

If the estate or trust isn't reporting a gain on Form 4797, line 7, skip lines 1 through 9 and go to line 10.

1. If the estate or trust has a section 1250 property in Part III of Form 4797 for which you made an entry in Part I of Form 4797 (but not on Form 6252), enter the smaller of line 22 or line 24 of Form 4797 for that property. If the estate or trust didn't have any such property, go to line 4. If it had more than one such property, see instructions	1.	_____
2. Enter the amount from Form 4797, line 26g, for the property for which you made an entry on line 1	2.	_____
3. Subtract line 2 from line 1	3.	_____
4. Enter the total unrecaptured section 1250 gain included on line 26 or line 37 of Form(s) 6252 from installment sales of trade or business property held more than 1 year (see instructions)	4.	_____
5. Enter the total of any amounts reported to the estate or trust on a Schedule K-1 from a partnership or an S corporation as "unrecaptured section 1250 gain"	5.	_____
6. Add lines 3 through 5	6.	_____
7. Enter the smaller of line 6 or the gain from Form 4797, line 7	7.	_____
8. Enter the amount, if any, from Form 4797, line 8	8.	_____
9. Subtract line 8 from line 7. If zero or less, enter -0-	9.	_____
10. Enter the amount of any gain from the sale or exchange of an interest in a partnership attributable to unrecaptured section 1250 gain (see instructions)	10.	_____
11. Enter the total of any amounts reported to the estate or trust on a Schedule K-1, Form 1099-DIV, or Form 2439 as "unrecaptured section 1250 gain" from an estate, trust, real estate investment trust, or mutual fund (or other regulated investment company)	11.	_____
12. Enter the total of any unrecaptured section 1250 gain from sales (including installment sales) or other dispositions of section 1250 property held more than 1 year for which you didn't make an entry in Part I of Form 4797 for the year of sale (see instructions)	12.	_____
13. Add lines 9 through 12	13.	_____
14. If the estate or trust had any section 1202 gain or collectibles gain or (loss), enter the total of lines 1 through 4 of the <i>28% Rate Gain Worksheet</i> . Otherwise, enter -0-	14.	_____
15. Enter the (loss), if any, from Schedule D, line 7. If Schedule D, line 7, is zero or a gain, enter -0-	15.	(_____)
16. Enter the estate's or trust's long-term capital loss carryovers from Schedule D, line 15, and from Schedule K-1 (Form 1041), box 11, code D, from another estate or trust	16.	(_____)
17. Combine lines 14 through 16. If the result is a (loss), enter it as a positive amount. If the result is zero or a gain, enter -0-	17.	_____
18. Unrecaptured section 1250 gain. Subtract line 17 from line 13. If zero or less, enter -0-. Enter the result here and in the appropriate columns of Schedule D, line 18b	18.	_____

column (3) should be the same as the amount on line 7.

Line 18a—Net Long-Term Capital Gain or Loss

Allocate the net long-term capital gain or loss on line 18a in the same manner as the net short-term capital gain or loss on line 17. However, don't take the section 1202 exclusion on gain from the sale or exchange of qualified small business stock into account when figuring net long-term capital gain or loss allocable to the beneficiaries.

Line 18b—Unrecaptured Section 1250 Gain

Complete the Unrecaptured Section 1250 Gain Worksheet, above, if any of the following apply.

- During the tax year, the estate or trust sold or otherwise disposed of section 1250 property (generally, real property that was depreciated) held more than 1 year.

- The estate or trust received installment payments during the tax year for section 1250 property held more than 1 year and is reporting gain on the installment method.
- The estate or trust received a Schedule K-1 from an estate or trust, partnership, or S corporation that reports "unrecaptured section 1250 gain" for the tax year.
- The estate or trust received a Form 1099-DIV or Form 2439 from a real estate investment trust or regulated investment company (including a mutual fund) that reports "unrecaptured section 1250 gain" for the tax year.
- The estate or trust reported a long-term capital gain from the sale or exchange of an interest in a partnership that owned section 1250 property.

Instructions for the Unrecaptured Section 1250 Gain Worksheet

Lines 1 through 3. If the estate or trust had more than one property, complete lines 1 through 3 for each property on a separate worksheet. Next, enter the total amount for all properties on line 3; then, go to line 4.

Line 4. To figure the amount to enter on line 4, follow the steps below for each installment sale of trade or business property held more than 1 year.

Step 1. Figure the smaller of (a) the depreciation allowed or allowable, or (b) the total gain for the sale. This is the smaller of line 22 or line 24 of the 2021 Form 4797 (or the comparable lines of Form 4797 for the year of sale) for that property.

Step 2. Reduce the amount figured in step 1 by any section 1250 ordinary