

# Recapture of Federal Mortgage Subsidy

OMB No. 1545-0074

▶ Attach to Form 1040. ▶ See separate instructions.

Attachment  
 Sequence No. **64**

Name(s) \_\_\_\_\_ Social security number (as shown on page 1 of your tax return) \_\_\_\_\_

## Part I Description of Home Subject to Federally Subsidized Debt

- 1 Address of property (number and street, city or town, state, and ZIP code) \_\_\_\_\_
  
- 2 Check the box that describes the type of federal subsidy you had on the loan for your home.
  - a  Mortgage loan from the proceeds of a tax-exempt bond
  - b  Mortgage credit certificate

**Note.** If neither box applies, you are not subject to recapture tax on the sale or other disposition of your home. **Do not** complete this form.
- 3 Name of the bond or certificate issuer \_\_\_\_\_  
 State \_\_\_\_\_ Political subdivision (city, county, etc.) \_\_\_\_\_ Agency, if any \_\_\_\_\_
- 4 Name and address of original lending institution \_\_\_\_\_
- 5 Date of closing of the original loan . . . . . \_\_\_\_\_  
 Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**Note.** If the date of closing of the loan was before January 1, 1991, recapture tax does not apply. **Do not** complete this form. If you (1) checked the box on line 2b (mortgage credit certificate), (2) refinanced your home, and (3) received a reissued mortgage credit certificate, see **Refinancing your home** on page 1 of the instructions.

- 6 Date of sale or other disposition of your interest in the home . . . . . \_\_\_\_\_  
 Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_
- 7 Number of years and full months between original closing date (line 5) and date of sale or disposition (line 6): \_\_\_\_\_  
 Years \_\_\_\_\_ Full months \_\_\_\_\_
- 8 Date of full repayment of the original loan including a refinancing other than one for which a replacement mortgage credit certificate was issued (see instructions) . . . . . \_\_\_\_\_  
 Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

## Part II Computation of Recapture Tax

9	Sales price of your interest in the home sold or disposed of (see instructions) . . . . .	9	
10	Expenses of sale. Include sales commissions, advertising, legal fees, etc. . . . .	10	
11	Amount realized. Subtract line 10 from line 9 . . . . .	11	
12	Adjusted basis of your interest in the home sold or disposed of (see instructions) . . . . .	12	
13	Gain or (loss) from sale or disposition. Subtract line 12 from line 11. If a loss, <b>stop</b> here and attach this form to your Form 1040. You <b>do not</b> owe recapture tax . . . . .	13	
14	Multiply line 13 by 50% (.50) . . . . .	14	
15	Modified adjusted gross income (see instructions) . . . . .	15	
16	Adjusted qualifying income (see instructions) . . . . .	16	
17	Subtract line 16 from line 15. If zero or less, <b>stop</b> here and attach this form to your Form 1040. You <b>do not</b> owe recapture tax . . . . .	17	
18	Income percentage. If the amount on line 17 is \$5,000 or more, enter "100." Otherwise, divide the amount on line 17 by \$5,000 and enter the result as a percentage. Round to the nearest whole percentage . . . . .	18	%
19	Federally subsidized amount (see instructions) . . . . .	19	
20	Holding period percentage (see instructions) . . . . .	20	%
21	Multiply line 19 by the percentage on line 20 . . . . .	21	
22	Recapture amount. Multiply line 21 by the percentage on line 18 . . . . .	22	
23	Tax. Enter the <b>smaller</b> of line 14 or line 22. Also, include this amount on the line for total tax on Form 1040. For details, see the Instructions for Form 1040 . . . . .	23	