



# Passive Activity Loss Limitations For Nonresidents and Part-Year Residents

Submit with your Form IT-203 or IT-205.

Name as shown on return	Identifying number as shown on return
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See the instructions on page 4, before completing this form.

## Part I – Passive activity loss

### Rental real estate activities with active participation

1a Activities with net income from Part IV, column (a) .....	<b>1a</b>	.00	
1b Activities with net loss from Part IV, column (b) .....	<b>1b</b>	.00	
1c Prior years unallowed losses from Part IV, column (c) (see instructions) .....	<b>1c</b>	.00	
<b>1d</b> Add lines 1a, 1b, and 1c.....	<b>1d</b>		.00

### All other passive activities

2a Activities with net income from Part V, column (a) .....	<b>2a</b>	.00	
2b Activities with net loss from Part V, column (b) .....	<b>2b</b>	.00	
2c Prior years unallowed losses from Part V, column (c) (see instructions) .....	<b>2c</b>	.00	
<b>2d</b> Add lines 2a, 2b, and 2c.....	<b>2d</b>		.00

**3** Add lines 1d and 2d. **Note:** If this line is zero or more, stop here and submit this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c or 2c. Report the losses on the forms and schedules normally used. .... **3** .00

If line 3 is a loss and: • Line 1d is a loss, go to Part II.  
• Line 2d is a loss (and line 1d is zero or more), skip Part II and go to Part III, line 10.

**Caution:** If married filing separately, filing status ③, and you lived with your spouse at any time during the year, **do not** complete Part II. Instead, go to line 10.

## Part II – Special allowance for rental real estate activities with active participation

**Note:** Enter all numbers in Part II as positive amounts (greater than zero). See instructions.

4 Enter the smaller of the loss on line 1d or the loss on line 3.....	<b>4</b>	.00	
5 Enter 150,000 (if married filing separately, see instructions) .....	<b>5</b>	.00	
6 Enter federal modified adjusted gross income, but not less than zero (see instr.) .....	<b>6</b>	.00	
<b>Note:</b> If line 6 is greater than or equal to line 5, skip lines 7 and 8, and leave line 9 blank. Otherwise, go to line 7.			
7 Subtract line 6 from line 5 .....	<b>7</b>	.00	
8 Multiply line 7 by 50% (.5). Do not enter more than 25,000. (If married filing separately, filing status ③, see instr.) ..	<b>8</b>		.00
9 Enter the smaller of line 4 or line 8 .....	<b>9</b>		.00

## Part III – Total losses allowed

10 Add the income, if any, from lines 1a and 2a and enter the total .....	<b>10</b>	.00	
<b>11 Total losses allowed from all passive activities for this year.</b> (Add lines 9 and 10. See the instructions to find out how to report the losses on your return.) .....	<b>11</b>		.00



**Part IV – For Part I, lines 1a, 1b, and 1c** (see instructions)

Name of activity/property description and address	Date of acquisition	Date of sale	Current year		Prior years	Overall gain or loss	
			(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
			.00	.00	.00	.00	.00
			.00	.00	.00	.00	.00
			.00	.00	.00	.00	.00
			.00	.00	.00	.00	.00
			.00	.00	.00	.00	.00
<b>Totals. Enter on Part I, lines 1a, 1b, and 1c.....</b>			.00	.00	.00		

**Part V – For Part I, lines 2a, 2b, and 2c** (see instructions)

Name of activity/property description and address	Date of acquisition	Date of sale	Current year		Prior years	Overall gain or loss	
			(a) Net income (line 2a)	(b) Net loss (line 2b)	(c) Unallowed loss (line 2c)	(d) Gain	(e) Loss
			.00	.00	.00	.00	.00
			.00	.00	.00	.00	.00
			.00	.00	.00	.00	.00
			.00	.00	.00	.00	.00
			.00	.00	.00	.00	.00
<b>Totals. Enter on Part I, lines 2a, 2b, and 2c.....</b>			.00	.00	.00		

**Part VI – Use this Part if an amount is shown on Part II, line 9** (see instructions)

Name of activity/property description and address	Form or schedule and line number to be reported on	(a) Loss	(b) Ratio	(c) Special Allowance	(d) Subtract column (c) from column (a)
		.00		.00	.00
		.00		.00	.00
		.00		.00	.00
		.00		.00	.00
<b>Totals.....</b>		.00	<b>1.00</b>	.00	.00

**Part VII – Allocation of unallowed losses** (see instructions)

Name of activity/property description and address	Form or schedule and line number to be reported on	(a) Loss	(b) Ratio	(c) Unallowed loss
		.00		.00
		.00		.00
		.00		.00
		.00		.00
<b>Totals.....</b>		.00	<b>1.00</b>	.00



**Part VIII – Allowed losses** (see instructions)

Name of activity/property description and address	Form or schedule and line number to be reported on	(a) Loss	(b) Unallowed loss	(c) Allowed loss
		.00	.00	.00
		.00	.00	.00
		.00	.00	.00
		.00	.00	.00
<b>Totals</b> .....		.00	.00	.00

**Part IX – Activities with losses reported on two or more different forms or schedules** (see instructions)

Name of activity/property description and address:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
<b>Form or schedule and line number to be reported on</b> (see instructions): _____					
<b>1a</b> Net loss plus prior year unallowed loss from form or schedule .....	.00				
<b>1b</b> Net income from form or schedule .....	.00				
<b>1c</b> Subtract line 1b from line 1a. If zero or less, leave blank .....		.00		.00	.00
<b>Form or schedule and line number to be reported on</b> (see instructions): _____					
<b>1a</b> Net loss plus prior year unallowed loss from form or schedule .....	.00				
<b>1b</b> Net income from form or schedule .....	.00				
<b>1c</b> Subtract line 1b from line 1a. If zero or less, leave blank.....		.00		.00	.00
<b>Form or schedule and line number to be reported on</b> (see instructions): _____					
<b>1a</b> Net loss plus prior year unallowed loss from form or schedule .....	.00				
<b>1b</b> Net income from form or schedule .....	.00				
<b>1c</b> Subtract line 1b from line 1a. If zero or less, leave blank.....		.00		.00	.00
<b>Totals</b> .....		.00	<b>1.00</b>	.00	.00



# Instructions

## General instructions

New York State Tax Law conforms to the passive activity loss rules for federal purposes. However, any deduction for a passive activity loss (PAL) for a nonresident or part-year resident must be recomputed to determine the amount that is allowed if the federal adjusted gross income took into account only items of income, gain, loss, or deduction derived from or connected with New York sources.

### Purpose of form

Nonresident or part-year resident individuals, estates or trusts must file Form IT-182, *Passive Activity Loss Limitations*, to report the amount of allowed passive activity losses from New York sources for the current tax year.

It is possible, because of the above rules, for a nonresident to have a PAL for New York State without having a PAL for federal purposes, or to have a New York State PAL that is larger or smaller than the corresponding federal PAL. A nonresident or part-year resident individual, estate or trust claiming a PAL for New York State purposes but not for federal income tax purposes must file Form IT-203, *Nonresident and Part-Year Resident Income Tax Return*, or Form IT-205, *Fiduciary Income Tax Return*, to report the carryover of any PAL derived from or connected with New York sources.

If you were a **part-year resident**, you must recalculate your PAL limitations as if separate federal returns were filed for your resident and nonresident periods using only those items of income, gain, loss, or deduction attributable to each period. For the resident period, compute the New York PAL using only those items of income, gain, loss, and deduction that would have been reported if a separate federal return was filed for the period of New York State residence. For the nonresident period, compute the New York PAL using only those items of income and loss derived from or connected with New York sources.

Generally, losses from passive activities are subject to other limitations, such as basis and at-risk limitations, before they are subject to the passive loss limitations. Once a loss becomes allowable under these other limitations, you must determine whether the loss is limited under the passive loss rules. See the instructions for federal Form 6198, *At-Risk Limitations*, and federal Publication 925, *Passive Activity and At-Risk Rules*, for details on the at-risk rules.

## Specific instructions

See the instructions for your tax return for the *Privacy notification* or if you need help contacting the Tax Department.

Before completing Form IT-182, compute your federal PAL limitation using federal Form 8582, *Passive Activity Loss Limitations*. Then complete Form IT-182 using only those activities included on federal Form 8582 derived from or connected with New York sources. Part-year residents see *General instructions* above.

If you were not required to file federal Form 8582 due to one of the exceptions described in the instructions for federal Form 8582, complete federal Form 8582, Parts IV through IX, as if you were required to file the federal form. Then complete Form IT-182 using only those activities derived from or connected with New York sources.

### Part I – Passive activity loss

Use Part I to combine the net income and net loss from all New York passive activities to determine if you have a PAL from New York sources for this year.

Enter the amounts on lines 1a through 3 using Parts IV and V on page 2.

**Parts IV and V** – Enter the name of the activity or the description and address of the property. Enter the acquisition date and the sale date, if applicable, of rental real estate activity in the columns indicated. See the instructions for federal Form 8582 for specific line instructions and examples. Use only those items of income, gain, loss, or deduction derived from or connected with New York sources.

### Part II – Special allowance for rental real estate activities with active participation

Use Part II to compute the maximum amount of rental loss allowed for New York purposes if you have a net loss from a rental real estate activity with active participation. Enter all numbers in Part II as positive amounts (greater than zero).

See the instructions for federal Form 8582 for specific line instructions and examples.

**Line 5** – Married persons filing separate returns who lived apart from their spouses at all times during the year must enter \$75,000 on line 5 instead of \$150,000. Married persons filing separate returns who lived with their spouses at any time during the year are not eligible for the special allowance. Leave line 9 blank and go to line 10.

**Line 6** – See the instructions for federal Form 8582 to compute your federal modified adjusted gross income. Enter on line 6 your modified adjusted gross income using only those amounts derived from or connected with New York sources.

**Line 8** – Do not enter more than \$12,500 on line 8 if you are married filing a separate return and you and your spouse lived apart at all times during the year. Married persons filing separate returns who lived with their spouses at any time during the year are not eligible for the special allowance. Leave line 9 blank and go to line 10.

### Part III – Total losses allowed

Use Part III to compute the amount of the PAL from New York sources (as determined in Part I) allowed for this year.

**Line 11** – Use Parts IV through IX of this form and the instructions for Part III of federal Form 8582 to calculate the unallowed loss from New York sources to be carried forward and the allowed loss from New York sources of each activity. Report the amounts allowed in the *New York State amount* column of Form IT-203 or on Form IT-205-A, *Fiduciary Allocation*.

Complete Parts IV through IX of this form, using only those items of income or loss derived from or connected with New York sources. (Also see Part III of the instructions for federal Form 8582.)

**How to report allowed losses** – See the instructions for federal Form 8582. Follow the instructions and use Parts VIII and IX to identify the amount of allowed losses from each activity from New York sources. Report the recomputed amounts of the New York allowed loss for each activity in the *New York State amount* column of Form IT-203 or on Form IT-205-A on the same line on which the loss was reported for federal purposes.

Submit Form IT-182 with your Form IT-203 or Form IT-205.

**Retention of records** – Keep a copy of Form IT-182 used to calculate the amounts reported on Form IT-203 or on Form IT-205-A for three years after the sale or disposition of all activities included on the form.

