

IRM PROCEDURAL UPDATE

DATE: 08/15/2025

NUMBER: ts-03-0825-3567

SUBJECT: Prior Year Clarification

AFFECTED IRM(s)/SUBSECTION(s): 3.11.14

CHANGE(s):

IRM 3.11.14.22.1.5 (2) - Updated editing instructions for Schedule G Line 1e (Tax Year 2023 and prior) to accommodate current ISRP program template.

(2) For Tax Year 2023, if an amount is present on Line 1d, then edit the Line 1d number to Line 1e.

Note: For Tax Year 2022 and prior, if an amount is present on Line 1d, then no editing is necessary.

IRM 3.11.14.43.2.2(1) - Updated the table for Tax Year 2023 prior year instructions.

(1) Use the table below when converting Form 1041 Schedule G for prior year revisions. Edit only the Lines listed in the table.

Schedule G Line 1d, Form 1041 TY 2023 revision
Line 1d change to 1e
Schedule G, Form 1041, TY 2009 and prior revisions
Line 2b, line through the line number 2b
Line 2c, change to 2b
Line 2d, change to 2c
Line 3, change to 2e

IRM 3.11.14.40.3(3)(a) Note - Updated to the correct job aid number.

(3) The following table has instructions for transferring tax data from Form 1040, including Schedule A, Itemized Deductions, and Schedule D, Capital Gains and Losses, to Form 1041:

- a. Edit the amounts from Form 1040 to the applicable Income lines on Form 1041:

Note: See prior year conversion charts found in job aid (Number 2530-002).

Edit from Form 1040	2024 Line	2023 Line	2022 Line	Edit to Form 1041, Line
Taxable Interest	2b	2b	2b	1
Ordinary Dividends	3b	3b	3b	2a
Qualified Dividends	3a	3a	3a	2b (2)
Total amounts from: Income	Total from: 1z	Total from: 1z	Total from: 1z	8
IRA Distributions	4b	4b	4b	
Pensions and Annuities	5b	5b	5b	
Social Security	6b	6b	6b	
Taxable Refunds	1, Sch 1	1, Sch 1	1, Sch 1	
Alimony	2a, Sch 1	2a, Sch 1	2a, Sch 1	
Unemployment	7, Sch 1	7, Sch 1	7, Sch 1	
Total Other Income	9, Sch 1	9, Sch 1	9, Sch 1	
Business Income	3, Sch 1	3, Sch 1	3, Sch 1	3
Capital Gain	7	7	7	4
Other Gains	4, Sch 1	4, Sch 1	4, Sch 1	7
Schedule E Income	5, Sch 1	5, Sch 1	5, Sch 1	5
Qualified Business Income Deduction	13	13	13	20
Farm Income	6, Sch 1	6, Sch 1	6, Sch 1	6
Other Adjustments	26, Sch 1	26, Sch 1	26, Sch 1	15a
Alternative Minimum Tax	2, Sch 2	1, Sch 2	1, Sch 2	1c, Sch G
Amount from Form 4255, Part I, Form 4255, line 3, column (q)	Form 4255, Part I, line 3, column (q)	N/A	N/A	1d,, Sch G
Foreign Tax Credit	1, Sch 3	1, Sch 3	1, Sch 3	2a, Sch G
General Business Credit	6a, Sch 3	6a, Sch 3	6a, Sch 3	2b, Sch G
Prior Year Minimum Tax	6b. Sch 3	6b. Sch 3	6b. Sch 3	2c, Sch G
Bond Credits	6k. Sch 3	6k. Sch 3	6k. Sch 3	2d, Sch G
Net Investment Income Tax	12, Sch 2	12, Sch 2	12, Sch 2	5, Sch G
Amount from Form 4255, Part I, line 3, column (r)	Form 4255, Part I, line 3, column (r)	17a, IRC, Sch 2	N/A	6a, Sch G

Recapture Tax Form 8611	16, Sch 2	16, Sch 2	N/A	6b, Sch G
Other Recapture Taxes: Low Income Housing Recapture "ICR"	Total from: N/A 17a (Other than ICR), Sch 2	Total from: N/A 17a (Other than ICR), Sch 2	Total from: N/A 16, Sch 2 17a ICR , Sch 2	6c, Sch G
Household Employment Taxes	9, Sch 2	9, Sch 2	9, Sch 2	7, Sch G
Other Taxes Amounts From: Total Other Taxes	Total from: 21, Sch 2 minus (-) 9, Sch 2 12, Sch 2 16, Sch 2 17a, Sch 2	Total from: 21, Sch 2 minus (-) 9, Sch 2 12, Sch 2 16, Sch 2 17a, Sch 2	Total from: 21, Sch 2 minus (-) 9, Sch 2 12, Sch 2 16, Sch 2 17a ICR , Sch 2	8, Sch G
Total Tax	24	24	24	24
Net 965 Tax Liability Paid	20, Sch 2	20, Sch 2	20, Sch 2	25
Federal Income Tax Withheld	25d	25d	25d	14, Sch G
Estimated Tax Payments	26	26	26	10, Sch G
Amount Paid With Extension	10, Sch 3	10, Sch 3	10, Sch 3	13, Sch G
Net 965 Tax Liability	13d, Sch 3	13d, Sch 3	13f, Sch 3	15, Sch G
Form 2439 Payments	13a, Sch 3	13a, Sch 3	13a, Sch 3	16, Sch G
Form 4136 Payments	12, Sch 3	12, Sch 3	12, Sch 3	17, Sch G
Elective Payment Election Amount from Form 3800	13c, Sch 3	13c, Sch 3	N/A	18a, Sch G
Qualified Sick Family Leave Before April 1, 2021	N/A	13z, Sch 3	13b, Sch 3	18b, Sch G
Qualified Sick Family Leave After March 31, 2021	N/A	13z, Sch 3	13h, Sch 3	18b, Sch G
Overpayment	34	34	34	29
Refund	35a	35a	35a	30b
Applied to Estimated Tax	36	36	36	30a
Tax Due	37	37	37	28
Estimated Tax Penalty	38	38	38	27

Edit from Schedule A (Form 1040)	2019 and later Line	2018	2017 and prior Line	Edit to Form 1041, Line
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Total Taxes Paid	7	7	9	11
Total Interest Paid	10	10	15	10
Total Gifts to Charity	14	14	19	13
Casualty and Theft Losses plus (Other Miscellaneous Deductions)	15	15 + 16	20 + 28	15a
Total Job Expenses and Certain Miscellaneous Deductions	16	Not valid for TY 2018	27	15a

Edit from Schedule D (Form 1040)	Line	Edit to Schedule D (Form 1041), Line
Net Short-Term Capital Gain or Loss	7, Column (h)	17(2)
Net Long-Term Capital Gain or Loss	15, Column (h)	18a (2)
Unrecaptured Section 1250 Gain	19	18b (2)
28% Rate Gain or Loss	18	18c (2)