

PRO FORMA 1120 ORGANIZER
FOR FOREIGN-OWNED DISREGARDED ENTITIES (LLCs)

(FOR INTERNAL USE ONLY BY ABITOS, CPAs AND ADVISORS,
 FORMERLY KNOWN AS THE BRUNTON, STRACHAN & KHAN CPA FIRM)

FOR TAX RETURN YEAR ENDED _____ CURRENT DATE _____

TO AVOID DELAY WITH YOUR RETURN PLEASE ANSWER ALL QUESTIONS AND PROVIDE COPIES OF NECESSARY DOCUMENTATION

Certain 100% foreign-owned domestic (U.S.) disregarded entities may be treated as domestic corporations for U.S. international tax reporting purposes for tax years beginning after December 31, 2016. A U.S. Limited Liability Company (LLC) is classified as a disregarded entity if it has one owner and has not made an election to be taxed as a corporation. Such LLCs that are wholly owned by a foreign (non-U.S.) individual or entity, directly, or indirectly through one or more other disregarded entities are considered domestic corporations subject to the new reporting requirement. If the LLC is owned by a U.S. C corporation, it is generally not subject to this rule.

Pursuant to Code §6038A, **any LLC affected by the above rule is required to timely file Form 5472 in a year it has "reportable transactions", even if it is not otherwise required to file a U.S. tax return.** To satisfy the requirements of the new regulation, the LLC is required to file a pro-forma Form 1120 "U.S. Corporate Income Tax Return" to transmit Form 5472 to the IRS. Failure to timely comply could result in a penalty of US \$25,000 for each noncompliance. A separate Form 5472 must be filed for each related party the LLC had reportable transactions with.

Extension of time to file return: A 6-month extension of time to file the return is available and an extension request must be submitted by the due date of the return. In order to file an extension (and the corporate tax return), the LLC must have a U.S. tax ID - an Employer Identification Number (EIN). If the LLC does not have an EIN, an application must be submitted as soon as possible to obtain one. In situations where the non-U.S. owner does not have a U.S. tax ID, obtaining one can potentially take longer than 4 weeks.

PART I – GENERAL INFORMATION

1. Name of entity (U.S. LLC) _____ E-Mail: _____
- 1a. Phones: (U.S.): _____ (Non-U.S.): _____ Cell: _____ Office: _____
2. Address _____
3. U.S. Employer Identification Number _____ (Please notify us immediately if you do not have one)
4. Have financial statements been prepared for the entity for the current tax year? Yes / No _____
 If "Yes", please attach a copy.
- If "No", has a "trial balance" been prepared for the corporation? Yes / No _____
- If you are not intending to have either financial statements or a "trial balance" prepared please provide us with the details of all the corporation's transactions for the tax year.
5. Please provide the following information with respect to all foreign shareholders (both direct and indirect) on a separate sheet:
 - (a) Name
 - (b) Address
 - (c) U.S. Tax ID and/or foreign Tax ID, and country of citizenship, organization, or incorporation
 - (d) Principal business activity

PART II – RELATED PARTY TRANSACTIONS FOR FORM 5472 REPORTING

6. **Please provide the following information for each related party and the reportable transaction(s) with each related party on a separate sheet:**
 - (a) Related Party Name
 - (b) Address
 - (c) U.S. Tax ID and/or foreign Tax ID and country
 - (d) Principal business activity
 - (e) **All** reportable transactions* with related parties for the current period

**Among other transactions, a reportable transaction includes the following transactions with a related party: rental income, sales transactions, remuneration or commission payments, amounts loaned or borrowed, and transactions at less than fair market value (such as, personal use of property), amounts paid or received in connection with the formation, dissolution, acquisition and disposition of the LLC including contributions to and distributions from the LLC.*

If you have not answered all questions & supplied all documents requested on this organizer, please explain, otherwise your tax return may be delayed and/or the fee may be increased due to the extra time required.

Signed: _____

PLEASE RETURN TO:

ABITOS, CPAs AND ADVISORS
327 PLAZA REAL, STE 235, BOCA RATON, FL 33432

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