

Property Sale Worksheet

Please use this worksheet to give us your property purchase, improvements and sale information for preparation of your tax returns. The goal here is to correctly compute capital gains on the sale.

Please download, open in Adobe, complete and securely upload the PDF to your client portal. Please do not email this worksheet since it contains sensitive information. You can access your client portal here-

www.watsoncpagroup.com/portal

Caution: many browsers will give you the warm fuzzy that your information is being saved however when we receive it, the PDF is blank. As such, please download first and then open with Adobe, rather than using your browser.

Worksheets Available

Here is a list of our worksheets. As mentioned before, you do not have to replicate data that is available elsewhere. For example, mortgage interest and real estate taxes reported on Form 1098 do not need to be entered again with our worksheets. Let's keep life simple and easy for you; that's why you hired us.

Contact Info	Used for basic contact information	www.wcgurl.com/60
Dependents	Used for dependents and dependent care	www.wcgurl.com/61
Education	Used for education expenses, student loans, 529	www.wcgurl.com/62
Deductions	Used for moving, medical, local taxes, home, charity, IRA	www.wcgurl.com/63
Small Business	Used for LLCs and S Corps to report income and expenses	www.wcgurl.com/64
Rental Property	Used for rental property income and expenses	www.wcgurl.com/65
Auto Expenses	Used for actual expenses and mileage information	www.wcgurl.com/66
Home Office	Used for home office deductions	www.wcgurl.com/67
Property Sale (this one)	Used for reporting real estate sales, home and rental	www.wcgurl.com/68
ExPat	Used for expatriates to report foreign income, dates	www.wcgurl.com/69
Annual Questionnaire*	Used for tax questions including retirement contributions	www.wcgurl.com/70

* Everyone is strongly encouraged to review the annual questionnaire. As tax laws change from year to year, we need to ask questions to ensure you are getting the most out of your tax returns.

Person Submitting form

Your Name _____ Cell Phone _____

Primary Email _____

Tax Year _____ Date Worksheet Completed _____

Is this an update to a previously submitted worksheet? Yes No

Our apologies upfront. **This form might seem repetitive** but there is a bunch of information we need to confirm so we can minimize your tax consequence from selling your rental or personal residence.

Property Address _____

Property City State and Zip _____

Original Purchase Date _____

Original Purchase Price _____

Acquisition Costs

Costs to acquire your property add to your cost basis, except for financing costs. For example, title fees, recording fees, commissions, etc. will add to the overall cost of your property. Points, origination charges, appraisals for financing, etc. do not (sorry). Please list those costs below or provide the original purchase HUD or closing disclosure statement (which is preferred).

Improvements

Please detail amounts paid and approximate dates for improvements such as landscaping, window treatments, carpet, kitchen renovations, etc. However, if you already expensed an item, such as paint or something else, that should not be listed (the tax benefit was previously created as an expense). Please only list improvements that were not expensed-

Taxpayers commonly forget about improvements. Please pick your brain and be diligent.

Rental Questions

You may skip this section if this property was never a rental. However, if it was ever a rental or currently is a rental, please answer the questions below.

Date Property was Put into Service as a Rental _____

Did you depreciate the property each year it was a rental? YES NO UNSURE

Did you move back into the rental prior to selling it? YES NO

Did you own it with anyone else besides your spouse? YES NO

If this property was mixed use (primary residence and rental), please list the dates it was your primary residence and the dates it was a rental. This is essential to determine your exclusion.

Capital Gain Exclusion

Currently the IRS allows up to \$500,000 of capital gains to be excluded from taxation, but there are ownership and use rules. If you used the property for fewer than 24 months out of the past 60 months as your primary residence, you might still be eligible for a pro-rated amount of exclusion due to disability, military orders, etc. Please explain the reasons you sold this property if you lived in it for fewer than 24 months.

The IRS only allows the capital gains exclusion on your primary residence. However, if you own multiple properties such as vacation or second homes and rentals, more discussion might be required.

Closing Disclosure Statement Request

Please send a copy of the closing disclosure statement for the sale (formerly known as the HUD). It is easier than asking for all the important information that it contains such as real estate commissions, transfer taxes, pro-rated property taxes, etc.

Disclosure

I(We) verify that the information provided in this **Property Sale Worksheet** is accurate and complete. I(We) understand it is my(our) responsibility to include any and all information concerning income, deductions and other information necessary for the preparation of my (our) personal income tax return.

Taxpayer Signature _____ Date_____

Printed Name _____

Spouse Signature _____ Date_____

Printed Name _____

Please call or email us anytime with your questions and concerns. Thank you in advance, and we look forward to working with you!

The Watson CPA Group