



Schedule F Gains from Sales or Exchanges of Property Acquired Before August 1, 1969

Attach to your Form IL-1041

Month Year

Write your name as shown on your Form IL-1041.

Write your federal employer identification number.

Note: You should file this schedule only if you reported gains from the disposition of property acquired before August 1, 1969, as shown on U.S. Form 1041, Schedule D, and U.S. Form 4797 or U.S. Form 6252. See instructions. You must attach a copy of U.S. Form 1041, Schedule D, and U.S. Form 4797 or 6252, if filed.

Table with 7 columns (A-G) and 5 rows (a-e). Columns include Description of property, Date acquired, Date sold, Federal gain, Section 1245/1250 gain, Section 1231 gain, and Capital gain.

- 2 Write your share of pre-August 1, 1969, appreciation amounts from partnerships and other trusts and estates.
3 Write the amount from Form IL-4644, Line 18, if required. See instructions.
4 Write the total of Column K here and on Line 7, Column 1.
5 Write the total of Column L here and on Line 8, Column 1.
6 Write the total of Column M here and on Line 9, Column 1.

Grid for totals of columns K, L, and M. Includes boxes for Column 1, 2, 3 and lines for 4, 5, 6.

Distribution of Appreciation Amounts

Table with 3 columns: Column 1 Total, Column 2 Beneficiaries, Column 3 Fiduciary. Rows 7-9 for distribution details.

Valuation Limitation Amount

- 10 Write the amount from Line 9, Column 3.
11 Write the amount from Line 8, Column 3, or zero if U.S. Form 1041, Schedule D, Line 10, (or U.S. Form 1041, Schedule D, Line 7, if U.S. Form 6252 is used) is blank.
12 Add Lines 10 and 11.
13 Net capital gain. Write the amount, if any, from U.S. Form 1041, Schedule D, Line 16a, Column 2.
14 Write the amount from Form IL-4644, Line 13, if required. See instructions.
15 Subtract Line 14 from Line 13. If Line 14 is equal to or greater than Line 13, write zero.
16 Write the smaller of Line 12 or Line 15.
17 Write the amount from Line 7, Column 3.
18 August 1, 1969, valuation limitation amount. Add Lines 16 and 17, write on Form IL-1041, Part I, Line 4a.

Installment Sales

If on your U.S. Form 1041, Schedule D, or U.S. Form 4797, you reported gain from an installment sale of property acquired before August 1, 1969, complete Schedule F for those sales by following the instructions below.

Note: If for federal tax purposes you filed U.S. Form 6252 but were not required to file U.S. Form 4797, attach to your Schedule F: (1) a statement that you were not required to file U.S. Form 4797, and (2) a copy of the U.S. Form 6252 as filed.

Installment sales before August 1, 1969

Complete Schedule F

Columns A through C – Follow Schedule F Instructions.

Column D – Write “INST” to indicate installment.

Columns E through J – Leave blank.

Column K – Write the amount of Section 1245 or 1250 gain from this sale reported this year on your U.S. Form 4797 or 6252.

Column L – Write the amount of Section 1231 gain from this sale reported this year on your U.S. Form 4797 or 6252.

Column M – Write the amount of gain from this sale reported this year on your U.S. Form 1041, Schedule D.

Installment sales on or after August 1, 1969

Complete Schedule F

Columns A through I – Follow Schedule F Instructions.

Column J – Complete the worksheet below and write in this column the amount from Column 5 of the worksheet.

Note: The heading for Column J does not describe this entry.

Column K through M – Follow Schedule F Instructions.

Column J Worksheet

| 1 | 2 | 3 | 4 | 5 |
|------------|----------|---|--|---|
| Total gain | Fraction | Column 1 times Column 2 or, Schedule F, Column H minus Column I | Total gain reported in prior years | Column 3 minus Column 4 If negative, write zero. Write this amount in Column J |
| a _____ | _____ | _____ | _____ | _____ |
| b _____ | _____ | _____ | _____ | _____ |
| c _____ | _____ | _____ | _____ | _____ |
| d _____ | _____ | _____ | _____ | _____ |
| e _____ | _____ | _____ | _____ | _____ |
| f _____ | _____ | _____ | _____ | _____ |

Instructions for Column J Worksheet

For each installment sale after July 31, 1969, reported on Schedule F:

Column 1 - Write the total federal gain realized on the sale. This is your entire gain and not just the amount of gain reported this year.

Column 2 - Write the fraction, if any, written on Schedule F, Column H.

Column 3 - If you wrote a fraction in Column 2 of this worksheet, multiply Column 1 by that fraction. If Column 2 is blank, subtract Column I from Column H on Schedule F and write the amount.

Column 4 - Write the total gain reported on federal income tax returns in prior years.

Column 5 - Subtract Column 4 from Column 3. If the result is negative, write zero. Write that amount here and on Schedule F, Column J.



Schedule F (IL-1041) Instructions

General Information

What is the purpose of Schedule F?

The purpose of this schedule is to determine, for certain property acquired before August 1, 1969, the amount of appreciation that is attributable to the period between the date you acquired the property and August 1, 1969. Illinois does not tax the gain resulting from appreciation that accrued before that date, which is the effective date of the Illinois Income Tax Act. The amount of appreciation that accrued before August 1, 1969, is often called the "valuation limitation amount" or the "pre-August 1, 1969, appreciation amount."

Who should file Schedule F?

You should file Schedule F only if

- you reported a capital gain from property that you acquired before August 1, 1969, and you have a net capital gain on U.S. Form 1041, Schedule D, Capital Gains and Losses; or
- you reported a gain on U.S. Form 4797, Sales of Business Property, from Sections 1231, 1245, and 1250 property acquired before August 1, 1969; or
- you reported a gain on U.S. Form 6252, Installment Sale Income, from an installment sale on property acquired before August 1, 1969.

Do not file Schedule F for any distribution from an employee pension, profit-sharing or stock bonus plan, or gains from the disposition of employer securities even though reported on U.S. Form 1041, Schedule D. Refer to the instructions for Form IL-1041, Part I, Line 4b, to claim an exemption for distributions from these plans. Refer to instructions for Form IL-4644, to claim an exemption for gains on the disposition of employer securities.

Should I attach copies of other forms?

If you filed any of the following forms or schedules, you must attach copies of them to your Schedule F: U.S. Form 1041, Schedule D; U.S. Form 4797; and U.S. Form 6252.

Note: For installment sales, see instructions on the back of Schedule F.

Specific Instructions

Line 1

Column A - Write the description of the property or full name of security as shown on your U.S. Form 1041, Schedule D; U.S. Form 4797; or U.S. Form 6252.

Column B - Write the month and year you acquired the property. For securities you acquired through the exercise of rights, warrants, or options, write the date exercised.

Column C - Write the month and year you disposed of the property.

Column D - Write the total gain reported this year from each disposition of property, including involuntary conversions by casualty or theft, as shown on U.S. Form 1041, Schedule D; U.S. Form 4797; or U.S. Form 6252.

Note: Do not write any transaction for which you incurred a loss.

Column E - Write for each property the portion of Column D that is ordinary income under Section 1245 or 1250 of the Internal Revenue Code (IRC). This is reported on U.S. Form 4797, or U.S. Form 6252.

Column F - Write for each property the portion of Column D that is a gain under IRC, Section 1231. Find this amount by subtracting the sum of U.S. Form 4797, Lines 25b, and 26g, from Line 24 of the same form, or on U.S. Form 6252, Line 26.

Note: Where there is a disposition of Section 1251, 1252, 1254, or 1255 property, the sum of the amounts in Columns E and F may be less than the amount in Column D.

Column G - Write the gain shown on U.S. Form 1041, Schedule D.

Column H - Write the fair market value on August 1, 1969, or the "applicable fraction" for each property. Your entry for each property will depend upon whether the property was a listed security on August 1, 1969, or, if it was not listed, whether you have an appraisal of its fair market value as of August 1, 1969. See below.

- **Listed Securities:** If the gain was from a security listed on a national securities exchange or quoted in the over-the-counter market between July 28 and 31, 1969, write the market value of the property on August 1, 1969.

If the security was traded between July 28 and 31, 1969, use the price of the last sale during the period to value the security. If the security was not traded during the period, use the average of the bid and ask quotations on July 31, 1969, to value the security.

- **Other Properties: Fair Market Value Readily Ascertainable by Appraisal -**

If the gain was not from a security traded or quoted between July 28 and 31, 1969, write the fair market value of the property on August 1, 1969, only if the fair market value was readily ascertainable on that date. Attach a bona fide, independent written appraisal as of August 1, 1969, made by a competent appraiser of recognized standing and ability, to support the readily ascertainable fair market value. Book value is not generally acceptable as evidence of the August 1, 1969, fair market value.

- **Other Properties: Fair Market Value Not Readily Ascertainable: The Number-of-Months Method -**

If the fair market value of the property was not readily ascertainable on August 1, 1969, write a fraction (also called "applicable fraction") whose numerator is the number of full calendar months you held the property before August 1, 1969, and whose denominator is the total number of full calendar months you held the property. Do not include in the numerator or denominator the month that you acquired or disposed of the property. If the property was acquired in July, 1969, write zero in Columns H and J.

Column I - If you wrote the fair market value of the property in Column H, write in Column I the federal income tax basis of the property (for determining gain) as of August 1, 1969. Federal income tax basis is the amount you would have written as "cost or other basis" on U.S. Form 1041, Schedule D, or U.S. Form 6252 if you had sold the property on August 1, 1969.

If you wrote a fraction in Column H, leave Column I blank.

Column J - If you wrote the fair market value or an appraisal value of the property in Column H, subtract Column I from Column H and write the difference.

However, if Column I is equal to or greater than Column H, write zero. If you wrote a fraction in Column H, multiply Column D by the fraction and write the result.

Column K - Write the smaller of Column E or Column J. If you show no amount in Column E, write zero in Column K.

Column L - Write the smaller of Column F or the excess of Column J over Column K. If Column F is blank, write zero in Column L.

Column M - Write the smaller of Column G or Column J. If Column G is blank, write zero in Column M.

Line 2

Note: Refer to all Schedules K-1-P, Partner's or Shareholder's Share of Income, Deductions, Credits, and Recapture, you received from partnerships or S corporations, and all Schedules K-1-T, Beneficiary's Share of Income and Deductions, you received from trusts or estates for the amounts to write on Line 2, Columns K, L, and M.

Column K - Write your share of any pre-August 1, 1969, appreciation amounts for Sections 1245 and 1250 gain, or capital assets, from Schedule K-1-P, Step 6, Line 39, Column A, and Schedule K-1-T, Step 6, Line 38, Column A.

Column L - Write your share of any pre-August 1, 1969, appreciation amounts (including involuntary conversions by casualty or theft) for Section 1231 gain from Schedule K-1-P, Step 6, Line 40, Column A, and Schedule K-1-T, Step 6, Line 39, Column A.

Column M - Write your share of capital gain appreciation amounts from Schedule K-1-P, Step 6, Line 42, Column A, and Schedule K-1-T, Step 6, Line 40, Column A.

Line 3

Write any gain you realized from a sale of employer securities received in a distribution from a qualified employee benefit plan. You will find the amount on Form IL-4644, Gains from Sales of Employer's Securities Received from a Qualified Employee Benefit Plan, Line 18.

Lines 4 through 6

Follow the instructions on Schedule F.

Lines 7 through 9, Column 2 -

Refer to Step 6 of each Schedule K-1-P and K-1-T you are completing to report each beneficiary's share of the appreciation amounts.

Line 7

Column 1 - Write the amount from Line 4. This is the total pre-August 1, 1969, appreciation amount for Sections 1245 and 1250 gain.

Column 2 - Write the beneficiaries share of the amount shown on Line 7, Column 1. Write each beneficiary's share on each Schedule K-1-T, Step 6, Line 38, Column A.

Column 3 - Write the fiduciary's share of the amount shown on Line 7, Column 1.

Line 8

Column 1 - Write the amount from Line 5. This is the total pre-August 1, 1969, appreciation amount for Section 1231 gain.

Column 2 - Write the beneficiaries share of the amount shown on Line 8, Column 1. Write each beneficiary's share on each Schedule K-1-T, Step 6, Line 39, Column A.

Column 3 - Write the fiduciary's share of the amount shown on Line 8, Column 1.

Line 9

Column 1 - Write the amount from Line 6. This is the total pre-August 1, 1969, appreciation amount for capital assets.

Column 2 - Write the beneficiaries share of the amount shown on Line 9, Column 1. Write each beneficiary's share on each Schedule K-1-T, Step 6, Line 40, Column A.

Column 3 - Write the fiduciary's share of the amount shown on Line 9, Column 1.

Lines 10 through 13

Follow the instructions on Schedule F.

Line 14

If you received a lump-sum distribution from a qualified employee benefit plan and a portion of that distribution was reported as capital gain on your U.S. Form 1041, Schedule D, you must include your share of the amount of the capital gain on this line. (You may claim the subtraction for this capital gain on your Form IL-1041, Part I, Line 4b, not on Schedule F. See Form IL-1041 instructions.)

If you sold employer securities received in a distribution from a qualified employee benefit plan and realized gain on the sale, include on Line 14 your share of the amount from Form IL-4644, Line 13.

Note: If you are a beneficiary of another estate or trust that received a capital gain distribution from a qualified employee benefit plan or realized a capital gain on the disposition of certain employer securities that were distributed under such a plan, the amount of the gain you received as a beneficiary of such estate or trust may be subject to limitation. The trustee or fiduciary must notify you of your share of

the limitation. Include the amount of your share of such limitation on Line 14.

Lines 15 through 18

Follow the instructions on Schedule F.