

**2025****Sales of Business Property**

(Also, Involuntary Conversions and Recapture Amounts Under IRC Sections 179 and 280F(b)(2))

**D-1****Complete and attach this schedule to your tax return only if your California gains or losses are different from your federal gains or losses.**

Name(s) as shown on tax return

SSN, ITIN, CA SOS file no., California Corp. no., or FEIN

**Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty and Theft – Property Held More Than 1 Year.** Use federal Form 4684, Casualties and Thefts, to report involuntary conversions from casualty and theft.

|           |                                                                                                                                                                                                                                                                                                                                    |                       |           |  |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------|--|
| <b>1a</b> | Enter the gross proceeds from sales or exchanges reported to you for 2025 on federal Form 1099-B, Proceeds from Broker and Barter Exchange Transactions, or federal Form 1099-S, Proceeds from Real Estate Transactions (or a substitute statement), that you are including on line 2 or line 10, column (d), or line 23 . . . . . | <input type="radio"/> | <b>1a</b> |  |
| <b>1b</b> | Enter the total amount of gain that you are including on lines 2, 10, and 27 due to the partial dispositions of MACRS assets. See instructions . . . . .                                                                                                                                                                           | <input type="radio"/> | <b>1b</b> |  |
| <b>1c</b> | Enter the total amount of loss that you are including on lines 2 and 10 due to the partial dispositions of MACRS assets. See instructions . . . . .                                                                                                                                                                                | <input type="radio"/> | <b>1c</b> |  |

| <b>2</b>              | <b>(a)</b><br>Description of property | <b>(b)</b><br>Date acquired (mm/dd/yyyy) | <b>(c)</b><br>Date sold (mm/dd/yyyy) | <b>(d)</b><br>Gross sales price | <b>(e)</b><br>Depreciation allowed or allowable since acquisition | <b>(f)</b><br>Cost or other basis, plus improvements and expense of sale | <b>(g)</b><br>Gain or (Loss) Subtract (f) from the sum of (d) and (e) |
|-----------------------|---------------------------------------|------------------------------------------|--------------------------------------|---------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <input type="radio"/> |                                       | <input type="radio"/>                    | <input type="radio"/>                | <input type="radio"/>           | <input type="radio"/>                                             | <input type="radio"/>                                                    | <input type="radio"/>                                                 |
| <input type="radio"/> |                                       | <input type="radio"/>                    | <input type="radio"/>                | <input type="radio"/>           | <input type="radio"/>                                             | <input type="radio"/>                                                    | <input type="radio"/>                                                 |
| <input type="radio"/> |                                       | <input type="radio"/>                    | <input type="radio"/>                | <input type="radio"/>           | <input type="radio"/>                                             | <input type="radio"/>                                                    | <input type="radio"/>                                                 |

**3** Gain, if any, from federal Form 4684, line 39 . . . . . ☐ **3**

**4** IRC Section 1231 gain from installment sales from form FTB 3805E, line 26 or line 37 . . . . . ☐ **4**

**5** IRC Section 1231 gain or (loss) from like-kind exchanges from federal Form 8824 (completed using California amounts) . . . ☐ **5**

**6** Gain, if any, from line 35, from other than casualty and theft. . . . . ☐ **6**

**7** Combine line 2 through line 6. Enter gain or (loss) here and on the appropriate line as follows: . . . . . ☐ **7**

**IRC Section 179 Assets:** For reporting the sale or disposition of assets for which an IRC Section 179 expense deduction was claimed in a prior year, see instr. **Partnerships or LLCs (classified as partnerships):** Enter the gain or (loss) on Schedule K (565 or 568), line 10. Skip lines 8, 9, 11, and 12 below. **S corporations:** If line 7 is zero or a loss, enter the amount on line 11 below and skip line 8 and line 9. If line 7 is a gain, continue to line 8. **All others:** If line 7 is zero or a loss, enter the amount on line 11 below and skip line 8 and line 9. If line 7 is a gain and you did not have any prior year IRC Section 1231 losses, or they were recaptured in an earlier year, enter the gain as follows: **Forms 540 and 540NR filers,** enter the gain on Schedule D (540 or 540NR), line 1, and skip lines 8, 9, and 12 below; **Forms 100 and 100W filers,** enter the gain on Forms 100 or 100W, Side 6, Schedule D, Part II, line 6, and skip lines 8, 9, and 12 below.

**8** Nonrecaptured net IRC Section 1231 losses from prior years. Enter as a positive number. See instructions . . . . . ☐ **8**

**9** Subtract line 8 from line 7. If zero or less, enter -0- . . . . . ☐ **9**

**S corporations:** If line 9 is more than zero, enter this amount on Schedule D (100S), Section B, Part II, line 5 and enter the amount, if any, from line 8 on line 12 below. If line 9 is zero, enter the amount from line 7 on line 12 below. **All others:** If line 9 is more than zero, enter the amount from line 8 on line 12 below, and enter the amount from line 9 as follows: **Forms 540 and 540NR filers,** enter as a capital gain on Schedule D (540 or 540NR), line 1; **Forms 100 and 100W filers,** enter the gain on Forms 100 or 100W, Side 6, Schedule D, Part II, line 6. If line 9 is zero, enter the amount from line 7 on line 12 below. See instr.

**Part II Section A – Ordinary Gains and Losses**

**10** Ordinary gains and losses not included on line 11 through line 16 (include property held 1 year or less):

|                       |                       |                       |                       |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

**11** Loss, if any, from line 7 . . . . . ☐ **11** ( )

**12** Gain, if any, from line 7, or amount from line 8, if applicable. See instructions . . . . . ☐ **12**

**13** Gain, if any, from line 34 . . . . . ☐ **13**

**14** Net gain or (loss) from federal Form 4684, line 31 and line 38a (completed using California amounts) . . . . . ☐ **14**

**15** Ordinary gain from installment sales from form FTB 3805E, line 25 or line 36. See instructions. . . . . ☐ **15**

**16** Ordinary gain or (loss) from like-kind exchanges from federal Form 8824 (completed using California amounts) . . . . . ☐ **16**

**17** Combine line 10 through line 16 . . . . . ☐ **17**

**18** For all except individual tax returns, enter the amount from line 17 on the appropriate line of your tax return and skip line a and line b below. For individual tax returns, complete line a and line b below; see instructions.

**a** If the loss on line 11 includes a loss from federal Form 4684, Section B, Part II, column (b)(ii) of line 30 or line 35, enter that part of the loss here. See instructions . . . . . ☐ **18a**

**b** Redetermine the gain or (loss) on line 17, excluding the loss, if any, on line 18a. Enter here and on line 20 . . . . . ☐ **18b**

**Part II Section B – Adjusting California Ordinary Gain or Loss** For individual tax returns (Forms 540 and 540NR) only.

|                                                                                                                                                                  |                       |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|--|
| <b>19</b> Enter ordinary federal gain or (loss) from federal Schedule 1 (Form 1040), line 4. . . . .                                                             | <input type="radio"/> | <b>19</b>  |  |
| <b>20</b> Enter ordinary California gain or (loss) from line 18b . . . . .                                                                                       | <input type="radio"/> | <b>20</b>  |  |
| <b>21</b> Ordinary gain or loss adjustment: Compare line 19 and line 20. See instructions.                                                                       |                       |            |  |
| <b>a</b> If line 19 is more than line 20, enter the difference here and on Sch. CA (540), Part I or Sch. CA (540NR), Part II, Section B, line 4, col. B. . . . . | <input type="radio"/> | <b>21a</b> |  |
| <b>b</b> If line 20 is more than line 19, enter the difference here and on Sch. CA (540), Part I or Sch. CA (540NR), Part II, Section B, line 4, col. C. . . . . | <input type="radio"/> | <b>21b</b> |  |

**Part III Gain from Disposition of Property Under IRC Sections 1245, 1250, 1252, 1254, and 1255**

Description of IRC Sections 1245, 1250, 1252, 1254, and 1255 property.

|                                   |                       |                            |                       |                        |
|-----------------------------------|-----------------------|----------------------------|-----------------------|------------------------|
| <b>22 A</b> <input type="radio"/> | <input type="radio"/> | Date acquired (mm/dd/yyyy) | <input type="radio"/> | Date sold (mm/dd/yyyy) |
| <b>B</b> <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>      | <input type="radio"/> | <input type="radio"/>  |
| <b>C</b> <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>      | <input type="radio"/> | <input type="radio"/>  |
| <b>D</b> <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>      | <input type="radio"/> | <input type="radio"/>  |

|                                                                                                                                                          |                                  |                       |                       |                       |                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Relate the properties on lines 22A through 22D to these columns ▶                                                                                        |                                  | <b>Property A</b>     | <b>Property B</b>     | <b>Property C</b>     | <b>Property D</b>     |
| <b>23</b> Gross sales price . . . . .                                                                                                                    | <b>23</b> <input type="radio"/>  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>24</b> Cost or other basis plus expense of sale . . . . .                                                                                             | <b>24</b> <input type="radio"/>  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>25</b> Depreciation (or depletion) allowed or allowable . . . . .                                                                                     | <b>25</b> <input type="radio"/>  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>26</b> Adjusted basis. Subtract line 25 from line 24. . . . .                                                                                         | <b>26</b> <input type="radio"/>  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>27</b> Total gain. Subtract line 26 from line 23. . . . .                                                                                             | <b>27</b> <input type="radio"/>  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>28 If IRC Section 1245 property:</b>                                                                                                                  |                                  |                       |                       |                       |                       |
| <b>a</b> Depreciation allowed or allowable from line 25 . . . . .                                                                                        | <b>28a</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>b</b> Enter the <b>smaller</b> of line 27 or line 28a . . . . .                                                                                       | <b>28b</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>29 If IRC Section 1250 property:</b> If straight-line depreciation was used, enter -0- on line 29g, except for a corporation subject to IRC Sec. 291: |                                  |                       |                       |                       |                       |
| <b>a</b> Additional depreciation after 12/31/76. See instructions . . . . .                                                                              | <b>29a</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>b</b> Applicable percentage multiplied by the <b>smaller</b> of line 27 or line 29a. See instructions . . . . .                                       | <b>29b</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>c</b> Subtract line 29a from line 27. If line 27 is not more than line 29a, skip line 29d and line 29e. . . . .                                       | <b>29c</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>d</b> Additional depreciation after 12/31/70 and before 1/1/77. . . . .                                                                               | <b>29d</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>e</b> Enter the <b>smaller</b> of line 29c or line 29d . . . . .                                                                                      | <b>29e</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>f</b> IRC Section 291 amount (for corporations only). See instructions . . . . .                                                                      | <b>29f</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>g</b> Add line 29b, line 29e, and line 29f. . . . .                                                                                                   | <b>29g</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>30 If IRC Section 1252 property:</b> Skip section if you did not dispose of farm land or if form is being completed for a partnership.                |                                  |                       |                       |                       |                       |
| <b>a</b> Soil, water, and land clearing expenses . . . . .                                                                                               | <b>30a</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>b</b> Applicable percentage multiplied by line 30a. See instructions . . . . .                                                                        | <b>30b</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>c</b> Enter the <b>smaller</b> of line 27 or line 30b . . . . .                                                                                       | <b>30c</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>31 If IRC Section 1254 property:</b>                                                                                                                  |                                  |                       |                       |                       |                       |
| <b>a</b> Intangible drilling and development costs deducted after 12/31/76 . . . . .                                                                     | <b>31a</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>b</b> Enter the <b>smaller</b> of line 27 or line 31a . . . . .                                                                                       | <b>31b</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>32 If IRC Section 1255 property:</b>                                                                                                                  |                                  |                       |                       |                       |                       |
| <b>a</b> Applicable percentage of payments excluded from income under IRC Section 126 . . . . .                                                          | <b>32a</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <b>b</b> Enter the <b>smaller</b> of line 27 or line 32a . . . . .                                                                                       | <b>32b</b> <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

**Summary of Part III Gains.** Complete property column A through column D for line 23 through line 32b before going to line 33.

|                                                                                                                                                                                                     |                       |           |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------|--|
| <b>33</b> Total gains for all properties. Add column A through column D of line 27 . . . . .                                                                                                        | <input type="radio"/> | <b>33</b> |  |
| <b>34</b> Add column A through column D of lines 28b, 29g, 30c, 31b, and 32b. Enter here and on line 13 . . . . .                                                                                   | <input type="radio"/> | <b>34</b> |  |
| <b>35</b> Subtract line 34 from line 33. Enter the portion from other than casualty and theft here and on line 6. Enter the portion from casualty and theft on federal Form 4684, line 33 . . . . . | <input type="radio"/> | <b>35</b> |  |

**Part IV Recapture Amounts Under IRC Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less**

|                                                                                       |                                 |                                |
|---------------------------------------------------------------------------------------|---------------------------------|--------------------------------|
|                                                                                       | <b>(a) Expense deductions</b>   | <b>(b) Recovery deductions</b> |
| <b>36</b> Expense deductions or recovery deductions. See instructions. . . . .        | <b>36</b> <input type="radio"/> | <input type="radio"/>          |
| <b>37</b> Depreciation or recovery deductions. See instructions . . . . .             | <b>37</b> <input type="radio"/> | <input type="radio"/>          |
| <b>38</b> Recapture amount. Subtract line 37 from line 36. See instructions . . . . . | <b>38</b> <input type="radio"/> | <input type="radio"/>          |