (see instructions)	Percentage
_____	_____
_____	_____
_____	_____

- (iii)** The number of days during the tax year of the corporation that such qualified shareholders owned, directly or indirectly, their shares in the closely-held block of stock: _____

Part III Stock Ownership Test for Controlled Foreign Corporations (CFC)

- 11a** Enter the percentage of the value of all outstanding shares of the CFC that is owned by all "qualified U.S. persons" identified in the qualified ownership statements required under Regulations section 1.883-3(c)(2), applying the attribution of ownership rules of Regulations section 1.883-3(b)(4): _____ %
- b** Enter the percentage of the value of all outstanding shares of the CFC that is owned by the "qualified U.S. persons" referred to on line 11a above as bearer shares maintained in a dematerialized or immobilized book-entry system: _____ %
- 12** Enter the period during which such qualified U.S. persons held such stock (see instructions): _____
- 13** Enter the period during which the foreign corporation was a CFC (see instructions): _____
- 14** Is the CFC directly held by qualified U.S. persons? **Yes** **No**

Part IV Qualified Shareholder Stock Ownership Test

- 15** Check the box if more than 50% of the value of the outstanding shares of the corporation is owned (or treated as owned by reason of Regulations section 1.883-4(c)) by qualified shareholders for each category of income for which the exemption is claimed

- 16** With respect to all qualified shareholders relied on to satisfy the 50% ownership test of Regulations section 1.883-4(a):
 - a** Enter the total number of such qualified shareholders as defined in Regulations section 1.883-4(b)(1): _____
 - b** Enter the total percentage of the value of the outstanding shares owned, applying the attribution rules of Regulations section 1.883-4(c), by such qualified shareholders by country of residence or organization, whichever is applicable.

Country code (see instructions)	Percentage
_____	_____
_____	_____
_____	_____
_____	_____
Total	_____

- c** Enter the percentage of the value of the outstanding shares that is owned by the qualified shareholders as bearer shares maintained in a dematerialized or immobilized book-entry system: _____ %
- d** Enter the number of days during the tax year of the foreign corporation that such stock was held by qualified shareholders: _____