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

1998

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)** (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. Enter the amount, if any, from line 9 of the 1997 Capital Loss Carryover Worksheet	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)** (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	7		
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8		
9	Capital gain distributions	9		
10	Gain from Form 4797, Part I	10		
11	Long-term capital loss carryover. Enter in both columns (f) and (g) the amount, if any, from line 14, of the 1997 Capital Loss Carryover Worksheet	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** "collectibles gains and losses" (as defined on page 27 of the instructions) and up to 50% of the eligible gain on qualified small business stock (see page 25 of the instructions).

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 worksheet on page 26)	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 22, 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 22 is more than zero.)

18	Enter taxable income from Form 1041, line 22			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	Add lines 23 and 24	25			
26	Subtract line 25 from line 21. If zero or less, enter -0-			26	
27	Subtract line 26 from line 18. If zero or less, enter -0-			27	
28	Enter the **smaller** of line 18 or $1,700			28	
29	Enter the **smaller** of line 27 or line 28			29	
30	Subtract line 21 from line 18. If zero or less, enter -0-			30	
31	Enter the **larger** of line 29 or line 30			31	
32	Tax on amount on line 31 from the 1998 Tax Rate Schedule ▶			32	
33	Enter the amount from line 28			33	
34	Enter the amount from line 27			34	
35	Subtract line 34 from line 33. If zero or less, enter -0-			35	
36	Multiply line 35 by 10% (.10) ▶			36	
37	Enter the **smaller** of line 18 or line 26			37	
38	Enter the amount from line 35			38	
39	Subtract line 38 from line 37. If zero or less, enter -0-			39	
40	Multiply line 39 by 20% (.20) ▶			40	
41	Enter the **smaller** of line 21 or line 24			41	
42	Add lines 21 and 31	42			
43	Enter the amount from line 18	43			
44	Subtract line 43 from line 42. If zero or less, enter -0-			44	
45	Subtract line 44 from line 41. If zero or less, enter -0-			45	
46	Multiply line 45 by 25% (.25) ▶			46	
47	Enter the amount from line 18			47	
48	Add lines 31, 35, 39, and 45			48	
49	Subtract line 48 from line 47			49	
50	Multiply line 49 by 28% (.28) ▶			50	
51	Add lines 32, 36, 40, 46, and 50			51	
52	Tax on the amount on line 18 from the 1998 Tax Rate Schedule			52	
53	**Tax on taxable income (including capital gains).** Enter the **smaller** of line 51 or line 52 here and on line 1a of Schedule G, Form 1041. ▶			53	