Form 966 which was not given in the prior return.


§ 1.6043–2 Return of information respecting distributions in liquidation.

(a) Unless the distribution is one in respect of which information is required to be filed pursuant to §1.332–6(b), §1.368–3(a), or §1.1081–11, every corporation making any distribution of $600 or more during a calendar year to any shareholder in liquidation of the whole or any part of its capital stock shall file a return of information on Forms 1096 and 1099, giving all the information required by such form and by the regulations in this part. A separate Form 1099 must be prepared for each shareholder to whom such distribution was made, showing the name and address of such shareholder, the number and class of shares owned by him in liquidation of which such distribution was made, and the total amount distributed to him on each class of stock. If the amount distributed to such shareholder on any class of stock consisted in whole or in part of property other than money, the return on such form shall in addition show the amount of money distributed, if any, and shall list separately each class of property other than money distributed, giving a description of the property in each such class and a statement of its fair market value at the time of the distribution. Such forms, accompanied by transmittal Form 1096 showing the number of Forms 1099 filed therewith, shall be filed on or before February 28 (March 31 if filed electronically) of the year following the calendar year in which such distribution was made with any of the Internal Revenue Service Centers, the addresses of which are listed in the instructions for Form 1096.

(b) If the distribution is in complete liquidation of a domestic corporation pursuant to a plan of liquidation in accordance with which all the capital stock of the corporation is cancelled or redeemed, and the transfer of all property under the liquidation occurs within some one calendar month pursuant to section 333, and any shareholder claims the benefit of such section, the return on Form 1096 shall show:

(1) The amount of earnings and profits of the corporation accumulated after February 28, 1913, determined as of the close of such calendar month, without diminution by reason of distributions made during such calendar month, but including in such computation all items of income and expense accrued up to the date on which the transfer of all the property under the liquidation is completed;

(2) The ratable share of such earnings and profits of each share of stock canceled or redeemed in the liquidation;

(3) The date and circumstances of the acquisition by the corporation of any or securities distributed to shareholders in the liquidation;

(4) If the liquidation is pursuant to section 333(g), a schedule showing the amount of earnings and profits to which the corporation has succeeded after December 31, 1963, pursuant to any corporate reorganization or pursuant to a liquidation to which section 332 applies, except earnings and profits which on December 31, 1963, constituted earnings and profits of a corporation referred to in section 333(g)(3), and except earnings and profits which were earned after such date by a corporation referred to in section 333(g)(3);

(5) If the liquidation occurs after December 31, 1966, and is pursuant to section 333(g)(2), the amount of earnings and profits of the corporation accumulated after February 28, 1913, and before January 1, 1967, and the ratable share of such earnings and profits of each share of stock canceled or redeemed in the liquidation.


§ 1.6043–3 Return regarding liquidation, dissolution, termination, or substantial contraction of organizations exempt from taxation under section 501(a).

(a) In general—(1) Requirement to provide information. Except as provided in
paragraph (b) of this section, for taxable years beginning after December 31, 1969, every organization which for any of its last 5 taxable years preceding any liquidation, dissolution, termination, or substantial contraction of the organization was exempt from taxation under section 501(a) shall provide the information will respect to such liquidation, dissolution, termination, or substantial contraction required by the instructions accompanying the organization’s annual return of information. An organization which is no longer exempt from taxation under section 501(a) shall use the annual return of information it would have been required to file when the organization was exempt.

(2) Transitional rule. In the case of an annual return of information of an organization which was filed before September 11, 1978, if the organization had failed to provide the information with such return in accordance with paragraph (a)(1) of this section, the organization may comply with this section by providing the information with the organization’s first annual return of information filed after such date.

(b) Exceptions. The following organizations are not required to provide the information under paragraph (a) of this section:

(1) Churches, their integrated auxiliaries, or conventions or associations of churches;

(2) Any organization which is not a private foundation (as defined in section 509(a)) and the gross receipts of which in each taxable year are normally not more than $5,000;

(3) Any organization which has terminated its private foundation status under section 507(b)(1)(B) with respect to a liquidation, dissolution, termination, or substantial contraction which is in connection with the termination under section 507(b)(1)(B);

(4) Any organization described in section 401(a) if the employer who established such organization files a return which provides the information under paragraph (a) of this section;

(5) Any organization described in section 501(c)(1) and any corporation described in section 501(c)(2) which holds title to property for such 501(c)(1) organizations;

(6) Any organization described in section 501(c)(14)(A) subject to a group exemption letter issued to a state regulatory body; and

(7) Any subordinate unit of a central organization (other than a private foundation) which established its exempt status under the group ruling procedure of regulations § 601.201 (n)(7), if the central or parent organization files an annual information return for the group in accordance with §1.6033–2(d); and

(8) Any organization no longer exempt from taxation under section 501(a) and that during the period of its exemption under such section was not an organization described in section 501(c)(3), a corporation described in section 501(c)(2) that held title to property for an organization described in section 501(c)(3), or an organization described in such other section as prescribed by publication, form, or instructions.

(9) The Commissioner may relieve any organization or class or organizations from filing the return required by section 6043(b) of this section, where it is determined that such information is not necessary for the efficient administration of the internal revenue laws.

(c) Penalties. For provisions relating to the penalty provided for failure to furnish any information required by this section, see section 6652(d) and the regulations thereunder.

(d) Definitions. (1) For the definition of the term “normally” as used in paragraph (b)(2) of this section, see §1.6033–2(g)(3).

(2) For the definition of the term “integrated auxiliaries” as used in paragraph (b)(1) of this section, see §1.6033–2(h).

(3) For returns filed for taxable years beginning before January 1, 2008, for purposes of this section the definition of the term “substantial contraction” set forth in §1.6043–3(d)(1) (as contained
in 26 CFR part 1 revised April 1, 2008) may be used.

(e) Effective/applicability date—(1) Generally. The provisions of this section shall apply with respect to returns filed for taxable years beginning after December 31, 1969.

(2) Paragraphs (b)(8) and (d) of this section shall apply for taxable years beginning on or after January 1, 2008. For taxable years beginning before January 1, 2008, §§1.6043-3(b)(8) and 1.6043-3(d) (as contained in 26 CFR part 1 revised April 1, 2008) shall apply.


§ 1.6043–4 Information returns relating to certain acquisitions of control and changes in capital structure.

(a) Information returns for an acquisition of control or a substantial change in capital structure—(1) General rule. If there is an acquisition of control (as defined in paragraph (c) of this section) or a substantial change in the capital structure (as defined in paragraph (d) of this section) of a domestic corporation (reporting corporation), the reporting corporation must file a completed Form 8806, “Information Return for Acquisition of Control or Substantial Change in Capital Structure,” in accordance with the instructions to that form. The Form 8806 will request information with respect to the following and such other information specified in the instructions:

(i) Reporting corporation. The name, address, and taxpayer identification number (TIN) of the reporting corporation.

(ii) Common parent, if any, of the reporting corporation. If the reporting corporation was a subsidiary member of an affiliated group filing a consolidated return immediately prior to the acquisition of control or the substantial change in capital structure, the name, address, and TIN of the common parent of that affiliated group.

(iii) Acquiring corporation. The name, address and TIN of any corporation that acquired control of the reporting corporation within the meaning of paragraph (d) of this section or combined with or received assets from the reporting corporation pursuant to a substantial change in capital structure within the meaning of paragraph (d) of this section (acquiring corporation) and whether the acquiring corporation was newly formed prior to its involvement in the transaction.

(iv) Information about acquisition of control or substantial change in capital structure. (A) A description of the transaction or transactions that gave rise to the acquisition of control or the substantial change in capital structure of the corporation;

(B) The date or dates of the transaction or transactions that gave rise to the acquisition of control or the substantial change in capital structure; and

(C) A description of and a statement of the fair market value of any stock and other property, if any, provided to the reporting corporation’s shareholders in exchange for their stock.

(2) Consent election. Form 8806 will provide the reporting corporation with the ability to elect to permit the Internal Revenue Service (IRS) to publish information that will inform brokers of the transaction and enable brokers to satisfy their reporting obligations under §1.6045–3. The information to be published, whether on the IRS Web site or in an IRS publication, would be limited to the name and address of the corporation, the date of the transaction, a description of the shares affected by the transaction, and the amount of cash and the fair market value of stock or other property provided to each class of shareholders in exchange for a share.

(3) Time for making return. Form 8806 must be filed on or before the 45th day following the acquisition of control or substantial change in capital structure of the corporation, or, if earlier, on or before January 5th of the year following the calendar year in which the acquisition of control or substantial change in capital structure occurs.

(4) Exception where transaction is reported under section 6043(a). No reporting is required under this paragraph (a) with respect to a transaction for which information is required to be reported pursuant to section 6043(a), provided the transaction is properly reported in accordance with that section.