# Capital Gains and Losses

## and Reconciliation of Forms 1099-B

- **Attach to Form 1040.**
- **See Instructions for Schedule D (Form 1040).**

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

**Your social security number**

## Part I | Short-term Capital Gains and Losses—Assets Held Six Months or Less

<table>
<thead>
<tr>
<th>(a) Description of property (Example, 100 shares 7% preferred of &quot;Z&quot; Co.)</th>
<th>(b) Date acquired (Mo., day, yr.)</th>
<th>(c) Date sold (Mo., day, yr.)</th>
<th>(d) Sales price (see instructions)</th>
<th>(e) Cost or other basis (see instructions)</th>
<th>(f) LOSS If (e) is more than (d), subtract (d) from (e)</th>
<th>(g) GAIN If (d) is more than (e), subtract (e) from (d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2a Form 1099-B Transactions (Sales of Stocks, Bonds, etc.):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2b Total (add column (d)):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2c Other Transactions:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Part II | Long-term Capital Gains and Losses—Assets Held More Than Six Months

| 9a Form 1099-B Transactions (Sales of Stocks, Bonds, etc.): | | | | | | |
| 9b Total (add column (d)): | | | | | | |
| 9c Other Transactions: | | | | | | |

## Formulas and Instructions

- **1.** Report here, the total sales of stocks, bonds, etc., reported for 1986 by your broker to you on Form(s) 1099-B or an equivalent substitute statement(s).
- **2.** If this amount differs from the total of lines 2b and 9b, column (d), attach a statement explaining the difference. See the instructions for line 1, Schedule D (Form 1040) for examples.

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**Schedule D (Form 1040) 1986**
**Part III**  Summary of Parts I and II

18. Combine lines 8 and 17, and enter the net gain or (loss) here.

**Note:** If line 18 is a loss, skip lines 19 through 21 and complete lines 22 and 23. If line 18 is a gain, complete lines 19 through 21 and skip lines 22 and 23.

19. If line 18 shows a gain, enter the smaller of line 17 or line 18. Enter zero if there is a loss or no entry on line 17.

20. Enter 60% of line 19.

**Note:** If line 20 is more than zero, you may be liable for the alternative minimum tax. See Form 6251.

21. Subtract line 20 from line 18. Enter here and on Form 1040, line 13.

22. If line 18 shows a loss, enter one of the following amounts:
   a. If line 8 is zero or a net gain, enter 50% of line 18;
   b. If line 17 is zero or a net gain, enter line 18; or
   c. If line 8 and line 17 are net losses, enter amount on line 8 added to 50% of the amount on line 17.

23. Enter here and as a loss on Form 1040, line 13, the smallest of:
   a. The amount on line 22;
   b. $3,000 ($1,500 if married and filing a separate return); or
   c. Taxable income, as adjusted (see instructions).

**Part IV**  Computation of Post-1969 Capital Loss Carryovers From 1986 to 1987

(Complete this part if the loss on line 22 is more than the loss on line 23)

24. Enter loss shown on line 8; if none, enter zero and skip lines 25 through 28, then go to line 29.

25. Enter gain shown on line 17. If that line is blank or shows a loss, enter zero.


27. Enter smaller of line 23 or line 26.

28. Subtract line 27 from line 26. This is your short-term capital loss carryover from 1986 to 1987.

29. Subtract line 27 from line 23. (Note: If you skipped lines 25 through 28, enter amount from line 23.)

30. Enter loss from line 17; if none, enter zero and skip lines 31 through 34.

31. Enter gain shown on line 8. If that line is blank or shows a loss, enter zero.

32. Subtract line 31 from line 30.

33. Multiply amount on line 29 by 2.

34. Subtract line 33 from line 32. This is your long-term capital loss carryover from 1986 to 1987.

**Part V**  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

Check here if you elect out of the installment method. □

Enter the face amount of the note or other obligation. ▪

Enter the percentage of valuation of the note or other obligation. ▪

**Part VI**  Reconciliation of Forms 1099-B For Bartering Transactions

Complete this part if you received one or more Form(s) 1099-B or an equivalent substitute statement(s) reporting bartering income. Enter the amount on the line that indicates the form or schedule you used to report the bartering income.

35. Form 1040, line 22.

36. Schedule C (Form 1040).

37. Schedule D (Form 1040).

38. Schedule E (Form 1040).

39. Schedule F (Form 1040).

40. Other (identify) (if not taxable, indicate reason—attach additional sheets if necessary) ▪

41. Total (add lines 35 through 40).

**Note:** The amount on line 41 should be the same as the total bartering on all Forms 1099-B or equivalent statements received.