Form **8828**
(Rev. March 2010)
Department of the Treasury
Internal Revenue Service (99)

# Recapture of Federal Mortgage Subsidy

▶ **Attach to Form 1040.** ▶ **See separate instructions.**

OMB No. 1545-0074

Attachment Sequence No. **64**

Name(s) | **Social security number** (as shown on page 1 of your tax return)

## Part I Description of Home Subject to Federally Subsidized Debt

1 Address of property (number and street, city or town, state, and ZIP code)

2 Check the box that describes the type of federal subsidy you had on the loan for your home.

a ☐ Mortgage loan from the proceeds of a tax-exempt bond

b ☐ Mortgage credit certificate

**Note.** If neither box applies, you are not subject to recapture tax on the sale or other disposition of your home. **Do not** complete this form.

3 Name of the bond or certificate issuer ____________ State ____________ Political subdivision (city, county, etc.) ____________ Agency, if any

4 Name and address of original lending institution ____________

5 Date of closing of the original loan . . . . . . . . . . . . . . . . ____________ Month Day Year

**Note.** If the date of closing of the loan was before January 1, 1991, recapture tax does not apply. **Do not** complete this form. If you (1) checked the box on line 2b (mortgage credit certificate), (2) refinanced your home, and (3) received a reissued mortgage credit certificate, see **Refinancing your home** on page 1 of the instructions.

6 Date of sale or other disposition of your interest in the home . . . . . . . ____________ Month Day Year

7 Number of years and full months between original closing date (line 5) and date of sale or disposition (line 6): ____________ Years Full months

8 Date of full repayment of the original loan including a refinancing other than one for which a replacement mortgage credit certificate was issued (see instructions) . . . . . . . . . . . . . . ____________ Month Day Year

## Part II Computation of Recapture Tax

| | | | |
|---|---|---|---|
| 9 | Sales price of your interest in the home sold or disposed of (see instructions) | 9 | |
| 10 | Expenses of sale. Include sales commissions, advertising, legal fees, etc. | 10 | |
| 11 | Amount realized. Subtract line 10 from line 9 | 11 | |
| 12 | Adjusted basis of your interest in the home sold or disposed of (see instructions) | 12 | |
| 13 | Gain or (loss) from sale or disposition. Subtract line 12 from line 11. If a loss, **stop** here and attach this form to your Form 1040. You **do not** owe recapture tax | 13 | |
| 14 | Multiply line 13 by 50% (.50) | 14 | |
| 15 | Modified adjusted gross income (see instructions) | 15 | |
| 16 | Adjusted qualifying income (see instructions) | 16 | |
| 17 | Subtract line 16 from line 15. If zero or less, **stop** here and attach this form to your Form 1040. You **do not** owe recapture tax | 17 | |
| 18 | Income percentage. If the amount on line 17 is $5,000 or more, enter "100." Otherwise, divide the amount on line 17 by $5,000 and enter the result as a percentage. Round to the nearest whole percentage | 18 | % |
| 19 | Federally subsidized amount (see instructions) | 19 | |
| 20 | Holding period percentage (see instructions) | 20 | % |
| 21 | Multiply line 19 by the percentage on line 20 | 21 | |
| 22 | Recapture amount. Multiply line 21 by the percentage on line 18 | 22 | |
| 23 | Tax. Enter the **smaller** of line 14 or line 22. Also, include this amount on the line for total tax on Form 1040. For details, see the Instructions for Form 1040 | 23 | |