

Recapture of Federal Mortgage Subsidy

OMB No. 1545-0074

Attachment
 Sequence No. **64**

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

Name(s)	Social security number (as shown on page 1 of your tax return)
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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	