Department of the Treasury Internal Revenue Service

Installment Sale Income

▶ See separate instructions.
▶ Attach to your tax return.
▶ Use a separate form for each sale or other disposition of property on the installment method.

OMB No. 1545-0228 Attachment Sequence No. 79

Name	(s) shown on return	Identifying number
1	Description of property ►	
2a	Date acquired (month, day, year) ▶	/
3	Was the property sold to a related party after May 14, 1980? See instructions. If "No," skip line 4	🗌 Yes 🔲 No
4	Was the property you sold to a related party a marketable security? If "Yes," complete Part III	. If "No,"
	complete Part III for the year of sale and the 2 years after the year of sale	🗌 Yes 🔲 No
Par	Gross Profit and Contract Price. Complete this part for the year of sale only.	
5	Selling price including mortgages and other debts. Do not include interest whether stated or unstated	5
6	Mortgages and other debts the buyer assumed or took the property subject	
	to, but not new mortgages the buyer got from a bank or other source . 6	
7	Subtract line 6 from line 5	
8	Cost or other basis of property sold	
9	Depreciation allowed or allowable	
10	Adjusted basis. Subtract line 9 from line 8	
11	Commissions and other expenses of sale	
12	Income recapture from Form 4797, Part III. See instructions 12	
13	Add lines 10, 11, and 12	13
14	Subtract line 13 from line 5. If zero or less, stop here. Do not complete the rest of this form .	14
15	If the property described on line 1 above was your main home, enter from Form 2119 the total	
	of lines 14 and 22, or the amount from line 27, whichever applies. Otherwise, enter -0	15
16	Gross profit. Subtract line 15 from line 14	16
17	Subtract line 13 from line 6. If zero or less, enter -0	17
18	Contract price. Add line 7 and line 17	18
Par	Installment Sale Income. Complete this part for the year of sale and any year year vertical debts you must treat as a payment on installment obligations.	ou receive a payment or
19	Gross profit percentage. Divide line 16 by line 18. For years after the year of sale, see instructions	19
20	For year of sale only: Enter amount from line 17 above; otherwise, enter -0	20
21	Payments received during year. See instructions. Do not include interest whether stated or unstated	21
22	Add lines 20 and 21	22
23	Payments received in prior years. See instructions. Do not include interest whether stated or unstated	
24	Installment sale income. Multiply line 22 by line 19	24
25	Part of line 24 that is ordinary income under recapture rules. See instructions	25
26	Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797. See instructions .	26
Par	t III Related Party Installment Sale Income. Do not complete if you received the fine	al payment this tax year.
27	Name, address, and taxpayer identifying number of related party	
28	Did the related party, during this tax year, resell or dispose of the property ("second disposition")?	P □ Yes □ No
29	If the answer to question 28 is "Yes," complete lines 30 through 37 below unless one of the	
_,	met. Check only the box that applies.	Tollowing conditions is
а	☐ The second disposition was more than 2 years after the first disposition (other than dispositions	
	of marketable securities). If this box is checked, enter the date of disposition (month, day, year)	/ /
b	☐ The first disposition was a sale or exchange of stock to the issuing corporation.	
С	☐ The second disposition was an involuntary conversion where the threat of conversion occurre	d after the first disposition.
d	☐ The second disposition occurred after the death of the original seller or buyer.	
е	☐ It can be established to the satisfaction of the Internal Revenue Service that tax avoidance w	as not a principal purpose
	for either of the dispositions. If this box is checked, attach an explanation. See instructions.	1 1
30	Selling price of property sold by related party	30
31	Enter contract price from line 18 for year of first sale	31
32	Enter the smaller of line 30 or line 31	32
33	Total payments received by the end of your 1997 tax year. See instructions	33
34	Subtract line 33 from line 32. If zero or less, enter -0	34
35	Multiply line 34 by the gross profit percentage on line 19 for year of first sale	35
36	Part of line 35 that is ordinary income under recapture rules. See instructions	36
37	Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797. See instructions .	37