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

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Most forms and publications have a page on IRS.gov: IRS.gov/Form1040 for Form 1040; IRS.gov/Pub501 for Pub. 501; IRS.gov/W4 for Form W-4; and 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.

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SCHEDULE Q (Form 1120-F)

Department of the Treasury
Internal Revenue Service

Tax Liability of Qualified Derivatives Dealer (QDD)

Attach to Form 1120-F.
Go to *www.irs.gov/Form1120F* for the latest information.

OMB No. 1545-0123

2025

Name of corporation | **Employer identification number**

Name of QDD | **QI-EIN**

QDD Taxable Year (enter month, day, and year for beginning and ending dates)
Beginning , 20 **, and ending** , 20

Indicate the year or portion of the year to which the schedule relates (enter month, day, and year for beginning and ending dates)
Beginning , 20 **, and ending** , 20

Schedule ______ of ______

	Summary of QDD Tax Liability		**(a)** Gross Amount	**(b)** Withholding Tax Rate	**(c)** Amount of Tax Liability (column (a) x column (b))
1	Total section 871(m) amount	**1**			
2	Total dividends received in equity derivatives dealer capacity . .	**2**			
3	Total QDD tax liability pursuant to section 3.09(A) of the Qualified Intermediary Agreement	**3**			
4	Total QDD tax liability pursuant to section 3.09(B) of the Qualified Intermediary Agreement	**4**			
5	Total QDD tax liability pursuant to section 3.09(C) of the Qualified Intermediary Agreement:				
a	Income Type:	**5a**			
b	Income Type:	**5b**			
c	Income Type:	**5c**			
d	Income Type:	**5d**			
6	Total of line 5 amounts	**6**			

Reminder

Schedule Q (Form 1120-F) was amended to reflect Notice 2024-44, 2024-25 I.R.B. 1737, which further delayed the effective/applicability date of certain rules in the section 871(m) regulations and further extended the phase-in period provided in Notice 2022-37, 2022-37 I.R.B. 234, for certain provisions of the section 871(m) regulations.

Who Must File

If the corporation or any branch of the corporation was a qualified derivatives dealer (QDD) (defined below) during the tax year, Schedule Q must be completed and filed for each of those QDDs. The corporation must file Schedule Q as an attachment to Form 1120-F even if the QDD has zero tax liability.

Qualified derivatives dealer (QDD). A QDD is a home office or branch that, in accordance with the qualified intermediary agreement (QIA) (defined below), qualifies and has been approved for QDD status and satisfies the requirements of the QIA. See the QIA for additional information.

Qualified intermediary agreement (QIA). The QIA is section 6 of Rev. Proc. 2022-43, 2022-52 I.R.B. 570.

General Instructions

A separate Schedule Q is required for each QDD. In addition, if a corporation has a fiscal year rather than a calendar year, the corporation must provide a separate Schedule Q for each QDD for each portion of the calendar year that falls within the fiscal year.

Example: A QDD with a fiscal year beginning September 1 and ending August 31 would complete two schedules (one for the period of September 1, 2025 through December 31, 2025, and one for the period of January 1, 2026 through August 31, 2026).

Specific Instructions

Name of QDD. The name of the QDD should follow the naming protocol used for applying to be a QDD.

Number of schedules filed. A QDD may be required to file multiple Schedules Q, for example, if it has multiple branches that are QDDs or if it is a fiscal year taxpayer (as explained in *General Instructions* above). Indicate the number of each Schedule Q filed, as well as the total number of Schedules Q being filed by the corporation in the entry spaces provided.

Column (c), Amount of Tax Liability. The amount in column (c) is determined by multiplying column (a) by column (b). Exceptions can be found in the *Note* that immediately follows this paragraph. This column is not reduced by any withholding that has occurred.

Note: For calendar years 2018 through 2026, certain information is not required, as indicated in the line instructions below. However, if the corporation has a fiscal year (rather than a calendar year) that begins in 2026 and ends in 2027, information is required for any amounts paid or accrued on or after January 1, 2027.

Line 1. The gross amount to be entered in column (a) is the sum of each section 871(m) amount for the QDD for the relevant period. See section 2.73 of the QIA for the definition of section 871(m) amount.

Note: For calendar years 2019 through 2026, this information is not required.

Line 2. For calendar years 2019 through 2026, only the gross amount (column (a)) and tax rate (column (b)) are required.

Line 3. Column (c) is the sum of each section 3.09(A) amount for the QDD for the relevant period.

Note: For calendar years 2019 through 2026, this information is not required.

Line 4. Enter the information requested in columns (a), (b), and (c).

Line 5. In addition to specifying the type of income (for example, dividends or interest), enter the information requested in columns (a), (b), and (c) separately for each income type. For dividends, include all dividends, including dividends separately stated on line 2.

Note: For calendar years 2019 through 2026, do not include dividends included on line 2.