Schedule D (File with Form 1040)

SCHEDULE OF GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

For Calendar Year 1948 or fiscal year beginning ............................... 1948, and ending ......................................................... 1949

NAME AND ADDRESS

(1) CAPITAL ASSETS

<table>
<thead>
<tr>
<th>1. Kind of property (if necessary, attach statement of descriptive details not shown below)</th>
<th>2. Date acquired Mo. Day Year</th>
<th>3. Date sold Mo. Day Year</th>
<th>4. Gross sales price (contract price)</th>
<th>5. Depreciation allowable (or allowable) since acquisition or March 1, 1913 (attach schedule)</th>
<th>6. Cost or other basis (If not purchased, attach explanation)</th>
<th>7. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Totals</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

| 1. Totals | $ | $ | $ |

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

| 1. Totals | $ | $ | $ |

| 6. Net long-term gain or loss other than from partnerships and common trust funds (column 4 plus column 5 minus the sum of columns 6 and 7, of line 1) | $ |

7. Enter the full amount of your share of net long-term gain or loss from partnerships and common trust funds.

8. Enter here the sum of gains or losses, or difference between gain and loss, shown in lines 6 and 7.

9. Enter 50 percent of line 8. This is the amount to be taken into account in summary below.

10. Summary of Capital Gains (use only if gains exceed losses in lines 4 and 9):

(a) Net gain for 1948 (either the sum of gains or difference between gains and losses in lines 4 and 9).

(b) Capital loss carry-over, 1943-1947 inclusive.

(c) If line (a) exceeds line (b), enter this excess here and on line 1, Schedule D, page 2, Form 1040.

(d) If line (b) exceeds line (a), enter the excess here and use line (e) to determine allowable loss.

(e) Enter here and on line 1, Schedule D, page 2, Form 1040, the smallest of the following: (1) the amount an line (d); (2) net income (adjusted gross income if tax table is used) computed without regard to capital gains or losses; or (3) $1,000.

(f) Enter here the amount on line (e) plus any capital loss carry-over from 1943 which was not used against line (a) or in line (e).

(g) Subtract line (f) from line (d) and enter the remainder here. This is your capital loss carry-over to 1949.

11. Summary of Capital Losses (use only if losses exceed gains in lines 4 and 9):

(a) Net loss for 1948 (either the sum of losses or difference between losses and gains in lines 4 and 9).

(b) Capital loss carry-over, 1943-1947 inclusive.

(c) Total of lines (a) and (b).

(d) Enter here and on line 1, Schedule D, page 2, Form 1040, the smallest of the following: (1) the amount an line (c); (2) net income (adjusted gross income if tax table is used) computed without regard to capital gains or losses; or (3) $1,000.

(e) Enter here the amount on line (d) plus the amount of any 1943 capital loss carry-over not used in line (d).

(f) Subtract line (e) from line (c) and enter the remainder here. This is your capital loss carry-over to 1949.

(2) 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. Depreciation allowable (or allowable) since acquisition or March 1, 1913 (attach schedule)</th>
<th>5. Cost or other basis (If not purchased, attach explanation)</th>
<th>6. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Totals</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Total net gain or loss (columns 3 plus 4 minus the sum of columns 5 and 6). Enter on line 2, Schedule D, page 2, Form 1040.

See other side for Instructions and Computation of Alternative Tax.
GAINS AND LOSSES FROM SALES OR EXCHANGES OF CAPITAL ASSETS AND OTHER PROPERTY.—Report details in schedule on other side.

The term “capital assets” means—All property held by the taxpayer (whether or not connected with his trade or business) which is not inventory, and includes (a) stock in trade or other property of a kind properly includible in the inventory if on hand at the close of the taxable year; (b) property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business; (c) property used in the trade or business of a character which is subject to the allowance for depreciation provided in section 23 (1); (d) real property used in the trade or business of the taxpayer; (e) obligations of the U. S. or any of its possessions or of a State or Territory, or of any political subdivision thereof, or of the District of Columbia, issued on or after March 1, 1941, on a discount basis and callable without interest at a fixed maturity date not exceeding one year from the date of issue. The total of the distribution to which an employee is entitled under an employee’s pension, bonus, or profit-sharing trust plan meeting the requirements of section 165 (a) is received by the employee in one taxable year, on account of the employee’s separation from the service, the aggregate amount of such distribution, to the extent it exceeds the amounts contributed by the employee, shall be treated as 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 capital assets held for more than 6 months. Subsections (j) and (k) of section 117, in effect, provide that all transactions covered by these subsections shall, in the event of a net gain, be taken into account at 100 percent as in the case of property other than capital assets. Thus, in the event of a net gain, all these transactions shall be entered in the “long-term capital gains and losses portion of Schedule D, or in such other schedules on Form 1040 as are applicable.”

Even though the law excludes depreciable and real properties used in the trade or business from the definition of “capital assets” under section 117 (a), subsection 117 (j) provides that gains and losses from sales and exchanges of such properties plus gains and losses from compulsory or involuntary conversions, shall be considered as gains and losses from the sale or exchange of capital assets in the event the gains exceed the losses from all such transactions. In order to qualify under subsection (j), (b) depreciable and real properties used in your trade or business must (a) have been held by you for more than 6 months, and (b) not held primarily for sale to customers in the ordinary course of your trade or business, nor properly includible in your trade or business from the definition of “capital assets” under section 117 (a), between the date acquired and the date of disposition; (2) for bonds or other evidences of indebtedness, name of issuing corporation, particular issue, denomination, and amount; and (c) for stocks or other securities, name of corporation, class or category of stock, number of shares, and capital changes affecting basis (including nonstatutory exchanges).

Basis.—In determining gain or loss in case of property acquired after February 28, 1913, use cost, except as otherwise provided in section 133. The basis of the property acquired by gift after December 31, 1920, is the cost or other basis to the donor in the event of gain, but, in the event of loss, it is the lower of either such donor’s basis or market value of property on date of gift. The basis of property acquired by inheritance is the fair market value of the property at time of acquisition which generally is the date of death.

Laws of 1913 provide that the loss therefrom shall be considered as from the sale or exchange of capital assets as of the last day of such taxable year.

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.

“Wash sales” losses.—A loss from the sale or other disposition of stocks or securities that are not deductible (unless sustained in connection with the taxpayer’s regular trade or business) within 30 days of 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, substantially identical stocks or securities.

Classification of capital gains losses.—The loss from the sale or other disposition of stocks or securities that are not deductible (unless sustained in connection with the taxpayer’s regular trade or business) within 30 days of 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, substantially identical stocks or securities.

LIMITATION ON ALLOWABLE CAPITAL LOSSES.—Allowable losses from current year sales or exchanges of capital assets shall be limited to the lesser of the smaller of (1) the income of the current year (adjusted gross income if tax table is used) without regard to capital gains or losses; (2) the smaller of the gain or loss for the five succeeding years. Therefore, in offsetting your capital gain and income of 1948 by prior year loss carry-overs, use any capital loss carry-over received from 1949 before using any such carry-over from 1944 or subsequent years. Any 1943 carry-over which cannot be used in 1948 must be excluded in determining your total loss carry-over to 1949 and subsequent years.

ALTERNATIVE TAX.—If the net long-term capital gain exceeds the net short-term capital loss, or in the case of only a long-term capital gain, taxpayers filing separate returns with noncapital net income exceeding $22,000, or (b) filing joint returns with noncapital net income exceeding $44,000 should compute the alternative tax (see computation of alternative tax above). The alternative tax, if less than the normal tax and surtax computed on page 3 of Form 1040, shall be the tax liability.