

Passive Activity Loss Limitations

▶ See separate Instructions.
 ▶ Attach to Form 1040 or Form 1041.

Name(s) shown on return	Identifying number
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Part I Computation of 1990 Passive Activity Loss

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

Rental Real Estate Activities With Active Participation (For the definition of active participation see Active Participation in a Rental Real Estate Activity in the Instructions.)				
Activities acquired before 10-23-86 (Pre-enactment):				
1a	Activities with net income (from Worksheet 1, Part 1, column (a))	1a		
1b	Activities with net loss (from Worksheet 1, Part 1, column (b))	1b		
1c	Combine lines 1a and 1b	1c		
Activities acquired after 10-22-86 (Post-enactment):				
1d	Activities with net income (from Worksheet 1, Part 2, column (a))	1d		
1e	Activities with net loss (from Worksheet 1, Part 2, column (b))	1e		
1f	Combine lines 1d and 1e	1f		
1g	Net income or (loss). Combine lines 1c and 1f	1g		
1h	Prior year unallowed losses (from Worksheet 1, Parts 1 and 2, column (c))	1h		
1i	Combine lines 1g and 1h	1i		
All Other Passive Activities				
Activities acquired before 10-23-86 (Pre-enactment):				
2a	Activities with net income (from Worksheet 2, Part 1, column (a))	2a		
2b	Activities with net loss (from Worksheet 2, Part 1, column (b))	2b		
2c	Combine lines 2a and 2b	2c		
Activities acquired after 10-22-86 (Post-enactment):				
2d	Activities with net income (from Worksheet 2, Part 2, column (a))	2d		
2e	Activities with net loss (from Worksheet 2, Part 2, column (b))	2e		
2f	Combine lines 2d and 2e	2f		
2g	Net income or (loss). Combine lines 2c and 2f	2g		
2h	Prior year unallowed losses (from Worksheet 2, Parts 1 and 2, column (c))	2h		
2i	Combine lines 2g and 2h	2i		
3	Combine lines 1i and 2i. If the result is net income or -0-, see the Instructions for line 3. If this line and line 1c or line 1i are losses, go to line 4. Otherwise, enter -0- on lines 8 and 9 and go to line 10	3		

Note: Treat all numbers entered in Parts II and III as positive amounts. (See Instructions on page 8 for examples.)

Part II Computation of the Special Allowance for Rental Real Estate With Active Participation

4	Enter the smaller of the loss on line 1i or the loss on line 3. If line 1i is -0- or net income, enter -0- and complete lines 5 through 9	4		
5	Enter \$150,000. If married filing separately, see the Instructions	5		
6	Enter modified adjusted gross income, but not less than -0- (see Instructions). Note: If line 6 is equal to or greater than line 5, skip line 7, enter -0- on lines 8 and 9, and then go to line 10. Otherwise, go to line 7.	6		
7	Subtract line 6 from line 5	7		
8	Multiply line 7 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see Instructions	8		
9	Enter the smaller of line 4 or line 8	9		

Part III Computation of Passive Activity Loss Allowed

10	Combine lines 1c and 2c. If the result is net income or -0-, skip to line 16. (See Instructions.)	10		
11	If line 1c shows income, has no entry, or shows -0-, enter -0-. Otherwise, enter the smaller of line 1c or line 8	11		
12	Subtract line 11 from line 10. If line 11 is equal to or greater than line 10, enter -0-	12		
13	Subtract line 9 from line 3	13		
14	Enter the smaller of line 12 or line 13	14		
15	Multiply line 14 by 10% (.1) and enter the result	15		
16	Enter the amount from line 9	16		
17	Passive activity loss allowed for 1990. Add lines 15 and 16	17		
18	Add the income, if any, on lines 1a, 1d, 2a, and 2d and enter the total	18		
19	Total losses allowed from all passive activities for 1990. Add lines 17 and 18. See the Instructions to find out how to report the losses on your tax return.	19		

Worksheet 1—For Form 8582, Lines 1a, 1b, 1d, 1e, and 1h (See Instructions on page 7.)

Part 1—Pre-enactment Interests	Current year		Prior year	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1h)	(d) Gain	(e) Loss
Name of activity					
Total. Enter on Form 8582, lines 1a and 1b					
Part 2—Post-enactment Interests					
Name of activity	(a) Net income (line 1d)	(b) Net loss (line 1e)		(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 1d, 1e, and 1h					

Worksheet 2—For Form 8582, Lines 2a, 2b, 2d, 2e, and 2h (See Instructions on page 7.)

Part 1—Pre-enactment Interests	Current year		Prior year	Overall gain or loss	
	(a) Net income (line 2a)	(b) Net loss (line 2b)	(c) Unallowed loss (line 2h)	(d) Gain	(e) Loss
Name of activity					
Total. Enter on Form 8582, lines 2a and 2b					
Part 2—Post-enactment Interests					
Name of activity	(a) Net income (line 2d)	(b) Net loss (line 2e)		(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 2d, 2e, and 2h					

Worksheet 3—Use this worksheet if an amount is shown on Form 8582, line 9 (See Instructions on page 8.)

Name of activity	Form or schedule to be reported on	(a) Loss (See Instructions.)	(b) Ratio (See Instructions.)	(c) Special allowance (See Instructions.)	(d) Subtract column (c) from column (a) (See Instructions.)
Total			1.00		

Worksheet 4—Allocation of Unallowed Losses (See Instructions on page 8.)

Name of activity	Forms or schedules to be reported on	(a) Loss (See Instructions.)	(b) Ratio (See Instructions.)	(c) Unallowed loss (See Instructions.)
Total	▶		1.00	

Worksheet 5—Allowed Losses (See Instructions on page 8.)

Name of activity	Forms or schedules to be reported on	(a) Loss (See Instructions.)	(b) Unallowed loss (See Instructions.)	(c) Allowed loss (See Instructions.)
Total	▶			

Worksheet 6—Activities With Losses Reported on 2 or More Different Forms or Schedules (See Instructions on page 9.)

Name of Activity:	(a) (See Instr.)	(b) (See Instr.)	(c) Ratio (See Instr.)	(d) Unallowed loss (See Instr.)	(e) Allowed loss (See Instr.)
Form or Schedule to be Reported on: _____					
1a Net loss plus prior year unallowed loss from form or schedule . . ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If -0- or less, enter -0- ▶					
Form or Schedule to be Reported on: _____					
1a Net loss plus prior year unallowed loss from form or schedule . . ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If -0- or less, enter -0- ▶					
Form or Schedule to be Reported on: _____					
1a Net loss plus prior year unallowed loss from form or schedule . . ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If -0- or less, enter -0- ▶					
Total	▶		1.00		