



Instructions for Form 8949

Sales and Other Dispositions of Capital Assets

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 8949 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form8949](https://www.irs.gov/Form8949).

What's New

Section 1061 reporting. Section 1061 recharacterizes certain long-term capital gains of a partner that holds one or more applicable partnership interests as short-term capital gains. An applicable partnership interest is an interest in a partnership that is transferred to or held by a taxpayer, directly or indirectly in connection with the performance of substantial services by the taxpayer or any other related person, in an applicable trade or business. See [Section 1061 Reporting Guidance FAQs](#) for reporting of section 1061 recharacterization amounts on the Form 8949.

General Instructions

File Form 8949 with the Schedule D for the return you are filing. This includes Schedule D of Forms 1040, 1040-SR, 1041, 1065, 8865, 1120, 1120-S, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, and 1120-SF; and certain Forms 990-T.

Complete Form 8949 before you complete line 1b, 2, 3, 8b, 9, or 10 of Schedule D.

Purpose of Form

Use Form 8949 to report sales and exchanges of capital assets. Form 8949 allows you and the IRS to reconcile amounts that were reported to you and the IRS on Forms 1099-B or 1099-S (or substitute statements) with the amounts you report on your return. If you receive Forms 1099-B or 1099-S (or substitute statements), always report the proceeds (sales price) shown on the form (or statement) in column (d) of Form 8949. If Form 1099-B (or substitute statement) shows that the cost or other basis was reported to the IRS, always report the basis shown on that form (or statement) in column (e). If any correction or adjustment to these amounts is needed, make it in column (g). See [How To Complete Form](#)

[8949, Columns \(f\) and \(g\)](#), later, for details about these adjustments.

If all Forms 1099-B (or all substitute statements) you received show basis was reported to the IRS and no correction or adjustment is needed, you may not need to file Form 8949. See [Exception 1](#) under the instructions for line 1, later.

If you received a Schedule A to Form 8971 for property and Part 2, column C, of the Schedule A indicates that the property increased the estate tax liability, you will be required to report a basis consistent with the final estate tax value of the property reported in Part 2, column E, of the schedule. See *Schedule A to Form 8971—Consistent basis reporting* under [Column \(e\)—Cost or Other Basis](#), later, for more information on consistent basis reporting and the amount you will report on Form 8949.

Individuals. Individuals use Form 8949 to report the following.

- The sale or exchange of a capital asset not reported on another form or schedule.
- Gains from involuntary conversions (other than from casualty or theft) of capital assets not used in your trade or business.
- Nonbusiness bad debts.
- Worthlessness of a security.
- The election to defer capital gain invested in a qualified opportunity fund (QOF).
- The disposition of interests in QOFs.

If you are filing a joint return, complete as many copies of Form 8949 as you need to report all of your and your spouse's transactions. You and your spouse may list your transactions on separate forms or you may combine them. However, you must include on your Schedule D the totals from all Forms 8949 for both you and your spouse.

Corporations and partnerships.

Corporations and partnerships use Form 8949 to report the following.

- The sale or exchange of a capital asset not reported on another form or schedule.
- Sale of stock of a specified 10%-owned foreign corporation, adjusted for the dividends-received deduction under section 245A, but only if the sale would otherwise generate a loss.
- Nonbusiness bad debts.
- Undistributed long-term capital gains from Form 2439.
- Worthlessness of a security.

- The election to defer capital gain invested in a QOF.
- The disposition of interests in QOFs.

Corporations also use Form 8949 to report their share of gain (or loss) from a partnership, estate, or trust.

For corporations and partnerships meeting certain criteria, an exception to some of the normal requirements for completing Form 8949 has been provided. See [Special provision for certain corporations, partnerships, securities dealers, and other qualified entities](#) under the instructions for line 1, later.

Estates and trusts. Estates and trusts use Form 8949 to report the following.

- The sale or exchange of a capital asset not reported on another form or schedule.
- Nonbusiness bad debts.
- Worthlessness of a security.
- The election to defer capital gain invested in a QOF.
- The disposition of interests in QOFs.

Schedule D. Use Schedule D for the following purposes.

- To figure the overall gain (or loss) from transactions reported on Form 8949.
- To report a gain from Form 6252 or Part I of Form 4797.
- To report a gain (or loss) from Form 4684, 6781, or 8824.
- To report capital gain distributions not reported directly on Form 1040 or 1040-SR, line 7 (or effectively connected capital gain distributions not reported directly on Form 1040-NR, line 7).
- To report a capital loss carryover from the previous tax year to the current tax year.
- To report your share of a gain (or loss) from a partnership, S corporation, estate, or trust. (However, corporations report this type of gain (or loss) on Form 8949.)
- To report certain transactions you don't have to report on Form 8949, such as transactions reported to you on a Form 1099-B (or substitute statement) showing basis was reported to the IRS and for which you have no adjustments, as explained under [Exception 1](#), later.

Individuals, estates, and trusts also use Schedule D to report undistributed long-term capital gains from Form 2439.

Additional information. See the instructions for the Schedule D you are filing for detailed information about other topics, including the following.

- Other forms you may have to file.