# UNITED STATES
## SCHEDULE OF GAINS AND LOSSES FROM SALES OR EXCHANGES OF CAPITAL ASSETS AND PROPERTY OTHER THAN CAPITAL ASSETS

**TO BE FILED WITH THE COLLECTOR OF INTERNAL REVENUE WITH FORM 1040**

**For Calendar Year 1943**

Or fiscal year beginning ____________, 1943, and ending ____________, 1944

(See Instructions on other side)

### Name of taxpayer

### Address

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## CAPITAL ASSETS

<table>
<thead>
<tr>
<th>1. Kind of property (or necessary, attach statement of descriptive details not shown below)</th>
<th>2. Date acquired</th>
<th>3. Date sold</th>
<th>4. Gross sale price (contract price)</th>
<th>5. Cost or other basis</th>
<th>6. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913</th>
<th>7. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (attach Schedule)</th>
<th>8. Gain or loss (column 4 plus column 7 less the sum of columns 5 and 6)</th>
<th>Gain or loss to be taken into account</th>
<th>9. Percentage</th>
<th>10. Amount</th>
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</table>

Total net short-term capital gain or loss (enter in line 1, column 2, of summary below)

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## SHORT-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD NOT MORE THAN 6 MONTHS

| | $ | $ | $ | $ | $ | $ | 100 | $ | 100 | $ | 100 | $ | 100 | $ | 100 | $ | 100 | $ |
| | | | | | | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | | | | | | |

Total net long-term capital gain or loss (enter in line 2, column 2, of summary below)

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## LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD FOR MORE THAN 6 MONTHS

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Summary of Capital Gains and Losses

<table>
<thead>
<tr>
<th>1. Classification</th>
<th>2. Net gain or loss to be taken into account from column 10, above</th>
<th>3. Net gain or loss to be taken into account from column 12 and common trust funds</th>
<th>4. Total net gain or loss taken into account from column 10 and 12 of this summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Gain</td>
<td>(b) Loss</td>
<td>(c) Gain</td>
<td>(d) Loss</td>
</tr>
<tr>
<td>1. Total net short-term capital gain or loss...</td>
<td>$...</td>
<td>$...</td>
<td>$...</td>
</tr>
<tr>
<td>2. Total net long-term capital gain or loss...</td>
<td>$...</td>
<td>$...</td>
<td>$...</td>
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<tr>
<td>3. Capital loss carry-over (attach statement)...</td>
<td>$...</td>
<td>$...</td>
<td>$...</td>
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<tr>
<td>4. Net gain in column 4, lines 1, 2, and 3. (Enter as item 6 (a), page 1, Form 1040)</td>
<td>$...</td>
<td>$...</td>
<td>$...</td>
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<tr>
<td>5. Net loss in column 4, lines 1, 2, and 3. (The amount to be entered as item 6 (a), page 1, Form 1040, is (1) this item or (2) net income, computed without regard to capital gains or losses, or (3) $1,000, whichever is smallest)</td>
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## COMPUTATION OF ALTERNATIVE TAX

Use only if you had an excess of net long-term capital gain over net short-term capital loss, and line 4, page 4, Form 1040, exceeds $18,000

| 1. Net income (item 18, page 1, Form 1040) | $... | 10. Normal tax (6% of line 9) | $... |
| 2. Excess of net long-term capital gain over net short-term capital loss (line 2, column 4 (c), less the sum of line 1, column 4 (d), and line 3 of summary above) | $... | 11. Surtax on line 6. (See Surtax Table in Form 1040 Instructions) | $... |
| 3. Ordinary net income (line 1 less line 2) | $... | 12. Partial tax (line 10 plus line 11) | $... |
| 4. Less: Personal exemption. (From Schedule J-1, Form 1040) | $... | 13. 50% of line 2 | $... |
| 5. Credit for dependents. (From Schedule J-2, Form 1040) | $... | 14. Alternative tax (line 12 plus line 13) | $... |
| 6. Balance (surtax net income) | $... | 15. Total normal tax and surtax (line 8 plus line 9, page 4 of Form 10%) | $... |
| 7. Less: Item 4 (a), page 1, Form 1040 | $... | 16. Tax liability (line 14 or line 15, whichever is the lesser). (Enter as line 10, page 4, Form 1040) | $... |
| 8. Earned income credit. (From Schedule J-1 or J-2, Form 1040) | $... | | $... |
| 9. Balance subject to normal tax | $... | | $... |

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## PROPERTY OTHER THAN CAPITAL ASSETS

<table>
<thead>
<tr>
<th>1. Kind of property</th>
<th>2. Date acquired</th>
<th>3. Gross sales price (contract price)</th>
<th>4. Cost or other basis</th>
<th>5. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913</th>
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Total net gain (or loss) (enter as item 6 (b), page 1)...

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State the family, fiduciary, or business relationship to you, if any, of purchaser of any of the items on this page.

If any of such items were acquired by you other than by purchase, explain fully how acquired.
INSTRUCTIONS
(References are to the Internal Revenue Code)

GAINS AND LOSSES FROM SALES OR EXCHANGES
OF CAPITAL ASSETS AND OTHER PROPERTY.—Report
details in schedule on other side.

"Capital assets" defined.—The term "capital assets" means
property held by the taxpayer (whether or not connected with
his trade or business), but not stock in trade or other property
of a kind which would properly be included in his inventory
if on hand at the close of the taxable year, or property held by
the taxpayer primarily for sale to customers in the ordinary
course of his trade or business, or property used in the trade or
business of a character which is subject to the allowance for
depreciation provided in section 23 (1), or an obligation of the
United States or any of its possessions, or of a State or Terri-
tory, or any political subdivision thereof, or of the District of
Columbia, issued on or after March 1, 1941, on a discount basis
and payable without interest at a fixed maturity date not
exceeding one year from the date of issue, or real property
used in the trade or business of the taxpayer.

Section 165 (b) provides that if an employee receives the
total distribution that he is entitled to under an employees' trust
plan that meets the requirements of section 165 (a) in
one taxable year on account of his separation from service,
the amount of such distribution to the extent exceeding the
amounts contributed by the employee shall be considered a
gain from the sale or exchange of a capital asset held for more
than 6 months.

A capital gain dividend, as defined in section 362 (relating
to tax on regulated investment companies), shall be treated by
the shareholder as gains from the sale or exchange of cap-
tal assets held for more than 6 months.

For special treatment of gains and losses from involuntary
conversion, and from sale or exchange of certain property used
in the trade or business, see section 117 (1).

Description of property.—State following facts: (a) For
real estate, location and description of land and improvements;
(b) for bonds or other evidences of indebtedness, name of
issuing corporation, particular issue, denomination and
amount; and (c) for stocks, name of corporation, class of stock,
number of shares, and capital changes affecting basis (including
nontaxable distributions).

Basis.—In determining GAIN in case of property acquired
before March 1, 1913, use the cost or the fair market value as
of March 1, 1913, adjusted as provided in section 113 (b),
whichever is greater, but in determining LOSS use cost so
adjusted. If the property was acquired after February 28,
1913, use cost, except as otherwise provided in section 113.

Losses on securities becoming worthless.—If (1) shares of
stock become worthless during the year or (2) corporate secu-
rities with interest coupons or in registered form become
worthless during the year, and are capital assets, the loss
therefrom shall be considered as from the sale or exchange of
capital assets as of the last day of such taxable year.

Nonbusiness debts.—If a debt, other than a debt evidenced
by a corporate security with interest coupons or in registered
form and other than a debt the loss from the worthlessness of
which is incurred in the trade or business, becomes totally
worthless within the taxable year, the loss resulting therefrom
shall be considered a loss from the sale or exchange, during
the taxable year, of a capital asset held for not more than 6
months. Enter such loss in column 10 of schedule of short-
term capital gains and losses on other side.

Classification of capital gains and losses.—The phrase
"short-term" applies to gains and losses from the sale or
exchange of capital assets held for 6 months or less; the phrase
"long-term" to capital assets held for more than 6 months.

LIMITATION ON CAPITAL LOSSES.—Losses from sales
or exchanges of capital assets shall be allowed only to the
extent of the gains from such sales or exchanges, plus the net
income (computed without regard to capital gains and losses)
or $1,000, whichever is smaller. However, a net capital loss as
defined in section 117 (a) (11) for a taxable year beginning in
1942 may be carried over to the taxable year 1943 and treated
as a short-term capital loss. The amount of the net short-
term capital loss for a taxable year beginning in 1941 may not
be included in computing the net capital loss for a taxable year
beginning in 1942 which can be carried forward to a taxable
year beginning in 1943.

ALTERNATIVE TAX.—If the net long-term capital gain
exceeds the net short-term capital loss, an alternative tax may
be imposed in lieu of the normal tax and surtax imposed on net
income. (See Computation of Alternative Tax, on other side.)

"Wash sales" losses.—Loss from sale or other disposition
of stocks or securities cannot be deducted unless sustained in
connection with the taxpayer's trade or business, if, within 30
days before or after the date of sale or other disposition, the
taxpayer has acquired (by purchase or by an exchange upon
which the entire amount of gain or loss was recognized by
law), or has entered into a contract or option to acquire, sub-
stantially identical stock or securities.

Losses in transactions between certain persons.—No deduc-
tion is allowable for losses from sales or exchanges of property
directly or indirectly between (a) members of a family, (b) a
corporation and an individual owning more than 50 percent of
its stock (liquidations excepted), (c) a grantor and fiduciary
of any trust, or (d) a fiduciary and a beneficiary of the same
trust.