

# Passive Activity Loss Limitations

▶ See separate instructions.  
 ▶ Attach to Form 1040, 1040-SR, or 1041.  
 ▶ Go to [www.irs.gov/Form8582](http://www.irs.gov/Form8582) for instructions and the latest information.

Identifying number

## Part I 2021 Passive Activity Loss

**Caution:** Complete Parts IV and V before completing Part I.

### Rental Real Estate Activities With Active Participation (For the definition of active participation, see *Special Allowance for Rental Real Estate Activities* in the instructions.)

|  |           |     |           |
|--|-----------|-----|-----------|
| <b>1a</b> Activities with net income (enter the amount from Part IV, column (a)) . . . . .   | <b>1a</b> |     |           |
| <b>b</b> Activities with net loss (enter the amount from Part IV, column (b)) . . . . .      | <b>1b</b> | ( ) |           |
| <b>c</b> Prior years' unallowed losses (enter the amount from Part IV, column (c)) . . . . . | <b>1c</b> | ( ) |           |
| <b>d</b> Combine lines 1a, 1b, and 1c . . . . .  |           |     | <b>1d</b> |

### All Other Passive Activities

|   |           |     |           |
|---|-----------|-----|-----------|
| <b>2a</b> Activities with net income (enter the amount from Part V, column (a)) . . . . .   | <b>2a</b> |     |           |
| <b>b</b> Activities with net loss (enter the amount from Part V, column (b)) . . . . .      | <b>2b</b> | ( ) |           |
| <b>c</b> Prior years' unallowed losses (enter the amount from Part V, column (c)) . . . . . | <b>2c</b> | ( ) |           |
| <b>d</b> Combine lines 2a, 2b, and 2c . . . . .   |           |     | <b>2d</b> |

|  |  |  |          |
|--|--|--|----------|
| <b>3</b> Combine lines 1d and 2d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c or 2c. Report the losses on the forms and schedules normally used . . . . . |  |  | <b>3</b> |
|--|--|--|----------|

- If line 3 is a loss and:
- Line 1d is a loss, go to Part II.
  - Line 2d is a loss (and line 1d is zero or more), skip Part II and go to line 10.

**Caution:** If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II. Instead, go to line 10.

## Part II Special Allowance for Rental Real Estate Activities With Active Participation

**Note:** Enter all numbers in Part II as positive amounts. See instructions for an example.

|  |          |          |
|--|----------|----------|
| <b>4</b> Enter the <b>smaller</b> of the loss on line 1d or the loss on line 3 . . . . .   |          | <b>4</b> |
| <b>5</b> Enter \$150,000. If married filing separately, see instructions . . . . .   | <b>5</b> |          |
| <b>6</b> Enter modified adjusted gross income, but not less than zero. See instructions<br><b>Note:</b> If line 6 is greater than or equal to line 5, skip lines 7 and 8 and enter -0- on line 9. Otherwise, go to line 7. | <b>6</b> |          |
| <b>7</b> Subtract line 6 from line 5 . . . . .   | <b>7</b> |          |
| <b>8</b> Multiply line 7 by 50% (0.50). <b>Do not</b> enter more than \$25,000. If married filing separately, see instructions   |          | <b>8</b> |
| <b>9</b> Enter the <b>smaller</b> of line 4 or line 8 . . . . .  |          | <b>9</b> |

## Part III Total Losses Allowed

|  |  |           |
|--|--|-----------|
| <b>10</b> Add the income, if any, on lines 1a and 2a and enter the total . . . . .   |  | <b>10</b> |
| <b>11</b> <b>Total losses allowed from all passive activities for 2021.</b> Add lines 9 and 10. See instructions to find out how to report the losses on your tax return . . . . . |  | <b>11</b> |

## Part IV Complete This Part Before Part I, Lines 1a, 1b, and 1c. See instructions.

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

**Part V Complete This Part Before Part I, Lines 2a, 2b, and 2c.** See instructions.

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

**Part VI Use This Part if an Amount Is Shown on Part II, Line 9.** See instructions.

| Name of activity         | Form or schedule and line number to be reported on (see instructions) | (a) Loss | (b) Ratio | (c) Special allowance | (d) Subtract column (c) from column (a). |
|--------------------------|---|----------|-----------|-----------------------|--|
|                          |   |          |           |                       |  |
|                          |   |          |           |                       |  |
|                          |   |          |           |                       |  |
|                          |   |          |           |                       |  |
| <b>Total</b> . . . . . ▶ |   |          | 1.00      |                       |  |

**Part VII Allocation of Unallowed Losses.** See instructions.

| Name of activity         | Form or schedule and line number to be reported on (see instructions) | (a) Loss | (b) Ratio | (c) Unallowed loss |
|--------------------------|---|----------|-----------|--------------------|
|                          |   |          |           |                    |
|                          |   |          |           |                    |
|                          |   |          |           |                    |
|                          |   |          |           |                    |
| <b>Total</b> . . . . . ▶ |   |          | 1.00      |                    |

**Part VIII Allowed Losses.** See instructions.

| Name of activity         | Form or schedule and line number to be reported on (see instructions) | (a) Loss | (b) Unallowed loss | (c) Allowed loss |
|--------------------------|---|----------|--------------------|------------------|
|                          |   |          |                    |                  |
|                          |   |          |                    |                  |
|                          |   |          |                    |                  |
|                          |   |          |                    |                  |
| <b>Total</b> . . . . . ▶ |   |          |                    |                  |

**Part IX** **Activities With Losses Reported on Two or More Forms or Schedules.** See instructions.

| Name of activity:   | (a) | (b) | (c) Ratio   | (d) Unallowed loss | (e) Allowed loss |
|---|-----|-----|-------------|--------------------|------------------|
| <b>Form or schedule and line number to be reported on (see instructions):</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 zero or less, enter -0- ▶            |     |     |             |                    |                  |
| <b>Form or schedule and line number to be reported on (see instructions):</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 zero or less, enter -0- ▶            |     |     |             |                    |                  |
| <b>Form or schedule and line number to be reported on (see instructions):</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 zero or less, enter -0- ▶            |     |     |             |                    |                  |
| <b>Total</b> . . . . . ▶  |     |     | <b>1.00</b> |                    |                  |