

Worksheet for Accrued Market Discount Adjustment in Column (g)

Keep for Your Records



If you received a Form 1099-B (or substitute statement) reporting the sale or retirement of a market discount bond, enter code "D" for the transaction in column (f) of the appropriate part of Form 8949 and complete this worksheet to figure the amount to enter in column (g). If, in addition, any of the amounts shown on Form 1099-B (or substitute statement) are incorrect, see [How To Complete Form 8949, Columns \(f\) and \(g\)](#), earlier, for information on how to correct those amounts. Use the corrected amounts when completing this worksheet.

1. Enter the proceeds from Form 1099-B, box 1d (or substitute statement)	1.	
2. Enter the basis from Form 1099-B, box 1e (or substitute statement)	2.	
3. Subtract line 2 from line 1. If zero or less, enter -0-	3.	
4. Enter the accrued market discount from Form 1099-B, box 1f (or substitute statement)	4.	
5. Enter the smaller of line 3 or line 4, or, if lines 3 and 4 are the same, enter the amount from line 3. This is the amount of your gain that is ordinary income. Enter it as a negative amount (in parentheses) in Form 8949, column (g). Also, report it as interest income on your tax return. If zero or less, enter -0-	5.	

Worksheet for Contingent Payment Debt Instrument Adjustment in Column (g)

Keep for Your Records



If you received a Form 1099-B (or substitute statement) reporting the sale of a taxable contingent payment debt instrument subject to the noncontingent bond method, enter code "O" for the transaction in column (f) of the appropriate part of Form 8949 and complete this worksheet to figure the amount to enter in column (g). If, in addition, any of the amounts shown on Form 1099-B (or substitute statement) are incorrect, see [How To Complete Form 8949, Columns \(f\) and \(g\)](#), earlier, for information on how to correct those amounts. Use the corrected amounts when completing this worksheet. Don't use this worksheet if there are no remaining contingent payments on the debt instrument as of the sale, exchange, or retirement of the instrument. See Regulations section 1.1275-4(b)(8)(iii).

1. Enter the proceeds from Form 1099-B, box 1d (or substitute statement)	1.	
2. Enter the basis from Form 1099-B, box 1e (or substitute statement)	2.	
3. Subtract line 2 from line 1	3.	
4. If line 3 is more than zero, enter the number from line 3. This is the amount of your gain that is ordinary income. Enter this amount as a negative amount (in parentheses) in Form 8949, column (g), and enter "O" in column (f). Also, report it as interest income on your tax return	4.	
5. If line 3 is less than zero, enter the total amount of OID on this debt instrument that you included in income for the entire period that you held the debt instrument	5.	
6. Enter the total amount of net negative adjustments on the debt instrument that you took into account as ordinary losses over the entire period that you held the debt instrument. Enter this amount as a negative amount (in parentheses)	6.	
7. Add lines 5 and 6	7.	
8. Enter the amount from line 3 as a positive amount	8.	
9. Enter the smaller of line 7 or line 8. This is the amount of your loss that is an ordinary loss. Enter it as a positive amount in Form 8949, column (g), and enter "O" in column (f). Also, report it as an ordinary loss on your tax return	9.	

How To Report Gain Previously Deferred in a QOF Investment

If you sold or exchanged your investment in a QOF during the tax year, you must report the amount of eligible gain that you previously deferred and that you are now recognizing. Report the gain from each investment on its own row. Check box C in Part I or check box F in Part II depending on whether the gain is short term or long term. The gain you recognize will be the same character as the gain you deferred. Put the EIN of the QOF investment you are selling in column (a). Complete columns

(b), (c), (d), and (e). Enter code "Y" in column (f), and in column (g) enter the amount of previously deferred gain as a positive number.



TIP If you disposed of your investment in a QOF, you will also need to complete Form 8997. See the Instructions for Form 8997 for more information.

Line 2

The total of the amounts in column (h) of line 2 of all your Forms 8949 should equal

the amount you get by combining columns (d), (e), and (g) on the corresponding line of Schedule D (Form 1040). For example, the total of the amounts in column (h) of line 2 of all your Forms 8949 with box A checked should equal the amount you get by combining columns (d), (e), and (g) on line 1b of Schedule D. The total of the amounts in column (h) of line 2 of all your Forms 8949 with box E checked should equal the amount you get by combining columns (d), (e), and (g) on line 9 of Schedule D.