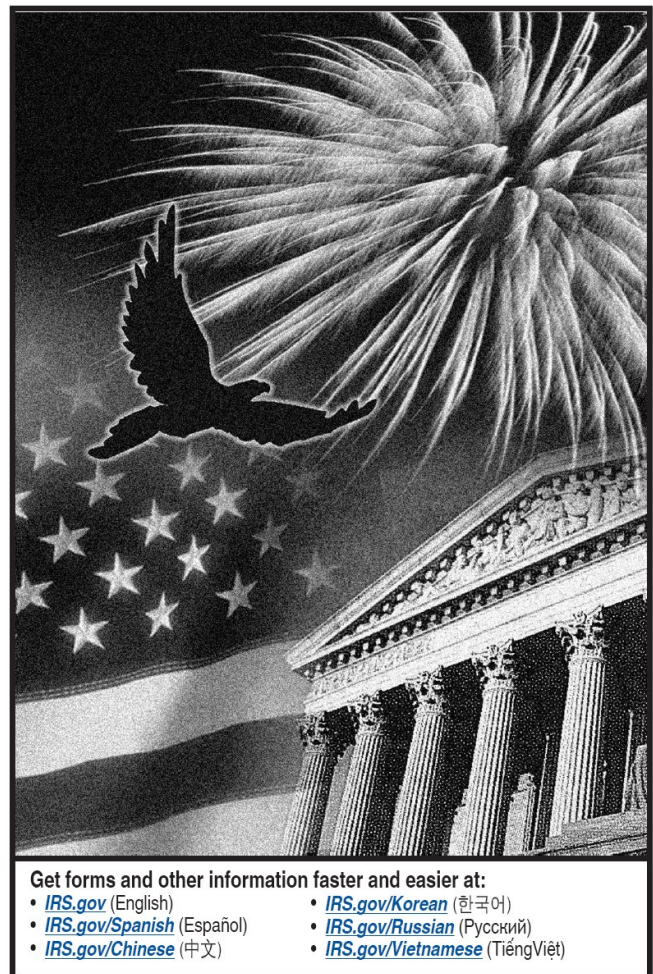


Publication 584

# Casualty, Disaster, and Theft Loss Workbook

For Use in Preparing  
**2018** Returns



Department of the Treasury  
**Internal Revenue Service**



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## What's New

**Limitation on personal casualty and theft losses.** Personal casualty and theft losses of an individual, sustained in a tax year beginning after 2017, are deductible only to the extent they're attributable to a federally declared disaster. The loss deduction is subject to the \$100 limit per casualty and 10% of your adjusted gross income (AGI) limitation.

An exception to the rule above, limiting the personal casualty and theft loss deduction to losses attributable to a federally declared

disaster, applies if you have personal casualty gains for the tax year. In this case, you will reduce your personal casualty gains by any casualty losses not attributable to a federally declared disaster. Any excess gain is used to reduce losses from a federally declared disaster. The 10% AGI limitation is applied to any remaining losses attributable to a federally declared disaster.

For more information, see the Instructions for Form 4684, Casualties and Thefts, and Pub. 547, Casualties, Disasters, and Thefts.

## **Reminders**

### **Special rules for qualified disaster losses.**

Personal casualty losses attributable to a major disaster declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) in 2016, as well as from Hurricane Harvey, Tropical Storm Harvey, Hurricanes Irma and Maria, and the California wildfires, may be claimed as a qualified disaster loss on your Form 4684. You can deduct qualified disaster losses without

itemizing other deductions on Schedule A (Form 1040). Moreover, your net casualty loss from these qualified disasters doesn't need to exceed 10% of your adjusted gross income to qualify for the deduction, but the \$100 limit per casualty is increased to \$500.

For more information, see Pub. 547 or Pub. 976, Disaster Relief.

**Future developments.** For the latest information about developments related to Pub. 584 such as legislation enacted after it was published, go to [IRS.gov/Pub584](https://www.irs.gov/pub584).

**Photographs of missing children.** The Internal Revenue Service is a proud partner with the [National Center for Missing & Exploited Children® \(NCMEC\)](https://www.ncmec.org/). Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

# **Introduction**

This workbook is designed to help you figure your loss on personal-use property in the event of a disaster, casualty, or theft. It contains schedules to help you figure the loss to your main home, its contents, and your motor vehicles. However, these schedules are for your information only. You must complete Form 4684 to report your loss.

## **How To Use This Workbook**

You can use this workbook by following these five steps.

1. Read Pub. 547 to learn about the tax rules for casualties, disasters, and thefts.
2. Know the definitions of cost or other basis and fair market value, discussed in Pub. 547.
3. Fill out Schedules 1 through 20.
4. Read the instructions for Form 4684.

5. Fill out Form 4684 using the information you entered in Schedules 1 through 20.

Use the chart below to find out how to use Schedules 1 through 19 to fill out Form 4684.

<u>Take what's in each row of...</u>	<u>And enter it on Form 4684...</u>
Column 1 . . . . .	Line 1
Column 2 . . . . .	Line 2
Column 3 . . . . .	Line 3
Column 4 . . . . .	Line 4
Column 5 . . . . .	Line 5
Column 6 . . . . .	Line 6
Column 7 . . . . .	Line 7
Column 8 . . . . .	Line 8
Column 9 . . . . .	Line 9

## Comments and Suggestions

We welcome your comments about this publication and your suggestions for future editions.

You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or you can write to:

Internal Revenue Service  
Tax Forms and Publications  
1111 Constitution Ave. NW, IR-6526  
Washington, DC 20224

Although we can't respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax forms, instructions, and publications.

***Ordering forms and publications.*** Visit [IRS.gov/FormsPubs](https://www.irs.gov/FormsPubs) to download forms and publications. Otherwise, you can go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to order current and prior-year forms and instructions. Your order should arrive within 10 business days.

***Tax questions.*** If you have a tax question not answered by this publication, check [IRS.gov](https://www.irs.gov) and *How To Get Tax Help*.

## **How To Get Tax Help**

If you have questions about a tax issue, need help preparing your tax return, or want to download free publications, forms, or



instructions, go to IRS.gov and find resources that can help you right away.

**Tax reform.** Major tax reform legislation impacting individuals, businesses, and tax-exempt entities was enacted in the Tax Cuts and Jobs Act on December 22, 2017. Go to [IRS.gov/TaxReform](https://www.irs.gov/TaxReform) for information and updates on how this legislation affects your taxes.

**Preparing and filing your tax return.** Find free options to prepare and file your return on IRS.gov or in your local community if you qualify.

The Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make \$55,000 or less, persons with disabilities, and limited-English-speaking taxpayers who need help preparing their own tax returns. The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older. TCE volunteers specialize in answering questions about pensions and retirement-related issues unique to seniors.

You can go to IRS.gov to see your options for preparing and filing your return which include the following.

- **Free File.** Go to [IRS.gov/FreeFile](https://www.irs.gov/FreeFile) to see if you qualify to use brand-name software to prepare and *e-file* your federal tax return for free.
- **VITA.** Go to [IRS.gov/VITA](https://www.irs.gov/VITA), download the free IRS2Go app, or call 800-906-9887 to find the nearest VITA location for free tax return preparation.
- **TCE.** Go to [IRS.gov/TCE](https://www.irs.gov/TCE), download the free IRS2Go app, or call 888-227-7669 to find the nearest TCE location for free tax return preparation.



**Getting answers to your tax questions.** On IRS.gov, get answers to your tax questions anytime, anywhere.

- Go to [IRS.gov/Help](https://www.irs.gov/Help) for a variety of tools that will help you get answers to some of the most common tax questions.

- Go to [IRS.gov/ITA](https://www.irs.gov/ITA) for the Interactive Tax Assistant, a tool that will ask you questions on a number of tax law topics and provide answers. You can print the entire interview and the final response for your records.
- Go to [IRS.gov/Pub17](https://www.irs.gov/pub17) to get Pub. 17, Your Federal Income Tax for Individuals, which features details on tax-saving opportunities, 2018 tax changes, and thousands of interactive links to help you find answers to your questions. View it online in HTML, as a PDF, or download it to your mobile device as an eBook.
- You may also be able to access tax law information in your electronic filing software.

**Getting tax forms and publications.** Go to [IRS.gov/Forms](https://www.irs.gov/forms) to view, download, or print all of the forms and publications you may need. You can also download and view popular tax publications and instructions (including the 1040 instructions) on mobile devices as an eBook at no charge. Or you can go to [IRS.gov/OrderForms](https://www.irs.gov/orderforms) to place an order and

have forms mailed to you within 10 business days.

**Access your online account (individual taxpayers only).** Go to [IRS.gov/Account](https://www.irs.gov/Account) to securely access information about your federal tax account.

- View the amount you owe, pay online, or set up an online payment agreement.
- Access your tax records online.
- Review the past 24 months of your payment history.
- Go to [IRS.gov/SecureAccess](https://www.irs.gov/SecureAccess) to review the required identity authentication process.

**Using direct deposit.** The fastest way to receive a tax refund is to combine direct deposit and IRS *e-file*. Direct deposit securely and electronically transfers your refund directly into your financial account. Eight in 10 taxpayers use direct deposit to receive their refund. The IRS issues more than 90% of refunds in less than 21 days.

**Refund timing for returns claiming certain credits.** The IRS can't issue refunds

before mid-February 2019 for returns that claimed the earned income credit (EIC) or the additional child tax credit (ACTC). This applies to the entire refund, not just the portion associated with these credits.

### **Getting a transcript or copy of a return.**

The quickest way to get a copy of your tax transcript is to go to [IRS.gov/Transcripts](https://www.irs.gov/Transcripts). Click on either "Get Transcript Online" or "Get Transcript by Mail" to order a copy of your transcript. If you prefer, you can:

- Order your transcript by calling 800-908-9946, or
- Mail Form 4506-T or Form 4506T-EZ (both available on IRS.gov).

**Using online tools to help prepare your return.** Go to [IRS.gov/Tools](https://www.irs.gov/Tools) for the following.

- The [\*Earned Income Tax Credit Assistant\*](https://www.irs.gov/EITCAssistant) ([IRS.gov/EITCAssistant](https://www.irs.gov/EITCAssistant)) determines if you're eligible for the EIC.
- The [\*Online EIN Application\*](https://www.irs.gov/EIN) ([IRS.gov/EIN](https://www.irs.gov/EIN)) helps you get an employer identification number.

- The *IRS Withholding Calculator* ([IRS.gov/W4App](https://www.irs.gov/W4App)) estimates the amount you should have withheld from your paycheck for federal income tax purposes and can help you perform a “paycheck checkup.”
- The *First Time Homebuyer Credit Account Look-up* ([IRS.gov/HomeBuyer](https://www.irs.gov/HomeBuyer)) tool provides information on your repayments and account balance.
- The *Sales Tax Deduction Calculator* ([IRS.gov/SalesTax](https://www.irs.gov/SalesTax)) figures the amount you can claim if you itemize deductions on Schedule A (Form 1040), choose not to claim state and local income taxes, and you didn’t save your receipts showing the sales tax you paid.

## **Resolving tax-related identity theft issues.**

- The IRS doesn’t initiate contact with taxpayers by email or telephone to request personal or financial information. This includes any type of electronic

communication, such as text messages and social media channels.

- Go to [IRS.gov/IDProtection](https://www.irs.gov/IDProtection) for information.
- If your SSN has been lost or stolen or you suspect you're a victim of tax-related identity theft, visit [IRS.gov/IdentityTheft](https://www.irs.gov/IdentityTheft) to learn what steps you should take.

### **Checking on the status of your refund.**

- Go to [IRS.gov/Refunds](https://www.irs.gov/Refunds).
- The IRS can't issue refunds before mid-February 2019 for returns that claimed the EIC or the ACTC. This applies to the entire refund, not just the portion associated with these credits.
- Download the official IRS2Go app to your mobile device to check your refund status.
- Call the automated refund hotline at 800-829-1954.

**Making a tax payment.** The IRS uses the latest encryption technology to ensure your electronic payments are safe and secure. You

can make electronic payments online, by phone, and from a mobile device using the IRS2Go app. Paying electronically is quick, easy, and faster than mailing in a check or money order. Go to [IRS.gov/Payments](https://www.irs.gov/Payments) to make a payment using any of the following options.

- **IRS Direct Pay**: Pay your individual tax bill or estimated tax payment directly from your checking or savings account at no cost to you.
- **Debit or credit card**: Choose an approved payment processor to pay online, by phone, and by mobile device.
- **Electronic Funds Withdrawal**: Offered only when filing your federal taxes using tax return preparation software or through a tax professional.
- **Electronic Federal Tax Payment System**: Best option for businesses. Enrollment is required.
- **Check or money order**: Mail your payment to the address listed on the notice or instructions.



- **Cash:** You may be able to pay your taxes with cash at a participating retail store.

**What if I can't pay now?** Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for more information about your options.

- Apply for an *online payment agreement* ([IRS.gov/OPA](https://www.irs.gov/OPA)) to meet your tax obligation in monthly installments if you can't pay your taxes in full today. Once you complete the online process, you will receive immediate notification of whether your agreement has been approved.
- Use the *Offer in Compromise Pre-Qualifier* ([IRS.gov/OIC](https://www.irs.gov/OIC)) to see if you can settle your tax debt for less than the full amount you owe.

**Checking the status of an amended return.** Go to [IRS.gov/WMAR](https://www.irs.gov/WMAR) to track the status of Form 1040X amended returns. Please note that it can take up to 3 weeks from the date you mailed your amended return for it to show up in our system and processing it can take up to 16 weeks.

**Understanding an IRS notice or letter.** Go to [IRS.gov/Notices](https://www.irs.gov/Notices) to find additional information about responding to an IRS notice or letter.

**Contacting your local IRS office.** Keep in mind, many questions can be answered on IRS.gov without visiting an IRS Tax Assistance Center (TAC). Go to [IRS.gov/LetUsHelp](https://www.irs.gov/LetUsHelp) for the topics people ask about most. If you still need help, IRS TACs provide tax help when a tax issue can't be handled online or by phone. All TACs now provide service by appointment so you'll know in advance that you can get the service you need without long wait times. Before you visit, go to [IRS.gov/TACLocator](https://www.irs.gov/TACLocator) to find the nearest TAC, check hours, available services, and appointment options. Or, on the IRS2Go app, under the Stay Connected tab, choose the Contact Us option and click on "Local Offices."

**Watching IRS videos.** The IRS Video portal ([IRSVideos.gov](https://www.irs.gov/Videos)) contains video and audio presentations for individuals, small businesses, and tax professionals.

**Getting tax information in other languages.** For taxpayers whose native language isn't English, we have the following resources available. Taxpayers can find information on IRS.gov in the following languages.

- *Spanish (IRS.gov/Spanish).*
- *Chinese (IRS.gov/Chinese).*
- *Vietnamese (IRS.gov/Vietnamese).*
- *Korean (IRS.gov/Korean).*
- *Russian (IRS.gov/Russian).*

The IRS TACs provide over-the-phone interpreter service in over 170 languages, and the service is available free to taxpayers.

## **The Taxpayer Advocate Service (TAS) Is Here To Help You**

### **What is TAS?**

TAS is an ***independent*** organization within the IRS that helps taxpayers and protects taxpayer rights. Their job is to ensure that every taxpayer is treated fairly and that you

know and understand your rights under the *Taxpayer Bill of Rights*.

## **How Can You Learn About Your Taxpayer Rights?**

The Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. Go to

[TaxpayerAdvocate.IRS.gov](http://TaxpayerAdvocate.IRS.gov) to help you understand *what these rights mean to you* and how they apply. These are ***your*** rights. Know them. Use them.

## **What Can TAS Do For You?**

TAS can help you resolve problems that you can't resolve with the IRS. And their service is free. If you qualify for their assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue. TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business;
- You face (or your business is facing) an immediate threat of adverse action; or

- You've tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

## **How Can You Reach TAS?**

TAS has offices in every state, the District of Columbia, and Puerto Rico. Your local advocate's number is in your local directory and at [TaxpayerAdvocate.IRS.gov/Contact-Us](https://TaxpayerAdvocate.IRS.gov/Contact-Us). You can also call them at 877-777-4778.

## **How Else Does TAS Help Taxpayers?**

TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, please report it to them at [IRS.gov/SAMS](https://IRS.gov/SAMS).

TAS also has a website, [Tax Reform Changes](https://TaxReformChanges), which shows you how the new tax law may change your future tax filings and helps you plan for these changes. The information is categorized by tax topic in the order of the IRS Form 1040. Go to [TaxChanges.us](https://TaxChanges.us) for more information.

## **Low Income Taxpayer Clinics (LITCs)**

LITCs are independent from the IRS. LITCs represent individuals whose income is below a certain level and need to resolve tax problems with the IRS, such as audits, appeals, and tax collection disputes. In addition, clinics can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language. Services are offered for free or a small fee. To find a clinic near you, visit [TaxpayerAdvocate.IRS.gov/LITCmap](https://TaxpayerAdvocate.IRS.gov/LITCmap) or see IRS Pub. 4134, Low Income Taxpayer Clinic List.



Schedule 2. **Living Room**

(1)  Item	(2) Cost or other basis	(3) Insurance or other reimbursement	(4) Gain from casualty or theft <sup>1</sup>	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Column (5) minus column (6)	(8) Smaller of column (2) or column (7)	(9) Casualty/Theft loss (column (8) minus <sup>2</sup> column (3))
Accessories								
Blinds								
Bookcase								
Book								
Chair								
Chest								
Clock								
Coffee table								
Curtains								
Desk								
Draperies								
Fireplace hardware								
Lamp								
Magazine rack								
Mirror								
Piano								
Picture								
Pillow								
Radio								
Rug & pad								
Shades								
Shutters								
Sofa								
Stereo/Home theater								
Television								
Wall fixture								

<sup>1</sup> If column (3) is greater than column (2), enter the difference here and skip columns (5) through (9) for that item.  
<sup>2</sup> If zero or less, enter -0-.





Schedule 4. **Kitchen**

(1)  Item	(2) Cost or other basis	(3) Insurance or other reimbursement	(4) Gain from casualty or theft <sup>1</sup>	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Column (5) minus column (6)	(8) Smaller of column (2) or column (7)	(9) Casualty/Theft loss (column (8) minus <sup>2</sup> column (3))
Blender								
Broiler								
Canned goods								
Can opener								
Clock								
Coffee maker								
Curtains								
Cutlery								
Dishes								
Dishwasher								
Food processor								
Freezer								
Frozen food								
Glassware								
Ice crusher								
Microwave oven								
Mixer								
Pots and pans								
Radio								
Refrigerator								
Stove								
Table and chairs								
Telephone								
Toaster								
Trash compactor								
Utensils								
Wall accessory								

<sup>1</sup> If column (3) is greater than column (2), enter the difference here and skip columns (5) through (9) for that item.  
<sup>2</sup> If zero or less, enter -0-.

Schedule 5. **Den**

(1)  Item	(2)  Cost or other basis	(3)  Insurance or other reimbursement	(4)  Gain from casualty or theft <sup>1</sup>	(5)  Fair market value before casualty	(6)  Fair market value after casualty	(7)  Column (5) minus column (6)	(8)  Smaller of column (2) or column (7)	(9)  Casualty/Theft loss (column (8) minus <sup>2</sup> column (3))
Bookcase								
Book								
CD player								
Chair								
Computer								
Clock								
Curtains								
Desk								
Draperies								
DVD player								
Lamp								
Mirror								
Picture								
Pillow								
Radio								
CDs/Records								
Rug & pad								
Telephone								
Sofa								
Stereo/Home theater								
Table								
Television								
Video gaming system								

<sup>1</sup> If column (3) is greater than column (2), enter the difference here and skip columns (5) through (9) for that item.  
<sup>2</sup> If zero or less, enter -0-.





Schedule 8. Recreation Room

(1)  Item	(2)  Cost or other basis	(3)  Insurance or other reimbursement	(4)  Gain from casualty or theft <sup>1</sup>	(5)  Fair market value before casualty	(6)  Fair market value after casualty	(7)  Column (5) minus column (6)	(8)  Smaller of column (2) or column (7)	(9)  Casualty/Theft loss (column (8) minus <sup>2</sup> column (3))
Billiard table								
Book								
Card table								
CD player								
Chair								
Clock								
Curtains								
DVD player								
Game								
Lamp								
Picture								
Ping Pong table								
Pool table								
Radio								
CDs/Records								
Rug & pad								
Sofa								
Stereo/Home theater								
Table								
Television								
Video gaming system								

<sup>1</sup> If column (3) is greater than column (2), enter the difference here and skip columns (5) through (9) for that item.  
<sup>2</sup> If zero or less, enter -0-.

























Schedule 19. **Motor Vehicles**

(1)  Vehicle (year, make and model)	(2)  Cost or other basis	(3)  Insurance or other reimbursement	(4)  Gain from casualty or theft <sup>1</sup>	(5)  Fair market value before casualty	(6)  Fair market value after casualty	(7)  Column (5) minus column (6)	(8)  Smaller of column (2) or column (7)	(9)  Casualty/Theft loss (column (8) minus <sup>2</sup> column (3))

<sup>1</sup> If column (3) is greater than column (2), enter the difference here and skip columns (5) through (9) for that item.  
<sup>2</sup> If zero or less, enter -0-.

Schedule 20. Home (Excluding Contents)

<b>Note.</b> If you used the entire property as your home only, fill out only column (a). However, if you used part of the property as your home and part of it for business or to produce rental income, you must allocate the entries on lines 2-9 between the personal part (column (a)) and the business/rental part (column (b)).			
1.	Description of property (Show location and date acquired.)   	(a) Personal Part	(b) Business/Rental Part
2.	Cost or other (adjusted) basis of property (from Worksheet A, line 13)		
3.	Insurance or other reimbursement <b>Note.</b> If line 2 is more than line 3, skip line 4. If line 3 is more than line 2, you exclude gain. If the gain is more than you can exclude, see <i>Line 3</i> in the Instructions for Form 4684 for the amount to enter.		
4.	Gain from casualty. If line 3 is more than line 2, enter the difference here and skip lines 5 through 9. But see <b>Next</b> below line 9.		
5.	Fair market value before casualty		
6.	Fair market value after casualty		
7.	Decrease in fair market value. Subtract line 6 from line 5.		
8.	Enter the smaller of line 2 or line 7 <b>Note for business/rental part.</b> If the property was totally destroyed by casualty, enter on line 8, column (b) the amount from line 2, column (b).		
9.	Subtract line 3 from line 8. If zero or less, enter -0-.		
<b>Next:</b> Transfer the entries from line 1 and lines 2-9, column (a), above to the corresponding lines on Form 4684, Section A. Transfer the entries from line 1 and lines 2-9, column (b), to the corresponding lines on Form 4684, Section B.			

Worksheet A. **Cost or Other (Adjusted) Basis**

Keep for Your Records 

**Caution.** See the Worksheet A Instructions *before you use this worksheet.*

	(a) Personal Part	(b) Business/Rental Part
1. Enter the purchase price of the home damaged or destroyed. (If you filed Form 2119, Sale of Your Home, when you originally acquired that home to postpone gain on the sale of a previous home before May 7, 1997, enter the adjusted basis of the new home from that Form 2119.)	1. _____	_____
2. Seller paid points for home bought after 1990. Don't include any seller-paid points you already subtracted to arrive at the amount entered on line 1	2. _____	_____
3. Subtract line 2 from line 1	3. _____	_____
4. Settlement fees or closing costs. (See <i>Settlement costs</i> in Pub. 551.) If line 1 includes the adjusted basis of the new home from Form 2119, skip lines 4a-4g and 5; go to line 6.		
a. Abstract and recording fees	4a. _____	_____
b. Legal fees (including fees for title search and preparing documents)	4b. _____	_____
c. Survey fees	4c. _____	_____
d. Title insurance	4d. _____	_____
e. Transfer or stamp taxes	4e. _____	_____
f. Amounts that the seller owed that you agreed to pay (back taxes or interest, recording or mortgage fees, and sales commissions)	4f. _____	_____
g. Other	4g. _____	_____
5. Add lines 4a through 4g	5. _____	_____
6. Cost of additions and improvements. (See <i>Increases to Basis</i> in Pub. 551.) Don't include any additions and improvements included on line 1	6. _____	_____
7. Special tax assessments paid for local improvements, such as streets and sidewalks	7. _____	_____
8. Other increases to basis	8. _____	_____
9. Add lines 3, 5, 6, 7, and 8	9. _____	_____
10. Depreciation allowed or allowable, related to the business use or rental of the home	10. 0	_____
11. Other decreases to basis (See <i>Decreases to Basis</i> in Pub. 551.)	11. _____	_____
12. Add lines 10 and 11	12. _____	_____
13. <b>Cost or other (adjusted) basis of home damaged or destroyed.</b> Subtract line 12 from line 9. Enter here and on Schedule 20, line 2	13. _____	_____

Worksheet A Instructions.

Keep for Your Records 

If you use *Worksheet A* to figure the cost or other (adjusted) basis of your home, follow these instructions. DON'T use this worksheet to determine your basis if you acquired an interest in your home from a decedent who died in 2010 and whose executor filed Form 8939.

IF...		THEN...
you inherited your home from a decedent who died either before or after 2010 or from a decedent who died in 2010 and whose executor didn't file Form 8939.	1	skip lines 1–4 of the worksheet.
	2	find your basis using the rules under <i>Inherited Property</i> in Pub. 551. Enter this amount on line 5 of the worksheet.
	3	fill out lines 6–13 of the worksheet.
you received your home as a gift	1	read <i>Property Received as a Gift</i> in Pub. 551 and enter on lines 1 and 3 of the worksheet either the donor's adjusted basis or the home's fair market value at the time of the gift, whichever is appropriate.
	2	if you can add any federal gift tax to your basis, enter that amount on line 5 of the worksheet.
	3	fill out the rest of the worksheet.
you received your home as a trade for other property	1	enter on line 1 of the worksheet the fair market value of the other property at the time of the trade. (But if you received your home as a trade for your previous home before May 7, 1997, and had a gain on the trade that you postponed using Form 2119, enter on line 1 of the worksheet the adjusted basis of the new home from that Form 2119.)
	2	fill out the rest of the worksheet.
you built your home	1	add the purchase price of the land and the cost of building the home. Enter that total on line 1 of the worksheet. (However, if you filed a Form 2119 to postpone gain on the sale of a previous home before May 7, 1997, enter on line 1 of the worksheet the adjusted basis of the new home from that Form 2119.)
	2	fill out the rest of the worksheet.
you received your home from your spouse after July 18, 1984	1	skip lines 1–4 of the worksheet.
	2	enter on line 5 of the worksheet your spouse's cost or other (adjusted) basis in the home just before you received it.
	3	fill out lines 6–13 of the worksheet, making adjustments to basis only for events after the transfer.
you owned a home jointly with your spouse, who transferred his or her interest in the home to you after July 18, 1984		fill out one worksheet, making adjustments to basis for events both before and after the transfer.
you received your home from your spouse before July 19, 1984	1	skip lines 1–4 of the worksheet.
	2	enter on line 5 of the worksheet the home's fair market value at the time you received it.
	3	fill out lines 6–13 of the worksheet, making adjustments to basis only for events after the transfer.
you owned a home jointly with your spouse, and your spouse transferred his or her interest in the home to you before July 19, 1984	1	fill out a worksheet, lines 1–13, making adjustments to basis only for events before the transfer.
	2	multiply the amount on line 13 of that worksheet by 50% (0.50) to get the adjusted basis of your half-interest at the time of the transfer.
	3	multiply the fair market value of the home at the time of the transfer by 50% (0.50). Generally, this is the basis of the half-interest that your spouse owned.
	4	add the amounts from steps 2 and 3 and enter the total on line 5 of a second worksheet.
	5	complete lines 6–13 of the second worksheet, making adjustments to basis only for events after the transfer.
you owned your home jointly with a nonspouse	1	fill out lines 1–13 of the worksheet.
	2	multiply the amount on line 13 by your percentage of ownership to get the adjusted basis of your part-interest.

IF...		THEN...
you owned your home jointly with your spouse who died before 2010 and before the casualty	1	fill out a worksheet, lines 1–13, including adjustments to basis only for events before your spouse's death.
	2	multiply the amount on line 13 of that worksheet by 50% (0.50) to get the adjusted basis of your half-interest on the date of death.
	3	figure the basis for the half-interest owned by your spouse. This is one-half of the fair market value on the date of death (or later alternate valuation used for estate or inheritance tax). (The basis in your half will remain one-half of the adjusted basis determined in step 2.)
	4	add the amounts from steps 2 and 3 and enter the total on line 5 of a second worksheet.
	5	complete lines 6–13 of the second worksheet, making adjustments to basis only for events after your spouse's death.
you owned your home jointly with your spouse who died before 2010 and before the casualty, and your permanent legal home is in a community property state	1	skip lines 1–4 of the worksheet.
	2	enter the amount of your basis on line 5 of the worksheet. Generally, this is the fair market value of the home at the time of death. (But see <i>Community Property</i> in Pub. 551 for special rules.)
	3	fill out lines 6–13 of the worksheet, making adjustments to basis only for events after your spouse's death.
you owned your home jointly with a nonspouse who died before 2010 and before the casualty	1	fill out lines 1–13 of the worksheet, including adjustments to basis only for events before the co-owner's death.
	2	multiply the amount on line 13 by your percentage of ownership to get the adjusted basis of your part-interest on the date of death.
	3	multiply the fair market value on the date of death (or later alternate valuation used for estate or inheritance tax) by the co-owner's percentage of ownership. This is the basis for the co-owner's part-interest.
	4	add the amounts from steps 2 and 3 and enter the total on line 5 of a second worksheet.
	5	complete lines 6–13 of the second worksheet, including adjustments to basis only for events after the co-owner's death.
your home was ever damaged as a result of a prior casualty	1	on line 8 of the worksheet, enter any amounts you spent to restore the home to its condition before the prior casualty.
	2	on line 11 enter: any insurance reimbursements you received (or expect to receive) for the prior loss, and any deductible casualty losses from prior years not covered by insurance.
the person who sold you your home paid points on your loan and you bought your home after 1990 but before April 4, 1994	on line 2 enter the seller-paid points only if you deducted them as home mortgage interest in the year paid (unless you used the seller-paid points to reduce the amount on line 1).	
the person who sold you your home paid points on your loan and you bought your home after April 3, 1994	on line 2 enter the seller-paid points even if you didn't deduct them (unless you used the seller-paid points to reduce the amount on line 1).	
you used part of the property as your home and part of it for business or to produce rental income	you must allocate the entries on Worksheet A between the personal part (column (a)) and the business/rental part (column (b)).	
none of these items apply	fill out the entire worksheet.	

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