

Name(s) shown on return

Identifying number

Part I 1996 Passive Activity Loss

Caution: See the instructions for Worksheets 1 and 2 on page 8 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** on page 4 of the instructions.)

| | | | | | |
|----|--|----|---|--|---|
| 1a | Activities with net income (from Worksheet 1, column (a)) | 1a | | | |
| b | Activities with net loss (from Worksheet 1, column (b)) | 1b | (| |) |
| c | Prior year unallowed losses (from Worksheet 1, column (c)) | 1c | (| |) |
| d | Combine lines 1a, 1b, and 1c | 1d | | | |

All Other Passive Activities

| | | | | | |
|----|--|----|---|--|---|
| 2a | Activities with net income (from Worksheet 2, column (a)) | 2a | | | |
| b | Activities with net loss (from Worksheet 2, column (b)) | 2b | (| |) |
| c | Prior year unallowed losses (from Worksheet 2, column (c)) | 2c | (| |) |
| d | Combine lines 2a, 2b, and 2c | 2d | | | |

3 Combine lines 1d and 2d. If the result is net income or zero, see the instructions for line 3 on page 9. If this line and line 1d are losses, go to line 4. Otherwise, enter -0- on line 9 and go to line 10. **3**

Part II Special Allowance for Rental Real Estate With Active Participation

Note: Enter all numbers in Part II as positive amounts. See page 9 of the instructions for examples.

| | | | | | |
|----------|--|----------|--|--|--|
| 4 | Enter the smaller of the loss on line 1d or the loss on line 3 | 4 | | | |
| 5 | Enter \$150,000. If married filing separately, see page 9 of the instructions | 5 | | | |
| 6 | Enter modified adjusted gross income, but not less than zero (see page 9 of the instructions) | 6 | | | |
| | Note: If line 6 is equal to or greater than line 5, skip lines 7 and 8, enter -0- on line 9, and then go to line 10. Otherwise, go to line 7. | | | | |
| 7 | Subtract line 6 from line 5 | 7 | | | |
| 8 | Multiply line 7 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see page 9 of the instructions | 8 | | | |
| 9 | Enter the smaller of line 4 or line 8 | 9 | | | |

Part III Total Losses Allowed

| | | | | | |
|-----------|---|-----------|--|--|--|
| 10 | Add the income, if any, on lines 1a and 2a and enter the total | 10 | | | |
| 11 | Total losses allowed from all passive activities for 1996. Add lines 9 and 10. See pages 10 and 11 of the instructions to find out how to report the losses on your tax return | 11 | | | |

Caution: *The worksheets are not required to be filed with your tax return and may be detached before filing Form 8582. Keep a copy of the worksheets for your records.*

Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (See page 8 of the instructions.)

| Name of activity | Current year | | Prior year | Overall gain or loss | |
|---|--------------------------|------------------------|------------------------------|----------------------|----------|
| | (a) Net income (line 1a) | (b) Net loss (line 1b) | (c) Unallowed loss (line 1c) | (d) Gain | (e) Loss |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total. Enter on Form 8582, lines 1a, 1b, and 1c. ▶ | | | | | |

Worksheet 2—For Form 8582, Lines 2a, 2b, and 2c (See page 8 of the instructions.)

| Name of activity | Current year | | Prior year | Overall gain or loss | |
|---|--------------------------|------------------------|------------------------------|----------------------|----------|
| | (a) Net income (line 2a) | (b) Net loss (line 2b) | (c) Unallowed loss (line 2c) | (d) Gain | (e) Loss |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total. Enter on Form 8582, lines 2a, 2b, and 2c. ▶ | | | | | |

Worksheet 3—Use this worksheet if an amount is shown on Form 8582, line 9 (See page 9 of the instructions.)

| Name of activity | Form or schedule to be reported on | (a) Loss | (b) Ratio | (c) Special allowance | (d) Subtract column (c) from column (a) |
|--------------------------|------------------------------------|----------|-----------|-----------------------|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total ▶ | | | 1.00 | | |

Worksheet 4—Allocation of Unallowed Losses (See page 10 of the instructions.)

| Name of activity | Form or schedule to be reported on | (a) Loss | (b) Ratio | (c) Unallowed loss |
|--------------------------|------------------------------------|----------|-----------|--------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total ▶ | | | 1.00 | |

Worksheet 5—Allowed Losses (See page 10 of the instructions.)

| Name of activity | Form or schedule to be reported on | (a) Loss | (b) Unallowed loss | (c) Allowed loss |
|--------------------------|------------------------------------|----------|--------------------|------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total ▶ | | | | |

Worksheet 6—Activities With Losses Reported on Two or More Different Forms or Schedules (See page 10 of the instructions.)

| Name of Activity: | (a) | (b) | (c) Ratio | (d) Unallowed loss | (e) Allowed loss |
|---|-----|-----|-------------|--------------------|------------------|
| Form or Schedule To Be Reported on: | | | | | |
| 1a Net loss plus prior year unallowed loss from form or schedule . ▶ | | | | | |
| b Net income from form or schedule ▶ | | | | | |
| c Subtract line 1b from line 1a. If zero or less, enter -0- ▶ | | | | | |
| Form or Schedule To Be Reported on: | | | | | |
| 1a Net loss plus prior year unallowed loss from form or schedule . ▶ | | | | | |
| b Net income from form or schedule ▶ | | | | | |
| c Subtract line 1b from line 1a. If zero or less, enter -0- ▶ | | | | | |
| Form or Schedule To Be Reported on: | | | | | |
| 1a Net loss plus prior year unallowed loss from form or schedule . ▶ | | | | | |
| b Net income from form or schedule ▶ | | | | | |
| c Subtract line 1b from line 1a. If zero or less, enter -0- ▶ | | | | | |
| Total ▶ | | | 1.00 | | |

