



**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.** We incorporate all significant changes to forms posted with 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 are subject to OMB approval before they can be officially released, so we post drafts of them until they are approved. Drafts of instructions and pubs usually have some additional 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). Also see [IRS.gov/Forms](https://www.irs.gov/Forms).

Most forms and publications have a page on IRS.gov: [IRS.gov/Form1040](https://www.irs.gov/Form1040) for Form 1040; [IRS.gov/Pub501](https://www.irs.gov/Pub501) for Pub. 501; [IRS.gov/W4](https://www.irs.gov/W4) for Form W-4; and [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA) for Schedule A (Form 1040), for example, and similarly for other forms, pubs, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or pubs at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). Include “NTF” followed by the form or pub number (for example, “NTF1040”, “NTFW4”, “NTF501”, 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 “NTF” 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](#).

Form **8964-ELE****Section 987 Elections**

(December 2025)

Department of the Treasury  
Internal Revenue ServiceGo to [www.irs.gov/form8964ele](http://www.irs.gov/form8964ele) for instructions and the latest information.

OMB No. 1545-0123

For tax year beginning

, 20

, and ending

, 20

Filer's identifying number

Name of authorized person

Identifying number

Reference ID number (see instructions)

Number and street (or P.O. box number if mail is not delivered to street address)

Room or suite no.

City or town

State or province

ZIP or foreign postal code

Does the authorized person have multiple owners and/or multiple QBUs?

☐ Yes ☐ No

If "Yes," skip Part I and complete Part II.

If "No," complete Part I and skip Part II.

**Part I Identifying Information of Owner and QBU****Section A—Owner information****1** For the owner of the QBU, if different than the authorized person, provide the following (see instructions).**a** Name**b** Annual accounting period and tax year of the owner when election or revocation is made (see instructions)**c** Address**d(1)** Identifying number, if any**d(2)** Reference ID number (see instructions)**e** Name and address (including corporate department, if applicable) of person(s) with custody of the books and records of the QBUs**f** Country under whose laws organized**g** Functional currency**2** For the direct owner of the QBU (if different from the owner), provide the following (see instructions).**a** Name**b** Country under whose laws organized**c** Address**d** Functional currency**Section B—QBU information****1** Provide the following information for the QBU subject to elections.**a** Name of QBU**b(1)** Identifying number, if any**c** Address of QBU**b(2)** Reference ID number (see instructions)**d** For QBU, country(ies) under whose laws organized and entity type under local tax law**e** Date(s) of organization**f** Effective date as QBU**g** Country(ies) in which principal business activity is conducted**h** Principal business activity code number**i** Principal business activity**j** Functional currency

**Part I Identifying Information of Owner and QBU** *(continued)***Section B—QBU information** *(continued)***2** Provide the following information for the owner's accounting period stated above.

|                                                                                                                                                                                                   |                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| <b>a</b> Name of QBU office or agent (if any) in the United States                                                                                                                                | <b>b(1)</b> Identifying number  |
| <b>c</b> Address                                                                                                                                                                                  | <b>b(2)</b> Reference ID number |
| <b>d</b> Name and address (including corporate department, if applicable) of person(s) with custody of the books and records of the QBU, and the location of such books and records, if different |                                 |

**Part II Listing of QBUs for Authorized Persons With Multiple Owners and/or Multiple QBUs**

Complete Sections A and B and attach statements for authorized persons with multiple owners and QBUs. See instructions.

**Section A—QBU information. For authorized persons with multiple QBUs subject to the consistency rules in Regulations section 1.987-1(g)(2).**

See instructions.

- 1a** Is the authorized person a U.S. person other than a partnership? ☐ Yes ☐ No  
If "Yes," list the QBUs owned by the authorized person. Attach statement.
- b** Is the authorized person a domestic partnership? ☐ Yes ☐ No  
If "Yes," list the QBUs owned by the authorized person. Attach statement.
- 2** List the QBUs of Controlled Foreign Corporations (CFCs) that are required to make elections consistently with the authorized person under Regulations section 1.987-1(g)(2)(ii). Attach statement.
- 3** List the QBUs of foreign partnerships that are required to make elections consistently with the authorized person under Regulations section 1.987-1(g)(2)(ii). Attach statement.
- 4** Other information. Attach statement.

**Section B—QBU information. For authorized persons with multiple QBUs not subject to the consistency rules in Regulations section 1.987-1(g)(2).**

See instructions.

- 1** List any QBUs not listed in Section A for which the authorized person is making the elections in Part III. Attach statement.
- 2** Other information. Attach statement.

**Part III Type of Election** (see instructions)

|                                                                                                                                                                                                     | Identifying number | Effective date of the election | Effective date of the revocation |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------|----------------------------------|
| <b>1</b> <input type="checkbox"/> Section 987 Current Rate Election—Regulations section 1.987-1(d)(2)                                                                                               |                    |                                |                                  |
| <b>2</b> <input type="checkbox"/> Section 987 Annual Recognition Election—Regulations section 1.987-5(b)(2)                                                                                         |                    |                                |                                  |
| <b>3</b> <input type="checkbox"/> Section 988 Mark-to-Market Election—Regulations section 1.987-3(b)(4)(ii)                                                                                         |                    |                                |                                  |
| <b>4</b> <input type="checkbox"/> Section 987 Grouping Election—Regulations section 1.987-1(b)(3)(ii)                                                                                               |                    |                                |                                  |
| <b>5</b> <input type="checkbox"/> Election To Use a Spot Rate Convention—Regulations section 1.987-1(c)(1)(ii)                                                                                      |                    |                                |                                  |
| <b>6</b> <input type="checkbox"/> Election To Use the Historic Inventory Method—Regulations section 1.987-3(c)(2)(iv)(B)                                                                            |                    |                                |                                  |
| <b>7</b> <input type="checkbox"/> Amortization Election in the Transition Rules—Regulations section 1.987-10(e)(5)(ii)(A)                                                                           |                    |                                |                                  |
| <b>8</b> <input type="checkbox"/> Small Business Election in the Transition Rules—Regulations section 1.987-10(e)(7)(iv)                                                                            |                    |                                |                                  |
| <b>9</b> <input type="checkbox"/> Election To Characterize Certain Section 987 Gain/(Loss) as Foreign Currency Gain/(Loss) From Section 988 Transactions—Regulations section 1.987-6(b)(2)(i)(C)(1) |                    |                                |                                  |
| <b>10</b> <input type="checkbox"/> Recurring Transfer Group Election—Proposed Regulations section 1.987-2(f)(1)                                                                                     |                    |                                |                                  |

Part IV Other Information

|   |                                                                                                                              |                        |                  |                              |                                   |                             |
|---|------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------|------------------------------|-----------------------------------|-----------------------------|
| 1 | Name and title of the representative of authorized person making election whom the IRS may call for more information         |                        |                  |                              | Representative's telephone number |                             |
| 2 | For CFCs listed in Part I, Section A, Line 1, or Part II, Section A, Line 2, list Controlling Domestic Shareholders and EIN. |                        |                  |                              |                                   |                             |
|   | (a) Name of CFC                                                                                                              | (b) Identifying number | (c) Reference ID | (d) Name of U.S. Shareholder | (e) TIN of U.S. Shareholder       | (f) Percent of voting stock |
| a |                                                                                                                              |                        |                  |                              |                                   |                             |
| b |                                                                                                                              |                        |                  |                              |                                   |                             |
| c |                                                                                                                              |                        |                  |                              |                                   |                             |
| d |                                                                                                                              |                        |                  |                              |                                   |                             |
| e |                                                                                                                              |                        |                  |                              |                                   |                             |

DRAFT — DO NOT FILE

DRAFT — DO NOT FILE