

Part I – Partner Information

1. Name of Tax-Exempt Partner			2. Taxpayer ID Number (TIN)		
3. Street address (including apartment no.)			4. City or town		
5. State or province	6. Country code	7. ZIP or foreign postal code	8. Tax year ended (MM/DD/YYYY)		
9a. Domestic tax-exempt partners only: Indicate the Code section for tax-exempt status (see instructions)					
9b. Foreign tax-exempt partners only: Indicate whether exempt under §501(a) (see instructions)					
<input type="checkbox"/> Yes <input type="checkbox"/> No					
10. Determination letter received					
<input type="checkbox"/> Yes <input type="checkbox"/> No. If no, enter a reason code A-F _____ (see instructions for codes)					
11. Determination letter date (MM/DD/YYYY)			12. Effective tax year of letter (MM/DD/YYYY)		

Part II – Partnership Information

13. Name of Partnership requesting modification		14. Taxpayer ID Number (TIN)	
15. Tax year ended (MM/DD/YYYY)			

Part III – Summary of Tax-Exempt Partner's Adjustments and Tax-Exempt Amounts

Adjustment information. Complete the following information regarding the tax-exempt partner's distributive share of all partnership adjustments, and the portion of such adjustments which represent tax-exempt amounts. (See instructions)

(1) Description of Adjustments <i>(List all adjustments that are allocated to the tax-exempt partner from the source partnership. Obtain this information from the Partnership Representative). See instructions.</i>	(2) Total Share of Reallocation & Residual Grouping Adjustments <i>(net positive adjustments only)</i>		(3) Total Share of Creditable Expenditure Grouping Adjustments <i>(net positive adjustments only)</i>		(4) Total Share of Credit Grouping Adjustments <i>(positive and negative adjustment)</i>		(5) Total Share of Net Negative Adjustments <i>(see instructions)</i>	(6) Enter the portion of Columns (2) through (4) which are tax-exempt amounts	
	General	Specific	General	Specific	General	Specific		General	Specific
Total									

Part IV – Tax-Exempt Partner’s Certification

Note: *This statement must be signed by the tax-exempt partner (not the Partnership Representative).*

Under penalties of perjury, I certify that:

- The partner signing this certification is a domestic partner that is tax-exempt under IRC section 168(h)(2)(A) or is a foreign partner that is a foreign organization exempt from tax under section 501(a);
- The amounts reported on Form 8983, Part III, column (6) are not considered Unrelated Business Taxable Income (UBTI) defined in IRC section 512 and 513 that would result in tax due under section 511 (Tax on unrelated business income);
- The amounts reported on Form 8983, Part III, column (6) are not unrelated debt-financed income defined under section 514; and
- The amounts reported on Form 8983, Part III, column (6) are not subject to income tax under any other section of the Internal Revenue Code.

By <i>(name of the person authorized to sign)</i>		Title of the person authorized to sign	
Signature of the person authorized to sign		Date	Telephone number

Caplin & Drysdale
Chartered

Instructions for Form 8983, Certification of Partner Tax-Exempt Status for Modification Under IRC §6225(c)(3)

General Instructions

Section references are to the Internal Revenue Code (IRC) unless otherwise noted.

Purpose of Form

Form 8983 is used to certify that a relevant partner in a source partnership (requesting modification of an imputed underpayment under section 6225(c)(3)) is, in the reviewed year a domestic partner that is either a tax-exempt entity within the meaning of section 168(h)(2)(A), or a foreign partner that is exempt from tax under section 501(a), and that for the reviewed year, all or a portion of the relevant partner's distributive share of the partnership's adjustment is not subject to tax under any section of the Internal Revenue Code.

Who Must File

Domestic Tax-Exempt Partners: A domestic relevant partner for which a source partnership is seeking modification of imputed underpayment(s) under IRC section 6225(c)(3) attributable to the domestic tax-exempt partner's distributive share of source partnership adjustments, or a portion thereof, should complete and sign Form 8983 and provide it to the partnership representative of the source partnership. The partnership representative will submit Form 8983 along with the source partnership's Form 8980 (Partnership Request for Modification of Imputed Underpayments Under IRC Section 6225(c)).

Foreign Tax-Exempt Partners: A foreign relevant partner that is exempt from tax pursuant to section 501(a) for which a source partnership is seeking modification of imputed underpayment(s) under IRC section 6225(c)(3) relative to the foreign tax-exempt partner's distributive share of source partnership adjustments, or a portion thereof, should complete and sign Form 8983 and provide it to the partnership representative of the source partnership. The partnership representative will submit Form 8983 along with the source partnership's Form 8980 (Partnership Request for Modification of Imputed Underpayments Under IRC Section 6225(c)).

Caution: A foreign relevant partner for which a source partnership is seeking modification under IRC section 6225(c)(3) attributable to all or a portion of the foreign tax-exempt partner's distributive share of source partnership adjustments by reason of a provision of the IRC other than section 501(a) that exempts or excludes certain income from taxation should not file Form 8983. (Such IRC provisions include for example, section 892, regarding certain excluded and exempted income of foreign governments and international organizations, and section 881(c), regarding portfolio interest on which no tax is imposed.) These requests for modification should be made on Form 8980, Part VIII, Foreign Partners: Modification Pursuant to Tax Treaty Claims & Statutory Exemptions Other Than Section 501(a). See the instructions to Form 8980, Part VIII for further information.

Partnership Responsibility to Provide Information to Partners

In order for a relevant tax-exempt partner to accurately complete Form 8983, the partnership representative of the source partnership must provide to each relevant partner information on all partnership adjustments set forth in the partnership's notice of proposed partnership adjustment (NOPPA) that are properly allocable to such partner, regardless of whether such adjustments resulted in an imputed underpayment. The partnership representative should provide all necessary information with regard to each adjustment allocation in order for the partner to complete Form 8983. Such information includes a description of each positive and negative adjustment, grouping, subgrouping, whether or not the adjustment was included in a general or specific imputed underpayment, and information about any penalties attributable to each adjustment, if applicable.

The failure of the source partnership to provide all necessary information to the partner in order for the tax-exempt partner to accurately complete Form 8983 may result in the IRS's denial of the source partnership's request for modification under IRC section 6225(c)(3).

More than one reviewed year: If the source partnership is requesting modification for more than one reviewed year and the partner qualifies as a tax-exempt partner for more than one of those reviewed years, a Form 8983 should be completed for each reviewed year. Each Form 8983 pertains to a single source partnership and a single reviewed year.

More than one source partnership for which the tax-exempt partner is receiving adjustments: If the partner qualifies as a tax-exempt partner for more than one source partnership for the same taxable year, the tax-exempt partner must complete a Form 8983 for each source partnership and reviewed year for which modification is being requested. Each Form 8983 for a tax-exempt partner pertains to a single source partnership and a single reviewed year.

When to File

The partnership representative should file the completed Form 8983 along with the modification request (Form 8980). Form 8983, as an attachment to Form 8980, should be submitted within the source partnership's modification submission period which is defined under section 6225(c)(7) as 270 calendar days from the date the NOPPA, unless the 270 days has been formally extended.

Definitions

Tax-Exempt Partner (for purposes of the modification of a partnership's imputed underpayment under section 6225(c)(3)) is defined as a domestic partner that is a tax-exempt entity within the meaning of section 168(h)(2)(A) or a foreign partner that is exempt from tax under section 501(a).

Indirect partner means any person who has an interest in a partnership through their interest in one or more pass-through partners or through a wholly-owned entity disregarded as separate from its owner for federal tax purposes. An indirect partner can also be a relevant partner.

Organization includes a corporation, association, non-grantor trust, and LLC.

Relevant partner means any person for whom modification is requested by the source partnership that is:

- A reviewed year partner, including any pass-through partner, except for any reviewed year partner that is a wholly-owned entity disregarded as separate from its owner for federal tax purposes; or
- An indirect partner except for any indirect partner that is a wholly-owned entity disregarded as separate from its owner for federal tax purposes.

Source partnership means the partnership under examination that is requesting modification of an imputed underpayment under IRC section 6225(c).

Partnership adjustment means any adjustment to a partnership-related item as defined in applicable regulations, and includes any portion of a partnership adjustment.

Pass-through Partner means a pass-through entity that holds an interest in a partnership. A pass-through entity is:

- A partnership required to file a return under section 6031(a);
- An S corporation;
- A trust (other than a wholly-owned trust disregarded as separate from its owner for Federal tax purposes); and
- A decedent's estate.

For this purpose, a pass-through entity is not a wholly-owned entity disregarded as separate from its owner for Federal tax purposes.

Reviewed year is the source partnership's taxable year to which a partnership adjustment relates.

Specific Instructions

Audit control number. Enter the source partnership's 10-digit audit control number. This number is located on the notice of proposed partnership adjustment (NOPPA) received by the partnership and PR. Obtain this information from the partnership representative.

Part I – Partner Information

Line 1 through 7 – Name, TIN, and Address of Tax-Exempt Partner. Enter the full name, address and Taxpayer Identification Number (TIN) of the tax-exempt partner. The TIN will typically be the Federal Employer Identification Number (EIN) of the tax-exempt partner.

Line 8 – Partner tax year ended. Enter the ending date of the tax year of the tax-exempt partner that includes the end of the source partnership's reviewed year. This date is also defined as the "first affected year". Enter the date in the following format (MM/DD/YYYY).

Line 9a – Code section for tax-exempt status of domestic partner. Enter the applicable Internal Revenue Code (IRC) section for the tax-exempt status of the tax-exempt partner (e.g., the applicable subsection of section 501, if applicable, or section 168(h)(2)(A)).

Line 9b – Foreign Partner Exempt Under Section 501(a). Check "Yes" or "No" on whether the foreign partner completing Form 8983 is exempt from tax under section 501(a). If "Yes" is checked, the foreign partner must attach a statement to Form 8983, as follows:

- A foreign partner making a Code-based claim of section 501(c) status must specify whether the partner has a determination letter (see Line 10) or has supplied its withholding agent(s) with an opinion of U.S. counsel establishing its status as either a public charity or a private foundation.
- A foreign partner exempt from tax under section 501(a) by reason of being described in sections 401(a) or 501(d), as the case may be, must specify the basis of its exemption.
- A foreign partner that is exempt from tax under section 501(a) under a provision of section 501(c) other than section 501(c)(3) must specify the provision of section 501(c) under which the partner is exempt.

Caution: A foreign partner claiming an exemption or exclusion of certain income from taxation by reason of a provision of the IRC other than section 501(a) or by reason of a provision of an applicable income tax treaty concerning exempt pension trusts or organizations, should not file Form 8983. Instead, such modifications involving statutory exemptions or exclusions for foreign partners should be requested by the partnership representative on Form 8980, Part VIII, Foreign Partners: Modification Pursuant to Tax Treaty Claims & Statutory Exemptions Other Than Section 501(a). See the instructions to Form 8980, Part VIII for further information.

Line 10 – Determination Letter. Check "Yes" or "No" for whether the tax-exempt partner, whether foreign or domestic, has received a determination letter from the Service that continues to be valid documenting the partner's tax-exempt status.

If "Yes" is checked, such letter should not have been subsequently revoked by the IRS or automatically revoked for failure to file tax-exempt entity information returns unless the organization has already applied for and received retroactive reinstatement such that there was no interruption of exempt status after the reinstatement, and the organization's tax-exempt status should not have been suspended within the meaning of section 501(p) (concerning certain terrorist organizations).

If **“No” is checked**, enter one of the following reason codes (A through F) regarding the justification for tax exemption, and attach a statement to Form 8983 which includes an explanation:

- A – Organization is considered exempt without application and is not required to file Form 990 or Form 990-N.** (If code A is entered, the organization must attach a statement to Form 8983 to explain its tax-exempt status).
- B – Organization is operating as an exempt entity under an IRC section that allows for “self-declaration”.** (If code B is entered, the organization must attach a statement to Form 8983 to specify whether it has started filing Forms 990 or Form 990-N)
- C – Organization has applied or will apply for tax exemption, is currently operating as a tax-exempt organization, and expects to receive a determination letter retroactive to its date of formation.** (If code C is entered, the organization must attach a statement to Form 8983 to specify the date it started operations and the date it applied for or will apply for exemption).
- D – Organization is exempt as part of a group ruling.** (If code D is entered, the organization must attach a statement to Form 8983 to specify the name and EIN of its parent organization and the tax year it was first included in that organization’s group ruling).
- E – Organization has been automatically revoked and expects to be reinstated retroactive to the revocation date.** (If code E is entered, the organization must attach a statement to Form 8983 to specify the date it was revoked and the date it applied or will apply for retroactive reinstatement).
- F – Organization has been automatically revoked and expects to be reinstated to a date that will make it exempt for the entire reviewed year of the partnership.** (If code F is entered, the organization must attach a statement to Form 8983 to specify the date it was revoked and the date it applied or will apply for reinstatement)

For all codes entered on Line 10, the partner must attach a statement to Form 8983 to provide further explanation as detailed above.

Line 11 – Determination Letter Date. If Line 10 was checked “Yes”, enter the issuance date of the determination letter received by the tax-exempt entity partner. Enter the date in the following format (MM/DD/YYYY). If Line 10 was checked “yes” because the organization has been granted tax exemption after being revoked for any reason, use the issuance date of the most recent letter. This determination letter may not be a letter that has ever been revoked, and the organization’s tax-exempt status should not have been suspended within the meaning of section 501(p) (concerning certain terrorist organizations).

Line 12 – Effective tax year of letter. If Line 11 was completed, enter the year end date of the first tax year that the entity has tax-exempt status. Enter the date in the following format (MM/DD/YYYY). If Line 10 was checked “yes” because the organization has been granted tax exemption after its tax-exempt status has been was revoked for any reason, use the effective date of the most recent letter. This determination letter may not be a letter that has ever been revoked, and the organization’s tax-exempt status should not have been suspended within the meaning of section 501(p) (concerning certain terrorist organizations).

Part II – Partnership Information

Line 13 – Name of partnership requesting modification. Enter the name of the source partnership for which the tax-exempt direct or indirect partner named on Line 1 will be included in the source partnership’s modification request.

Line 14 – Partnership Taxpayer ID Number (TIN). Enter the TIN of the source partnership listed on Line 13.

Line 15 – Partnership reviewed year. Enter the year end of the reviewed year of the source partnership listed on line 13 pertaining to the reviewed year of the source partnership’s modification request. Enter the date in the following format (MM/DD/YYYY).

Part III – Summary of Tax-Exempt Partner’s Adjustments and Tax-Exempt Amounts

Adjustment Information. Obtain the adjustment information for this section for column (2) through column (5) from the partnership representative of the source partnership. See **“Partnership Responsibility to Provide Information to Partners”** above for further information. The tax-exempt partner should report its distributive share of all partnership adjustments that were set forth in the NOPPA received by the partnership. The NOPPA contains all positive and negative adjustments including their grouping, subgrouping (if applicable), and which adjustments pertain to the general imputed underpayment and any specific imputed underpayment(s).

Column (1): Description of Adjustment, Grouping and Subgrouping. In column 1, list the partner’s distributive share of each adjustment including a description and the subgrouping.

Column (2): Total Share of Reallocation & Residual Grouping Adjustments (net positive adjustments only). Enter in the appropriate subcolumn of column 2 (General or Specific – depending on which imputed underpayment type the adjustments were included in on the partnership’s NOPPA), the partner’s distributive share of all net positive adjustments listed in column 1 within the Reallocation and Residual groupings. Do not include adjustments to Creditable Expenditures or Credits in this column. Allocations of net negative adjustments resulting after subgroupings within the Reallocation and Residual grouping should be included in column 5.

Column (3): Total Share of Creditable Expenditure Grouping Adjustments (net positive adjustments only). Enter in the appropriate subcolumn of column 3 (General or Specific – depending on which imputed underpayment type the adjustments were included in on the partnership’s NOPPA), the partner’s distributive share of all net decreases to creditable expenditures listed in column 1, within the Creditable Expenditure grouping. Allocations of any net increases to creditable expenditures should be included in column 5.

Column (4): Total Share of Credit Grouping Adjustments. Enter in the appropriate subcolumn of column 4 (General or Specific – depending on which imputed underpayment type such adjustments were included on the partnership’s NOPPA), the partner’s distributive share of all credit adjustments (positive and negative) which were listed in column 1.

Column (5): Total Share of Negative Adjustments (including increases to Creditable Expenditures). Include in column 5, the amount of all net negative adjustments (except for negative credit adjustments) for any adjustments listed in column 1. The following amounts should be included in column 5:

- The partner’s distributive share of any net negative adjustments (resulting after subgrouping per the NOPPA) in the Reallocation and Residual groupings; and
- The partner’s distributive share of any net negative adjustments (resulting after subgrouping per the NOPPA) in the Creditable Expenditures grouping. A net negative adjustment in the Creditable Expenditures grouping is a net increase to Creditable Expenditures after subgrouping.

Column (6): Tax-Exempt Amounts. Enter the portion of all adjustments included in columns (2), (3), and (4) which are tax-exempt income or related to or allocable to tax-exempt income. **Caution:** Do not enter amounts that are subject to unrelated business income tax (including tax on debt-financed property).

Modification based on reduced rate of tax or an exemption from tax due to an income tax treaty. Foreign partners with taxable income subject to a reduced rate of tax or exemption from tax pursuant to an income tax treaty should not use Form 8983. Instead, the partnership representative of the source partnership must use Form 8980, Item E, Part VIII, Foreign Partners: Modification Pursuant to Tax Treaty Claims Under Applicable Regulations & Statutory Exemptions Other than Section 501(a), to request the modification. See the instructions for Form 8980 for further information.

Part IV – Tax-Exempt Partner’s Certification

The tax-exempt partner must sign Part IV in order to certify its tax-exempt status and tax-exempt adjustments. Form 8983 cannot be signed by an authorized representative of the tax-exempt partner. In addition, Form 8983 cannot be signed by the source partnership’s partnership representative or authorized representative.

Signature Area

By. Enter the name of the person authorized to sign for the tax-exempt partner. For a tax-exempt organization, this an officer of the organization who is authorized to sign the return for the entity (current president, vice president, treasurer, assistant treasurer, chief accounting officer, or other corporate officer (such as a tax officer) who is authorized to sign as of the date this form is being provided. For a trust, the authorized trustee(s) must sign, and Form 56 must be signed by the trustee and provided along with Form 8983. **Note:** Form 8983 cannot be signed by an authorized representative of the tax-exempt partner.

Title of the person authorized to sign. Enter the title of the person listed under “By” that will be signing for the entity.

Signature of person authorized to sign, Date signed, and telephone number. The person listed under “By” should sign, date, and enter a daytime telephone number.