

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041 (or Form 5227). See the separate instructions for Form 1041 (or Form 5227).

OMB No. 1545-0092

1997

Name of estate or trust

Employer identification number

Note: Form 5227 filers need to complete ONLY Parts I and II.

Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less

| (a) Description of property (Example, 100 shares 7% preferred of "Z" Co.) | (b) Date acquired (mo., day, yr.) | (c) Date sold (mo., day, yr.) | (d) Sales price | (e) Cost or other basis (see page 26) | (f) Gain or (loss) for entire year. (col. (d) less col. (e)) |
|--|--------------------------------------|----------------------------------|-----------------|--|--|
| 1 | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| 2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 | | | | | 2 |
| 3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts | | | | | 3 |
| 4 Short-term capital loss carryover from 1996 Schedule D, line 28 | | | | | 4 () |
| 5 Net short-term gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on line 14 below ▶ | | | | | 5 |

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year

| (a) Description of property (Example, 100 shares 7% preferred of "Z" Co.) | (b) Date acquired (mo., day, yr.) | (c) Date sold (mo., day, yr.) | (d) Sales price | (e) Cost or other basis (see page 26) | (f) Gain or (loss) for entire year. (col. (d) less col. (e)) | (g) 28% rate gain or (loss) *(see instr. below) |
|--|--------------------------------------|----------------------------------|-----------------|--|--|---|
| 6 | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| 7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 | | | | | | |
| 8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts | | | | | | |
| 9 Capital gain distributions | | | | | | |
| 10 Gain from Form 4797, Part I | | | | | | |
| 11 Long-term capital loss carryover. Enter in both columns (f) and (g) the amount, if any, from 1996 Schedule D, line 35 | | | | | 11 () () | |
| 12 Combine lines 6 through 11 in column (g) | | | | | 12 | |
| 13 Net long-term gain or (loss). Combine lines 6 through 11 in column (f). Enter here and on line 15 below ▶ | | | | | 13 | |

*28% rate gain or (loss) includes all gains and losses in Part II, column (f) from sales, exchanges, or conversions (including installment payments received) either:

- Before May 7, 1997, or
- After July 28, 1997, for assets held more than 1 year but not more than 18 months.

It also includes ALL "collectibles gains and losses" (as defined on page 26 of the instructions) and the taxable gain (but not more than the section 1202 exclusion) on the sale or exchange of qualified small business stock.

Part III Summary of Parts I and II

| | (1) Beneficiaries' (see page 27) | (2) Estate's or trust's | (3) Total |
|---|-------------------------------------|----------------------------|-----------|
| 14 Net short-term gain or (loss) (from line 5 above) | 14 | | |
| 15 Net long-term gain or (loss): | | | |
| a 28% rate gain or (loss) (from line 12 above) | 15a | | |
| b Unrecaptured section 1250 gain (see page 27 of the instructions) | 15b | | |
| c Total for year (from line 13 above). | 15c | | |
| 16 Total net gain or (loss). Combine lines 14 and 15c. ▶ | 16 | | |

Note: If line 16, column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 15c and 16, column (2) are net gains, go to Part V, and DO NOT complete Part IV. If line 16, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

17 Enter here and enter as a (loss) on Form 1041, line 4, the **smaller** of:
a The loss on line 16, column (3); **or**
b \$3,000 **17** ()

*If the loss on line 16, column (3) is more than \$3,000, OR if Form 1041, page 1, line 23, is a loss, complete the **Capital Loss Carryover Worksheet** on page 27 of the instructions to determine your capital loss carryover.*

Part V Tax Computation Using Maximum Capital Gains Rates (Complete this part **only** if both lines 15c and 16 in column (2) are gains, and Form 1041, line 23 is more than zero.)

| | | | | |
|-----------|--|-----------|--|--|
| 18 | Enter taxable income from Form 1041, line 23. | 18 | | |
| 19 | Enter the smaller of line 15c or 16 in column (2). | 19 | | |
| 20 | If you are filing Form 4952, enter the amount from Form 4952, line 4e | 20 | | |
| 21 | Subtract line 20 from line 19. If zero or less, enter -0- | 21 | | |
| 22 | Combine lines 14 and 15a, column (2). If zero or less, enter -0- | 22 | | |
| 23 | Enter the smaller of line 15a, column (2), or line 22, but not less than zero | 23 | | |
| 24 | Enter the amount from line 15b, column (2). | 24 | | |
| 25 | Reserved | 25 | | |
| 26 | Add lines 23 and 24 | 26 | | |
| 27 | Subtract line 26 from line 21. If zero or less, enter -0- | 27 | | |
| 28 | Subtract line 27 from line 18. If zero or less, enter -0- | 28 | | |
| 29 | Enter the smaller of line 18 or \$1,650 | 29 | | |
| 30 | Enter the smaller of line 28 or line 29 | 30 | | |
| 31 | Subtract line 21 from line 18. If zero or less, enter -0- | 31 | | |
| 32 | Enter the larger of line 30 or line 31 | 32 | | |
| 33 | Tax on amount on line 32 from the 1997 Tax Rate Schedule ▶ | 33 | | |
| 34 | Enter the amount from line 29 | 34 | | |
| 35 | Enter the amount from line 28 | 35 | | |
| 36 | Subtract line 35 from line 34. If zero or less, enter -0- | 36 | | |
| 37 | Multiply line 36 by 10% (.10) ▶ | 37 | | |
| 38 | Enter the smaller of line 18 or line 27 | 38 | | |
| 39 | Enter the amount from line 36. | 39 | | |
| 40 | Subtract line 39 from line 38. If zero or less, enter -0- | 40 | | |
| 41 | Multiply line 40 by 20% (.20) ▶ | 41 | | |
| 42 | Enter the smaller of line 21 or line 24 | 42 | | |
| 43 | Add lines 21 and 32 | 43 | | |
| 44 | Enter the amount from line 18 | 44 | | |
| 45 | Subtract line 44 from line 43. If zero or less, enter -0- | 45 | | |
| 46 | Subtract line 45 from line 42. If zero or less, enter -0- | 46 | | |
| 47 | Multiply line 46 by 25% (.25) ▶ | 47 | | |
| 48 | Enter the amount from line 18 | 48 | | |
| 49 | Add lines 32, 36, 40, and 46 | 49 | | |
| 50 | Subtract line 49 from line 48 | 50 | | |
| 51 | Multiply line 50 by 28% (.28) ▶ | 51 | | |
| 52 | Add lines 33, 37, 41, 47, and 51 | 52 | | |
| 53 | Tax on the amount on line 18 from the 1997 Tax Rate Schedule | 53 | | |
| 54 | Tax. Enter the smaller of line 52 or line 53 here and on line 1a of Schedule G, Form 1041. . ▶ | 54 | | |

