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Form **8964-TRA**

(December 2025)

Department of the Treasury  
Internal Revenue Service**Section 987 Transition Information**

See instructions for a list of products to which Form 8964-TRA can be attached.

Go to [www.irs.gov/form8964tra](http://www.irs.gov/form8964tra) for instructions and the latest information.

OMB No. 1545-0123

Information furnished for qualified business unit's tax year beginning \_\_\_\_\_, 20\_\_\_\_, ending \_\_\_\_\_, 20\_\_\_\_

Name of filer

Filer's identifying number

Name of QBU

Identifying number

Reference ID number

**Part I Section 987 Transition Information**

Provide a description of the prior method used by the taxpayer to determine its section 987 gain or (loss), deferred section 987 gain or (loss), or outbound section 987 (loss) with respect to the section 987 QBU including an explanation as to whether such method was an eligible pretransition method as defined in Regulations section 1.987-10(e)(4). Attach a statement if additional space is needed.

Check applicable box: ☐ Owner of a Section 987 QBU ☐ Deferral QBU Owner  
☐ Owner of an Outbound Loss QBU ☐ Owner of a Terminating QBU

Enter the applicable transition date pursuant to Regulations section 1.987-10(c) . . . . . / /

Enter the applicable transition exchange rate pursuant to Regulations section 1.987-10(d)(3) . . . . .

Enter the applicable pretransition translation rate pursuant to Regulations section 1.987-10(e)(2)(i)(C) . . . . .

**Part II Pretransition Gain or Loss for an Owner that Applied an Eligible Pretransition Method**

|          |                                                                                                                                                                                                                                               |          |  |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--|
| <b>1</b> | Deemed termination amount of section 987 gain or (loss) pursuant to Regulations section 1.987-10(e)(2)(i)(A)                                                                                                                                  | <b>1</b> |  |
| <b>2</b> | Basis of the assets, reduced by the amount of liabilities, that are attributable to the section 987 QBU on the day before the transition date translated into the owner's functional currency at the transition exchange rate . . . . .       | <b>2</b> |  |
| <b>3</b> | Basis of the assets, reduced by the amount of liabilities, that are attributable to the section 987 QBU on the day before the transition date translated into the owner's functional currency at the pretransition translation rate . . . . . | <b>3</b> |  |
| <b>4</b> | Owner functional currency net value adjustment pursuant to Regulations section 1.987-10(e)(2)(i)(B). Subtract line 3 from line 2 . . . . .                                                                                                    | <b>4</b> |  |
| <b>5</b> | <b>Amount of pretransition gain or (loss).</b> Add line 1 and line 4 . . . . .                                                                                                                                                                | <b>5</b> |  |
| <b>6</b> | <b>Amount of pretransition gain or (loss) of a deferral QBU owner.</b> See instructions . . . . .                                                                                                                                             | <b>6</b> |  |
| <b>7</b> | <b>Amount of pretransition (loss) of an owner of an outbound loss QBU.</b> See instructions . . . . .                                                                                                                                         | <b>7</b> |  |
| <b>8</b> | Enter amount of adjustments to prevent duplications or omissions under Regulations section 1.987-10(j). Attach a statement with description and amount . . . . .                                                                              | <b>8</b> |  |

**Part III Pretransition Gain or Loss for an Owner that did not Apply an Eligible Pretransition Method**

|          |                                                                                                                                                                                               |          |  |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--|
| <b>1</b> | Sum of the owner's annual unrecognized section 987 gain or (loss) pursuant to Regulations section 1.987-10(e)(3)(ii)(A) (attach statement) . . . . .                                          | <b>1</b> |  |
| <b>2</b> | Total net amount of section 987 gain or (loss) recognized by the owner with respect to the section 987 QBU pursuant to Regulations section 1.987-10(e)(3)(ii)(B) (attach statement) . . . . . | <b>2</b> |  |
| <b>3</b> | <b>Amount of pretransition gain or (loss).</b> Subtract line 2 from line 1 . . . . .                                                                                                          | <b>3</b> |  |
| <b>4</b> | Reduction for deferred section 987 gain or (loss), determined under prior Regulations section 1.987-12, recognized before the transition date . . . . .                                       | <b>4</b> |  |
| <b>5</b> | <b>Amount of pretransition gain or (loss) of a deferral QBU owner.</b> Subtract line 4 from line 3 . . . . .                                                                                  | <b>5</b> |  |
| <b>6</b> | Reduction for any outbound section 987 (loss) recognized or added to the basis of stock under prior Regulations section 1.987-12 before the transition date . . . . .                         | <b>6</b> |  |
| <b>7</b> | <b>Amount of pretransition (loss) of an owner of an outbound loss QBU.</b> Subtract line 6 from line 3 . . . . .                                                                              | <b>7</b> |  |
| <b>8</b> | Enter amount of adjustments to prevent duplications or omissions under Regulations section 1.987-10(j). Attach a statement with description and amount . . . . .                              | <b>8</b> |  |