## **Corporate Passive Activity Loss and Credit Limitations**

► See separate instructions.

► Attach to your tax return (personal service corporations

OMB No. 1545-1091

Employer identification number

Department of the Treasury Internal Revenue Service

Name

and closely held corporations only).

Pa	Computation of 1990 Passive Activity Loss Caution: See the instructions and Worksheets 1 and 2 on page 6 before completing Part I.		
	Activities acquired before 10-23-86 (Pre-enactment):		
1 <i>a</i>	Income (from Worksheet 2, Part 1, column (a))		
	Deductions and losses (from Worksheet 2, Part 1, column (b))		
	Combine lines 1a and 1b	1c	
	Activities acquired after 10-22-86 (Post-enactment):		
d	Income (from Worksheet 2, Part 2, column (a))		
	Deductions and losses (from Worksheet 2, Part 2, column (b)) 1e		
f	Combine lines 1d and 1e	1f	
g	Prior year unallowed losses (from Worksheet 2, Parts 1 and 2, column (c))	1g	 
2	Combine lines 1c, 1f, and 1g. If the result is net income or -0-, see instructions for lines 2 and 4	2	 
3	Closely held corporations enter net active income and see instructions. Personal service corporations enter -0- on this line	3	
4	Combine lines 2 and 3. If the result is net income or -0-, see instructions for lines 2 and 4. Otherwise, go to line 5	4	
5	Combine lines 1c and 3. If the result is net income or -0-, enter -0 (If line 1c is net income or -0-, enter -0- on this line.)	5	j.
6	Enter as a positive amount, the smaller of line 4 or line 5	6	
•	Enter as a positive amount, the smaller of line 4 of line 5		
7	Multiply line 6 by 10% (.1) and enter the result	7	
-	, , , , , , , , , , , , , , , , , , , ,		
8	Unallowed passive activity deductions and losses. Subtract line 7 from line 4	8	
9	Add the income, if any, on lines 1a, 1d, and 3 and enter the result	9	
	<b>Total deductions and losses allowed.</b> Add lines 7 and 9. See the instructions for how to report the		
	losses on the corporation's tax return	10	
Pa	t II Computation of 1990 Passive Activity Credits		
	Caution: See the instructions and complete Worksheet 5 on page 9 before completing Part II.	*******	 
11a	Credits from pre-enactment activities (from Worksheet 5, column (a)) . 11a		
	Credits from post-enactment activities (from Worksheet 5, column (b)) . 11b		
	Prior year unallowed credits (from Worksheet 5, column (c))		ŀ
12	Add lines 11a, 11b, and 11c	12	
13	Enter tax attributable to net active income and net passive income. See instructions	13	
14	Passive activity credit. Subtract line 13 from line 12. If line 13 is more than or equal to line 12, enter		
	-0- and see instructions. If line 12 is more than line 13 and line 11a shows an amount, go to line 15.		
	Otherwise, enter -0- on line 19 and go to line 20	14	 
		1	
15	Enter amount from line 11a	15	 
16	Enter tax attributable to net active income and pre-enactment net passive income. See instructions .	16	
17	Subtract line 16 from line 15. If line 16 is more than or equal to line 15, enter -0- here and on line 19	_	
	and go to line 20	17	 
		10	
18	Enter the smaller of line 14 or line 17	18	
		19	
19	Multiply line 18 by 10% (.1) and enter the result	13	
20	Unallawed passive activity availt. Subtract line 10 from line 14	20	
20	Unallowed passive activity credit. Subtract line 19 from line 14		 
21	Allowed passive activity credit. Subtract line 20 from line 12. See instructions	21	