



TENNESSEE DEPARTMENT OF REVENUE
FINANCIAL INSTITUTION
FRANCHISE AND EXCISE TAX
CAPTIVE REIT DISCLOSURE FORM

TAXABLE YEAR	TAXPAYER NAME	ACCOUNT NO. or FEIN
Has taxpayer requested and received a letter ruling from the Department of Revenue regarding Captive REIT(s) disclosed on this form? Yes ☐ No ☐		

Complete a REIT Disclosure below for each captive REIT from which the taxpayer received dividends, directly or indirectly, during the taxable year. Attach additional forms as needed.

1. REIT Disclosure

Name of REIT:		FEIN:
Location Address:		City, State, Zip:
Amount of Dividend Received:	REIT's principal business activity:	
Describe the taxpayer's relationship to the captive REIT. Attach an organizational chart to show the REIT's ownership.		

2. REIT Disclosure

Name of REIT:		FEIN:
Location Address:		City, State, Zip:
Amount of Dividend Received:	REIT's principal business activity:	
Describe the taxpayer's relationship to the captive REIT. Attach an organizational chart to show the REIT's ownership.		

3. REIT Disclosure

Name of REIT:		FEIN:
Location Address:		City, State, Zip:
Amount of Dividend Received:	REIT's principal business activity:	
Describe the taxpayer's relationship to the captive REIT. Attach an organizational chart to show the REIT's ownership.		

This form must be completed and filed with your Franchise and Excise Financial Institution Tax Return (Form FAE 174) for tax years beginning on or after January 1, 2008, in order to comply with the disclosure requirements of Tenn. Code Ann. § 67-4-2006(e).

Franchise and Excise Financial Institution Return

Instructions to Captive REIT Disclosure Form

GENERAL INSTRUCTIONS

Purpose of Form

Public Chapter 1106 (2008) amended Tenn. Code Ann. § 67-4-2006(e) to require financial institutions to disclose dividends received from captive REITs for tax years beginning on or after January 1, 2008.

“Captive real estate investment trust” or “captive REIT” means an entity with an election in effect under § 856(c)(1) of the Internal Revenue Code, compiled in 26 U.S.C. § 856(c)(1), in which the taxpayer, directly or indirectly, has at least eighty percent (80%) ownership interest by value determined in accordance with generally accepted accounting principles and whose shares are not traded on a national stock exchange (Tenn. Code Ann. § 67-4-2004).

Who Must File

Any financial institution that receives dividends, directly or indirectly, from one or more captive REITs must complete this form.

When to File

The Captive REIT Disclosure Form must be filed with the Franchise and Excise Financial Institution Tax Return (Form FAE 174). The tax return is due on the 15th day of the 4th month following the close of the taxable year.

Failure to File the Disclosure Form

Failure to file the required disclosure form will result in the disallowance of the dividends received deduction provided in Tenn. Code Ann. § 67-4-2006(b)(2)(A) with respect to any direct or indirect dividends received from a captive REIT.

Penalty for Failure to Disclose

Failure to disclose the captive REIT dividend will result in a fifty percent (50%) penalty on the amount of any underpayment arising from the disallowance of the eighty percent (80%) owned dividend received deduction.

SPECIFIC INSTRUCTIONS

Taxable Year

Enter the taxable period shown on the Franchise and Excise Financial Institution Tax Return.

Taxpayer Name

Enter the legal name of the taxpayer.

Account No. or FEIN

Enter the taxpayer's franchise and excise tax nine-digit account number or the federal employer identification number.

Letter Ruling Requested

Check the appropriate box to indicate whether or not the taxpayer has requested and received a binding letter ruling, in accordance with Tenn. Code Ann. § 67-1-109, pertaining to the Captive REIT(s) disclosed on this form.

REIT Disclosure

Complete a REIT Disclosure section for each captive REIT from which the taxpayer received dividends, directly or indirectly, during the taxable year. Attach additional forms as needed.

Enter the legal name, address and FEIN of the REIT on the appropriate lines. Use the address of the REIT's principal office or place of business.

Amount of Dividend Received

Enter the amount of dividends received, directly or indirectly from the captive REIT.

REIT's Principal Business Activity

Provide a complete description of the captive REIT's principal business activity.

Taxpayer's Relationship to the Captive REIT

Provide a complete description of the relationship between the taxpayer and the captive REIT. If the captive REIT is indirectly owned, show the ownership from the REIT to the taxpayer. Attach an organizational chart to show the REIT's ownership.