

# Case 3 - Excess cash distribution

CANDIDATE REFERENCE CASE - NOT FOR FILING - COMMUNITY CROSS-CHECKING OPEN

## Case 3 - Excess cash distribution

This is a human-readable candidate field packet, not the official IRS form and not a filed return.

### Facts

| Field                              | Value                                                                                                                                                           |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tax Year                           | 2025                                                                                                                                                            |
| Acquisition Date                   | 2022-01-01                                                                                                                                                      |
| Distribution Date                  | 2025-06-30                                                                                                                                                      |
| Current Distribution Usd           | 120.00                                                                                                                                                          |
| Preceding Distributions Usd        | ["40.00", "50.00", "60.00"]                                                                                                                                     |
| Highest Rates And Interest Factors | {"2022": {"rate": "0.37", "interest_factor": "0.12"}, "2023": {"rate": "0.37", "interest_factor": "0.08"}, "2024": {"rate": "0.37", "interest_factor": "0.04"}} |

### Candidate Form 8621 values

| Field                                     | Value  |
|-------------------------------------------|--------|
| Part V Currency Code                      | USD    |
| Line 15A Current Year Distributions       | 120.00 |
| Line 15B Preceding Period Distributions   | 150.00 |
| Line 15C Annual Average                   | 50.00  |
| Line 15D 125 Percent Of Average           | 62.50  |
| Line 15E 1 Excess Distribution            | 57.50  |
| Line 15E 2 Excess Distribution Usd        | 57.50  |
| Line 16B Current Year Ordinary Income Usd | 8.15   |
| Line 16C Prior Year Increase In Tax Usd   | 18.26  |
| Line 16F Interest Usd                     | 1.46   |

### Review notes

The 57.50 excess is the current 120.00 distribution less 125% of the 50.00 three-year average.

Interest factors are synthetic test inputs, not historical IRS rate determinations.