

PA SCHEDULE D-I
Sale, Exchange or Disposition of Property
Within Pennsylvania
PA-20S/PA-65 D (09-16) (FI) 2016

OFFICIAL USE ONLY

Name as shown on the PA-20S/PA-65 Information Return

FEIN

Empty box for FEIN

C

Part I. Allocated gain (loss) from the Sale, Exchange or Disposition of Property within Pennsylvania. Enter whole dollars only.

Amended Schedule [ ] If Part I is blank, fill in the oval [ ]

Federal Realized and Recognized Gains (Losses):

(If a loss, fill in oval)

Table with 18 rows for reporting gains/losses. Includes descriptions like 'All PA-source gain (loss) included in federal ordinary business income' and 'Total PA-source federal realized and recognized reportable gain'. Each row has a radio button for 'LOSS' and a corresponding number in a column.



**PA SCHEDULE D-II**  
Sale, Exchange or Disposition of Property  
Within Pennsylvania  
PA-20S/PA-65 D (09-16) (FI) **2016**

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**Part II. Sale, Exchange or Disposition of Property within Pennsylvania.** If any of the federal gain (loss) transactions require adjustment, list each transaction and show the differences in federal gain (loss). The difference in PA/federal gain (loss) equals PA gain (loss) minus federal gain (loss). If the difference is negative, fill in the loss oval. Copy PA-20S/PA-65 Schedule D-II to list additional properties. Enter whole dollars only.

**Type of Property:** R=Real P=Personal S=Security O=Other Intangible (not security)

Amended Schedule

If Part II is blank, fill in the oval

1 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS

2 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS

3 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS

4 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS

5 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS



**PA SCHEDULE D-III**  
Sale, Exchange or Disposition of Property  
Outside Pennsylvania  
PA-20S/PA-65 D (09-16) (FI) **2016**

OFFICIAL USE ONLY

Name as shown on the PA-20S/PA-65 Information Return

FEIN

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**Part III. Allocated gain (loss) from the Sale, Exchange or Disposition of Property outside Pennsylvania. Enter whole dollars only.**

Amended Schedule  If Part III is blank, fill in the oval

**Federal Realized and Recognized Gains (Losses):**

(If a loss, fill in oval)

1	All outside PA gain (loss) included in federal ordinary business income (loss) and/or federal other income (loss) . . . . .	LOSS <input type="radio"/>	1	<input type="text"/>
2	All outside PA gain (loss) included in ordinary net rental/royalty income (loss) from federal Form 8825 . . . . .	LOSS <input type="radio"/>	2	<input type="text"/>
3	All outside PA net short-term capital gain (loss) from federal Schedule D . . . . .	LOSS <input type="radio"/>	3	<input type="text"/>
4	All outside PA net long-term capital gain (loss) from federal Schedule D . . . . .	LOSS <input type="radio"/>	4	<input type="text"/>
5	All other outside PA net IRC Section 1231 gain (loss) reported on federal Form 4797 not listed above . . . . .	LOSS <input type="radio"/>	5	<input type="text"/>
6	All outside PA gain (loss) from the disposition of IRC Section 179 property . . . . .	LOSS <input type="radio"/>	6	<input type="text"/>
7	Capital gains distributions taxed as dividends . . . . .		7	<input type="text"/>
8	<b>Total federal realized and recognized outside PA-source reportable gain (loss) before classification and/or adjustment amounts for PA PIT purposes.</b> Add Lines 1 through 6, minus Line 7. . . . .	LOSS <input type="radio"/>	8	<input type="text"/>
9	Outside PA gain (loss) on federal non-taxable exchanges on IRC Section 1031 . . . . .	LOSS <input type="radio"/>	9	<input type="text"/>
10	<b>Total outside PA/federal gain (loss) reportable for PA PIT before additional classification and/or adjustments.</b> Add Lines 8 and 9 . . . . .	LOSS <input type="radio"/>	10	<input type="text"/>
11	Outside PA adjustment for gain (loss) reflected on Part A of Schedule M for business income (loss) (net profits from a business, profession, or farm) . . . . .	LOSS <input type="radio"/>	11	<input type="text"/>
12	Outside PA PIT reportable Schedule D gain (loss) before PA PIT adjustments (Line 10 minus Line 11) . . . . .	LOSS <input type="radio"/>	12	<input type="text"/>
13	Net or aggregate outside PA PIT adjustments for Schedule D gain (loss) from transactions requiring adjustment for PA/federal gain (loss) differences. Itemize on Schedule D-IV . . . . .	LOSS <input type="radio"/>	13	<input type="text"/>
14	Net adjustment to arrive at outside PA PIT Schedule D reportable gain (loss). Add Lines 12 and 13 . . . . .	LOSS <input type="radio"/>	14	<input type="text"/>
15	Outside partnership and PA S corp gain (loss) from PA Schedules RK-1 and NRK-1 . . . . .	LOSS <input type="radio"/>	15	<input type="text"/>
16	<b>Total outside PA Schedule D net gain (loss) from property outside PA.</b> Add Lines 14 and 15. Enter this number on Page 1, Part III, Line 5a of the PA-20S/PA-65 Information Return . . . . .	LOSS <input type="radio"/>	16	<input type="text"/>



**PA SCHEDULE D-IV**  
Sale, Exchange or Disposition of Property  
Outside Pennsylvania  
PA-20S/PA-65 D (09-16) (FI) **2016**

OFFICIAL USE ONLY

Name as shown on the PA-20S/PA-65 Information Return

FEIN

C

**Part IV. Sale, Exchange or Disposition of Property outside Pennsylvania.** If any of the federal gain (loss) transactions require adjustment, list each transaction and show the differences in federal gain (loss). The difference in PA/federal gain (loss) equals PA gain (loss) minus federal gain (loss). If the difference is negative, fill in the loss oval. Copy PA-20S/PA-65 Schedule D-IV to list additional properties. **Enter whole dollars only.**

**Type of Property:** R=Real P=Personal S=Security O=Other Intangible (not security)

Amended Schedule  If Part IV is blank, fill in the oval

1 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS

2 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS

3 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS

4 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS

5 Type of Property  Description of Property:

Date acquired (MMDDYYYY)

PA allowed or allowable depreciation

Cost or other PA basis

Date sold (MMDDYYYY)

Gross sales price

Difference in PA/Fed Gain (Loss)

LOSS



# Instructions for PA-20S/PA-65 Schedule D

## Sale, Exchange or Disposition of Property

PA-20S/PA-65 Schedule D (09-16)

### WHAT'S NEW

#### Involuntary Conversions

Effective September 11, 2016, Section 1033 of the Internal Revenue Code shall be applicable to the personal income tax. This federal provision allows a taxpayer to acquire replacement property and make an election to defer recognition of gain following an involuntary conversion, for example when the original property is destroyed by fire or natural disaster.

### GENERAL INFORMATION

#### Purpose of Schedule

PA S corporations, partnerships or limited liability companies classified as partnerships or PA S corporations for federal income tax purposes use PA-20S/PA-65 Schedule D to report the allocated gain (loss) from the sale, exchange or disposition of property within and outside of Pennsylvania.

#### Net Gain (Loss) from the Sale, Exchange or Disposition of Property

Entities must report the sale, exchange or disposition of capital assets and gains on the distribution of appreciated assets to its partners, members and shareholders (owners). The entity must report the gain on the sale, exchange or disposition of property to its owners in the year in which the amount realized from the conversion of the property into cash or other property exceeds the adjusted basis of the property. A loss is recognized only on transactions the PA S corporation or partnership entered into for profit and only in the taxable year in which the transaction, in respect to which loss is claimed, is closed and completed by an identifiable event that fixes the amount of the loss so there is no possibility of eventual recoupment.

**IMPORTANT:** Include the sales, exchanges or dispositions of inventories and/or stock-in-trade in determining net business income (loss).

Use this schedule to report net gain (loss) derived from the sale, exchange or disposition of property, including real property, tangible personal property, intangible personal property or obligations issued on or after the effective date of this amendatory act by the commonwealth; any public authority, commission, board or other agency created by the commonwealth; any political subdivision of the commonwealth or any public authority created by any such political subdivision; or by the federal government as determined

in accordance with accepted accounting principles and practices.

**TIP** Amounts from federal Schedule D and other federal forms may not be accurate for Pennsylvania personal income tax purposes.

Other issues that the PA S corporation or partnership must consider:

- Pennsylvania law recognizes capital gains distributions from mutual funds and other regulated investment companies as dividend income on the partner's /share-holder's (owner's) personal income tax return.
- Adjusted Basis - The entity determines the basis of real, personal,

### Reporting Gain (Loss) from Federal Forms for Pennsylvania Personal Income Tax Purposes

Federal Form Reference	Pennsylvania Personal Income Tax
Federal Form 4797: Sale or exchange of property used in trade or business and involuntary conversions from other than casualties or thefts - most property held more than one year. Ordinary gain (loss) includes property held one year or less.	Gain on the sale or exchange of property used in a business, profession, or farm and involuntary conversion from other than casualty or theft of business property and the proceeds reinvested and used to acquire similar property used in the same kind of business must be classified by the entity as business income used in determining the net profit (loss) of the PA S corporation or partnership. Otherwise it should be classified as PA-20S/PA-65 Schedule D gain. There are no provisions for the carryover of losses from one tax year to another year. Pennsylvania does not allow an offset of loss against gain from one class of income to another or between two taxpayers (i.e. spouses).
Federal Schedule D: Long-term and short-term capital gain (loss) is reported on federal Schedule K.	Pennsylvania makes no distinctions for capital gains, whether long-term or short-term. Such gain (loss) must be classified by the entity as either net profit (loss) of the PA S corporation or partnership, or PA-20S/PA-65 Schedule D gain. There are no provisions for the carryover of losses from one tax year to another year. PA does not allow an offset of loss against gain from one class of income to another or between two taxpayers (i.e. spouses).

tangible and intangible property it acquired on or after June 1, 1971, on the date of acquisition.

The entity must adjust the basis of property it acquired before June 1, 1971, to reflect the property's value on that date. For determining a gain, the basis of such property is the greater of (1) the property's cost or other basis, as adjusted, or (2) the property's fair market value on June 1, 1971. For determining a loss, the basis of such property is the cost or other basis, as adjusted, without reference to its fair market value on June 1, 1971. For instructions on how to determine the basis of assets acquired on or before June 1, 1971, obtain REV-1742, Gain or Loss on Property Acquired Prior to June 1, 1971, PA Schedule D-71.

Report the kinds of transactions in the table on the previous page on PA-20S/PA-65 Schedule D. However, nonresident owners may or may not have to report the gains (losses).

 **NOTE:** Gain (loss) from ordinary business transactions where the proceeds are reinvested and used to acquire similar property used in the same kind of business is classified as incurred in the ordinary course and operations of the business, profession, or other qualified activity. The determination of whether gain is classified as incurred in the ordinary course of operations of the business, profession or other qualified activity is a factual determination that requires a tracing of the sales proceeds and the reinvestment of the proceeds to acquire similar property used in the same kind of business as defined under the North American Industry Classification System (NAICS) code.

Refer to the Pennsylvania Personal Income Tax (PA PIT) Guide, Chapter 12 for the specific rules used to define a line of business under the North American Industry Classification System code.

The determination of whether gains are classified as incurred in the ordinary course of operations of the

business, profession or qualified activity are not determined based on the character of the federal income. As an example, ordinary income recapture is not automatically classified as incurred in the ordinary course of operations of the business, profession or qualified activity.

Likewise, as to the long-term and short-term federal classification as Schedule D gain:

- Aggregate federal gain (loss) from operations other than real estate is first aggregated and then classified for Pennsylvania personal income tax purposes as either Schedule D gain (loss) or net profit (loss).
- All aggregate federal gain (loss) that is not classified as net profits and reported on PA-20S/PA-65 Schedule M, Part A are adjusted for Pennsylvania/federal differences on the PA-20S/PA-65 Schedule D-I and PA-20S/PA-65 Schedule D-III.
- Gains from the disposal of IRC §179 property reported on the federal Schedule K-1 should be addressed on PA-20S/PA-65 Schedule D-I and/or PA-20S/PA-65 Schedule D-III, Line 6.
- Net IRC §1231 gain (loss) from federal Form 4797 is reported on PA-20S/PA-65 Schedule M and/or PA-20S/PA-65 Schedule D. If IRC §1231 gain (loss) is classified as PA-20S/PA-65 Schedule D gain, it is included in PA-20S/PA-65 Schedule D, Part I and/or PA-20S/PA-65 Schedule D, Part III and reported on Line 5. PA-20S/PA-65 Schedule D, Part I and PA-20S/PA-65 Schedule D, Part-III also includes any other sales not included above. If IRC §1231 gain (loss) is classified to net profits from a business, it is included in PA-20S/PA-65 Schedule M, Part A.

## COMPLETING PA SCHEDULE D-I

### Allocated Gain (Loss) from the Sale, Exchange or Disposition of Property within Pennsylvania

In Part I, enter the allocated gain (loss) from the sale, exchange or disposition of property within Pennsylvania.

### Business Name

Enter the complete name of the entity or business as shown on the PA-20S/PA-65 Information Return.

### FEIN

Enter the nine-digit federal employer identification number (FEIN) of the entity or business as shown on the PA-20S/PA-65 Information Return.

## FILL IN THE APPLICABLE OVALS

### Amended Schedule

If this is an amended schedule, fill in the oval.

### If Part I is Blank

If there is no difference in the gain (loss) on the federal return and the gain (loss) on the PA-20S/PA-65 Information Return, then PA Schedule D-I should be blank. Fill in the oval.

## LINE INSTRUCTIONS

### LINE 1

### All PA-Source Gain (Loss) Included in Federal Ordinary Business Income (Loss) and/or Federal Other Income (Loss)

Enter the amount reported on PA-20S/PA-65 Schedule M, Part A, Line 1 and Line 11, Column (e) (Pennsylvania-source gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 1 and Part III, Line 1 will equal the amount reported on PA-20S/PA-65 Schedule M, Part A, Line 1 and Line 11, Column (e). Enter the gain (loss) amount on the disposition of assets in which the proceeds were not reinvested in similar property used in the same kind of business. Enter IRC

§1256 income (loss) from the federal Schedule K, Line 11 (federal Form 1065) or Line 10 (federal Form 1120S) without any adjustment for Pennsylvania personal income tax purposes.

## LINE 2

### All PA-Source Gain (Loss) Included in Ordinary Net Rental/Royalty Income (Loss) from Federal Form 8825

Enter the amounts reported on PA-20S/ PA-65 Schedule M, Part A, Lines 2, 3, and 6, Column (e) (Pennsylvania-source gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 2 and Part III, Line 2 will equal the amount reported on PA-20S/PA-65 Schedule M, Part A, Lines 2, 3 and 6, Column (e).

## LINE 3

### All PA-Source Net Short-Term Capital Gain (Loss) from Federal Schedule D

Enter the amount reported on PA-20S/ PA-65 Schedule M, Part A, Line 7, Column (a) (Pennsylvania-source gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 3 and Part III, Line 3 will equal the amount reported on the PA-20S/PA-65 Schedule M, Part A, Line 7, Column (a).

## LINE 4

### All PA-Source Net Long-Term Capital Gain (Loss) from Federal Schedule D

Enter the amount reported on PA-20S/ PA-65 Schedule M, Part A, Line 8, Column (a) (Pennsylvania-source gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 4 and Part III, Line 4 will equal the amount reported on the PA-20S/PA-65 Schedule M, Part A, Line 8, Column (a).

## LINE 5

### All Other PA-Source Net IRC §1231 Gain (Loss) Reported on Federal Form 4797 not Listed Above

Enter the amount reported on PA-20S/ PA-65 Schedule M, Part A, Line 10, Column (e) (Pennsylvania-source gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 5 and Part III, Line 5 will equal the amount reported on the PA-20S/PA-65 Schedule M, Part A, Line 10, Column (e).

## LINE 6

### All PA-Source Gain (Loss) from the Disposition of IRC §179 Property

Enter the amount reported on PA-20S/ PA-65 Schedule M, Part A, Line 9, Column (e) (Pennsylvania-source gain or loss only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 6 and Part III, Line 6 will equal the amount reported on the PA-20S/PA-65 Schedule M, Part A, Line 9, Column (e).

## LINE 7

### Capital Gains Distributions Taxed as Dividends

Enter the amounts reported on PA-20S/PA-65 Schedule M, Part A, Lines 7 and 8, Column (d).

## LINE 8

### Total PA-Source Federal-Realized and Recognized Reportable Gain (Loss) Before Classification and/or Adjustment Amounts for Pennsylvania Personal Income Tax Purposes

Add Lines 1 through 6, minus Line 7. Enter the result on Line 8.

## LINE 9

### PA-Source Gain (Loss) on Federal Non-Taxable Exchanges on IRC Sections 1031 and 1033

Enter the Pennsylvania-source amount from federal Form 8824, like-kind exchanges. Pennsylvania does not recognize like-kind exchanges under IRC Section 1031 and involuntary con-

version under Section 1033. However, effective September 11, 2016, Section 1033 of the Internal Revenue Code shall be applicable to the personal income tax. This federal provision allows a taxpayer to acquire replacement property and make an election to defer recognition of gain following an involuntary conversion, for example when the original property is destroyed by fire or natural disaster. Report federal deferred gain (loss) on this line.

## LINE 10

### Total PA-Source Federal Gain (Loss) Reportable for PA PIT Before Additional Classification and/or Adjustments

Enter the sum of Lines 8 and 9.

## LINE 11

### PA-Source Adjustment for Gain (Loss) Reflected on Part A of Schedule M for Business Income (Loss) (Net Profits from a Business, Profession or Farm)

Enter the amounts reported on PA-20S/ PA-65 Schedule M, Part A, Lines 7 and 8, Column (b) (Pennsylvania-source gain (loss) only).

 **NOTE:** If the proceeds from assets sold have been reinvested back into similar property used in the same kind of business that has the same North American Industry Classification System code, then the gain (loss) should be reflected as business income.

## LINE 12

### PA-Source PA PIT Reportable Schedule D Gain (Loss) Before PA PIT Adjustments

Enter the difference of Line 10 minus Line 11.

## LINE 13

### Net or Aggregate PA-Source, PIT for Schedule D Gain (Loss) from Transactions Requiring Adjustment for Pennsylvania/Federal Gain (Loss) Differences. Itemize in Part II of this Schedule.

Full detail must be provided on PA-20S/PA-65 Schedule D-II when there



## COMPLETING PA SCHEDULE D-III

### Allocated Gain (Loss) from the Sale, Exchange or Disposition of Property Outside Pennsylvania

On PA-20S/PA-65 Schedule D-III, enter the allocated gain (loss) from sale, exchange or disposition of property outside Pennsylvania.

 **NOTE:** The gain (loss) from the sale or disposition of an intangible asset is not Pennsylvania-source for nonresidents unless employed in a Pennsylvania trade or business. See PIT Bulletin 2005-02. This gain (loss) is reported on PA-20S/PA-65 Schedule D-III, Sale, Exchange or Disposition of Property Outside Pennsylvania.

### Business Name

Enter the complete name of the entity or business as shown on the PA-20S/PA-65 Information Return.

### FEIN

Enter the 9-digit federal employer identification number (FEIN) of the entity or business as shown on the PA-20S/PA-65 Information Return.

## FILL IN THE APPLICABLE OVALS

### Amended Schedule

If this is an amended schedule, fill in the oval.

### If Part III is Blank

If there is no difference in the gain (loss) on the federal return and the gain (loss) on the PA-20S/PA-65 Information Return then PA Schedule D-III should be blank. Fill in the oval.

### LINE INSTRUCTIONS

## LINE 1

### All Outside PA Gain (Loss) Included in Federal Ordinary Business Income (Loss) and/or Federal Other Income (Loss)

Enter the amount reported on PA-20S/PA-65 Schedule M, Part A, Line 1 and Line 11, Column (e) (Outside Pennsylvania gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 1 and Part III, Line 1 will equal the amount reported on PA-20S/PA-65 Schedule M, Part A, Line 1 and Line 11, Column (e).

Enter the gain (loss) amount on the disposition of assets in which the proceeds were not reinvested in similar property used in the same kind of business. Enter IRC § 1256 income (loss) from the federal Schedule K, Line 11 (federal Form 1065) or Line 10 (federal Form 1120S) without any adjustment for Pennsylvania personal income tax purposes.

## LINE 2

### All Outside PA Gain (Loss) Included in Ordinary Net Rental/Royalty Income (Loss) from Federal Form 8825

Enter the amounts reported on PA-20S/PA-65 Schedule M, Part A, Lines 2, 3, and 6, Column (e) (Outside Pennsylvania gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 2 and Part III, Line 2 will equal the amounts reported on PA-20S/PA-65 Schedule M, Part A, Lines 2, 3 and 6, Column (e).

## LINE 3

### All Outside PA Net Short-Term Capital Gain (Loss) from Federal Schedule D

Enter the amount reported on PA-20S/PA-65 Schedule M, Part A, Line 7, Column (a) (Outside Pennsylvania gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 3 and Part III, Line 3 will equal the amount reported on the PA-20S/PA-65 Schedule M, Part A, Line 7, Column (a).

## LINE 4

### All Outside PA Net Long-Term Capital Gain (Loss) from Federal Schedule D

Enter the amount reported on PA-20S/PA-65 Schedule M, Part A, Line 8, Column (a) (Outside Pennsylvania gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 4 and Part III, Line 4 will equal the amount reported on the PA-20S/PA-65 Schedule M, Part A, Line 8, Column (a).

## LINE 5

### All Other Outside PA Net IRC §1231 Gain (Loss) Reported on Federal Form 4797 Not Listed Above

Enter the amount reported on PA-20S/PA-65 Schedule M, Part A, Line 10, Column (e) (Outside Pennsylvania gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 5 and Part III, Line 5 will equal the amount reported on the PA-20S/PA-65 Schedule M, Part A, Line 10, Column (e).

## LINE 6

### All Outside PA Gain (Loss) from the Disposition of IRC §179 Property

Enter the amount reported on PA-20S/PA-65 Schedule M, Part A, Line 9, Column (e) (Outside Pennsylvania gain (loss) only).

 **NOTE:** On the PA-20S/PA-65 Schedule D, the sum of Part I, Line 6 and Part III, Line 6 will equal the amount reported on the PA-20S/PA-65 Schedule M, Part A, Line 9, Column (e).

## LINE 7

### Capital Gains Distributions Taxed as Dividends

Enter the amounts reported on PA-20S/PA-65 Schedule M, Part A, Lines 7 and 8, Column (d).

## LINE 8

### Total Federal-Realized and Recognized Outside PA-Source Reportable Gain (Loss) Before Classification and/or Adjustment Amounts for PA PIT Purposes

Add Lines 1 through 6, minus Line 7. Enter the result on Line 8.



**Gross Sales Price**

Enter the gross sales price of the property.

**Cost or Other PA Basis**

Enter your cost or other Pennsylvania basis from your books and records.

**Difference Between PA/Federal Gain (Loss)**

The entity must take the gross sales price, less cost or other Pennsylvania basis, less Pennsylvania-allowed or allowable depreciation, to obtain the Pennsylvania gain (loss).

Pennsylvania gain (loss) minus federal gain (loss) equals the difference between Pennsylvania/federal gain (loss).

If any of the federal gain (loss) transactions require adjustment, list each transaction and show the differences in federal gain (loss).

If the difference is negative, fill in the "loss" oval.

The sum of all differences in Pennsylvania/federal gain (loss) fields must equal the amount reported on the PA-20S/PA-65 Schedule D-III, Line 13.