

2025 Technical, Legislative, and Agency Adjustments

Changes made to tax forms

Form 8865	IRS updated address fields and added a new line 8b. The new line indicates that the owner of a qualified business unit (QBU) with a functional currency different than its owner (including a foreign disregarded entity, foreign branch, or foreign partnership) is required to file Form 8964 and related schedules. Filers also has to identify the number of Forms 8964 being attached.
Sch K-1 (Form 8865)	IRS is including a new reporting requirement under Box 20, code ZZ- Other which include information capital gains from the sale of certain farmland under section 1062.
Sch K-3 (Form 8865)	We removed the checkboxes from the top of the form and added new line F to include check boxes: (1) Final K-3 (2) Amended K-3 (3) Reserved for future use. The reserved for future use checkbox may be used in the future if the administrative adjustment request (AAR) process is updated. In Part IV, added two new lines, 3a and 3b. Line 3a is to report the income and gain from the sale or other disposition of section 367(d)(4) intangible property. Line 3b is to report the income and gain from the sale or disposition of certain other property.
Form 8979	"IRS is simplifying and redesigning Form 8979. Part I has been revised to have only two boxes: (1) for the partnership to revoke a prior designation/appointment and/or designate a partnership representative and/or designated individual, and (2) for the partnership representative or designated individual to resign. Part II has been revised to have only one section: for the partnership to designate a partnership representative and/or designated individual. Part III has been revised to have only one section: for the resignation of the partnership representative or designated individual. Part IV has been revised to have only two sections: (A) signature of authorized person of the partnership, and (B) signature of resigning partnership representative or designated individual."
Form 8752	This product is being redesigning, splitting into a separate form and separate instructions. They are being change to a continuous use product. Lines 11 and 12 are being modified to implement EO 14247 and incorporate the direct deposit option for Form 8752 filers.
Sch N (Form 1120)	IRS is adding new line 1c for Schedule N (Form 1120). This new line indicates that the owner of a qualified business unit (QBU) subject to section 987 (including a foreign disregarded entity, foreign branch, or foreign partnership) is required to file Form 8964 and related schedules.
Form 3800	New line B is added. Filers indicate if they are transferors or transferees of credits under section 6418. If so, they complete and attach a transfer election statement. In Part IV. Carryovers of General Business Credits (GBCs), IRS unshaded line 1q (Form 7218) and 1gg (Form 7211) to report

	carryover of the credits.
Sch A (Form 3800)	New Schedule A (Form 3800) , Transfer Election Statement is to be completed by transferors and transferees making credit transfer elections under section 6418.
Form 1139	IRS updated address fields and added a checkbox 2d for filers to check if they are resubmitting in response to IRS correspondence. In addition, we added direct deposit information fields to implement EO 14247.
Form 8949	Part I , IRS added boxes G, H, and I to identify short-term transactions reported on Form 1099-DA. Box C will now be used for short-term transaction not reported on Form 1099-B or 1099-DA. Part II , IRS added boxes J, K, and L to identify long-term transactions reported on Form 1099-DA. Box F will now be used for short-term transaction not reported on Form 1099-B or 1099-DA.
Form 4562	IRS added multiple lines to increase compliance and awareness of reporting requirements. * New line 19h to report 50-year property. * New line 20e to report 50-year property. * New line 23a to enter the portion of the basis attributable to capitalized interest costs under section 263A(f). New line to enter all other Section 263A(f) costs other than the capitalized interest cost under section 263A(f). * New line 24c with checkboxes for taxpayers to report whether the aircraft is owned, leased, or chartered.
Sch K-2 (Form 8865)	IRS added new line "B" for two check boxes:(1) <input type="checkbox"/> Amended K-2 and (2) <input type="checkbox"/> Reserved for future use. In Part IV, IRS added two new lines, 3a and 3b. Line 3a is to report the income and gain from the sale or other disposition of section 367(d)(4) intangible property. Line 3b is to report the income and gain from the sale or disposition of certain other property.
Form 1120 H	IRS updated address fields and added direct deposit information fields to implement EO 14247.
Form 1120	IRS updated address fields and added direct deposit information fields to implement EO 14247. In addition, changes have been made to capture new Section 1062 net tax liability and its payment. (1) Schedule J, line 22, added a subline 22b to report section 1062 applicable net tax liability deferred on sale or exchange of farmland from Form 1062. (2) line 32, unreserved line 32 to repurpose it to capture section 1062 applicable net tax liability due this year, from Form 1062.
Form 1065	IRS is adding new line 13b for Schedule B. This new line indicates that the owner of a qualified business unit (QBU) subject to section 987 (including a foreign disregarded entity, foreign branch, or foreign

	partnership) is required to file Form 8964 and related schedules. In addition, we added direct deposit information fields to implement EO 14247.
Form 7220	New Form 7220 , Prevailing Wage and Apprenticeship (PWA) Verification and Corrections. The purpose of the form is to allow the IRS to verify that taxpayers meet the recordkeeping requirements for claiming the increase credits under PWA. The form will also allow taxpayers to calculate PWA correction penalties.
Form 5471	IRS updated address fields and added a new line 3b, Schedule G. The new line indicates that if the corporation is required to file Form 8964. Filers also has to identify the number of Forms 8964 being attached.
Form 1120-C	IRS updated address fields and added direct deposit information fields to implement EO 14247. In addition, changes have been made to capture new Section 1062 net tax liability and its payment. (1) line 30i, was added to report section 1062 applicable net tax liability deferred on sale or exchange of farmland from Form 1062. (2) line 29, unreserved to capture section 1062 applicable net tax liability due this year, from Form 1062.
Form 1120-F	IRS updated address fields and added direct deposit information fields to implement EO 14247. In addition, changes have been made to capture new Section 1062 net tax liability and its payment. (1) added a subline 5k to report section 1062 applicable net tax liability deferred on sale or exchange of farmland from Form 1062. (2) line 4b added to capture section 1062 applicable net tax liability due this year, from Form 1062.
Form 8908	IRS added three new questions, questions A, B and C before Part I and a new Part III, Qualified Homes' Addresses.
Form 8933	In Part III, IRS added new lines 3g and 3h after 3f for displacement factor (DF) consideration. Also added new lines 4, 5, and 6 for credit before reduction, credit reduction for tax-exempt bonds, and credit after reduction.
Form 7207	Part II of Form 7207 has been updated to include new Line 6b for reporting the new critical mineral "metallurgical coal," effective for tax years beginning after July 4, 2025.
Form 1120-L	IRS updated address fields and added direct deposit information fields to implement EO 14247. In addition, changes have been made to capture new Section 1062 net tax liability and its payment. (1) IRS added a subline 26b to report section 1062 applicable net tax liability deferred on sale or exchange of farmland from Form 1062.
Form 1120-ND	IRS updated address fields and added direct deposit information fields to implement EO 14247. In addition, changes have been made to capture new Section 1062 net tax liability and its payment. (1) line 14, subline 14f was repurposed to report section 1062 applicable net tax liability deferred on sale or exchange of farmland from Form 1062, and line 13z was added to add sublines 14d, 14e and 14f. (2) line 13, added a new subline 13b to repurpose it to capture section 1062 applicable

	net tax liability due this year, from Form 1062.
Form 1120-PC	IRS updated address fields and added direct deposit information fields to implement EO 14247. In addition, changes have been made to capture new Section 1062 net tax liability and its payment. (1) added a subline 15b to report section 1062 applicable net tax liability deferred on sale or exchange of farmland from Form 1062. (2) line 16g, added to capture section 1062 applicable net tax liability due this year, from Form 1062.
Form 1120-REIT	IRS updated address fields and added direct deposit information fields to implement EO 14247. In addition, changes have been made to capture new Section 1062 net tax liability and its payment. (1) line 25, added a subline 25h to report section 1062 applicable net tax liability deferred on sale or exchange of farmland from Form 1062. (2) line 24b, will be used to capture section 1062 applicable net tax liability due this year, from Form 1062.
Form 1120-RIC	IRS updated address fields and added direct deposit information fields to implement EO 14247.
Form 1120-S	IRS updated address fields and added direct deposit information fields to implement EO 14247. In addition, IRS added a line 14b with a checkbox to Schedule K, for an exception to filing Schedule K-2 (Form 1120-S).
Sch K-2 (Form 1065)	In Part IV, IRS added two new lines, 3a and 3b. Line 3a is to report the income and gain from the sale or other disposition of section 367(d)(4) intangible property. Line 3b is to report the income and gain from the sale or disposition of certain other property.
Sch K-3 (Form 1065)	In Part IV, IRS added two new lines, 3a and 3b. Line 3a is to report the income and gain from the sale or other disposition of section 367(d)(4) intangible property. Line 3b is to report the income and gain from the sale or disposition of certain other property.
Sch K-1 (Form 1065)	IRS is including a new reporting requirement under Box 20, code ZZ-Other which include information capital gains from the sale of certain farmland under section 1062.
Form 8990	P.L. 119-21, section 70303(a) restored the deduction allowable for depreciation, amortization, or depletion attributable to a trade or business as an addition to tentative taxable income in calculating adjusted taxable income for purposes of the limitation on business interest expense under section 163(j). We are using line 11 (which was previously reserved) to report the allowable deductions for depreciation, amortization, or depletion
Form 1118	Schedule G, we have added new line H, "Reduction for disallowed taxes under section 960(d)(4)". As a result of this change, we have re-lettered all lines subsequent to the new line."
Form 1120-X	IRS is adding questions A and B with check boxes and entry lines for

	corporations to indicate the elections they are making, or identify any administrative relief made on the amended return.
Sch K-1 (Form 1120-S)	IRS is including 2 new reporting requirements under Box 17, code ZZ-Other. (1) include information capital gains from the sale of certain farmland under section 1062, and (2) include information for exclusion from gross income of 25% of interest received on certain qualified loans under section 139L.
Form 8964-TRA	New Form 8964-TRA, Section 987 Transition Information. Filers that are required to report a section 987 transition information required under Regulations section 1.987-10(k) must attach Form 8964-TRA to their tax return.
Form 8864	Form 8864 was revised to incorporate the changes that restored the qualified agri-biodiesel production credit according to P.L. 119-21, Section 70521(j). The qualified agri-biodiesel production credit was extended through 2026.
Form 8993	We are adding new lines 2g and 2h to Part I of Form 8993 to reflect section 70322(a) of P.L. 119-21.
Form 1062	New Form 1062 is being created to allow taxpayers to elect under section 1062 to defer the net income tax attributable to the gain on the sale or exchange of qualified farmland property during the tax year. Form 1062 provides information to figure net 1062 tax liability.
Sch A (Form 1062)	We are creating a new Schedule A (Form 1062) for taxpayers to file for each qualified sale or exchange of qualified farmland for purposes of the section 1062 election.
Form 8964 ELE	New Form 8964-ELE, Section 987, Elections. IRS develop Form 8964-ELE to make or revoke elections under the section 987 regulations.