

## 2008 Form 2438

### Undistributed Capital Gains Tax Return

- Purpose:** This is the first circulated draft of the 2008 Form 24388 for your review and comments. See the discussion below for any changes.
- TPCC meeting:** No meeting is planned, but you may request one by contacting John R. Nelson.
- Prior Revisions:** The previous version of Form 2438 is available at:  
<http://www.irs.gov/pub/irs-pdf/f2438.pdf>
- Other products** Circulations of draft tax forms and instructions are posted at:  
<http://taxforms.web.irs.gov/Circulations/index.htm>
- Comments** Please email, fax, or call, any comments by **November 12, 2008**, to me at the address below and email the form's reviewer, Clarence Light, at:  
[Clarence.O.Light@irs.gov](mailto:Clarence.O.Light@irs.gov)

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### Major Changes for 2008 Revision of Form 2438

- On page 1, Part III, we deleted line 13. In its place we added new lines 13 through 17 which provide for the computation of tax on qualified timber gain at the temporary reduced rate of 15% under Code section 857(b)(3)(A)(ii) that was added by Act section 15311 of **P.L. 110-246**, *The Food, Conversation, and Energy Act of 2008*.
- On page 3, under the topic "Penalty for Late Filing of Return," we increased the amount of the penalty from \$100 to \$135 as required under Code section 6651(a)(3) as amended by Act section 303 of **P.L. 110-245**, *The Heroes Earnings Assistance and Relief Tax Act of 2008*. This change is effective for returns required to be filed after 2008.