



NAME OF OWNER (S) _____ DATE PURCHASED ____/____/____

PROPERTY LOCATION _____ DATE OCCUPIED ____/____/____

DESCRIPTION OF PROPERTY _____

FOR BASIS OF HOME CALCULATION

1. ENTER PURCHASE PRICE _____ \$ _____

2. ADD CLOSING COSTS _____ \$ _____

3. SUBTRACT ANY PREVIOUS HOME GAIN POSTPONED _____ \$ _____

4. EQUALS BASIS OF HOME FOR TAX PURPOSES _____ \$ _____

IMPROVEMENTS / ADDITIONS

INCLUDE	DATE	DESCRIPTION	CHECK NO. OR HOW PAID	COST	✓
• STORM DOORS AND WINDOWS					
• INSULATION					
• LANDSCAPING					
• TREES & SHRUBS					
• GARAGE					
• PATIO / PORCH					
• APPLIANCES					
• DECK					
• FENCING					
• DRIVEWAY					
• NEW ROOF					
• POOL (INGROUND)					
• CURBS					
• SEWER					
• INITIAL PAINTING AND WALLPAPER					
• REMODELING					
• CAPITAL ASSESSMENTS, ETC.					
DO NOT INCLUDE					
• YOUR OWN LABOR					
• DAY TO DAY UPKEEP					
• RE-PAINTING					
• NEW WALLPAPER					
• GENERAL MAINTENANCE					
• MISCELLANEOUS REPAIRS, ETC.					
ENCLOSE					
• PURCHASE DOCUMENTS					
• CANCELLED CHECKS					
• INVOICES AND RECEIPTS					
• ALL SUPPORTIVE DATA, ETC.					

IF MORE SPACE NEEDED, LIST SIMILAR DETAIL ON A CONTINUATION SHEET TOTAL \$

• KEEP THIS ENVELOPE ALONG WITH CANCELLED CHECKS, RECEIPTS, INVOICES AND OTHER SUPPORTIVE DATA IN A SAFE LOCATION. **HOLD INDEFINITELY.**

• 90 DAYS BEFORE THE SALE OF YOUR HOME, KEEP A RECORD OF ALL EXPENSES INCURRED IN GETTING THE HOME READY FOR SALE. SEE THE OTHER SIDE FOR THIS PURPOSE.

• BEFORE YOU DECIDE TO SELL, IT MAY BE ADVISABLE TO CONSULT WITH A PROFESSIONAL REGARDING THE TAX CONSEQUENCES.

INCLUDE BELOW EXPENSES INCURRED IN A 90 DAY PERIOD BEFORE SALE OF HOME

FIXING-UP EXPENDITURES

DATE STARTED	DATE FINISHED	DESCRIPTION OF WORK	DATE PAID	CHECK NO. OR HOW PAID	√	COST

IF MORE SPACE IS NEEDED, LIST SIMILAR DETAIL ON A CONTINUATION SHEET **TOTAL** \$

- TOTAL FIXING-UP EXPENSES CAN BE USED FOR TAX PURPOSES IN DETERMINING THE BASIS IN A QUALIFYING NEW HOME.
- WORK PERFORMED ABOVE MUST BE DONE WITHIN A 90 DAY PERIOD PRIOR TO THE SALE AND PAID NO LATER THAN 30 DAYS AFTER THE SALE DATE.
- YOU CANNOT INCLUDE YOUR OWN LABOR BUT YOU CAN INCLUDE LABOR PAID TO OTHERS FOR WORK PERFORMED ABOVE.
- ENCLOSE ALL CANCELLED CHECKS, RECEIPTS, INVOICES AND OTHER DATA THAT WILL SUPPORT THE EXPENSES ABOVE.

AFTER SALE - COMPLETE BELOW

DATE OF SALE _____ / _____ / _____

SELLING PRICE (+) \$ _____ **A**

EXPENSES OF SALE:

COMMISSIONS _____

ADVERTISING _____

LEGAL EXPENSE _____

DOCUMENTS _____

_____ _____

TOTAL EXPENSES (-) \$ _____ **B**

ADJUSTED SALE PRICE (=) \$ _____ **C**
(SUBTRACT **B** FROM **A**)

LIST BELOW IN **D**, THE ORIGINAL PURCHASE PRICE OR THE BASIS IN THE HOME IF PREVIOUS HOME GAIN WAS POSTPONED AND DETAILED ON IRS FORM #2119

PURCHASE PRICE (-) \$ _____ **D**
OR BASIS

GAIN REALIZED (=) \$ _____ **E**
(SUBTRACT **D** FROM **C**)

TAX CONSEQUENCE

It is always recommended to save home improvement receipts whether or not you think you may have a taxable gain when you sell your home.

Home sales on or after May 7, 1997:

- If you have owned and lived in your home at least two of the last five years you may be able to exclude from capital gains tax up to \$500,000, if married, and \$250,000, if single.
- There is no age restriction and the gains exemption can be realized once every two years.
- Those 55 and older who have previously excluded \$125,000 of personal residence gain remain eligible for the exemption.
- A vacation home, rental home and even a yacht/houseboat may qualify if it is your main residence.

Remember: Receipts and cancelled checks are the only way to defend home improvement costs.

YOUR TAX PROFESSIONAL SHOULD BE CONSULTED