

Case No. CCF- _____

Vessel Name: _____

Date Sold: _____

NET PROCEEDS WORKSHEET - SCHEDULE A VESSEL

Net Proceeds as determined at time of sale or other disposition (insurance settlement), is the excess of Gross Proceeds after deducting (a) expense of sale, and (b) mortgages and/or liens outstanding. However, if gain recognized is greater than such excess, Net Proceeds is the greater amount (see Sec. 7518 IRC). To defer tax on such gain, the **full Net Proceeds must be deposited into your CCF account.** Allocate Net Proceeds to the proper columns of the Deposit/Withdrawal Report (D/W Report) after completing lines 1 thru 9 below:

Gain On Sale

- 1. Gross Proceeds less expense of sale (expense of sale \$ _____). \$ _____
- 2. Cost or other basis (total cost prior to basis reduction for CCF withdrawals). _____
- 3. Depreciation allowed (or allowable) **plus** basis reduction due to CCF withdrawals. _____
- 4. Adjusted basis, line 2 less line 3. (See A below) _____
- 5. Total gain, line 1 less line 4. \$ _____

Sec. 1245 IRC - Ordinary Income

- 6. Depreciation allowed after 1961 **plus** basis reduction due to CCF withdrawals. \$ _____
- 7. Enter total gain from line 5 above. _____
- 8. Enter the smaller of line 6 or line 7. (See B below) \$ _____

Capital Gain

- 9. Subtract line 8 from line 7. (See C below). \$ _____

A. **Line 4 less** mortgages and/or liens outstanding represents a return of **CAPITAL**. Enter this amount in **Capital Column** of Deposit/Withdrawal Report.

B. **Line 8** represents gain subject to recapture as **ORDINARY INCOME**. Enter this amount in **Ordinary Income Column** of Deposit/Withdrawal Report.

C. **Line 9** represents **CAPITAL GAIN** if vessel held qualifying period. Enter this amount in **Capital Gain Column** of Deposit/Withdrawal Report.

AMOUNT OF MORTGAGES/LIENS OUTSTANDING (if any): \$ _____