

TAXPAYER'S BALANCE SHEET IMMEDIATELY BEFORE THE DEBT CANCELLATION

ASSET	FMV	DEBT	ALLOW. DEBT	EQUITY	LIABILITIES IMMED AFTER	BASIS IMMED AFTER	BASIS 1/1 OF NEXT YEAR	REDUCTION	REDUCED BASIS
Real Prop used in bus or inv that secured debt		()	()					()	
Pers Prop used in bus or inv that secured debt			()					()	
Other Prop used in bus or inv:									
Business Real Prop other than above		()	()					()	
Rental Properties		()	()					()	
Stocks/mutual funds			()					()	
Other bus/inv assets			()					()	
Inventory, A/R, N/R, real prop held for sale to cust			()					()	
Personal Use Property: House		()	()					()	
IRAs/Retirement Accounts				*		*		()	
Cash Value of Life Ins.				*		*		()	
Car			()					()	
Car			()					()	
Furniture & Misc.			()					()	
Other Personal Use Assets		()	()					()	
Bank Accounts									
Accrued Interest			()	()					
Overdue Real Estate Taxes			()	()					
Income, Sales, Other Taxes			()	()					
Credit Cards & Consumer Loans			()	()					
Student Loans			()	()					
Other Debts			()	()					
Total Equity/(Insolvency) - (If < 0, enter on Line 2 of Insolvency Exclusion Worksheet. If > 0, Insolvency Exclusion does not apply.)									
Total Basis of Property (Carry to Reduction in Tax Attributes Worksheet, line 5a)									
Liabilities Immed. after Discharge (Carry to Reduction in Tax Attributes Worksheet, line 5d)									
Total Tax Attributes Reduced (Should equal reductions on Form 982)									

Insolvency Basis Reduction: Bus/Inv real prop sec'd by debt - Bus/invest pers prop sec'd by debt - Other bus/inv prop - Inventory, A/R, N/R, Real prop inv - Personal use prop
Elect Dep Prop first: Bus/Inv Dep real prop sec'd by debt - Bus/Inv dep personal prop sec'd by debt - Other dep bus/inv prop - Real prop inv if elect-As above
Farm Basis Reduction: Depreciable business/invest property and real prop inventory if elected - Land for farming - Other bus/invest property.