

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F)

Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return. ▶ See separate instructions.

Name(s) shown on return

Identifying number

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Property Held More Than 1 Year

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1991 on Form(s) 1099-S (or a substitute statement) that you will be including on line 2, 10, or 20

1

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) LOSS ((f) minus the sum of (d) and (e))	(h) GAIN ((d) plus (e) minus (f))
2							

3 Gain, if any, from Form 4684, Section B, line 21

4 Section 1231 gain from installment sales from Form 6252, line 22 or 30

5 Gain, if any, from line 32, from other than casualty or theft

6 Add lines 2 through 5 in columns (g) and (h)

7 Combine columns (g) and (h) of line 6. Enter gain or (loss) here, and on the appropriate line as follows:

Partnerships.—Enter the gain or (loss) on Form 1065, Schedule K, line 6. Skip lines 8, 9, 11, and 12 below.

S corporations.—Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip lines 8, 9, 11, and 12 below, unless line 7 is a gain and the S corporation is subject to the capital gains tax.

All others.—If line 7 is zero or a loss, enter the amount on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain as a long-term capital gain on Schedule D and skip lines 8, 9, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years (see instructions)

9 Subtract line 8 from line 7. If zero or less, enter -0-. Also enter on the appropriate line as follows (see instructions):

S corporations.—Enter this amount (if more than zero) on Schedule D (Form 1120S), line 7, and skip lines 11 and 12 below.

All others.—If line 9 is zero, enter the amount from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below, and enter the amount from line 9 as a long-term capital gain on Schedule D.

Part II Ordinary Gains and Losses

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11 Loss, if any, from line 7

12 Gain, if any, from line 7, or amount from line 8 if applicable

13 Gain, if any, from line 31

14 Net gain or (loss) from Form 4684, Section B, lines 13 and 20a

15 Ordinary gain from installment sales from Form 6252, line 21 or 29

16 Recapture of section 179 deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)

17 Add lines 10 through 16 in columns (g) and (h)

18 Combine columns (g) and (h) of line 17. Enter gain or (loss) here, and on the appropriate line as follows:

a For all except individual returns: Enter the gain or (loss) from line 18 on the return being filed.

b For individual returns:

(1) If the loss on line 11 includes a loss from Form 4684, Section B, Part II, column (b)(ii), enter that part of the loss here and on line 20 of Schedule A (Form 1040). Identify as from "Form 4797, line 18b(1)." See instructions

(2) Redetermine the gain or (loss) on line 18, excluding the loss, if any, on line 18b(1). Enter here and on Form 1040, line 15

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

19 Description of section 1245, 1250, 1252, 1254, or 1255 property:		Date acquired (mo., day, yr.)	Date sold (mo., day, yr.)		
A					
B					
C					
D					
Relate lines 19A through 19D to these columns		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)				
21	Cost or other basis plus expense of sale				
22	Depreciation (or depletion) allowed or allowable				
23	Adjusted basis. Subtract line 22 from line 21				
24	Total gain. Subtract line 23 from line 20				
25 If section 1245 property:					
a	Depreciation allowed or allowable from line 22				
b	Enter the smaller of line 24 or 25a				
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g unless you are a corporation subject to section 291.					
a	Additional depreciation after 1975 (see instructions)				
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)				
c	Subtract line 26a from line 24. If line 24 is not more than line 26a, skip lines 26d and 26e				
d	Additional depreciation after 1969 and before 1976				
e	Applicable percentage multiplied by the smaller of line 26c or 26d (see instructions)				
f	Section 291 amount (corporations only)				
g	Add lines 26b, 26e, and 26f				
27 If section 1252 property: Skip this section if you did not dispose of farmland or if you are a partnership.					
a	Soil, water, and land clearing expenses				
b	Line 27a multiplied by applicable percentage (see instructions)				
c	Enter the smaller of line 24 or 27b				
28 If section 1254 property:					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)				
b	Enter the smaller of line 24 or 28a				
29 If section 1255 property:					
a	Applicable percentage of payments excluded from income under section 126 (see instructions)				
b	Enter the smaller of line 24 or 29a				

Summary of Part III Gains (Complete property columns A through D, through line 29b before going to line 30.)

30	Total gains for all properties. Add columns A through D, line 24	
31	Add columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13. (See the instructions for Part IV if this is an installment sale.)	
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, Section B, line 15. Enter the portion from other than casualty or theft on Form 4797, line 5	

Part IV Election Not to Use the Installment Method (Complete this part only if you elect out of the installment method and report a note or other obligation at less than full face value.)

33	Check here if you elect out of the installment method	<input type="checkbox"/>
34	Enter the face amount of the note or other obligation	\$ _____
35	Enter the percentage of valuation of the note or other obligation	_____ %

Part V Recapture Amounts Under Sections 179 and 280F When Business Use Drops to 50% or Less (See instructions for Part V.)

	(a) Section 179	(b) Section 280F
36	Section 179 expense deduction or depreciation allowable in prior years	
37	Recomputed depreciation (see instructions)	
38	Recapture amount. Subtract line 37 from line 36. (See instructions for where to report.)	