

Tax Year 2023
4626 MeF ATS Scenario 11

Spanner & Hammer Tools, Inc. 00-8400000

FORMS REQUIRED: 1120, 1118, 1118 Sch L, 4626, 5471, Sch E (5471), Sch H (5471), Sch J (5471), Sch P (5471), Sch Q (5471), 8991

ATTACHMENTS:

Additional information:

The Employer Identification Number (EIN) is **00-8400000** for this scenario.

BINARY ATTACHMENT: ProrataCFCNetIncomeSchedule1

HEADER INFO: Not on the actual return

Multiple Software Packages Used: Yes or No

Originator: EFIN: Self-select

Type: ERO

Practitioner PIN:

EFIN: Self-select

PIN: Self-select

PIN Entered by – ERO

Signature Option: PIN

Officer: Name: Talbert Oaks

Title: President

Officer TIN: 000-00-3456

Taxpayer PIN: Self-Select

Phone: 301-555-1212

Email Address: talbertoaks@spannerhammer.com

Date Signed: 09/25/24

Preparer: Name: Johnny Appleseed

Date Prepared: 09/20/2024

Tax Year 2023

4626 MeF ATS

Name Control: Form 1120– Spanner & Hammer Tools, Inc. – SPAN

Total Prior Year Income Amt: \$39,989,850

IP Address: 112.112.112.112

Spanner & Hammer Tools, Inc.

Attachment 1, Form 4626, Part IV, Section I, Line 3e: Pro-rata share of CFC net income described in section 56A (c)(3) (*ProrataCFCNetIncomeSchedule1*)

Total 21,333,333

A Check if: 1a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/>	TYPE OR PRINT	Name Spanner & Hammer Tools, Inc. Number, street, and room or suite no. If a P.O. box, see instructions. 21 Toolbox Street City or town, state or province, country, and ZIP or foreign postal code Denver, CO 80202	B Employer identification number 00-8400000 C Date incorporated D Total assets (see instructions) \$
E Check if: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change			

Income	1a	Gross receipts or sales	1a	1,466,666,667
	b	Returns and allowances	1b	
	c	Balance. Subtract line 1b from line 1a	1c	1,466,666,667
	2	Cost of goods sold (attach Form 1125-A)	2	510,000,000
	3	Gross profit. Subtract line 2 from line 1c	3	956,666,667
	4	Dividends and inclusions (Schedule C, line 23)	4	33,333,333
	5	Interest	5	
	6	Gross rents	6	
	7	Gross royalties	7	10,000,000
	8	Capital gain net income (attach Schedule D (Form 1120))	8	
	9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	
10	Other income (see instructions—attach statement)	10		
11	Total income. Add lines 3 through 10	11	1,000,000,000	
Deductions (See instructions for limitations on deductions.)	12	Compensation of officers (see instructions—attach Form 1125-E)	12	
	13	Salaries and wages (less employment credits)	13	800,000,000
	14	Repairs and maintenance	14	
	15	Bad debts	15	
	16	Rents	16	
	17	Taxes and licenses	17	
	18	Interest (see instructions)	18	
	19	Charitable contributions	19	
	20	Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	
	21	Depletion	21	
	22	Advertising	22	
	23	Pension, profit-sharing, etc., plans	23	
	24	Employee benefit programs	24	
	25	Energy efficient commercial buildings deduction (attach Form 7205)	25	
	26	Other deductions (attach statement)	26	
	27	Total deductions. Add lines 12 through 26	27	800,000,000
	28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11.	28	200,000,000
	29a	29a	Net operating loss deduction (see instructions)	29a
b		Special deductions (Schedule C, line 24)	29b	
c		Add lines 29a and 29b	29c	
Tax, Refundable Credits, and Payments	30	Taxable income. Subtract line 29c from line 28. See instructions	30	200,000,000
	31	Total tax (Schedule J, Part I, line 11)	31	53,375,000
	32	Reserved for future use	32	
	33	Total payments and credits (Schedule J, Part II, line 23)	33	70,000,000
	34	Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>	34	
	35	Amount owed. If line 33 is smaller than the total of lines 31 and 34, enter amount owed	35	
	36	Overpayment. If line 33 is larger than the total of lines 31 and 34, enter amount overpaid	36	16,625,000
37	Enter amount from line 36 you want: Credited to 2024 estimated tax Refunded	37	16,625,000	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer _____	Date _____	Title _____	May the IRS discuss this return with the preparer shown below? See instructions. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P6666666
	Firm's name <u>Electronic Tax Filers, INC</u>	Firm's EIN <u>00-000011</u>			
	Firm's address <u>100 Efile Drive Anytown, TX 78621</u>	Phone no. <u>512-555-1212</u>			

Schedule C Dividends, Inclusions, and Special Deductions (see instructions)		(a) Dividends and inclusions	(b) %	(c) Special deductions (a) × (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		50	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		See instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	Subtotal. Add lines 1 through 8. See instructions for limitations		See instructions	
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Reserved for future use			
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c	Other inclusions from CFCs under subpart F not included on line 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)	23,333,333		
17	Global Intangible Low-Taxed Income (GILTI) (attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid	10,000,000		
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities			
22	Section 250 deduction (attach Form 8993)			
23	Total dividends and inclusions. Add column (a), lines 9 through 20. Enter here and on page 1, line 4	33,333,333		
24	Total special deductions. Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			

Schedule J Tax Computation and Payment (see instructions)

Part I—Tax Computation

1	Income tax. See instructions		1	42,000,000
2	Base erosion minimum tax amount (attach Form 8991)		2	1,500,000
3	Corporate alternative minimum tax from Form 4626, Part II, line 13 (attach Form 4626)		3	20,375,000
4	Add lines 1, 2, and 3		4	63,875,000
5a	Foreign tax credit (attach Form 1118)	5a	10,500,000	
b	Credit from Form 8834 (see instructions)	5b		
c	General business credit (see instructions—attach Form 3800)	5c		
d	Credit for prior year minimum tax (attach Form 8827)	5d		
e	Bond credits from Form 8912	5e		
6	Total credits. Add lines 5a through 5e		6	10,500,000
7	Subtract line 6 from line 4		7	53,375,000
8	Personal holding company tax (attach Schedule PH (Form 1120))		8	
9a	Recapture of investment credit (attach Form 4255)	9a		
b	Recapture of low-income housing credit (attach Form 8611)	9b		
c	Interest due under the look-back method—completed long-term contracts (attach Form 8697)	9c		
d	Interest due under the look-back method—income forecast method (attach Form 8866)	9d		
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e		
f	Interest/tax due under section 453A(c)	9f		
g	Interest/tax due under section 453(l)	9g		
z	Other (see instructions—attach statement)	9z		
10	Total. Add lines 9a through 9z		10	0
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31		11	53,375,000

Part II—Payments and Refundable Credits

12	Reserved for future use		12	
13	Preceding year's overpayment credited to the current year		13	0
14	Current year's estimated tax payments		14	45,000,000
15	Current year's refund applied for on Form 4466		15	(0)
16	Combine lines 13, 14, and 15		16	45,000,000
17	Tax deposited with Form 7004		17	25,000,000
18	Withholding (see instructions)		18	0
19	Total payments. Add lines 16, 17, and 18.		19	70,000,000
20	Refundable credits from:			
a	Form 2439	20a		
b	Form 4136	20b		
c	Reserved for future use	20c		
z	Other (attach statement—see instructions)	20z		
21	Total credits. Add lines 20a through 20z		21	0
22	Elective payment election amount from Form 3800		22	0
23	Total payments and credits. Add lines 19, 21, and 22. Enter here and on page 1, line 33.		23	70,000,000

Schedule K Other Information (see instructions)

- 1 Check accounting method: a Cash b Accrual c Other (specify)
2 See the instructions and enter the:
a Business activity code no.
b Business activity
c Product or service
3 Is the corporation a subsidiary in an affiliated group or a parent-subsidary controlled group?
4 At the end of the tax year:
a Did any foreign or domestic corporation, partnership...
b Did any individual or estate own directly 20% or more...
5 At the end of the tax year, did the corporation:
a Own directly 20% or more, or own, directly or indirectly, 50% or more...

Yes No grid for questions 1-5

Table with 4 columns: (i) Name of Corporation, (ii) Employer Identification Number, (iii) Country of Incorporation, (iv) Percentage Owned in Voting Stock

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership...

Yes No grid for question 6

Table with 4 columns: (i) Name of Entity, (ii) Employer Identification Number, (iii) Country of Organization, (iv) Maximum Percentage Owned in Profit, Loss, or Capital

- 6 During this tax year, did the corporation pay dividends...
7 At any time during this tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power...
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount
9 Enter the amount of tax-exempt interest received or accrued during this tax year
10 Enter the number of shareholders at the end of the tax year
11 If the corporation has an NOL for the tax year and is electing to forego the carryback period...
12 Enter the available NOL carryover from prior tax years

Yes No grid for questions 6-12

Schedule K Other Information (continued from page 4)

	Yes	No
13 Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during this tax year \$ <u>200,000</u>		
14 Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes," complete and attach Schedule UTP.		
15a Did the corporation make any payments that would require it to file Form(s) 1099?	<input type="checkbox"/>	<input type="checkbox"/>
b If "Yes," did or will the corporation file required Form(s) 1099?	<input type="checkbox"/>	<input type="checkbox"/>
16 During this tax year, did the corporation have an 80%-or-more change in ownership, including a change due to redemption of its own stock?	<input type="checkbox"/>	<input type="checkbox"/>
17 During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?	<input type="checkbox"/>	<input type="checkbox"/>
18 Did this corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million?	<input type="checkbox"/>	<input type="checkbox"/>
19 During this corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code?	<input type="checkbox"/>	<input type="checkbox"/>
20 Is the corporation operating on a cooperative basis?	<input type="checkbox"/>	<input type="checkbox"/>
21 During this tax year, did the corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes," enter the total amount of the disallowed deductions \$ _____		
22 Does this corporation have gross receipts of at least \$500 million in any of the 3 preceding tax years? (See sections 59A(e)(2) and (3).) If "Yes," complete and attach Form 8991.	<input type="checkbox"/>	<input type="checkbox"/>
23 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during this tax year? See instructions	<input type="checkbox"/>	<input type="checkbox"/>
24 Does the corporation satisfy one or more of the following? If "Yes," complete and attach Form 8990. See instructions	<input type="checkbox"/>	<input type="checkbox"/>
a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.	<input type="checkbox"/>	<input type="checkbox"/>
b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$29 million and the corporation has business interest expense.	<input type="checkbox"/>	<input type="checkbox"/>
c The corporation is a tax shelter and the corporation has business interest expense.	<input type="checkbox"/>	<input type="checkbox"/>
25 Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes," enter amount from Form 8996, line 15 \$ _____		
26 Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties held directly or indirectly by the corporation, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the shareholders held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions	<input type="checkbox"/>	<input type="checkbox"/>
Percentage: By Vote By Value		
27 At any time during this tax year, did the corporation (a) receive a digital asset (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? See instructions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
28 Is the corporation a member of a controlled group?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes," attach Schedule O (Form 1120). See instructions.		
29 Corporate Alternative Minimum Tax:		
a Was the corporation an applicable corporation under section 59(k)(1) in any prior tax year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If "Yes," go to question 29b. If "No," skip to question 29c.		
b Is the corporation an applicable corporation under section 59(k)(1) in the current tax year because the corporation was an applicable corporation in the prior tax year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If "Yes," complete and attach Form 4626. If "No," continue to question 29c.		
c Does the corporation meet the requirements of the safe harbor method, if provided under section 59(k)(3)(A), for the current tax year? See instructions	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If "No," complete and attach Form 4626. If "Yes," the corporation is not required to file Form 4626.		
30 Is the corporation required to file Form 7208 relating to the excise tax on repurchase of corporate stock (see instructions):		
a Under the rules for stock repurchased by a covered corporation (or stock acquired by its specified affiliate)?	<input type="checkbox"/>	<input type="checkbox"/>
b Under the applicable foreign corporation rules?	<input type="checkbox"/>	<input type="checkbox"/>
c Under the covered surrogate foreign corporation rules?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes" to either (a), (b), or (c), complete Form 7208, Excise Tax on Repurchase of Corporate Stock. See the Instructions for Form 7208.		
31 Is this a consolidated return with gross receipts or sales of \$1 billion or more and a subchapter K basis adjustment, as described in the instructions, of \$10 million or more?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes," attach a statement. See instructions.		

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts	()		()	
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets				
b	Less accumulated depreciation	()		()	
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach statement)				
15	Total assets				
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)				
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock				
	b Common stock				
23	Additional paid-in capital				
24	Retained earnings—Appropriated (attach statement)				
25	Retained earnings—Unappropriated				
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		()		()
28	Total liabilities and shareholders' equity				

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return				
Note: The corporation may be required to file Schedule M-3. See instructions.				
1	Net income (loss) per books		7	Income recorded on books this year not included on this return (itemize):
2	Federal income tax per books			Tax-exempt interest \$ _____
3	Excess of capital losses over capital gains			_____
4	Income subject to tax not recorded on books this year (itemize): _____			_____
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):
a	Depreciation \$ _____		a	Depreciation \$ _____
b	Charitable contributions \$ _____		b	Charitable contributions \$ _____
c	Travel and entertainment \$ _____			_____
6	Add lines 1 through 5		9	Add lines 7 and 8
			10	Income (page 1, line 28)—line 6 less line 9

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Schedule L, Line 25)				
1	Balance at beginning of year		5	Distributions: a Cash
2	Net income (loss) per books			b Stock
3	Other increases (itemize): _____			c Property
	_____		6	Other decreases (itemize):
	_____		7	Add lines 5 and 6
4	Add lines 1, 2, and 3		8	Balance at end of year (line 4 less line 7)

Foreign Tax Credit—Corporations

Attach to the corporation's tax return.

Go to www.irs.gov/Form1118 for instructions and the latest information.

OMB No. 1545-0123

Attachment
 Sequence No. **118**

For calendar year 20____, or other tax year beginning _____, 20____, and ending _____, 20____

Name of corporation

Spanner & Hammer Tools, Inc.

Employer identification number

00-8400000

Use a separate Form 1118 for each applicable category of income (see instructions).

- a Separate Category (Enter code—see instructions.) GEN
- b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) _____
- c If one of the RBT codes is entered on line a, enter the country code for the treaty country (see instructions) _____

Schedule A Income or (Loss) Before Adjustments (Report all amounts in U.S. dollars. See Specific Instructions.)

1. EIN or Reference ID Number (see instructions)*	2. Foreign Country or U.S. Possession (enter two-letter code—use a separate line for each) (see instructions)	3. Inclusions Under Sections 951(a)(1) and 951A (see instructions)				4. Dividends (see instructions)	5. Interest
		(a) Exclude Gross-Up		(b) Gross-Up (section 78)			
A	12-3456789	GR	23,333,333	10,000,000			
B							
C							
Totals (add lines A through C)			23,333,333	10,000,000			

6. Gross Rents, Royalties, and License Fees	7. Sales	8. Gross Income From Performance of Services	9. Currency Gain	10. Currency Gain Code (see instructions)	11. Other (attach schedule)	12. Total (add columns 3(a) through 9 and 11)
A	10,000,000					43,333,333
B						
C						
Totals	10,000,000					43,333,333

13. Allocable Deductions						
(a) Dividends Received Deduction (see instructions)	(b) Deduction Allowed Under Section 250(a)(1)(A)—Foreign Derived Intangible Income	(c) Deduction Allowed Under Section 250(a)(1)(B)—Global Intangible Low-Taxed Income	Rental, Royalty, and Licensing Expenses		(f) Expenses Allocable to Sales Income	(g) Expenses Allocable to Gross Income From Performance of Services
			(d) Depreciation, Depletion, and Amortization	(e) Other Allocable Expenses		
A						
B						
C						
Totals						

13. Allocable Deductions (continued)				14. Apportioned Share of Deductions (enter amount from applicable line of Schedule H, Part I, column (b); Part II, column (f); and Part III, column (g))	15. Net Operating Loss Deduction	16. Total Deductions (add columns 13(k) through 15)	17. Total Income or (Loss) Before Adjustments (subtract column 16 from column 12)
(h) Currency Loss	(i) Currency Loss Code (see instructions)	(j) Other Allocable Deductions (attach schedule) (see instructions)	(k) Total Allocable Deductions (add columns 13(a) through 13(h) and 13(j))				
A		10,000,000	10,000,000			10,000,000	33,333,333
B							
C							
Totals		10,000,000	10,000,000			10,000,000	33,333,333

*For section 863(b) income, NOLs, income from RICs, high-taxed income, section 951A, and reattribution of income by reason of disregarded payments, use a single line (see instructions). Also, for reporting branches that are QBUs, use a separate line for each such branch.

Schedule B Foreign Tax Credit (Report all foreign tax amounts in U.S. dollars.)

Part I – Foreign Taxes Paid, Accrued, and Deemed Paid (see instructions)

1. Credit Is Claimed for Taxes (check one):		2. Foreign Taxes Paid or Accrued (attach schedule showing amounts in foreign currency and conversion rate(s) used)					
<input type="checkbox"/> Paid <input checked="" type="checkbox"/> Accrued		Tax Withheld at Source on:					
Date Paid	Date Accrued	(a) Dividends	(b) Distributions of Previously Taxed Earnings and Profits	(c) Branch Remittances	(d) Interest	(e) Rents, Royalties, and License Fees	(f) Other
A	12/31/2023					500,000	
B							
C							
Totals (add lines A through C)						500,000	

2. Foreign Taxes Paid or Accrued (attach schedule showing amounts in foreign currency and conversion rate(s) used) (continued)				3. Tax Deemed Paid (see instructions)
Other Foreign Taxes Paid or Accrued on:			(j) Total Foreign Taxes Paid or Accrued (add columns 2(a) through 2(i))	
(g) Sales	(h) Services Income	(i) Other		
A			500,000	10,000,000
B				
C				
Totals			500,000	10,000,000

Part II – Separate Foreign Tax Credit (Complete a separate Part II for each applicable category of income.)

1a	Total foreign taxes paid or accrued (total from Part I, column 2(j))	1a	500,000	
b	Foreign taxes paid or accrued by the corporation during prior tax years that were suspended due to the rules of section 909 and for which the related income is taken into account by the corporation during the current tax year (see instructions)	1b		
2	Total taxes deemed paid (total from Part I, column 3)	2	10,000,000	
3	Reductions of taxes paid, accrued, or deemed paid (enter total from Schedule G, Part I)	3	()	
4	Taxes reclassified under high-tax kickout	4		
5	Enter the sum of any carryover of foreign taxes (from Schedule K, line 3, column (xiv), and from Schedule I, Part III, line 3) plus any carrybacks to the current tax year	5		
6	Total foreign taxes (combine lines 1a through 5)	6		10,500,000
7	Enter the amount from the applicable column of Schedule J, Part I, line 11 (see instructions). If Schedule J is not required to be completed, enter the result from the "Totals" line of column 17 of the applicable Schedule A	7		33,333,333
8a	Total taxable income from all sources (enter taxable income from the corporation's tax return)	8a	200,000,000	
b	Adjustments to line 8a (see instructions)	8b		
c	Subtract line 8b from line 8a	8c		200,000,000
9	Divide line 7 by line 8c. Enter the resulting fraction as a decimal (see instructions). If line 7 is greater than line 8c, enter 1	9		.166667
10	Total U.S. income tax against which credit is allowed (regular tax liability (see section 26(b)) minus any American Samoa economic development credit)	10		63,875,000
11	Multiply line 9 by line 10	11		10,645,833
12	Increase in limitation (section 960(c))	12		0
13	Credit limitation (add lines 11 and 12) (see instructions)	13		10,645,833
14	Separate foreign tax credit (enter the smaller of line 6 or line 13). Enter here and on the appropriate line of Part III	14		10,500,000

Schedule B Foreign Tax Credit (Report all foreign tax amounts in U.S. dollars.) (continued)

Part III—Summary of Separate Credits (Enter amounts from Part II, line 14, for each applicable category of income. Do not include taxes paid to sanctioned countries.)

1	Credit for taxes on section 951A category income	1	
2	Credit for taxes on foreign branch category income	2	
3	Credit for taxes on passive category income	3	
4	Credit for taxes on general category income	4	10,500,000
5	Credit for taxes on section 901(j) category income (combine all such credits on this line)	5	
6	Credit for taxes on income re-sourced by treaty (combine all such credits on this line)	6	
7	Total (add lines 1 through 6)	7	10,500,000
8	Reduction in credit for international boycott operations (see instructions)	8	
9	Total foreign tax credit (subtract line 8 from line 7). Enter here and on the appropriate line of the corporation's tax return	9	10,500,000

Schedule C Tax Deemed Paid With Respect to Section 951(a)(1) Inclusions by Domestic Corporation Filing Return (Section 960(a))

Use this schedule to report the tax deemed paid by the corporation with respect to section 951(a)(1) inclusions of earnings from foreign corporations under section 960(a). For each line in Schedule C, include the column 10 amount in column 3 of the line in Schedule B, Part I, that corresponds with the identifying number specified in column 1 of Schedule A and that also corresponds with the identifying number entered in column 1b of this Schedule C (see instructions).

1a. Name of Foreign Corporation	1b. EIN or Reference ID Number of the Foreign Corporation (see instructions)	1c. Tested Unit Reference ID (if applicable)
Spanner & Hammer AG	12-3456789	

2. Tax Year End (Year/Month) (see instructions)	3. Country of Incorporation (enter country code—see instructions)	4. Functional Currency of Foreign Corporation (enter code—see instructions)	5. Subpart F Income Group		
			(a) Reg. sec. 1.960-1(d)(2)(ii)(B)(2) (enter code)	(b) Reg. sec. 1.904-4(c)(3)(i)-(iv) (enter code)	(c) Unit
2023/12	Germany	USD	FBSCA		

6. Total Net Income in Subpart F Income Group (in functional currency of foreign corporation)	7. Total Eligible Current Year Taxes in Subpart F Income Group (in U.S. dollars)	8. Section 951(a)(1) Inclusion Attributable to Subpart F Income Group		9. Divide Column 8(a) by Column 6	10. Tax Deemed Paid (multiply column 7 by column 9)
		(a) Functional Currency	(b) U.S. Dollars		
23,333,333	10,000,000	23,333,333	23,333,333	1.00000	10,000,000

Total (add amounts in column 10) 10,000,000

Schedule D Tax Deemed Paid With Respect to Section 951A Income by Domestic Corporation Filing the Return (Section 960(d))

Use this schedule to figure the tax deemed paid by the corporation with respect to section 951A inclusions of earnings from foreign corporations under section 960(d).

Part I—Foreign Corporation’s Tested Income and Foreign Taxes

1a. Name of Foreign Corporation		1b. EIN or Reference ID Number of the Foreign Corporation (see instructions)	2. Tax Year End (Year/Month) (see instructions)	3. Country of Incorporation (enter country code—see instructions)	4. Functional Currency of Foreign Corporation (enter code)
5. Pro Rata Share of CFC’s Tested Income From Applicable Form 8992 Schedule (see instructions)	6. CFC’s Tested Income From Applicable Form 8992 Schedule (see instructions)	7. Divide Column 5 by Column 6	8. CFC’s Tested Foreign Income Taxes From Schedule Q (Form 5471) (see instructions)	9. Pro Rata Share of Tested Foreign Income Taxes Paid or Accrued by CFC (multiply column 7 by column 8)	
Total (add amounts in column 5)			Total (add amounts in column 9)		

Part II—Foreign Income Tax Deemed Paid

1. Global Intangible Low-Taxed Income (section 951A inclusion)	2. Inclusion Percentage. Divide Part II, Column 1, by Part I, Column 5 Total	3. Multiply Part I, Column 9 Total, by Part II, Column 2 Percentage	4. Tax Deemed Paid (Multiply Part II, column 3, by 80% (0.80). Enter the result here and include on the line of Schedule B, Part I, column 3, that corresponds with the line with “951A” in column 2 of Schedule A.)

Schedule E Tax Deemed Paid With Respect to Previously Taxed Earnings and Profits (PTEP) by Domestic Corporation Filing the Return (Section 960(b))

Part I—Tax Deemed Paid by Domestic Corporation

Use this part to report the tax deemed paid by the domestic corporation with respect to distributions of PTEP from first-tier foreign corporations under section 960(b). For each line in Schedule E, Part I, include the column 11 amount in column 3 of the line in Schedule B, Part I, that corresponds with the identifying number specified in column 1 of Schedule A and that also corresponds with the identifying number specified in column 1b of this Schedule E, Part I (see instructions).

1a. Name of Distributing Foreign Corporation	1b. EIN or Reference ID Number of the Foreign Corporation (see instructions)	2. Tax Year End (Year/Month) (see instructions)	3. Country of Incorporation (enter country code—see instructions)	4. Functional Currency of the Distributing Foreign Corporation	5. PTEP Group (enter code)	6. Annual PTEP Account (enter year)
7. Total Amount of PTEP in the PTEP Group Within an Annual PTEP Account	8. Total Amount of the PTEP Group Taxes With Respect to PTEP Group Within an Annual PTEP Account	9. Distribution From the PTEP Group Within an Annual PTEP Account	10. Divide Column 9 by Column 7	11. Foreign Income Taxes Properly Attributable to PTEP and Not Previously Deemed Paid (multiply column 8 by column 10)		
Total (add amounts in column 11)						

Schedule E Tax Deemed Paid With Respect to Previously Taxed Earnings and Profits (PTEP) by Domestic Corporation Filing the Return (Section 960(b)) (continued)

Part II—Tax Deemed Paid by First- and Lower-Tier Foreign Corporations

Use this part to report the tax deemed paid by a foreign corporation with respect to distributions of PTEP from lower-tier foreign corporations under section 960(b) that relate to distributions reported in Part I (see instructions).

1a. Name of Distributing Foreign Corporation	1b. EIN or Reference ID Number of the Foreign Corporation (see instructions)	2. Tax Year End (Year/Month) (see instructions)	3. Country of Incorporation (enter country code—see instructions)
4a. Name of Recipient Foreign Corporation	4b. EIN or Reference ID Number of the Foreign Corporation (see instructions)	5. Tax Year End (Year/Month) (see instructions)	6. Country of Incorporation (enter country code—see instructions)

7. Functional Currency of the Distributing Foreign Corporation	8. PTEP Group (enter code)	9. Annual PTEP Account (enter year)	10. Total Amount of PTEP in the PTEP Group Within an Annual PTEP Account	11. Total Amount of the PTEP Group Taxes With Respect to PTEP Group Within an Annual PTEP Account	12. PTEP Distributed	13. Divide Column 12 by Column 10	14. Foreign Income Taxes Properly Attributable to PTEP and Not Previously Deemed Paid (multiply column 11 by column 13)

Schedule F **Reserved**

Schedule G **Reductions of Taxes Paid, Accrued, or Deemed Paid**

Part I—Reduction Amounts

A	Reduction of taxes under section 901(e)—Attach separate schedule	A
B	Reduction of foreign oil and gas taxes—Enter amount from Schedule I, Part II, line 4	B
C	Reduction of taxes due to international boycott provisions—Enter appropriate portion from Schedule C (Form 5713) (see instructions). Important: Enter only “specifically attributable taxes” here	C
D	Reduction of taxes for section 6038(c) penalty—Attach separate schedule	D
E	Taxes suspended under section 909	E
F	Reduction for disallowed taxes under section 965(g)	F
G	Reduction for disallowed taxes under section 245A	G
H	Other reductions in taxes (attach schedule—see instructions)	H
Total (add lines A through H). Enter here and on Schedule B, Part II, line 3		

Part II—Other Information

I	Check this box if, during the tax year, the corporation paid or accrued any foreign tax that was disqualified for credit under section 901(m)	<input type="checkbox"/>
J	Check this box if, during the tax year, the corporation paid or accrued any foreign tax that was disqualified for credit under section 901(j), (k), or (l)	<input type="checkbox"/>

Schedule H Apportionment of Certain Deductions (Complete only once for all categories of income.)

Part I – Research and Experimental Deductions

	(a) Gross Receipts Method						(b) Total R&E Deductions (enter the sum of all amounts entered in all applicable "R&E Deductions" columns).
	Product Line #1 (SIC Code: _____)			Product Line #2 (SIC Code: _____)			
	(i) Gross Intangible Income	(ii) Gross Receipts	(iii) R&E Deductions	(iv) Gross Intangible Income	(v) Gross Receipts	(vi) R&E Deductions	
1 Total (see instructions)							
2 Exclusive apportionment (50%) to either:							
a U.S. source gross intangible income, or							
b Foreign source gross intangible income							
3 Remaining R&E deductions to be apportioned (line 1 minus line 2a or line 2b)							
4 U.S. source gross intangible income/related gross receipts/allocated and apportioned R&E deductions							
a Gross intangible income/Taxpayer's gross receipts							
b Gross intangible income/Controlled parties' gross receipts							
c Gross intangible income/Uncontrolled parties' gross receipts							
d Total line 4							
5 Total foreign source gross intangible income/related gross receipts/allocated and apportioned R&E deductions							
a Gross intangible income/Taxpayer's gross receipts							
b Gross intangible income/Controlled parties' gross receipts							
c Gross intangible income/Uncontrolled parties' gross receipts							
d Total line 5							

Important: See *Computer-Generated Schedule H* in the instructions.

Schedule H Apportionment of Certain Deductions (Complete only once for all categories of income.) (continued)

Part I – Research and Experimental Deductions (continued)

		(a) Gross Receipts Method					(b) Total R&E Deductions (enter the sum of all amounts entered in all applicable "R&E Deductions" columns).
		Product Line #1 (SIC Code: _____)			Product Line #2 (SIC Code: _____)		
		(i) Gross Intangible Income	(ii) Gross Receipts	(iii) R&E Deductions	(iv) Gross Intangible Income	(v) Gross Receipts	
6	Foreign source gross intangible income/related gross receipts/allocated and apportioned R&E deductions						
a	Enter code _____						
	(1) Gross intangible income/Taxpayer's gross receipts						
	(2) Gross intangible income/Controlled parties' gross receipts						
	(3) Gross intangible income/Uncontrolled parties' gross receipts						
	(4) Add lines 6a(1), 6a(2), and 6a(3)						
	(5) Amount of line 3 R&E deductions apportioned to this separate category						
	(6) Amount of line 2b R&E deductions apportioned to this separate category						
	(7) Total R&E deductions for this separate category. Add lines 6a(5) and 6a(6)						
b	Enter code _____						
	(1) Gross intangible income/Taxpayer's gross receipts						
	(2) Gross intangible income/Controlled parties' gross receipts						
	(3) Gross intangible income/Uncontrolled parties' gross receipts						
	(4) Add lines 6b(1), 6b(2), and 6b(3)						
	(5) Amount of line 3 R&E deductions apportioned to this separate category						
	(6) Amount of line 2b R&E deductions apportioned to this separate category						
	(7) Total R&E deductions for this separate category. Add lines 6b(5) and 6b(6)						

Note: Include the amount from column (b) of line 6a(7) in column 14 of the Schedule A that corresponds with the code entered on line 6a. If applicable, you should likewise include the amount from column (b) of line 6b(7) in column 14 of the Schedule A that corresponds with the code entered on line 6b. On page 10, you should likewise include the amount(s) from column (b) of lines 6c(7), 6d(7), and 6e(7) in column 14 of the Schedule A that corresponds with the code entered on lines 6c, 6d, and 6e, respectively.

Important: See *Computer-Generated Schedule H* in the instructions.

Schedule H Apportionment of Certain Deductions (Complete only once for all categories of income.) (continued)

Part I – Research and Experimental Deductions (continued)

	(a) Gross Receipts Method						(b) Total R&E Deductions (enter the sum of all amounts entered in all applicable "R&E Deductions" columns).
	Product Line #1 (SIC Code: _____)			Product Line #2 (SIC Code: _____)			
	(i) Gross Intangible Income	(ii) Gross Receipts	(iii) R&E Deductions	(iv) Gross Intangible Income	(v) Gross Receipts	(vi) R&E Deductions	
c Enter code _____							
(1) Gross intangible income/Taxpayer's gross receipts							
(2) Gross intangible income/Controlled parties' gross receipts							
(3) Gross intangible income/Uncontrolled parties' gross receipts							
(4) Add lines 6c(1), 6c(2), and 6c(3)							
(5) Amount of line 3 R&E deductions apportioned to this separate category							
(6) Amount of line 2b R&E deductions apportioned to this separate category							
(7) Total R&E deductions for this separate category. Add lines 6c(5) and 6c(6)							
d Enter code _____							
(1) Gross intangible income/Taxpayer's gross receipts							
(2) Gross intangible income/Controlled parties' gross receipts							
(3) Gross intangible income/Uncontrolled parties' gross receipts							
(4) Add lines 6d(1), 6d(2), and 6d(3)							
(5) Amount of line 3 R&E deductions apportioned to this separate category							
(6) Amount of line 2b R&E deductions apportioned to this separate category							
(7) Total R&E deductions for this separate category. Add lines 6d(5) and 6d(6)							
e Enter code _____							
(1) Gross intangible income/Taxpayer's gross receipts							
(2) Gross intangible income/Controlled parties' gross receipts							
(3) Gross intangible income/Uncontrolled parties' gross receipts							
(4) Add lines 6e(1), 6e(2), and 6e(3)							
(5) Amount of line 3 R&E deductions apportioned to this separate category							
(6) Amount of line 2b R&E deductions apportioned to this separate category							
(7) Total R&E deductions for this separate category. Add lines 6e(5) and 6e(6)							
7 Total foreign-source apportioned R&E deductions (add lines 6a(7), 6b(7), 6c(7), 6d(7), and 6e(7)). This should equal the amount entered on line 5d of this column							

Important: See *Computer-Generated Schedule H* in the instructions.

Schedule H Apportionment of Certain Deductions *(Complete only once for all categories of income.) (continued)*

Part II—Deductions Allocated and Apportioned Based on Assets

	(a) Average Value of Assets— Check Method Used: <input type="checkbox"/> Tax book value <input type="checkbox"/> Alternative tax book value		(b) Interest Deductions		(c) Stewardship Deductions	(d) Certain Industrial/Investor Damages (see instructions)	(e) Other Deductions (attach schedule) (see instructions)	(f) Totals (add the amounts from columns (b)(iii), (b)(iv), (c), (d), and (e))
	(i) Nonfinancial Corporations	(ii) Financial Corporations	(iii) Nonfinancial Corporations	(iv) Financial Corporations				
1a Totals (see instructions)								Additional note: With respect to each applicable statutory grouping, include the amount in column (f) of line 3a(2), 3b(2), 3c(2), 3d(2), or 3e(2) below in column 14 of the corresponding Schedule A.
b Amounts specifically allocable under Temporary Regulations section 1.861-10T(e)								
c Other specific allocations under Temporary Regulations section 1.861-10T								
d Assets excluded from apportionment formula								
2 Total to be apportioned (subtract the sum of lines 1b, 1c, and 1d from line 1a)								
3 Apportionment among statutory groupings and residual grouping (see instructions):								
a Enter code _____								
(1) Section 245A dividend								
(2) Other								
(3) Total line a								
b Enter code _____								
(1) Section 245A dividend								
(2) Other								
(3) Total line b								
c Enter code _____								
(1) Section 245A dividend								
(2) Other								
(3) Total line c								
d Enter code _____								
(1) Section 245A dividend								
(2) Other								
(3) Total line d								
e Enter code _____								
(1) Section 245A dividend								
(2) Other								
(3) Total line e								
f U.S. source								
(1) Section 245A dividend								
(2) Other								
(3) Total line f								
4 Expenses Allocated and Apportioned to Section 245A Dividends. Enter the sum of amounts in column (f) of lines 3a(1), 3b(1), 3c(1), 3d(1), 3e(1), and 3f(1). Include this line 4 result as a negative amount on Schedule B, Part II, line 8b								4

Schedule H Apportionment of Certain Deductions (Complete only once for all categories of income.) (continued)

Part III – Other Deductions

	(a) Officers' Compensation Expense	(b) Amortization Deductions	(c) Depletion Deductions	(d) Product Liability Damages (see instructions)	(e) Other Deductions	(f) Total Deductions Allocated and Apportioned to Section 245A Dividend (add the amounts from columns (a) through (e))	(g) Totals (add the amounts from columns (a) through (e)). Additional note: With respect to each applicable statutory grouping, include the amount in column (g) of line 2a(2), 2b(2), 2c(2), 2d(2), or 2e(2) below in column 14 of the corresponding Schedule A.
1 Total to be apportioned (see instructions)							
2 Apportionment among statutory groupings and residual grouping (see instructions):							
a Enter code _____							
(1) Section 245A dividend							
(2) Other							
(3) Total line a							
b Enter code _____							
(1) Section 245A dividend							
(2) Other							
(3) Total line b							
c Enter code _____							
(1) Section 245A dividend							
(2) Other							
(3) Total line c							
d Enter code _____							
(1) Section 245A dividend							
(2) Other							
(3) Total line d							
e Enter code _____							
(1) Section 245A dividend							
(2) Other							
(3) Total line e							
f U.S. source							
(1) Section 245A dividend							
(2) Other							
(3) Total line f							
3 Expenses Allocated and Apportioned to Section 245A Dividends. Add the amounts in column (f) and include this line 3 result as a negative amount on Schedule B, Part II, line 8b						3	

Important: See *Computer-Generated Schedule H* in the instructions.

**SCHEDULE L
(Form 1118)**

(Rev. December 2023)

Department of the Treasury
Internal Revenue Service

Foreign Tax Redeterminations

For calendar year 20____, or other tax year beginning____, 20____, and ending____, 20____.

OMB No. 1545-0123

Attach to Form 1118.

Go to www.irs.gov/Form1118 for instructions and the latest information.

Name of corporation

Spanner & Hammer Tools, Inc.

Employer identification number

00-8400000

Use a separate Schedule L (Form 1118) for each applicable category of income (see instructions).

- a Separate category (enter code—see instructions) _____ **FB**
- b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) _____
- c If one of the RBT codes is entered on line a, enter the country code for the treaty country (see instructions) _____
- d Check this box if election made under Regulations section 1.905-5(e) to account for foreign tax redeterminations with respect to pre-2018 tax years in foreign corporation's last pooling year (see instructions)

Part I Increase in Amount of Foreign Taxes Accrued (see instructions)

Enter redetermined amounts by payor entity for each separate relation back year (starting with the most recent) followed by a subtotal for each relation back year (see instructions).

	1. U.S. Tax Year of Taxpayer to Which Tax Relates (Relation Back Year) (MM/DD/YYYY)	2a. Name of Payor Entity			2b. EIN or Reference ID Number of Payor Entity			2c. Name of Owner of Payor Entity, if applicable (see instructions)		
		(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)
A										
B										

		2d. EIN or Reference ID Number of Owner			3. Country or U.S. Possession to Which Tax Is Paid (enter code—see instructions)			4. Date Additional Foreign Tax Was Paid (MM/DD/YYYY)			5. Foreign Tax Year to Which Tax Relates (MM/DD/YYYY)			6. Payor Entity's Income Subject to Tax in the Foreign Jurisdiction (see instructions)			7. Additional Tax Accrued in Local Currency in Which the Tax Is Payable		
		(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)			
A																			
B																			

		8. Additional Tax Accrued in Functional Currency of Taxpayer's QBU or Foreign Corporation			9. Conversion Rate of Local Currency to U.S. Dollars			10. Additional Tax Accrued in U.S. Dollars (divide column 7 by column 9)			11. U.S. Dollar Tax of Payor Entity per Original/Amended Return			12. Revised Tax Accrued (add column 10 and column 11)			13. Reference ID Number for Contested Tax, if applicable (see instructions)			14. Check Box if Change Caused to High Tax Exception/ Exclusion (see instructions)		
		(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)			
A																						

Subtotal by Relation Back Year of Taxpayer (add amounts in columns 10, 11, and 12)

B																			

Subtotal by Relation Back Year of Taxpayer (add amounts in columns 10, 11, and 12)

*** Important:** See *Computer-Generated Schedule L* in the separate instructions for Schedule L (Form 1118).

Name of corporation _____

Employer identification number _____

Part II Decrease in Amount of Foreign Taxes Paid or Accrued (see instructions)

Enter redetermined amounts by payor entity for each separate relation back year (starting with the most recent) followed by a subtotal for each relation back year (see instructions).

1. U.S. Tax Year of Taxpayer to Which Tax Relates (Relation Back Year) (MM/DD/YYYY)		2a. Name of Payor Entity		2b. EIN or Reference ID Number of Payor Entity		2c. Name of Owner of Payor Entity, if applicable (see instructions)	
A	(1)						
	(2)						
	(3)						
B	(1)						
	(2)						
	(3)						
2d. EIN or Reference ID Number of Owner		3. Country or U.S. Possession From Which Tax Was Refunded or Deemed Refunded (enter code—see instructions)	4. Date Foreign Tax Was Refunded or Deemed Refunded (MM/DD/YYYY) (see instructions)	5. Foreign Tax Year to Which Tax Relates (MM/DD/YYYY)	6. Payor Entity's Income Subject to Tax in the Foreign Jurisdiction (see instructions)	7. Tax Refunded or Deemed Refunded in Local Currency in Which the Tax Is Payable	
A	(1)						
	(2)						
	(3)						
B	(1)						
	(2)						
	(3)						
8. Refunded Amount in Functional Currency of Taxpayer's QBU or Foreign Corporation	9. Conversion Rate of Local Currency to U.S. Dollars	10. Refunded Amount in U.S. Dollars (divide column 7 by column 9)	11. U.S. Dollar Tax of Payor Entity per Original/Amended Return	12. Revised Tax Paid or Accrued (subtract column 10 from column 11)	13. Check Box if Section 905(c)(2) Two Year Rule Applies (see instructions)	14. Check Box if Change Caused to High Tax Exception/Exclusion (see instructions)	
A	(1)				<input type="checkbox"/>	<input type="checkbox"/>	
	(2)				<input type="checkbox"/>	<input type="checkbox"/>	
	(3)				<input type="checkbox"/>	<input type="checkbox"/>	
Subtotal by Relation Back Year of Taxpayer (add amounts in columns 10, 11, and 12)							
B	(1)				<input type="checkbox"/>	<input type="checkbox"/>	
	(2)				<input type="checkbox"/>	<input type="checkbox"/>	
	(3)				<input type="checkbox"/>	<input type="checkbox"/>	
Subtotal by Relation Back Year of Taxpayer (add amounts in columns 10, 11, and 12)							

* **Important:** See *Computer-Generated Schedule L* in the separate instructions for Schedule L (Form 1118).

Name of corporation

Employer identification number

Part III Change in Inclusions; Change in Foreign Taxes Paid, Accrued, or Deemed Paid; and Change in Foreign Tax Credits Claimed

Enter the information below for the change in inclusions, change to the amount of foreign taxes paid, accrued, or deemed paid, and change in foreign tax credits claimed for each relation back year. This information is reported on an overall taxpayer basis and not on a per payor entity basis.

1. Relation Back Year (MM/DD/YYYY)	2. Redetermined Direct Section 901 and/or 903 Taxes Paid or Accrued	3. Direct Section 901 and/or 903 Taxes Paid or Accrued per Original/Amended Return	4. Redetermined Section 951(a)(1) Inclusion	5. Section 951(a)(1) Inclusion per Original/Amended Return	
6/30/2018			476,471		
6. Redetermined Taxes Deemed Paid Under Section 960(a)	7. Section 960(a) Deemed Paid Taxes per Original/Amended Return	8. Redetermined Section 951A Inclusion	9. Section 951A Inclusion per Original/Amended Return	10. Redetermined Taxes Deemed Paid Under Section 960(d)	11. Section 960(d) Deemed Paid Taxes per Original/Amended Return
12. Redetermined Taxes Deemed Paid Under Section 960(b)(1)	13. Section 960(b)(1) Deemed Paid Taxes per Original/Amended Return	14. Redetermined Taxes Deemed Paid Under Section 902	15. Section 902 Deemed Paid Taxes per Original/Amended Return	16. Amount of FTC Claimed per Original/Amended Return	17. Amount of FTC Claimed After Redetermination
460,679					

Part IV Change in U.S. Tax Liability

Enter the below information for the change in U.S. tax liability for each relation back year and other affected year. This information is reported on an overall taxpayer basis and not on a per payor entity basis.

1. Relation Back Year or Affected Tax Year (MM/DD/YYYY)	2. Total Redetermined U.S. Tax Liability	3. Total U.S. Tax Liability per Original/Amended Return	4. Difference (subtract column 3 from column 2)
			0
			0

*** Important:** See *Computer-Generated Schedule L* in the separate instructions for Schedule L (Form 1118).

Name of corporation

Employer identification number

Part V Annual Reporting for Contested Taxes

Beginning with tax year 2023, taxpayers will enter the information below for each contested foreign income tax liability (or portion thereof) for which the taxpayer has previously made an election under Regulations section 1.905-1(d)(4) to claim a provisional foreign tax credit.

	1. Relation Back Year (MM/DD/YYYY)	2. Name of Payor Entity (see instructions)	3. Reference ID Number for the Contested Tax	4. Country or U.S. Possession to Which Tax Was Paid (enter code)
(i)				
(ii)				
(iii)				
(iv)				
(v)				

	5. Amount of Contested Tax Provisionally Claimed as Credit	6. Contest Ongoing	7. Contest Resolved	8. Date Contest Resolved (MM/DD/YYYY)	9. Tax Refunded or Additional Tax Paid, if any (see instructions)
(i)		<input type="checkbox"/>	<input type="checkbox"/>		
(ii)		<input type="checkbox"/>	<input type="checkbox"/>		
(iii)		<input type="checkbox"/>	<input type="checkbox"/>		
(iv)		<input type="checkbox"/>	<input type="checkbox"/>		
(v)		<input type="checkbox"/>	<input type="checkbox"/>		

*** Important:** See *Computer-Generated Schedule L* in the separate instructions for Schedule L (Form 1118).

TREASURY/IRS
 AND OMB USE
 ONLY DRAFT
 June 14, 2023
 DO NOT FILE

Name Spanner & Hammer Tools, Inc. Employer identification number 00-8400000

- A** Is the corporation filing this form a member of a controlled group treated as a single employer under sections 59(k)(1)(D) and 52? **Yes** **No**
If "Yes," the corporation must complete Part V listing the names, EINs, and separate company financial statement income or loss for each member of the controlled group treated as a single employer taken into account in the determination of "applicable corporation" under section 59(k)(1)(D).
- B** Is the corporation filing this form a member of a foreign-parented multinational group (FPMG) within the meaning of section 59(k)(2)(B)? **Yes** **No**
If "Yes," the corporation must complete Part V listing the names, EINs, and separate company financial statement income or loss for each member of the FPMG under section 59(k)(2)(B).

Part I Applicable Corporation Determination (Report all amounts in U.S. dollars.)
If you have already determined in current or prior years you are an applicable corporation, skip Part I and continue to Part II.

	(a) First Preceding Year Ended 12 / 31 / 2022	(b) Second Preceding Year Ended 12 / 31 / 2021	(c) Third Preceding Year Ended 12 / 21 / 2020
1 Net income or loss per applicable financial statement(s) (AFS) (see instructions):			
a Consolidated net income or loss per the AFS of the corporation	(100,000,000)	2,500,000,000	1,200,000,000
b Include AFS net income or loss of other includible entities (add net income and subtract net loss)	30,000,000		
c Exclude AFS net income or loss of excludible entities (add net loss and subtract net income)			(12,000,000)
d Specified additional net income or loss item A. Reserved for future use			
e Specified additional net income or loss item B. Reserved for future use			
f AFS net income or loss of all entities in the test group before adjustments. Combine lines 1a through 1c	(70,000,000)	2,500,000,000	1,188,000,000
2 Adjustments:			
a Financial statements covering different tax years			
b Corporations that are not included on the taxpayer's consolidated return (see instructions)			
c Pro-rata share of income from controlled foreign corporations for which the corporation is a U.S. shareholder. If zero or less, enter -0- (see instructions for special rules if completing this form for a FPMG)			
d Amounts that are not effectively connected to a U.S. trade or business (see instructions for special rules if completing this form for a FPMG)	()	()	()
e Certain taxes (see instructions)	(20,000,000)	500,000,000	270,000,000
f Patronage dividends and per-unit retain allocations (cooperatives only)			
g Alaska native corporations			
h Certain credits (see instructions)			
i Mortgage servicing income			
j Tax-exempt entities (organizations subject to tax under section 511)			
k Depreciation	(50,000,000)	(300,000,000)	(200,000,000)
l Qualified wireless spectrum			
m Adjustment M—Reserved for future use			
n Adjustment N—Reserved for future use			
o Adjustment O—Reserved for future use			
p Adjustment P—Reserved for future use			
q Adjustment Q—Reserved for future use			
r Adjustment R—Reserved for future use			
s Adjustment S—Reserved for future use			
z Other (see instructions)	82,000,000		
3 Specified adjustment. Reserved for future use			
4 Total adjustments. Combine lines 2a through 2z	12,000,000	200,000,000	70,000,000
5 AFSI. Combine lines 1f and 4	(58,000,000)	2,700,000,000	1,258,000,000
6 AFSI of first, second, and third preceding tax years. Combine columns (a), (b), and (c) of line 5			3,900,000,000
7 3-year average annual AFSI (see instructions)			1,300,000,000

Part I **Applicable Corporation Determination** (Report all amounts in U.S. dollars.) *(continued)*

- 8** Is line 7 more than \$1 billion?
 - Yes.** Continue to line 9.
 - No.** STOP here and attach to your tax return.
- 9** Is the corporation a member of a FPMG within the meaning of section 59(k)(2)(B)?
 - Yes.** Continue to line 10.
 - No.** Continue to Part II.

- 10** AFSI for purposes of the \$100 million test before adjustments:
 - a** AFSI from line 5
 - b** Aggregation differences (see instructions)
 - c** Total AFSI for purposes of the \$100 million test before adjustments. Combine lines 10a and 10b
- 11** Adjustments:
 - a** Income not effectively connected to a U.S. trade or business
 - b** Pro-rata share of CFC net income described in section 56A(c)(3) (attach worksheet) (see instructions)
 - c** Reserved for future use—Other adjustments 1
 - d** Reserved for future use—Other adjustments 2
- 12** Total adjustments. Combine lines 11a and 11b
- 13** Total AFSI for purposes of the \$100 million test. Combine lines 10c and 12 of columns (a), (b), and (c)

	(a) First Preceding Year Ended / /	(b) Second Preceding Year Ended / /	(c) Third Preceding Year Ended / /
10a			
10b			
10c			
11a			
11b			
11c			
11d			
12			
13			
14			
15			

- 14** AFSI of first, second, and third preceding tax years. Combine columns (a), (b), and (c) of line 13
- 15** 3-year average annual AFSI for purposes of the \$100 million test
- 16** Is line 15 \$100 million or more?
 - Yes.** Continue to Part II.
 - No.** STOP here. Attach to your tax return.

DO NOT FILE

Part II Corporate Alternative Minimum Tax

1	Net income or loss per applicable financial statement(s) (AFS) (see instructions):		
a	Consolidated net income or loss per the AFS of the corporation	1a	500,000,000
b	Include AFS net income or loss of other includible entities (add net income and subtract net loss)	1b	
c	Exclude AFS net income or loss of excludible entities (add net loss and subtract net income)	1c	(91,333,333)
d	Specified additional net income or loss item C. Reserved for future use	1d	
e	Specified additional net income or loss item D. Reserved for future use	1e	
f	AFS net income or loss before adjustments. Combine lines 1a through 1c	1f	408,666,667
2	Adjustments:		
a	Financial statements covering different tax years	2a	
b	Reserved for future use—Adjustment 2b	2b	
c	Corporations that are not included on the taxpayer's consolidated return (see instructions)	2c	
d	The corporation's distributive share of adjusted financial statement income of partnerships	2d	
e	Pro-rata share of income from controlled foreign corporations for which the corporation is a U.S. shareholder. If zero or less, enter -0-. (See instructions)	2e	21,333,333
f	Amounts that are not effectively connected to a U.S. trade or business	2f	
g	Certain taxes. Enter the amount from Part III, line 7	2g	120,500,000
h	Patronage dividends and per-unit retain allocations (cooperatives only)	2h	
i	Alaska native corporations	2i	
j	Certain credits (see instructions)	2j	
k	Mortgage servicing income	2k	
l	Covered benefit plans described in section 56A(c)(11)(B)	2l	
m	Tax-exempt entities (organizations subject to tax under section 511)	2m	
n	Depreciation	2n	(100,000,000)
o	Qualified wireless spectrum	2o	
p	AFSI adjustment P—Reserved for future use	2p	
q	AFSI adjustment Q—Reserved for future use	2q	
r	AFSI adjustment R—Reserved for future use	2r	
s	AFSI adjustment S—Reserved for future use	2s	
t	AFSI adjustment T—Reserved for future use	2t	
u	AFSI adjustment U—Reserved for future use	2u	
z	Other (see instructions)	2z	
3	Total adjustments. Combine lines 2a through 2z	3	41,833,333
4	AFSI before financial statement net operating loss carryover. Combine lines 1f and 3	4	450,500,000
5	Financial statement net operating loss (FSNOL) (see instructions)	5	
6	AFSI. Subtract line 5 from line 4. If zero or less, enter -0-	6	450,500,000
7	Multiply line 6 by 15% (0.15)	7	67,575,000
8	Alternative minimum tax foreign tax credit (AMTFTC). Enter amount from Part IV, Section I, line 6 (see instructions)	8	3,700,000
9	Tentative minimum tax. Subtract line 8 from line 7. If zero or less, enter -0-	9	63,875,000
10	Regular tax liability (see instructions)	10	42,000,000
11	Base erosion minimum tax (see instructions)	11	1,500,000
12	Combine lines 10 and 11	12	43,500,000
13	Alternative minimum tax. Subtract line 12 from line 9. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	13	20,375,000

Part III Adjustment for Certain Taxes Under Section 56A(c)(5)

1	Current income tax provision—Foreign	1	10,500,000
2	Current income tax provision—Federal	2	60,000,000
3	Deferred income tax provision—Foreign	3	2,000,000
4	Deferred income tax provision—Federal	4	48,000,000
5	Income taxes included in equity method investment income	5	
6a	Adjustment A—Reserved for future use	6a	
b	Adjustment B—Reserved for future use	6b	
c	Adjustment C—Reserved for future use	6c	
d	Adjustment D—Reserved for future use	6d	
e	Adjustment E—Reserved for future use	6e	
f	Adjustment F—Reserved for future use	6f	
g	Adjustment G—Reserved for future use	6g	
h	Adjustment H—Reserved for future use	6h	
z	Income taxes in other places	6z	
7	Total. Combine lines 1 through 6z. Enter amount on Part II, line 2(g)	7	120,500,000

Part IV Alternative Minimum Tax—Corporations Foreign Tax Credit

Section I—AMT Foreign Tax Credit

1	Domestic corporation AMT foreign income taxes:			
a	Total foreign taxes paid or accrued as reported on Form 1118, Schedule B, Part I, 2(j)	1a	500,000	
b	Adjustment	1b		
c	Adjustment	1c		
d	Adjustment	1d		
e	Adjustment	1e		
f	Adjustment	1f		
g	Adjustment	1g		
2	Total domestic corporation AMT foreign income taxes. Combine lines 1a through 1g	2		500,000
3	Allowable controlled foreign corporation (CFC) AMT foreign income taxes:			
a	Pro-rata share of CFC AMT foreign income taxes from Part IV, Section II, line 11, column (n)	3a	10,000,000	
b	Carryover of excess foreign taxes (from Part IV, Section III, line 4, column (vii))	3b		
c	Total CFC AMT foreign income taxes. Add lines 3a and 3b	3c		10,000,000
d	Percentage specified in section 55(b)(2)(A)(i)	3d	15%	
e	Pro-rata share of CFC net income described in section 56A(c)(3) (attach worksheet) (see instructions)	3e	21,333,333	
f	CFC AMT foreign tax credit limitation (line 3d multiplied by line 3e)	3f		3,200,000
g	Allowable CFC AMT foreign income taxes (smaller of line 3c or line 3f)	3g		3,200,000
4	AMTFTC Line 4—Reserved for future use	4		
5	AMTFTC Line 5—Reserved for future use	5		
6	Total AMT foreign income taxes. Combine lines 2 and 3g. Enter this amount on Part II, line 8	6		3,700,000

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Part IV Alternative Minimum Tax – Corporations Foreign Tax Credit *(continued)*

Section II – Allowable CFC AMT Foreign Income Taxes

	(a) Name of CFC	(b) EIN or Reference ID Number of CFC	(c) CFC income	(d) Foreign taxes for which credit is allowed	(e) Adjustment	(f) Adjustment
1	Spanner and Hammer, AG	12-3456789	23,333,333	10,000,000		
2						
3						
4						
5						
6						
7						
8						
9						
10						

11	Total. Combine lines 1 through 10		23,333,333	10,000,000		
----	---	--	------------	------------	--	--

	(g) Adjustment	(h) Adjustment	(i) Adjustment	(j) Adjustment	(k) Adjustment	(l) Total (combine columns (d) through (k))	(m) Pro-rata share percentage	(n) Pro-rata share of CFC AMT foreign income taxes (multiply column (l) by column (m))
1						10,000,000	100%	10,000,000
2								
3								
4								
5								
6								
7								
8								
9								
10								
11						10,000,000		10,000,000

Part IV Alternative Minimum Tax—Corporations Foreign Tax Credit *(continued)*

Section III—AMT Foreign Tax Credit Carryover for Controlled Foreign Corporations (Report all amounts in U.S. dollars.)

Foreign Tax Carryover Reconciliation		(i) 5th Preceding Tax Year	(ii) 4th Preceding Tax Year	(iii) 3rd Preceding Tax Year	(iv) 2nd Preceding Tax Year	(v) 1st Preceding Tax Year	(vi) Current Tax Year	(vii) Total (add columns (i) through (vi))
1	Foreign tax carryover from the prior tax year (enter amounts from the appropriate columns of line 8 of the prior year Form 4626, Part IV, Section III (see instructions))							
2	Adjustments to line 1 (enter description—see instructions):							
a								
b								
c								
d								
e								
f								
g								
3	Total. Combine lines 2a through 2g							
4	Adjusted foreign tax carryover from prior tax year (combine lines 1 and 3). If zero or less, enter -0-							
5	Foreign tax carryover used in current tax year (see instructions)	()	()	()	()	()		()
6	Foreign tax carryover expired unused in current tax year (see instructions)	()						()
7	Foreign tax carryover generated in current tax year (see instructions)						6,800,000	6,800,000
8	Foreign tax carryover to the following tax year. Combine lines 4 through 7. If zero or less, enter -0-						6,800,000	6,800,000

Part V Members of a Controlled Group Treated as a Single Employer and Foreign-Parented Multinational Group (FPMG) Members Taken Into Account in "Applicable Corporation" Determination

	(a) Name of member	(b) EIN of member	(c) Check if the entity is a member of a 59(k)(1)(D) group	(d) Check if the entity is a member of a 59(k)(2)(B) group	(e) EIN/FTIN of the U.S. return (if any) on which the majority of the member's income is reported	(f) Member's financial statement income/(loss)
1	Spanner & Hammer Tools, Inc.	84-0000000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	84-0000000	400,000,000
2	Spanner Sub 1	00-0000001	<input checked="" type="checkbox"/>	<input type="checkbox"/>	84-0000000	110,000,000
3	Spanner Sub 2	00-0000002	<input checked="" type="checkbox"/>	<input type="checkbox"/>	84-0000000	(10,000,000)
4	Brother Co 1	85-0000000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	85-0000000	70,000,000
5	Spanner and Hammer, AG	12-3456789	<input checked="" type="checkbox"/>	<input type="checkbox"/>	84-0000000	21,333,333
6			<input type="checkbox"/>	<input type="checkbox"/>		
7			<input type="checkbox"/>	<input type="checkbox"/>		
8			<input type="checkbox"/>	<input type="checkbox"/>		
9			<input type="checkbox"/>	<input type="checkbox"/>		
10			<input type="checkbox"/>	<input type="checkbox"/>		
11			<input type="checkbox"/>	<input type="checkbox"/>		
12			<input type="checkbox"/>	<input type="checkbox"/>		
13			<input type="checkbox"/>	<input type="checkbox"/>		
14			<input type="checkbox"/>	<input type="checkbox"/>		
15			<input type="checkbox"/>	<input type="checkbox"/>		
16			<input type="checkbox"/>	<input type="checkbox"/>		
17			<input type="checkbox"/>	<input type="checkbox"/>		
18			<input type="checkbox"/>	<input type="checkbox"/>		
19			<input type="checkbox"/>	<input type="checkbox"/>		
20			<input type="checkbox"/>	<input type="checkbox"/>		
21			<input type="checkbox"/>	<input type="checkbox"/>		
22			<input type="checkbox"/>	<input type="checkbox"/>		
23			<input type="checkbox"/>	<input type="checkbox"/>		
24			<input type="checkbox"/>	<input type="checkbox"/>		

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Information Return of U.S. Persons With Respect to Certain Foreign Corporations

OMB No. 1545-0123

Go to www.irs.gov/Form5471 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning January 1, 20 23, and ending Dec. 31, 20 23

Attachment
Sequence No. **121**

Name of person filing this return <u>Spanner & Hammer Tools, Inc.</u>	A Identifying number <u>00-8400000</u>
Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) <u>21 Toolbox Street</u>	B Category of filer (See instructions. Check applicable box(es).): 1a <input type="checkbox"/> 1b <input type="checkbox"/> 1c <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5a <input checked="" type="checkbox"/> 5b <input type="checkbox"/> 5c <input type="checkbox"/>
City or town, state, and ZIP code <u>Denver, CO 80202</u>	C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period <u>100 %</u>
Filer's tax year beginning <u>January 1</u> , 20 <u>23</u> , and ending <u>December 31</u> , 20 <u>23</u>	

D Check box if this is a final Form 5471 for the foreign corporation

E Check if any excepted specified foreign financial assets are reported on this form (see instructions)

F Check the box if this Form 5471 has been completed using "Alternative Information" under Rev. Proc. 2019-40

G If the box on line F is checked, enter the corresponding code for "Alternative Information" (see instructions) _____

H Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

Important: Fill in all applicable lines and schedules. All information **must** be in English. All amounts **must** be stated in U.S. dollars unless otherwise indicated.

1a Name and address of foreign corporation <u>Spanner and Hammer, AG</u> <u>Munich, Germany</u>	b(1) Employer identification number, if any <u>12-3456789</u>
	b(2) Reference ID number (see instructions) _____
	b(3) Previous reference ID number(s), if any (see instructions) _____
	c Country under whose laws incorporated <u>Germany</u>
d Date of incorporation <u>01/01/2016</u>	e Principal place of business <u>GR</u>
f Principal business activity code number <u>334400</u>	g Principal business activity <u>Manufacturing Tools</u>
	h Functional currency code <u>USD</u>

2 Provide the following information for the foreign corporation's accounting period stated above.

a Name, address, and identifying number of branch office or agent (if any) in the United States _____	b If a U.S. income tax return was filed, enter: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">(i) Taxable income or (loss)</td> <td style="width:50%;">(ii) U.S. income tax paid (after all credits)</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>		(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)		
(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)					
c Name and address of foreign corporation's statutory or resident agent in country of incorporation _____	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different _____					

Schedule A Stock of the Foreign Corporation

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
<u>COMMON</u>	<u>100</u>	<u>100</u>

Schedule C Income Statement (see instructions)

Important: Report all information in functional currency in accordance with U.S. generally accepted accounting principles (GAAP). Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for dollar approximate separate transactions method (DASTM) corporations.

		Functional Currency	U.S. Dollars
Income	1a Gross receipts or sales	1a 53,833,333	53,833,333
	b Returns and allowances	1b	
	c Subtract line 1b from line 1a	1c 53,833,333	53,833,333
	2 Cost of goods sold	2 20,000,000	20,000,000
	3 Gross profit (subtract line 2 from line 1c)	3 33,833,333	33,833,333
	4 Dividends	4	
	5 Interest	5	
	6a Gross rents	6a	
	b Gross royalties and license fees	6b	
	7 Net gain or (loss) on sale of capital assets	7	
8a Foreign currency transaction gain or loss—unrealized	8a		
b Foreign currency transaction gain or loss—realized	8b		
9 Other income (attach statement)	9		
10 Total income (add lines 3 through 9)	10 33,833,333	33,833,333	
Deductions	11 Compensation not deducted elsewhere	11	
	12a Rents	12a	
	b Royalties and license fees	12b 250,000	250,000
	13 Interest	13	
	14 Depreciation not deducted elsewhere	14 250,000	250,000
	15 Depletion	15	
	16 Taxes (exclude income tax expense (benefit))	16	
	17 Other deductions (attach statement—exclude income tax expense (benefit))	17	
18 Total deductions (add lines 11 through 17)	18 500,000	500,000	
Net Income	19 Net income or (loss) before unusual or infrequently occurring items, and income tax expense (benefit) (subtract line 18 from line 10)	19 33,333,333	33,333,333
	20 Unusual or infrequently occurring items	20	
	21a Income tax expense (benefit)—current	21a 10,000,000	10,000,000
	b Income tax expense (benefit)—deferred	21b 2,000,000	2,000,000
	22 Current year net income or (loss) per books (combine lines 19 through 21b)	22 21,333,333	21,333,333
Other Comprehensive Income	23a Foreign currency translation adjustments	23a	
	b Other	23b	
	c Income tax expense (benefit) related to other comprehensive income	23c	
	24 Other comprehensive income (loss), net of tax (line 23a plus line 23b less line 23c)	24	

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	1	
2a	Trade notes and accounts receivable	2a	
b	Less allowance for bad debts	2b ()	()
3	Derivatives	3	
4	Inventories	4	
5	Other current assets (attach statement)	5	
6	Loans to shareholders and other related persons	6	
7	Investment in subsidiaries (attach statement)	7	
8	Other investments (attach statement)	8	
9a	Buildings and other depreciable assets	9a	
b	Less accumulated depreciation	9b ()	()
10a	Depletable assets	10a	
b	Less accumulated depletion	10b ()	()
11	Land (net of any amortization)	11	
12	Intangible assets:		
a	Goodwill	12a	
b	Organization costs	12b	
c	Patents, trademarks, and other intangible assets	12c	
d	Less accumulated amortization for lines 12a, 12b, and 12c	12d ()	()
13	Other assets (attach statement)	13	
14	Total assets	14	
Liabilities and Shareholders' Equity			
15	Accounts payable	15	
16	Other current liabilities (attach statement)	16	
17	Derivatives	17	
18	Loans from shareholders and other related persons	18	
19	Other liabilities (attach statement)	19	
20	Capital stock:		
a	Preferred stock	20a	
b	Common stock	20b	
21	Paid-in or capital surplus (attach reconciliation)	21	
22	Retained earnings	22	
23	Less cost of treasury stock	23 ()	()
24	Total liabilities and shareholders' equity	24	

Schedule G Other Information

		Yes	No
1	During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? If "Yes," see the instructions for required statement.	<input type="checkbox"/>	<input type="checkbox"/>
2	During the tax year, did the foreign corporation own an interest in any trust?	<input type="checkbox"/>	<input type="checkbox"/>
3	During the tax year, did the foreign corporation own any foreign entities that were disregarded as separate from their owner under Regulations sections 301.7701-2 and 301.7701-3 or did the foreign corporation own any foreign branches (see instructions)? If "Yes," you are generally required to attach Form 8858 for each entity or branch (see instructions).	<input type="checkbox"/>	<input type="checkbox"/>
4a	During the tax year, did the filer pay or accrue any base erosion payment under section 59A(d) to the foreign corporation or did the filer have a base erosion tax benefit under section 59A(c)(2) with respect to a base erosion payment made or accrued to the foreign corporation (see instructions)? If "Yes," complete lines 4b and 4c.	<input type="checkbox"/>	<input type="checkbox"/>
b	Enter the total amount of the base erosion payments	\$ _____	
c	Enter the total amount of the base erosion tax benefits	\$ _____	
5a	During the tax year, did the foreign corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? If "Yes," complete line 5b.	<input type="checkbox"/>	<input type="checkbox"/>
b	Enter the total amount of the disallowed deductions (see instructions)	\$ _____	

Schedule G Other Information (continued)

Table with columns 'Yes' and 'No' and rows 6a through 19a. Includes questions about foreign-derived intangible income, gross receipts, cost sharing arrangements, stock purchases, intangible property, earnings and profits reduction, expatriated subsidiaries, reportable transactions, foreign taxes, interest expense disallowance, and covered debt instruments.

Schedule I Summary of Shareholder's Income From Foreign Corporation (see instructions)

If item H on page 1 is completed, a separate Schedule I must be filed for each Category 4, 5a, or 5b filer for whom reporting is furnished on this Form 5471. This Schedule I is being completed for:

Name of U.S. shareholder Spanner & Hammer Tools, Inc. Identifying number 84-0000000

1a	Section 964(e)(4) subpart F dividend income from the sale of stock of a lower-tier foreign corporation (see instructions)	1a	
b	Section 245A(e)(2) subpart F income from hybrid dividends of tiered corporations (see instructions)	1b	
c	Subpart F income from tiered extraordinary disposition amounts not eligible for subpart F exception under section 954(c)(6)	1c	
d	Subpart F income from tiered extraordinary reduction amounts not eligible for subpart F exception under section 954(c)(6)	1d	
e	Section 954(c) Subpart F Foreign Personal Holding Company Income (enter result from Worksheet A)	1e	
f	Section 954(d) Subpart F Foreign Base Company Sales Income (enter result from Worksheet A)	1f	23,333,333
g	Section 954(e) Subpart F Foreign Base Company Services Income (enter result from Worksheet A)	1g	
h	Other subpart F income (enter result from Worksheet A)	1h	
2	Earnings invested in U.S. property (enter the result from Worksheet B)	2	
3	Reserved for future use	3	
4	Factoring income See instructions for reporting amounts on lines 1, 2, and 4 on your income tax return.	4	
5a	Section 245A eligible dividends (see instructions)	5a	
b	Extraordinary disposition amounts (see instructions)	5b	
c	Extraordinary reduction amounts (see instructions)	5c	
d	Section 245A(e) dividends (see instructions)	5d	
e	Dividends not reported on line 5a, 5b, 5c, or 5d	5e	
6	Exchange gain or (loss) on a distribution of previously taxed earnings and profits	6	

	Yes	No
7a Was any income of the foreign corporation blocked?		✓
b Did any such income become unblocked during the tax year (see section 964(b))?		
If the answer to either question is "Yes," attach an explanation.		
8a Did this U.S. shareholder have an extraordinary disposition (ED) account with respect to the foreign corporation at any time during the tax year (see instructions)?		✓
b If the answer to question 8a is "Yes," enter the U.S. shareholder's ED account balance at the beginning of the CFC year \$ _____ and at the end of the tax year \$ _____. Provide an attachment detailing any changes from the beginning to the ending balances.		
c Enter the CFC's aggregate ED account balance with respect to all U.S. shareholders at the beginning of the CFC year \$ _____ and at the end of the tax year \$ _____. Provide an attachment detailing any changes from the beginning to the ending balances.		
9 Enter the sum of the hybrid deduction accounts with respect to stock of the foreign corporation (see instructions) \$ _____		

**SCHEDULE E
(Form 5471)**

(Rev. December 2021)
Department of the Treasury
Internal Revenue Service

Income, War Profits, and Excess Profits Taxes Paid or Accrued

▶ **Attach to Form 5471.**

▶ **Go to www.irs.gov/Form5471 for instructions and the latest information.**

OMB No. 1545-0123

Name of person filing Form 5471 <u>Spanner & Hammer Tools, Inc.</u>		Identifying number <u>00-8400000</u>
Name of foreign corporation <u>Spanner and Hammer, AG</u>	EIN (if any) <u>12-3456789</u>	Reference ID number (see instructions)
a Separate Category (Enter code—see instructions.) ▶ <u>GEN</u> b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ▶ _____ c If one of the RBT codes is entered on line a, enter the country code for the treaty country (see instructions) ▶ _____		

Part I Taxes for Which a Foreign Tax Credit Is Allowed
Section 1 – Taxes Paid or Accrued Directly by Foreign Corporation

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Unsuspected Taxes	(d) Country or U.S. Possession to Which Tax Is Paid (Enter code—see instructions. Use a separate line for each.)	(e) Foreign Tax Year of Payor Entity to Which Tax Relates (Year/Month/Day)	(f) U.S. Tax Year of Payor Entity to Which Tax Relates (Year/Month/Day)	
1	Spanner and Hammer, AG	12-3456789	<input type="checkbox"/>	Germany	2023/12/31	2023/12/31	
2			<input type="checkbox"/>				
3			<input type="checkbox"/>				
4			<input type="checkbox"/>				
	(g) Income Subject to Tax in the Foreign Jurisdiction (see instructions)	(h) If taxes are paid on U.S. source income, check box	(i) Local Currency in Which Tax Is Payable (enter code—see instructions)	(j) Tax Paid or Accrued (in local currency in which the tax is payable)	(k) Conversion Rate to U.S. Dollars	(l) In U.S. Dollars (divide column (j) by column (k))	(m) In Functional Currency of Foreign Corporation
1	33,333,333	<input type="checkbox"/>	USD	10,000,000	1.00000	10,000,000	10,000,000
2		<input type="checkbox"/>					
3		<input type="checkbox"/>					
4		<input type="checkbox"/>					
5	Total (combine lines 1 through 4 of column (l)). Also report amount on Schedule E-1, line 4 ▶						
6	Total (combine lines 1 through 4 of column (m)) ▶						10,000,000

Section 2 – Taxes Deemed Paid by Foreign Corporation

	(a) Name of Lower-Tier Distributing Foreign Corporation	(b) EIN or Reference ID Number of Lower-Tier Distributing Foreign Corporation	(c) Country or U.S. Possession to Which Tax Is Paid (Enter code—see instructions. Use a separate line for each.)	(d) PTEP Group (enter code)	(e) Annual PTEP Account (enter year)
1					
2					
3					
4					
	(f) PTEP Distributed (enter amount in functional currency)	(g) Total Amount of PTEP in the PTEP Group (in functional currency)	(h) Total Amount of the PTEP Group Taxes With Respect to PTEP Group (USD)	(i) Foreign Income Taxes Properly Attributable to PTEP and not Previously Deemed Paid ((column (f)/column (g)) x column (h)) (USD)	
1					
2					
3					
4					
5	Total (combine lines 1 through 4 of column (i)). Also report amount on Schedule E-1, line 6 ▶				

Name of foreign corporation Spanner and Hammer, AG	EIN (if any) 12-3456789	Reference ID number (see instructions) GEN
a Separate Category (Enter code—see instructions.) ▶		GEN
b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ▶		
c If one of the RBT codes is entered on line a, enter the country code for the treaty country (see instructions) ▶		

Part II Election

For tax years beginning after December 31, 2004, has an election been made under section 986(a)(1)(D) to translate taxes using the exchange rate on the date of payment?
 Yes No If "Yes," state date of election ▶ _____

Part III Taxes for Which a Foreign Tax Credit Is Disallowed (Enter in functional currency of foreign corporation.)

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Section 901(j)	(d) Section 901(k) and (l)	(e) Section 901(m)	(f) U.S. Taxes	(g) Suspended Taxes	(h) Other	(i) Total
1									
2									
3	In functional currency (combine lines 1 and 2) ▶								
4	In U.S. dollars (translated at the average exchange rate, as defined in section 989(b)(3) and related regulations (see instructions)) ▶								

Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Earnings and Profits (E&P) of Foreign Corporation

IMPORTANT: Enter amounts in U.S. dollars.

		Taxes related to:			
		(a) Subpart F Income	(b) Tested Income	(c) Residual Income	(d) Suspended Taxes
1a	Balance at beginning of year (as reported in prior year Schedule E-1)	-0-	-0-	-0-	
b	Beginning balance adjustments (attach statement)				
c	Adjusted beginning balance (combine lines 1a and 1b)				
2	Adjustment for foreign tax redetermination				
3a	Taxes unsuspending under anti-splitter rules				
b	Taxes suspended under anti-splitter rules				
4	Taxes reported on Schedule E, Part I, Section 1, line 5, column (l)	10,000,000			
5	Taxes carried over in nonrecognition transactions				
6	Taxes reported on Schedule E, Part I, Section 2, line 5, column (i)				
7	Other adjustments (attach statement)				
8	Taxes paid or accrued on current income/E&P or accumulated E&P (combine lines 1c through 7)	10,000,000			
9	Taxes deemed paid with respect to inclusions (see instructions)	(10,000,000)			
10	Taxes deemed paid with respect to actual distributions				
11	Taxes on amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P				
12	Other (attach statement)				
13	Balance of taxes paid or accrued (combine lines 8 through 12 in columns (a), (b), and (c))				
14	Reserved for future use				
15	Reduction for other taxes not deemed paid				
16	Balance of taxes paid or accrued at the beginning of the next year. Line 16, columns (a), (b), and (c) must always equal zero. So, if necessary, enter negative amounts on line 15 of columns (a), (b), and (c) in amounts sufficient to reduce line 13, columns (a), (b), and (c) to zero. For the remaining columns, combine lines 8 through 12	-0-	-0-	-0-	

Name of foreign corporation Spanner and Hammer, AG	EIN (if any) 12-3456789	Reference ID number (see instructions)
--	-----------------------------------	--

- a** Separate Category (Enter code—see instructions.) ▶ GEN
- b** If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ▶ _____
- c** If one of the RBT codes is entered on line a, enter the country code for the treaty country (see instructions) ▶ _____

Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation *(continued)*

	(e) Taxes related to previously taxed E&P (see instructions)									
	(i) Reclassified section 965(a) PTEP	(ii) Reclassified section 965(b) PTEP	(iii) General section 959(c)(1) PTEP	(iv) Reclassified section 951A PTEP	(v) Reclassified section 245A(d) PTEP	(vi) Section 965(a) PTEP	(vii) Section 965(b) PTEP	(viii) Section 951A PTEP	(ix) Section 245A(d) PTEP	(x) Section 951(a)(1)(A) PTEP
1a										
b										
c										
2										
3a										
b										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										

**SCHEDULE H
(Form 5471)**

(Rev. December 2021)
Department of the Treasury
Internal Revenue Service

Current Earnings and Profits

▶ Attach to Form 5471.

▶ Go to www.irs.gov/Form5471 for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471 <u>Spanner & Hammer Tools, Inc.</u>		Identifying number <u>00-8400000</u>
Name of foreign corporation <u>Spanner and Hammer, AG</u>	EIN (if any) <u>12-3456789</u>	Reference ID number (see instructions)

IMPORTANT: Enter the amounts on lines 1 through 5c in **functional** currency.

1	Current year net income or (loss) per foreign books of account			1	21,333,333
2	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):	Net Additions	Net Subtractions		
a	Capital gains or losses	2a			
b	Depreciation and amortization	2b			
c	Depletion	2c			
d	Investment or incentive allowance	2d			
e	Charges to statutory reserves	2e			
f	Inventory adjustments	2f			
g	Income taxes (see Schedule E, Part I, Section 1, line 6, column (m), and Part III, line 3, column (i))	2g	2,000,000		
h	Foreign currency gains or losses	2h			
i	Other (attach statement)	2i			
3	Total net additions	3	2,000,000		
4	Total net subtractions	4			
5a	Current earnings and profits (line 1 plus line 3 minus line 4)			5a	23,333,333
b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)			5b	
c	Combine lines 5a and 5b and enter the result on line 5c. Then enter on lines 5c(i), 5c(ii), and 5c(iii)(A) through 5c(iii)(D) the portion of the line 5c amount with respect to the categories of income shown on those lines			5c	23,333,333
	(i) General category (enter amount on applicable Schedule J, Part I, line 3, column (a))	5c(i)	23,333,333		
	(ii) Passive category (enter amount on applicable Schedule J, Part I, line 3, column (a))	5c(ii)			
	(iii) Section 901(j) category:				
	(A) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(A) and on the applicable Schedule J, Part I, line 3, column (a)	5c(iii)(A)			
	(B) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(B) and on the applicable Schedule J, Part I, line 3, column (a)	5c(iii)(B)			
	(C) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(C) and on the applicable Schedule J, Part I, line 3, column (a)	5c(iii)(C)			
	(D) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(D) and on the applicable Schedule J, Part I, line 3, column (a)	5c(iii)(D)			
d	Current earnings and profits in U.S. dollars (line 5c translated at the average exchange rate, as defined in section 989(b)(3) and the related regulations (see instructions))			5d	23,333,333
e	Enter exchange rate used for line 5d ▶				1.0

**SCHEDULE J
(Form 5471)**

(Rev. December 2020)

Department of the Treasury
Internal Revenue Service

Accumulated Earnings & Profits (E&P) of Controlled Foreign Corporation

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to www.irs.gov/Form5471 for instructions and the latest information.

Name of person filing Form 5471 Spanner & Hammer Tools, Inc.		Identifying number 00-8400000
Name of foreign corporation Spanner and Hammer, AG	EIN (if any) 12-3456789	Reference ID number (see instructions)
a Separate Category (Enter code—see instructions.) ▶		GEN
b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ▶		

Part I Accumulated E&P of Controlled Foreign Corporation

Check the box if person filing return does not have all U.S. shareholders' information to complete an amount in column (e) (see instructions).

Important: Enter amounts in functional currency.		(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance)	(d) Hovering Deficit and Deduction for Suspended Taxes	(e) Previously Taxed E&P (see instructions)	
						(i) Reclassified section 965(a) PTEP	(ii) Reclassified section 965(b) PTEP
1a	Balance at beginning of year (as reported on prior year Schedule J)		100,000,000	500,000			
b	Beginning balance adjustments (attach statement)						
c	Adjusted beginning balance (combine lines 1a and 1b)		100,000,000	500,000			
2a	Reduction for taxes unsuspended under anti-splitter rules						
b	Disallowed deduction for taxes suspended under anti-splitter rules						
3	Current year E&P (or deficit in E&P) (enter amount from applicable line 5c of Schedule H)	23,333,333					
4	E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation						
5a	E&P carried over in nonrecognition transaction						
b	Reclassify deficit in E&P as hovering deficit after nonrecognition transaction						
6	Other adjustments (attach statement)						
7	Total current and accumulated E&P (combine lines 1c through 6)	23,333,333	100,000,000	500,000			
8	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P	(23,333,333)					
9	Actual distributions						
10	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P						
11	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)						
12	Other adjustments (attach statement)						
13	Hovering deficit offset of undistributed post-transaction E&P (see instructions)						
14	Balance at beginning of next year (combine lines 7 through 13)	0	100,000,000	500,000			

Part I Accumulated E&P of Controlled Foreign Corporation <i>(continued)</i>					
(e) Previously Taxed E&P (see instructions)					
	(iii) General section 959(c)(1) PTEP	(iv) Reclassified section 951A PTEP	(v) Reclassified section 245A(d) PTEP	(vi) Section 965(a) PTEP	(vii) Section 965(b) PTEP
1a					
b					
c					
2a					
b					
3					
4					
5a					
b					
6					
7					
8					
9					
10					
11					
12					
13					
14					
(e) Previously Taxed E&P (see instructions)					(f)
	(viii) Section 951A PTEP	(ix) Section 245A(d) PTEP	(x) Section 951(a)(1)(A) PTEP	Total Section 964(a) E&P (combine columns (a), (b), (c), and (e)(i) through (e)(x))	
1a					
b					
c					
2a					
b					
3					
4					
5a					
b					
6					
7					
8				23,333,333	0
9					
10					
11					
12					
13					
14					

Part II Nonpreviously Taxed E&P Subject to Recapture as Subpart F Income (section 952(c)(2))

Important: Enter amounts in functional currency.

1	Balance at beginning of year	▶	1	
2	Additions (amounts subject to future recapture)	▶	2	
3	Subtractions (amounts recaptured in current year)	▶	3	
4	Balance at end of year (combine lines 1 through 3)	▶	4	

**SCHEDULE P
(Form 5471)**

(Rev. December 2020)

Department of the Treasury
Internal Revenue Service

**Previously Taxed Earnings and Profits of U.S. Shareholder
of Certain Foreign Corporations**

▶ **Attach to Form 5471.**

▶ **Go to www.irs.gov/Form5471 for instructions and the latest information.**

OMB No. 1545-0123

Name of person filing Form 5471 Spanner & Hammer Tools, Inc.		Identifying number 00-8400000
Name of U.S. shareholder Spanner & Hammer Tools, Inc.		Identifying number 00-8400000
Name of foreign corporation Spanner and Hammer, AG	EIN (if any) 12-3456789	Reference ID number (see instructions) GEN
a Separate Category (Enter code—see instructions.)		▶
b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions)		▶

Part I Previously Taxed E&P in Functional Currency (see instructions)

		(a) Reclassified section 965(a) PTEP	(b) Reclassified section 965(b) PTEP	(c) General section 959(c)(1) PTEP
1a	Balance at beginning of year (see instructions)			
b	Beginning balance adjustments (attach statement)			
c	Adjusted beginning balance (combine lines 1a and 1b)			
2	Reduction for taxes unsuspended under anti-splitter rules			
3	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation			
4	Previously taxed E&P carried over in nonrecognition transaction			
5	Other adjustments (attach statement)			
6	Total previously taxed E&P (combine lines 1c through 5)			
7	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P			
8	Actual distributions of previously taxed E&P			
9	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P			
10	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)			
11	Other adjustments (attach statement)			
12	Balance at beginning of next year (combine lines 6 through 11)			

Part I **Previously Taxed E&P in Functional Currency** (see instructions) *(continued)*

	(d) Reclassified section 951A PTEP	(e) Reclassified section 245A(d) PTEP	(f) Section 965(a) PTEP	(g) Section 965(b) PTEP	(h) Section 951A PTEP	(i) Section 245A(d) PTEP	(j) Section 951(a)(1)(A) PTEP	(k) Total
1a								
b								
c								
2								
3								
4								
5								
6								
7							23,333,333	23,333,333
8								
9								
10								
11								
12							23,333,333	23,333,333

Part II Previously Taxed E&P in U.S. Dollars

		(a) Reclassified section 965(a) PTEP	(b) Reclassified section 965(b) PTEP	(c) General section 959(c)(1) PTEP
1a	Balance at beginning of year (see instructions)			
b	Beginning balance adjustments (attach statement)			
c	Adjusted beginning balance (combine lines 1a and 1b)			
2	Reduction for taxes unsuspended under anti-splitter rules			
3	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation			
4	Previously taxed E&P carried over in nonrecognition transaction			
5	Other adjustments (attach statement)			
6	Total previously taxed E&P (combine lines 1c through 5)			
7	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P			
8	Actual distributions of previously taxed E&P			
9	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P			
10	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)			
11	Other adjustments (attach statement)			
12	Balance at beginning of next year (combine lines 6 through 11)			

Part II Previously Taxed E&P in U.S. Dollars *(continued)*

	(d) Reclassified section 951A PTEP	(e) Reclassified section 245A(d) PTEP	(f) Section 965(a) PTEP	(g) Section 965(b) PTEP	(h) Section 951A PTEP	(i) Section 245A(d) PTEP	(j) Section 951(a)(1)(A) PTEP	(k) Total
1a								
b								
c								
2								
3								
4								
5								
6								
7							23,333,333	23,333,333
8								
9								
10								
11								
12							23,333,333	23,333,333

**SCHEDULE Q
(Form 5471)**

(Rev. December 2022)
Department of the Treasury
Internal Revenue Service

CFC Income by CFC Income Groups

Attach to Form 5471.

Go to www.irs.gov/Form5471 for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471

Spanner & Hammer Tools, Inc.

Identifying number

00-8400000

Name of foreign corporation

Spanner and Hammer, AG

EIN (if any)

12-3456789

Reference ID number (see instructions)

Complete a separate Schedule Q with respect to each applicable category of income (see instructions).

- A** Enter separate category code with respect to which this Schedule Q is being completed (see instructions for codes) GEN
- B** If category code "PAS" is entered on line A, enter the applicable grouping code (see instructions) _____
- C** If code "901" is entered on line A, enter the country code for the sanctioned country (see instructions) _____

Complete a separate Schedule Q for U.S. source income and foreign source income (see instructions for an exception).

- D** Indicate whether this Schedule Q is being completed for: U.S. source income or Foreign source income

Complete a separate Schedule Q for FOGEI or FORI income.

- E** If this Schedule Q is being completed for FOGEI or FORI income, check this box

<i>Enter amounts in functional currency of the foreign corporation (unless otherwise noted).</i>	(i) Country Code	(ii) Gross Income	(iii) Definitely Related Expenses	(iv) Related Person Interest Expense	(v) Other Interest Expense	(vi) Research & Experimental Expenses	(vii) Other Expenses (attach schedule)
1 Subpart F Income Groups							
a Dividends, Interest, Rents, Royalties, & Annuities (Total)							
(1) Unit name: _____							
(2) Unit name: _____							
b Net Gain From Certain Property Transactions (Total)							
(1) Unit name: _____							
(2) Unit name: _____							
c Net Gain From Commodities Transactions (Total)							
(1) Unit name: _____							
(2) Unit name: _____							
d Net Foreign Currency Gain (Total)							
(1) Unit name: _____							
(2) Unit name: _____							
e Income Equivalent to Interest (Total)							
(1) Unit name: _____							
(2) Unit name: _____							
f Other							
(1) Unit name: _____							
(2) Unit name: _____							
g Foreign Base Company Sales Income (Total)		33,833,333	500,000				
(1) Unit name: <u>Spanner & Hammer</u>	GM	33,833,333	500,000				
(2) Unit name: _____							

Important: See *Computer-Generated Schedule Q* in instructions.

	(viii) Current Year Tax on Reattributed Income From Disregarded Payments	(ix) Current Year Tax on All Other Disregarded Payments	(x) Other Current Year Taxes	(xi) Net Income (column (ii) less columns (iii) through (x))	(xii) Foreign Taxes for Which Credit Allowed (U.S. Dollars)	(xiii) Average Asset Value	(xiv) High Tax Election	(xv) Loss Allocation	(xvi) Net Income After Loss Allocation (column (xi) minus column (xv))
1									
a									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
b									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
c									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
d									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
e									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
f									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
g			10,000,000	23,333,333	10,000,000				23,333,333
(1)			10,000,000	23,333,333	10,000,000		<input type="checkbox"/>		23,333,333
(2)							<input type="checkbox"/>		

Important: See *Computer-Generated Schedule Q* in instructions.

<i>Enter amounts in functional currency of the foreign corporation (unless otherwise noted).</i>		(i) Country Code	(ii) Gross Income	(iii) Definitely Related Expenses	(iv) Related Person Interest Expense	(v) Other Interest Expense	(vi) Research & Experimental Expenses	(vii) Other Expenses (attach schedule)
1	Subpart F Income Groups							
h	Foreign Base Company Services Income (Total)							
	(1) Unit name: _____							
	(2) Unit name: _____							
i	Full Inclusion Foreign Base Company Income (Total) . . .							
	(1) Unit name: _____							
	(2) Unit name: _____							
j	Insurance Income (Total) . . .							
	(1) Unit name: _____							
	(2) Unit name: _____							
k	International Boycott Income . . .							
l	Bribes, Kickbacks, and Other Payments							
m	Section 901(j) income							
2	Recaptured Subpart F Income . . .							
3	Tested Income Group (Total) . . .							
	(1) Unit name: _____							
	(2) Unit name: _____							
4	Residual Income Group (Total) . . .							
	(1) Unit name: _____							
	(2) Unit name: _____							
5	Total							

Important: See *Computer-Generated Schedule Q* in instructions.

	(viii) Current Year Tax on Reattributed Income From Disregarded Payments	(ix) Current Year Tax on All Other Disregarded Payments	(x) Other Current Year Taxes	(xi) Net Income (column (ii) less columns (iii) through (x))	(xii) Foreign Taxes for Which Credit Allowed (U.S. Dollars)	(xiii) Average Asset Value	(xiv) High Tax Election	(xv) Loss Allocation	(xvi) Net Income After Loss Allocation (column (xi) minus column (xv))
1									
h									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
i									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
j									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
k									
l									
m									
2									
3									
(1)							<input type="checkbox"/>		
(2)							<input type="checkbox"/>		
4									
(1)									
(2)									
5									

Important: See *Computer-Generated Schedule Q* in instructions.

Tax on Base Erosion Payments of Taxpayers With Substantial Gross Receipts

(Rev. December 2023)

OMB No. 1545-0123

For tax year beginning _____, 20____, and ending _____, 20____

Go to www.irs.gov/Form8991 for instructions and the latest information.

See instructions.

Department of the Treasury
Internal Revenue Service

Name Spanner & Hammer Tool, Inc.	Employer identification number (EIN) 00-8400000
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Part I Applicable Taxpayer Determination

Check box if this form is being filed by a taxpayer with which another taxpayer has been aggregated under Regulations section 1.59A-2(c)
If the above box is checked, attach a statement listing the names and EINs of all separate taxpayers taken into account in the determination of "1 person" under Regulations section 1.59A-2(c).

	(a)	(b)	(c)
	First Preceding Tax Year	Second Preceding Tax Year	Third Preceding Tax Year
1a Gross receipts of the taxpayer (see instructions)	990,000,000	1,100,000,000	1,250,000,000
b Gross receipts from partnerships			
c Gross receipts of all other persons treated as 1 person pursuant to Regulations section 1.59A-2(c)			
d Gross receipts. Combine lines 1a through 1c	990,000,000	1,100,000,000	1,250,000,000
e Gross receipts of first, second, and third preceding tax years. Combine columns (a), (b), and (c) of line 1d			1e 3,340,000,000
f 3-year average annual gross receipts (see instructions)			1f 1,113,333,333
g Is line 1f \$500 million or more? <input type="checkbox"/> Yes. Continue to line 2. <input type="checkbox"/> No. STOP here and attach this form to your tax return.			
2a Base erosion tax benefit (from Schedule A, line 15, column (a-2))			2a 130,000,000
b Amount of deductions allowed under chapter 1 of the Internal Revenue Code			2b 800,000,000
c Base erosion tax benefits resulting from reductions in insurance premiums reported on Schedule A, line 8, column (a-2)	2c		
d Base erosion tax benefits resulting from reductions in gross receipts reported on Schedule A, line 10, column (a-2)	2d		
e Add lines 2c and 2d			2e
f Total deductions for amounts paid or accrued for services to which the exception under Regulations section 1.59A-3(b)(3)(i) applies (from Schedule A, line 5b)	2f		
g Qualified derivative payments excepted by Regulations section 1.59A-6(b)	2g		
h Total deductions allowed under sections 172, 245A, and 250 for the tax year.	2h		
i Does the taxpayer elect to waive deductions in accordance with Regulations section 1.59A-3(c)(6)(i)? <input type="checkbox"/> Yes. Complete Schedule B. Enter the amount from line 15 of Schedule B. <input type="checkbox"/> No. Enter -0-.	2i		
j Deductions for exchange losses from section 988 transactions described in Regulations section 1.59A-2(e)(3)(ii)(D)	2j		
k Deductions for TLAC securities and foreign TLAC securities described in Regulations section 1.59A-2(e)(3)(ii)(E)	2k		
l Reinsurance losses incurred and claims payments described in Regulations section 1.59A-2(e)(3)(ii)(F)	2l		
m Combine lines 2f through 2l			2m
n Total deductions. Subtract line 2m from the sum of line 2b and line 2e			2n 800,000,000
o Base erosion percentage. Divide line 2a by line 2n			2o 16.25 %
p Is the taxpayer's base erosion percentage on line 2o 3% or higher (2% or higher for a bank or securities dealer)? <input type="checkbox"/> Yes. Continue to Part II. <input type="checkbox"/> No. STOP after completing Part I, Part V, and Schedule A (and, if necessary, Schedule B) and attach this form to your tax return.			

Part II Modified Taxable Income (MTI)

3a	Taxable income after net operating loss (see instructions)	3a	200,000,000
b	Base erosion tax benefits for the tax year from Schedule A, line 15, column (b-2)	3b	130,000,000
c	Base erosion percentage of the net operating loss deduction allowed under section 172 for the tax year (see instructions)	3c	
d	MTI. See instructions	3d	330,000,000

Part III Regular Tax Liability Adjusted for Purposes of Computing Base Erosion Minimum Tax Amount

4a	Regular tax liability	4a	42,000,000
b	Allowed credits, as adjusted (from Schedule C, line 7)	4b	10,500,000
c	Regular tax liability adjusted for purposes of computing base erosion minimum tax amount. Subtract line 4b from line 4a	4c	31,500,000

Part IV Computation of Base Erosion Minimum Tax Amount

5a	MTI (from line 3d)	5a	330,000,000
b	BEAT Tax rate applicable for current tax year	5b	10 %
c	Base erosion minimum tax. Multiply line 5a by line 5b	5c	33,000,000
d	Regular tax liability adjusted for purposes of computing base erosion minimum tax amount (from line 4c)	5d	31,500,000
e	Base erosion minimum tax amount. Subtract line 5d from line 5c. If zero or less, enter -0-	5e	1,500,000

Part V Additional Questions (see instructions)

- 6** Does the taxpayer elect to use financial statements per Regulations section 1.59A-3(b)(4)(i)(D) for purposes of calculating interest expense allocable to a foreign corporation's effectively connected income? . . . Yes No
- 7** Did the taxpayer capitalize to inventory, or include in cost of goods sold (COGS), costs for any payment to a related foreign party, in the current year, that the taxpayer treated as a deduction in a prior tax year? . . . Yes No
- 8** If "Yes" for line 7, enter the following:

	(i)	(ii)	(iii)	(iv)
	Amount Capitalized or Included in COGS	Description of Item	Line Item Reported on in Prior Year	Tax Year Form 3115 Was Filed
a				
b				
c				

Schedule A Base Erosion Payments and Base Erosion Tax Benefits (see instructions)

(Check all applicable boxes in columns (c), (d), and (e) below)

Type of Base Erosion Payments	(a-1) Aggregate Group's Base Erosion Payments	(a-2) Aggregate Group's Base Erosion Tax Benefits	(b-1) Taxpayer's Base Erosion Payments	(b-2) Taxpayer's Base Erosion Tax Benefits	(c) Any 25% Owner of the Taxpayer	(d) Person Related Under Section 267(b) or 707(b)(1) to the Taxpayer or Any 25% Owner of the Taxpayer	(e) Any Person Related Within the Meaning of Section 482 to the Taxpayer
1 Reserved for future use							
2 Reserved for future use							
3 Purchase or creations of property rights for intangibles (patents, trademarks, etc.)	45,000,000	45,000,000	45,000,000	45,000,000	✓	✓	
4 Rents, royalties, and license fees	81,000,000	81,000,000	81,000,000	81,000,000	✓	✓	
5a Compensation/consideration paid for services NOT excepted by Regulations section 1.59A-3(b)(3)(i)	4,000,000	4,000,000	4,000,000	4,000,000	✓	✓	
b Compensation/consideration paid for services excepted by Regulations section 1.59A-3(b)(3)(i) \$							
6 Interest expense							
7 Payments for the purchase of tangible personal property							
8 Premiums and/or other considerations paid or accrued for insurance and reinsurance as covered by Regulations section 1.59A-3(b)(1)(iii)							

Schedule A Base Erosion Payments and Base Erosion Tax Benefits (see instructions) *(continued from page 3)*

(Check all applicable boxes in columns (c), (d), and (e) below)

Type of Base Erosion Payments	(a-1) Aggregate Group's Base Erosion Payments	(a-2) Aggregate Group's Base Erosion Tax Benefits	(b-1) Taxpayer's Base Erosion Payments	(b-2) Taxpayer's Base Erosion Tax Benefits	(c) Any 25% Owner of the Taxpayer	(d) Person Related Under Section 267(b) or 707(b)(1) to the Taxpayer or Any 25% Owner of the Taxpayer	(e) Any Person Related Within the Meaning of Section 482 to the Taxpayer
9a Nonqualified derivative payments							
b Qualified derivative payments excepted by Regulations section 1.59A-6(b) \$							
10 Payments reducing gross receipts made to surrogate foreign corporation							
11 Other payments—specify							
12 Combine lines 3 through 11	130,000,000	130,000,000	130,000,000	130,000,000			
13 Base erosion tax benefits related to payments reported on lines 3 through 11, on which tax is imposed by section 871 or 881, with respect to which tax has been withheld under section 1441 or 1442 at 30% statutory withholding tax rate							
14 Portion of base erosion tax benefits reported on lines 3 through 11, on which tax is imposed by section 871 or 881, with respect to which tax has been withheld under section 1441 or 1442 at reduced withholding rate pursuant to income tax treaty. Multiply ratio of percentage withheld divided by 30% (0.30) times tax benefit. See instructions							
15 Total base erosion tax benefits. Subtract the sum of line 13 and line 14 from line 12. Enter the amount from column (a-2) on Part I, line 2a. Enter the amount from column (b-2) on Part II, line 3b		130,000,000		130,000,000			

Schedule B Waiver of Deductions (see instructions)

	(a) Description of item or property to which the deduction relates	(b) Date on which, or period in which, the waived deduction was paid or accrued	(c) Provision of Code and regulations, as applicable, that allows the deduction for which this election relates	(d) Line number on the controlled group member tax return where the deduction is reported	(e) Name of foreign related party that is or will be the recipient of the payment that generates the deduction	(f) Taxpayer identification number of foreign related party	(g) Country of organization of the foreign related party	(h) Amount of deduction claimed for the tax year with respect to the item or property	(i) Amount of deduction being waived for the tax year with respect to the item or property
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14	Totals from attachment, if necessary								
15	Total deductions waived per Regulations section 1.59A-3(c)(6)(i). Add the amounts in column (i). Enter the result here and on Part I, line 2i								

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June 21, 2023

DO NOT FILE

Schedule C Credits Reducing Regular Tax Liability in Computing Base Erosion Minimum Tax Amount (BEMTA)

Part I Credits Allowed Against Regular Tax (see instructions)

1	Total credits allowed in current year (see instructions)		1	10,500,000
2	Credits for increasing research activities from line 1c of all Parts III of Form 3800	2		
3	Total allowed credit for increasing research activities for current year. Enter the amount of research credit reported on Form 3800, Part II, line 38. See instructions		3	
4	Enter smaller of Schedule C, Part II, line 11; or Part III, line 16		4	
5	Limitation of applicable section 38 credits. Multiply line 4 by 80% (0.80)		5	
6	Adjustments to allowed credits. Add lines 3 and 5		6	
7	Credits allowed against regular tax in computing BEMTA. Subtract line 6 from line 1. Enter here and on Form 8991, line 4b		7	10,500,000

Part II Applicable Section 38 Credits

(Only complete Parts II and III if you have allowed applicable section 38 credits.)

8	Low-income housing credit from lines 1d and 4d of all Parts III of Form 3800	8		
9	Renewable electricity production credit but only to extent of the renewable electricity under section 45(a) from lines 1f and 4e of all Parts III of Form 3800	9		
10	Investment credit but only to extent of energy credit property under section 48 from line 4a of all Parts III of Form 3800	10		
11	Total allowed applicable section 38 credits for current year. Enter the amount of applicable credits reported on Form 3800, Part II, line 38. See instructions.		11	

Part III BEMTA Determined Without Adjustment for Applicable Section 38 Credits

12	Base erosion minimum tax (Form 8991, line 5c)	12	33,000,000
13	Regular tax liability (Form 8991, line 4a)	13	42,000,000
14	Subtract Schedule C, Part I, line 3, from line 1	14	10,500,000
15	Regular tax adjusted for credits that offset BEMTA. Subtract line 14 from line 13	15	31,500,000
16	Base erosion minimum tax determined without adjustment for applicable section 38 credits. Subtract line 15 from line 12; if zero or less, enter -0-	16	1,500,000

DO NOT FILE