

▶ See separate instructions.

▶ Attach to the corporation's tax return (personal service corporations and closely held corporations only).

1994

Name _____ Employer identification number _____

Part I 1994 Passive Activity Loss

Caution: See the instructions and complete Worksheets 1 and 2 on page 7 before completing Part I.

1a Current year income (from Worksheet 2, column (a))	1a			
b Current year deductions and losses (from Worksheet 2, column (b))	1b	()
c Prior year unallowed losses (from Worksheet 2, column (c))	1c	()
d Combine lines 1a, 1b, and 1c. If the result is net income or zero, see instructions	1d			
2 Closely held corporations enter net active income and see instructions. Personal service corporations enter -0- on this line	2			
3 Unallowed passive activity deductions and losses. Combine lines 1d and 2. If the result is net income or zero, see the instructions for lines 1d and 3. Otherwise, go to line 4	3			
4 Total deductions and losses allowed. Add the income, if any, on lines 1a and 2 and enter the result. See instructions	4			

Part II 1994 Passive Activity Credits

Caution: See the instructions and complete Worksheet 5 on page 11 before completing Part II.

5a Current year credits (from Worksheet 5, column (a))	5a			
b Prior year unallowed credits (from Worksheet 5, column (b))	5b			
6 Add lines 5a and 5b	6			
7 Enter the tax attributable to net passive income and net active income. See instructions	7			
8 Unallowed passive activity credit. Subtract line 7 from line 6. If the result is zero or less, enter -0-	8			
9 Allowed passive activity credit. Subtract line 8 from line 6. See instructions	9			

Part III Election to Increase Basis of Credit Property

10 If the corporation disposed of its entire interest in a passive activity or former passive activity in a fully taxable transaction, and it elects to increase the basis of credit property used in that activity by the unallowed credit that reduced the property's basis, check here.

11 Name of activity disposed of ▶

12 Description of the credit property for which the election is being made ▶

13 Amount of unallowed credit that reduced the property's basis. ▶ \$