Form **8828**
(Rev. November 1998)
Department of the Treasury
Internal Revenue Service

# Recapture of Federal Mortgage Subsidy

▶ **Attach to Form 1040.** ▶ **See separate instructions.**

OMB No. 1545-1288

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, **stop** here and attach this form to your Form 1040. You **do not** 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, **stop** here and attach this form to your Form 1040. You **do not** 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 **smaller** 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** | |