

See separate Instructions. Attach to Form 1040 or Form 1041.

Name(s) shown on return

Identifying number

Part I Computation of 1989 Passive Activity Loss

Caution: See the Instructions for Worksheets 1 and 2 on pages 6 and 7 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation see Active Participation in a Rental Real Estate Activity in the Instructions.)

Activities acquired before 10-23-86 (Pre-enactment):

- 1a Activities with net income (from Worksheet 1, Part 1, column (a))
1b Activities with net loss (from Worksheet 1, Part 1, column (b))
1c Combine lines 1a and 1b

Table with 3 columns: Line number, Description, and Amount.

Activities acquired after 10-22-86 (Post-enactment):

- 1d Activities with net income (from Worksheet 1, Part 2, column (a))
1e Activities with net loss (from Worksheet 1, Part 2, column (b))
1f Combine lines 1d and 1e

Table with 3 columns: Line number, Description, and Amount.

- 1g Net income or (loss). Combine lines 1c and 1f.
1h Prior year unallowed losses (from Worksheet 1, Parts 1 and 2, column (c))
1i Combine lines 1g and 1h

Table with 3 columns: Line number, Description, and Amount.

All Other Passive Activities

Activities acquired before 10-23-86 (Pre-enactment):

- 2a Activities with net income (from Worksheet 2, Part 1, column (a))
2b Activities with net loss (from Worksheet 2, Part 1, column (b))
2c Combine lines 2a and 2b

Table with 3 columns: Line number, Description, and Amount.

Activities acquired after 10-22-86 (Post-enactment):

- 2d Activities with net income (from Worksheet 2, Part 2, column (a))
2e Activities with net loss (from Worksheet 2, Part 2, column (b))
2f Combine lines 2d and 2e

Table with 3 columns: Line number, Description, and Amount.

- 2g Net income or (loss). Combine lines 2c and 2f
2h Prior year unallowed losses (from Worksheet 2, Parts 1 and 2, column (c))
2i Combine lines 2g and 2h

Table with 3 columns: Line number, Description, and Amount.

- 3 Combine lines 1i and 2i. If the result is net income or -0-, see the Instructions for line 3. If this line and line 1c or line 1i are losses, go to line 4. Otherwise, enter -0- on lines 8 and 9 and go to line 10

Table with 3 columns: Line number, Description, and Amount.

Part II Computation of the Special Allowance for Rental Real Estate With Active Participation

Note: Treat all numbers entered in Parts II and III as positive amounts. (See Instructions on page 7 for examples.)

- 4 Enter the smaller of the loss on line 1i or the loss on line 3. If line 1i is -0- or net income, enter -0- and complete lines 5 through 9

Table with 3 columns: Line number, Description, and Amount.

- 5 Enter \$150,000. If married filing separately, see the Instructions
6 Enter modified adjusted gross income, but not less than -0- (see Instructions)

Table with 3 columns: Line number, Description, and Amount.

Note: If line 6 is equal to or greater than line 5, skip line 7, enter -0- on lines 8 and 9, and then go to line 10. Otherwise, go to line 7.

- 7 Subtract line 6 from line 5

Table with 3 columns: Line number, Description, and Amount.

- 8 Multiply line 7 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see Instructions

Table with 3 columns: Line number, Description, and Amount.

- 9 Enter the smaller of line 4 or line 8

Table with 3 columns: Line number, Description, and Amount.

Part III Computation of Passive Activity Loss Allowed

- 10 Combine lines 1c and 2c. If the result is net income or -0-, skip to line 16. (See Instructions.)

Table with 3 columns: Line number, Description, and Amount.

- 11 If line 1c shows income, has no entry, or shows -0-, enter -0-. Otherwise, enter the smaller of line 1c or line 8

Table with 3 columns: Line number, Description, and Amount.

- 12 Subtract line 11 from line 10. If line 11 is equal to or greater than line 10, enter -0-

Table with 3 columns: Line number, Description, and Amount.

- 13 Subtract line 9 from line 3

Table with 3 columns: Line number, Description, and Amount.

- 14 Enter the smaller of line 12 or line 13

Table with 3 columns: Line number, Description, and Amount.

- 15 Multiply line 14 by 20% (.2) and enter the result

Table with 3 columns: Line number, Description, and Amount.

- 16 Enter the amount from line 9

Table with 3 columns: Line number, Description, and Amount.

- 17 Passive activity loss allowed for 1989. Add lines 15 and 16

Table with 3 columns: Line number, Description, and Amount.

- 18 Add the income, if any, on lines 1a, 1d, 2a, and 2d and enter the total

Table with 3 columns: Line number, Description, and Amount.

- 19 Total losses allowed from all passive activities for 1989. Add lines 17 and 18. See the Instructions to find out how to report the losses on your tax return

Table with 3 columns: Line number, Description, and Amount.



**Worksheet 1—For Form 8582, Lines 1a, 1b, 1d, 1e, and 1h (See Instructions on page 6.)**

Part 1—Pre-enactment Interests	Current year		Prior year	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1h)	(d) Gain	(e) Loss
Name of activity					
<b>Total. Enter on Form 8582, lines 1a and 1b</b>					
Part 2—Post-enactment Interests	(a) Net income (line 1d)	(b) Net loss (line 1e)	(c) Unallowed loss (line 1h)	(d) Gain	(e) Loss
Name of activity					
<b>Total. Enter on Form 8582, lines 1d, 1e, and 1h</b>					

**Worksheet 2—For Form 8582, Lines 2a, 2b, 2d, 2e, and 2h (See Instructions on page 7.)**

Part 1—Pre-enactment Interests	Current year		Prior year	Overall gain or loss	
	(a) Net income (line 2a)	(b) Net loss (line 2b)	(c) Unallowed loss (line 2h)	(d) Gain	(e) Loss
Name of activity					
<b>Total. Enter on Form 8582, lines 2a and 2b</b>					
Part 2—Post-enactment Interests	(a) Net income (line 2d)	(b) Net loss (line 2e)	(c) Unallowed loss (line 2h)	(d) Gain	(e) Loss
Name of activity					
<b>Total. Enter on Form 8582, lines 2d, 2e, and 2h</b>					

**Worksheet 3—Use this worksheet if an amount is shown on Form 8582, line 9 (See Instructions on page 8.)**

Name of activity	Form or schedule to be reported on	(a) Loss (See Instructions.)	(b) Ratio (See Instructions.)	(c) Special allowance (See Instructions.)	(d) Subtract column (c) from column (a) (See Instructions.)
<b>Total</b>			1.00		

**Worksheet 4—Allocation of Unallowed Losses (See Instructions on page 8.)**

Name of activity	Forms or schedules to be reported on	(a) Loss (See Instructions.)	(b) Ratio (See Instructions.)	(c) Unallowed loss (See Instructions.)
<b>Total</b>	▶		<b>1.00</b>	

**Worksheet 5—Allowed Losses (See Instructions on page 8.)**

Name of activity	Forms or schedules to be reported on	(a) Loss (See Instructions.)	(b) Unallowed loss (See Instructions.)	(c) Allowed loss (See Instructions.)
<b>Total</b>	▶			

**Worksheet 6—Activities With Losses Reported on 2 or More Different Forms or Schedules (See Instructions on page 8.)**

Name of Activity:	(a) (See Instr.)	(b) (See Instr.)	(c) Ratio (See Instr.)	(d) Unallowed loss (See Instr.)	(e) Allowed loss (See Instr.)
<b>Form or Schedule to be Reported on:</b>					
<b>1a</b> Net loss plus prior year unallowed loss from form or schedule . . . . . ▶					
<b>b</b> Net income from form or schedule . . . . . ▶					
<b>c</b> Subtract line 1b from line 1a. If -0- or less, enter -0- . . . . . ▶					
<b>Form or Schedule to be Reported on:</b>					
<b>1a</b> Net loss plus prior year unallowed loss from form or schedule . . . . . ▶					
<b>b</b> Net income from form or schedule . . . . . ▶					
<b>c</b> Subtract line 1b from line 1a. If -0- or less, enter -0- . . . . . ▶					
<b>Form or Schedule to be Reported on:</b>					
<b>1a</b> Net loss plus prior year unallowed loss from form or schedule . . . . . ▶					
<b>b</b> Net income from form or schedule . . . . . ▶					
<b>c</b> Subtract line 1b from line 1a. If -0- or less, enter -0- . . . . . ▶					
<b>Total</b>	▶		<b>1.00</b>		