

MEMO# 25148

April 27, 2011

IRS Issues Draft Schedule D and New Form 8949; Comments Requested

[25148]

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TO: BDAC COST BASIS REPORTING TASK FORCE No. 8-11
BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 24-11
BROKER/DEALER ADVISORY COMMITTEE No. 21-11
OPERATIONS COMMITTEE No. 13-11
TAX COMMITTEE No. 22-11
TRANSFER AGENT ADVISORY COMMITTEE No. 28-11 RE: IRS ISSUES DRAFT SCHEDULE D
AND NEW FORM 8949; COMMENTS REQUESTED

The Internal Revenue Service (“IRS”) has issued a draft Form Schedule D for 2011. [\[1\]](#) The IRS also has released a draft of a new Form 8949 (Sales and Other Dispositions of Capital Assets), [\[2\]](#) which will be submitted by taxpayers as an attachment to Schedule D. Much of the information previously included on the Schedule D regarding capital assets sold during the taxable year has been moved to the Form 8949.

The draft Form 8949 has two parts. Part I applies to short-term capital gains and losses, and Part II applies to long-term capital gains and losses. In both parts, the draft form contains boxes that the taxpayer must check indicating whether the assets are covered (Form 1099-B, box 3, shows basis) or noncovered (Form 1099-B, box 3, does not show basis) under the cost basis reporting rules, or whether the taxpayer did not receive a Form 1099-B. The form indicates that taxpayers should complete a separate Form 8949 for each type (e.g., covered and noncovered). The draft Form 8949 asks taxpayers to provide a description of the property sold, a “code,” [\[3\]](#) the date acquired, the date sold, the sales price, the cost or other basis, and any adjustments to gain or loss.

The IRS has asked for comments on the draft Schedule D and draft Form 8949 within 30 days of the date the drafts were posted to the IRS website (April 21, 2011). Therefore, comments are due to the IRS by May 20, 2011. If you wish to provide comments on the draft forms, please submit them to Karen Gibian (202-371-5432 or kgibian@ici.org) no later than the close of business on Thursday, May 12, 2011.

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endnotes

[1] The draft Schedule D can be found on the IRS website at <http://www.irs.gov/pub/irs-dft/f1040sd--dft.pdf>.

[2] The draft Form 8949 can be found on the IRS website at <http://www.irs.gov/pub/irs-dft/f8949--dft.pdf>.

[3] It is unclear from the form, for which draft instructions are not provided, what the “code” references.

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