

Part II.—COMPUTATION OF ALTERNATIVE TAX

Step 1: Use Computation of Alternative Tax Schedule on 1969 Schedule D (Form 1040), to compute alternative tax to be entered on Form 1040-FY, line 6, column A. However on the 1969 Schedule D (Form 1040), substitute the following instruction for line 1, of the Alternative Tax Computation Schedule, "Enter amount from line 5, column A, Form 1040-FY."

Step 2: Use Computation of Alternative Tax Schedule below to compute alternative tax to be entered on Form 1040-FY, line 6, column B.

1970 Computation of Alternative Tax on Capital Gains

1	Amount from 1040-FY, line 5, column B	
2	Amount from line 11, Part I, 1969 Schedule D (Form 1040)	
3	Subtract line 2 from line 1	
4	Enter lesser of amount on line 9 or 10, Part I, 1969 Schedule D (Form 1040) If line 4 does not exceed \$50,000 (\$25,000 if married filing separately) check this block <input type="checkbox"/> and omit lines 5 through 16.	
5	Sum of long-term capital gains (including such gains returned on the installment method under section 453(a)) on amounts received pursuant to binding contracts entered into on or before October 9, 1969. Do not include gains under sections 631 and 1235	
6	Sum of long-term capital gains made before October 10, 1970 by a corporation pursuant to a plan of complete liquidation adopted on or before October 9, 1969	
7	Add lines 5 and 6	
8	Amount from line 7 or \$50,000 (\$25,000 if married filing separately) whichever is larger If line 8 is equal to or greater than line 4, check this block <input type="checkbox"/> and omit lines 9 through 16.	
9	Multiply amount on line 8 by 50%	
10	Add lines 3 and 9	
11	Subtract line 8 from line 4	
12	Tax on line 1 or 2, whichever is greater (use applicable Tax Rate Schedule on page T-1 of the 1969 Form 1040 instructions)	
13	Tax on line 10 (use applicable Tax Rate Schedule on page T-1 of the 1969 Form 1040 instructions)	
14	Subtract line 13 from line 12	
15	Multiply amount on line 11 by 29½%	
16	Amount on line 14 or 15, whichever is smaller	
17	Tax on amount on line 3 (use applicable Tax Rate Schedule on page T-1 of the 1969 Form 1040 instructions)	
18	If the block on line 4 or line 8 is checked, enter 50% of line 2; otherwise, enter 25% of line 8	
19	Alternative tax, add lines 16 (if applicable), 17, and 18. If smaller than the tax figured on the amount on Form 1040-FY, line 5, column B, enter this alternative tax on Form 1040-FY, line 6, column B. Also check Schedule D box on Form 1040, line 18	