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

1996

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 instructions)	**(f)** Gain or (loss) (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 Net gain or (loss). Combine lines 1 through 3	**4**	
5 Short-term capital loss carryover from 1995 Schedule D, line 28	**5**	( )
6 Net short-term gain or (loss). Combine lines 4 and 5. Enter here and on line 15 below ▶	**6**	

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

(a) Description of property	**(b)** Date acquired	**(c)** Date sold	**(d)** Sales price	**(e)** Cost or other basis	**(f)** Gain or (loss)
7					

8 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	**8**	
9 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	**9**	
10 Capital gain distributions	**10**	
11 Gain from Form 4797	**11**	
12 Net gain or (loss). Combine lines 7 through 11	**12**	
13 Long-term capital loss carryover from 1995 Schedule D, line 35	**13**	( )
14 Net long-term gain or (loss). Combine lines 12 and 13. Enter here and on line 16 below ▶	**14**	

Part III Summary of Parts I and II

		(a) Beneficiaries' (see instructions)	**(b)** Estate's or trust's	**(c)** Total
15 Net short-term gain or (loss) from line 6, above	**15**			
16 Net long-term gain or (loss) from line 14, above	**16**			
17 Total net gain or (loss). Combine lines 15 and 16 ▶	**17**			

Note: *If line 17, column (c), is a net gain, enter the gain on Form 1041, line 4. If lines 16 and 17, column (b) are net gains, go to Part VI, and DO NOT complete Parts IV and V. If line 17, column (c), is a net loss, complete Parts IV and V, as necessary.*

Part IV Capital Loss Limitation

18 Enter here and enter as a (loss) on Form 1041, line 4, the smaller of: **a** The loss on line 17, column (c); **or** **b** $3,000	18	( )

If the loss on line 17, column (c) is more than $3,000, OR if Form 1041, page 1, line 22, is a loss, complete Part V to determine your capital loss carryover.

Part V Capital Loss Carryovers From 1996 to 1997

Section A.—Carryover Limit

19	Enter taxable income or (loss) from Form 1041, line 22		19	
20	Enter loss from line 18 as a positive amount		20	
21	Enter amount from Form 1041, line 20		21	
22	Adjusted taxable income. Combine lines 19, 20, and 21, but do not enter less than zero		22	
23	Enter the smaller of line 20 or line 22		23	

Section B.—Short-Term Capital Loss Carryover

(Complete this part only if there is a loss on line 6 and line 17, column (c).)

24	Enter loss from line 6 as a positive amount		24	
25	Enter gain, if any, from line 14. If that line is blank or shows a loss, enter -0-	25		
26	Enter amount from line 23	26		
27	Add lines 25 and 26		27	
28	**Short-term capital loss carryover to 1997.** Subtract line 27 from line 24. If zero or less, enter -0-. If this is the final return of the trust or decedent's estate, also enter on Schedule K-1 (Form 1041), line 12b		28	

Section C.—Long-Term Capital Loss Carryover

(Complete this part only if there is a loss on line 14 and line 17, column (c).)

29	Enter loss from line 14 as a positive amount		29	
30	Enter gain, if any, from line 6. If that line is blank or shows a loss, enter -0-		30	
31	Enter amount from line 23	31		
32	Enter amount, if any, from line 24	32		
33	Subtract line 32 from line 31. If zero or less, enter -0-		33	
34	Add lines 30 and 33		34	
35	**Long-term capital loss carryover to 1997.** Subtract line 34 from line 29. If zero or less, enter -0-. If this is the final return of the trust or decedent's estate, also enter on Schedule K-1 (Form 1041), line 12c		35	

Part VI Tax Computation Using Maximum Capital Gains Rate (Complete this part only if both lines 16 and 17, column (b) are gains, and Form 1041, line 22 is more than $3,800.)

36	Enter taxable income from Form 1041, line 22		36	
37a	**Net capital gain.** Enter the smaller of line 16 or 17, column (b)	37a		
b	If you are filing Form 4952, enter the amount from Form 4952, line 4e	37b		
c	Subtract line 37b from line 37a. If zero or less, stop here; you cannot use Part VI to figure the tax for the estate or trust. Instead, use the 1996 Tax Rate Schedule		37c	
38	Subtract line 37c from line 36. If zero or less, enter -0-		38	
39	Enter the greater of line 38 or $1,600		39	
40	Tax on amount on line 39 from the 1996 Tax Rate Schedule. If line 39 is $1,600, enter $240.00		40	
41	Subtract line 39 from line 36. If zero or less, enter -0-		41	
42	Multiply line 41 by 28% (.28)		42	
43	Maximum capital gains tax. Add lines 40 and 42		43	
44	Tax on amount on line 36 from the 1996 Tax Rate Schedule		44	
45	**Tax.** Enter the smaller of line 43 or line 44 here and on line 1a of Schedule G, Form 1041		45	