

Passive Activity Loss Limitations

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1041.

▶ Go to www.irs.gov/Form8582 for instructions and the latest information.

Name(s) shown on return

Identifying number

Part I 2017 Passive Activity Loss

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see **Special Allowance for Rental Real Estate Activities** in the instructions.)

| | | | |
|--|-------------|--|---|
| 1a Activities with net income (enter the amount from Worksheet 1, column (a)) | 1a | | |
| b Activities with net loss (enter the amount from Worksheet 1, column (b)) | 1b (| |) |
| c Prior years' unallowed losses (enter the amount from Worksheet 1, column (c)) | 1c (| |) |
| d Combine lines 1a, 1b, and 1c | 1d | | |

Commercial Revitalization Deductions From Rental Real Estate Activities

| | | | |
|---|-------------|--|---|
| 2a Commercial revitalization deductions from Worksheet 2, column (a) | 2a (| |) |
| b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b) | 2b (| |) |
| c Add lines 2a and 2b | 2c (| |) |

All Other Passive Activities

| | | | |
|--|-------------|--|---|
| 3a Activities with net income (enter the amount from Worksheet 3, column (a)) | 3a | | |
| b Activities with net loss (enter the amount from Worksheet 3, column (b)) | 3b (| |) |
| c Prior years' unallowed losses (enter the amount from Worksheet 3, column (c)) | 3c (| |) |
| d Combine lines 3a, 3b, and 3c | 3d | | |

| | | | |
|--|----------|--|--|
| 4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used | 4 | | |
|--|----------|--|--|

- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

| | | | |
|--|-----------|--|--|
| 5 Enter the smaller of the loss on line 1d or the loss on line 4 | 5 | | |
| 6 Enter \$150,000. If married filing separately, see instructions | 6 | | |
| 7 Enter modified adjusted gross income, but not less than zero (see instructions) | 7 | | |
| Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8. | | | |
| 8 Subtract line 7 from line 6 | 8 | | |
| 9 Multiply line 8 by 50% (0.50). Do not enter more than \$25,000. If married filing separately, see instructions | 9 | | |
| 10 Enter the smaller of line 5 or line 9 | 10 | | |

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

| | | | |
|--|-----------|--|--|
| 11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions | 11 | | |
| 12 Enter the loss from line 4 | 12 | | |
| 13 Reduce line 12 by the amount on line 10 | 13 | | |
| 14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13 | 14 | | |

Part IV Total Losses Allowed

| | | | |
|--|-----------|--|--|
| 15 Add the income, if any, on lines 1a and 3a and enter the total | 15 | | |
| 16 Total losses allowed from all passive activities for 2017. Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return | 16 | | |

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.

Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

| Name of activity | 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 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total. Enter on Form 8582, lines 1a, 1b, and 1c ▶ | | | | | |

Worksheet 2—For Form 8582, Lines 2a and 2b (See instructions.)

| Name of activity | (a) Current year deductions (line 2a) | (b) Prior year unallowed deductions (line 2b) | (c) Overall loss |
|---|---------------------------------------|---|------------------|
| | | | |
| | | | |
| | | | |
| Total. Enter on Form 8582, lines 2a and 2b ▶ | | | |

Worksheet 3—For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

| Name of activity | Current year | | Prior years | Overall gain or loss | |
|--|--------------------------|------------------------|------------------------------|----------------------|----------|
| | (a) Net income (line 3a) | (b) Net loss (line 3b) | (c) Unallowed loss (line 3c) | (d) Gain | (e) Loss |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total. Enter on Form 8582, lines 3a, 3b, and 3c ▶ | | | | | |

Worksheet 4—Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

| Name of activity | Form or schedule and line number to be reported on (see instructions) | (a) Loss | (b) Ratio | (c) Special allowance | (d) Subtract column (c) from column (a) |
|--------------------------|---|----------|-----------|-----------------------|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total ▶ | | | | | |

Worksheet 5—Allocation of Unallowed Losses (See instructions.)

| Name of activity | Form or schedule and line number to be reported on (see instructions) | (a) Loss | (b) Ratio | (c) Unallowed loss |
|--------------------------|---|----------|-----------|--------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total ▶ | | | | |

Worksheet 6—Allowed Losses (See instructions.)

| Name of activity | Form or schedule and line number to be reported on (see instructions) | (a) Loss | (b) Unallowed loss | (c) Allowed loss |
|--------------------------|---|----------|--------------------|------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total ▶ | | | | |

Worksheet 7—Activities With Losses Reported on Two or More Forms or Schedules (See instructions.)

| Name of activity: | (a) | (b) | (c) Ratio | (d) Unallowed loss | (e) Allowed loss |
|---|-----|-----|-----------|--------------------|------------------|
| Form or schedule and line number to be reported on (see instructions): | | | | | |
| 1a Net loss plus prior year unallowed loss from form or schedule . ▶ | | | | | |
| b Net income from form or schedule ▶ | | | | | |
| c Subtract line 1b from line 1a. If zero or less, enter -0- ▶ | | | | | |
| Form or schedule and line number to be reported on (see instructions): | | | | | |
| 1a Net loss plus prior year unallowed loss from form or schedule . ▶ | | | | | |
| b Net income from form or schedule ▶ | | | | | |
| c Subtract line 1b from line 1a. If zero or less, enter -0- ▶ | | | | | |
| Form or schedule and line number to be reported on (see instructions): | | | | | |
| 1a Net loss plus prior year unallowed loss from form or schedule . ▶ | | | | | |
| b Net income from form or schedule ▶ | | | | | |
| c Subtract line 1b from line 1a. If zero or less, enter -0- ▶ | | | | | |
| Total ▶ | | | | | |