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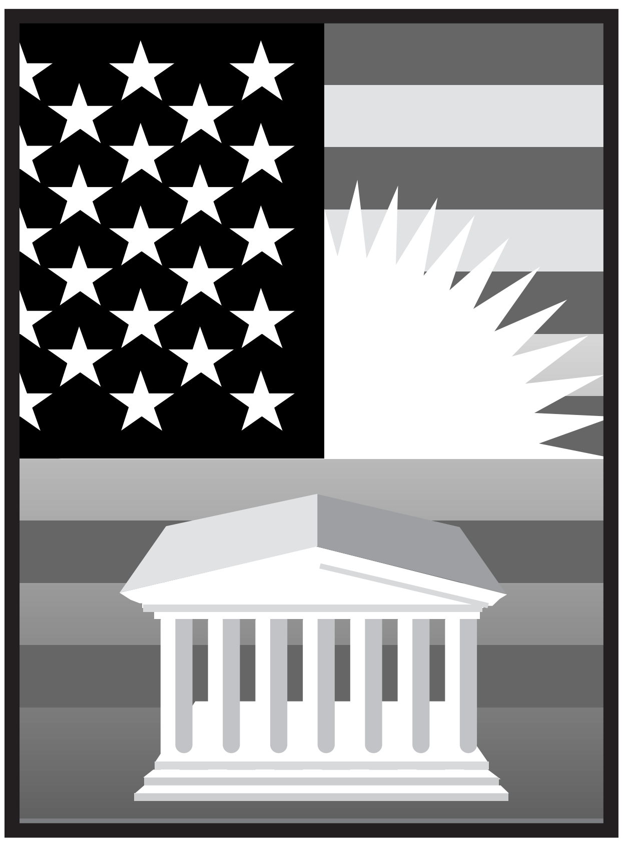
Casualty, Disaster, and Theft Loss Workbook
(Personal-Use Property)



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Introduction

This workbook is designed to help you figure your loss on personal-use property in the event of a disaster, casualty, or theft. It contains schedules to help you figure the loss to your main home, its contents, and your motor vehicles. However, these schedules are for your information only. You must complete Form 4684 to report your loss.

To help you figure your loss, the following schedules are included in this workbook.

- Schedules 1 – 18, for listing the contents of your home
- Schedule 19, *Summary of Contents of Home*
- Schedule 20, *Loss on Personal-Use Real Property*
- Schedule 21, *Loss on Cars, Vans, Trucks, and Motorcycles*
- Schedule 22, *Casualty or Theft Loss Deduction*

To use this workbook, you will need the following items.

Publication 547. Publication 547, *Casualties, Disasters, and Thefts (Business and Nonbusiness),* explains the comprehensive rules for figuring a loss.

Form 4684 and instructions. Form 4684, *Casualties and Thefts,* is used to report your casualty, disaster, or theft. You must attach it to your tax return (Form 1040).

See *How To Get More Information,* later, if you need to get this publication or form.

Losses

Generally, you may deduct losses to your home, household goods, and motor vehicles on your federal income tax return. However, you may not deduct a casualty or theft loss that is covered by insurance unless you filed a timely insurance claim for reimbursement. Any reimbursement you receive will reduce the loss. If you did not file an insurance claim, you may deduct only the part of the loss not covered by insurance.

Amount of loss. To determine the amount of your loss, you must know the adjusted basis of the property, and its fair market value (FMV) immediately before and immediately after the disaster or casualty. If you bought the property, your basis is usually its cost. If you acquired it in any other way, your basis is determined as discussed in Publication 551, *Basis of Assets.*

FMV is the price for which you could sell your property to a willing buyer, when neither of you has to sell or buy and both of you know all the relevant facts.

You figure the amount of your loss using the following steps.

1) Determine your ***adjusted basis*** in the property before the casualty or theft.
2) Determine the ***decrease in fair market value*** of the property as a result of the casualty or theft. (The decrease in FMV is the difference between the property's

value immediately before and immediately after the casualty or theft.)

3) From the smaller of the amounts you determined in (1) and (2), subtract any ***insurance or other reimbursement*** you received or expect to receive.

Apply the deduction limits, discussed later, to determine the amount of your deductible loss.

Separate computations. Generally, if a single casualty or theft involves more than one item of property, you must figure the loss on each item separately. Then combine the losses to determine the total loss from that casualty or theft.

Exception for personal-use real property. In figuring a casualty loss on personal-use real property, the entire property (including any improvements, such as buildings, trees, and shrubs) is treated as one item. Figure the loss using the smaller of the following.

- The decrease in FMV of the entire property.
- The adjusted basis of the entire property.

Deduction limits. After you have figured the amount of your loss, as discussed earlier, you must figure how much of the loss you can deduct. If the loss was to property for your personal use or your family's, there are ***two limits*** on the amount you can deduct for your casualty or theft loss.

1) You must reduce each casualty or theft loss by $100 ($100 rule).
2) You must further reduce the total of all your losses by 10% of your adjusted gross income (10% rule).

For more information about the deduction limits, see Publication 547.

When your loss is deductible. You can generally deduct a casualty or disaster area loss only in the tax year in which the casualty or disaster occurred. You can generally deduct a theft loss only in the year you discovered your property was stolen. However, you can choose to deduct disaster area losses on your return for the year immediately before the year of the disaster if the President has declared your area a federal disaster area. For details, see *Disaster Area Losses* in Publication 547.

How To Get More Information

You can order free publications and forms, ask tax questions, and get more information from the IRS in several ways. By selecting the method that is best for you, you will have quick and easy access to tax help.

Free tax services. To find out what services are available, see Publication 910, *Guide to Free Tax Services.* It contains a list of free tax publications and an index of tax topics. It also describes other free tax information services, including tax education and assistance programs and a list of TeleTax topics.

Personal computer. With your personal computer and modem, you can access the IRS on the Internet at **www.irs.ustreas.gov.** While visiting our Web Site, you can select:

- *Frequently Asked Tax Questions* to find answers to questions you may have.
- *Fill-in Forms* to complete tax forms on-line.
- *Forms and Publications* to download forms and publications or search publications by topic or keyword.
- *Comments & Help* to e-mail us with comments about the site or with tax questions.
- *Digital Dispatch* and *IRS Local News Net* to receive our electronic newsletters on hot tax issues and news.

You can also reach us with your computer using any of the following.

- Telnet at **iris.irs.ustreas.gov**
- File Transfer Protocol at **ftp.irs.ustreas.gov**
- Direct dial (by modem) **703–321–8020**

TaxFax Service. Using the phone attached to your fax machine, you can receive forms, instructions, and tax information by calling **703–368–9694.** Follow the directions from the prompts. When you order forms, enter the catalog number for the form you need. The items you request will be faxed to you.

Phone. Many services are available by phone.

- *Ordering forms, instructions, and publications.* Call **1–800–829–3676** to order current and prior year forms, instructions, and publications.
- *Asking tax questions.* Call the IRS with your tax questions at **1–800–829–1040.**
- *TTY/TDD equipment.* If you have access to TTY/TDD equipment, call **1–800–829–4059** to ask tax questions or to order forms and publications.
- *TeleTax topics.* Call **1–800–829–4477** to listen to pre-recorded messages covering various tax topics.

Evaluating the quality of our telephone services. To ensure that IRS representatives give accurate, courteous, and professional answers, we evaluate the quality of our telephone services in several ways.

- A second IRS representative sometimes monitors live telephone calls. That person only evaluates the IRS assistor and does not keep a record of any taxpayer's name or tax identification number.
- We sometimes record telephone calls to evaluate IRS assistors objectively. We hold these recordings no longer than one week and use them only to measure the quality of assistance.
- We value our customers' opinions. Throughout this year, we will be surveying our customers for their opinions on our service.

Walk-in. You can pick up certain forms, instructions, and publications at many post offices, libraries, and IRS offices. Some libraries and IRS offices have an extensive collection of products available to print from a CD-ROM or photocopy from reproducible proofs.

Mail. You can send your order for forms, instructions, and publications to the Distribution Center nearest to you and receive a response 7 to 15 workdays after your request is received. Find the address that applies to your part of the country.

- **Western part of U.S.:**
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CD-ROM. You can order IRS Publication 1796, *Federal Tax Products on CD-ROM,* and obtain:

- Current tax forms, instructions, and publications.
- Prior-year tax forms, instructions, and publications.
- Popular tax forms which may be filled in electronically, printed out for submission, and saved for recordkeeping.
- Internal Revenue Bulletins.

The CD-ROM can be purchased from National Technical Information Service (NTIS) for $25.00 by calling 1–877–233–6767 or for $18.00 on the Internet at **www.irs.ustreas.gov/cdorders.**

Schedule 1. **Entrance Hall**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Chairs							
Clock							
Curtains							
Draperies							
Lamps							
Mirrors							
Pictures							
Rugs							
Tables							
Umbrella stands							
Wall fixtures							
Total (enter on Schedule 19, page 21)							**$**

Schedule 2. **Living Room**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Accessories							
Blinds							
Bookcases							
Books							
Chairs							
Chests							
Clocks							
Coffee table							
Curtains							
Desk							
Draperies							
Fireplace hardware							
Lamps							
Magazine rack							
Mirrors							
Piano							
Pictures							
Pillows							
Radio							
Rugs & pads							
Shades							
Shutters							
Sofa							
Stereo							
Television							
Wall fixtures							
Total (enter on Schedule 19, page 21)							**$**

Schedule 3. **Dining Room**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Buffet							
Chairs							
China cabinet							
Chinaware							
Crystal							
Curtains							
Draperies							
Glassware							
Mirrors							
Pictures							
Rugs & pads							
Silver flatware							
Silver tea set							
Silver items							
Table							
Tea cart							
Wall fixtures							
Total (enter on Schedule 19, page 21)							**$**

Schedule 4. **Kitchen**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Blender							
Broiler							
Canned goods							
Can opener							
Clock							
Coffee maker							
Curtains							
Cutlery							
Dishes							
Dishwasher							
Food processor							
Freezer							
Frozen food							
Glassware							
Ice crusher							
Microwave oven							
Mixer							
Pots and pans							
Radio							
Refrigerator							
Stove							
Table and chairs							
Telephone							
Toaster							
Trash compactor							
Utensils							
Wall accessories							
Total (enter on Schedule 19, page 21)							$

Schedule 5. **Den**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Bookcase							
Books							
Chairs							
Computer							
Clock							
Curtains							
Desk							
Draperies							
Lamps							
Mirrors							
Pictures							
Pillows							
Radio							
CDs/Records							
Rugs & pads							
Telephone							
Sofa							
Stereo							
Tables							
Television							
VCR							
Total (enter on Schedule 19, page 21)							$

Schedule 6. **Bedrooms**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Bed covers							
Beds							
Bedside tables							
Bureaus							
Chairs							
Chests							
Clocks							
Clothes hamper							
Desks							
Dresser							
Jewelry box							
Lamps							
Linens							
Mirrors							
Pictures							
Radio							
Rugs & pads							
Telephone							
Television							
Total (enter on Schedule 19, page 21)							**$**

Schedule 7. **Bathrooms**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Bath mats							
Clothes hamper							
Curtains							
Hair dryers							
Linens							
Mirrors							
Pictures							
Razor							
Scales							
Towel rack							
Wall fixtures							
Total (enter on Schedule 19, page 21)							$

Schedule 8. **Recreation Room**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Billiard table							
Books							
Card table							
Chairs							
Clocks							
Curtains							
Games							
Lamps							
Pictures							
Ping Pong table							
Pool table							
Radio							
CDs/Records							
Rugs							
Sofa							
Stereo							
Tables							
Television							
VCR							
Total (enter on Schedule 19, page 21)							**$**

Schedule 9. **Laundry and Basement**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Chairs							
Dryer							
Electric iron							
Food freezer							
Ironing board							
Ladder							
Luggage							
Tables							
Tools							
Tubs							
Washing machine							
Work bench							
Total (enter on Schedule 19, page 21)							$

Schedule 10. **Garage**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Bicycles							
Garden hose							
Garden tools							
Hedger							
Ladder							
Lawn mower							
Snow blower							
Sprayer							
Spreader							
Tiller							
Tools							
Wheelbarrow							
Total (enter on Schedule 19, page 21)							**$**

Schedule 11. **Sporting Equipment**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Boat & motor							
Cameras							
Camping equipment							
Field glasses							
Fishing tackle							
Golf clubs							
Guns							
Lawn games							
Projectors							
Tennis rackets							
Total (enter on Schedule 19, page 21)							$

Schedule 12. **Men's Clothing**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Belts							
Boots							
Gloves							
Handkerchiefs							
Hats							
Overcoats							
Raincoats							
Shirts							
Shoes							
Shorts							
Slacks							
Socks							
Sport jackets							
Suits							
Sweaters							
Ties							
Underwear							
Total (enter on Schedule 19, page 21)							**$**

Schedule 13. **Women's Clothing**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Belts							
Blouses							
Boots							
Coats							
Dresses							
Furs							
Gloves							
Hats							
Hosiery							
Jackets							
Lingerie							
Scarves							
Shirts							
Shoes							
Skirts							
Slacks							
Suits							
Sweaters							
Total (enter on Schedule 19, page 21)							**$**

Schedule 14. **Children's Clothing**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Blouses							
Boots							
Coats							
Dresses							
Gloves							
Hats							
Shirts							
Shoes							
Skirts							
Slacks							
Socks							
Sport jackets							
Stockings							
Suits							
Sweaters							
Underwear							
Total (enter on Schedule 19, page 21)							**$**

Schedule 15. **Jewelry**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Bracelets							
Brooches							
Earrings							
Engagement ring							
Necklaces							
Pins							
Rings							
Studs							
Watches							
Wedding rings							
Total (enter on Schedule 19, page 21)							$

Schedule 16. **Electrical Appliances**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Air conditioner							
Blankets							
Dehumidifier							
Fans							
Floor polisher							
Grill							
Heating pad							
Humidifier							
Sewing machine							
Sun lamp							
Vacuum cleaner							
Total (enter on Schedule 19, page 21)							$

Schedule 17. **Linens**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Bath mats							
Bedspreads							
Blankets							
Comforters							
Mattress pads							
Napkins							
Pillows							
Pillowcases							
Placemats							
Quilts							
Sheets							
Tablecloths							
Towels							
Washcloths							
Total (enter on Schedule 19, page 21)							$

Schedule 18. **Miscellaneous**

(1) Item	(2) No. of items	(3) Date acquired	(4) Cost or other basis	(5) Fair market value before casualty	(6) Fair market value after casualty	(7) Decrease in fair market value	(8) Smaller of column (4) or column (7)
Barbeque							
Lawn furniture							
Musical instruments							
Outdoor shed							
Picnic set							
Porch furniture							
Swing set							
Toys							
Total (enter on Schedule 19, page 21)							$

Schedule 19. **Summary of Contents of Home**

Schedule	**Totals from column (8), pages 3 to 20**
1) Entrance hall	$
2) Living room	
3) Dining room	
4) Kitchen	
5) Den	
6) Bedrooms	
7) Bathrooms	
8) Recreation room	
9) Laundry and basement	
10) Garage	
11) Sporting equipment	
12) Men's clothing	
13) Women's clothing	
14) Children's clothing	
15) Jewelry	
16) Electrical appliances	
17) Linens	
18) Miscellaneous	
Total loss on contents before reimbursements	$
MINUS: Insurance and other reimbursements	
Total loss after reimbursements (ENTER on Schedule 22, *Casualty or Theft Loss Deduction*)	$

Schedule 20. **Loss on Personal-Use Real Property**

Description of property (Show location and date acquired) ______________________

____

1) **Basis of property damaged or destroyed**		$ ______	
2) Minus:			
Deferred gain on sale of previous home	$ ______		
Prior casualty losses	______		
Any other reduction to basis	______	______	$ ______
3) Plus:			
Permanent improvements made—			
Aluminum siding		$ ______	
Central air conditioning		______	
Fence		______	
Heating system		______	
Landscaping		______	
Remodeling		______	
Roof		______	
Wall to wall carpeting		______	
Other: ______		______	
______		______	
______		______	
______		______	______
4) **Adjusted basis**			$ ______
5) Fair market value of property before casualty or disaster		$ ______	
6) Fair market value of property after casualty or disaster		______	
7) **Decrease in fair market value.** Subtract line 6 from line 5			$ ______
8) **Loss on personal-use real property before reimbursements—** Lesser of line 4 or line 7			______
9) Insurance and other reimbursements			______
10) **Total loss after reimbursement.** Subtract line 9 from line 8. (Enter on Schedule 22, *Casualty or Theft Loss Deduction*)			$ ______

Schedule 21. **Loss on Cars, Vans, Trucks, and Motorcycles**

Vehicle #1

Description of vehicle (Show kind, make, model, and date acquired) ______________________

____

1)	Basis	$ ________	
2)	Fair market value before casualty or disaster	$ ________	
3)	Fair market value after casualty or disaster . .	________	
4)	Decrease in fair market value. Subtract line 3 from line 2	$ ________	
5)	Loss on vehicle before reimbursements—Lesser of line 1 or line 4		$ ________
6)	Insurance and other reimbursements . . .		________
7)	Total loss after reimbursement. Subtract line 6 from line 5 . . . . If you do not have a second vehicle, enter this amount on Schedule 22. Otherwise, complete lines 1–8 below.		$ ________

Vehicle #2

Description of vehicle (Show kind, make, model, and date acquired) ______________________

____

1)	Basis	$ ________	
2)	Fair market value before casualty or disaster	$ ________	
3)	Fair market value after casualty or disaster . .	________	
4)	Decrease in fair market value. Subtract line 3 from line 2	$ ________	
5)	Loss on vehicle before reimbursements—Lesser of line 1 or line 4		$ ________
6)	Insurance and other reimbursements . . .		________
7)	Total loss after reimbursements. Subtract line 6 from line 5		$ ________
8)	**Total loss on cars, vans, trucks, and motorcycles.** Add line 7 for vehicle 1 and line 7 for vehicle 2. (Enter the total on Schedule 22, *Casualty or Theft Loss Deduction*) . . .		$ ________

Schedule 22. **Casualty or Theft Loss Deduction**

(**Note:** *You can use this schedule to figure your deductible loss. But remember to report your loss on Form 4684.*)

1)	Loss on contents of home (from Schedule 19)	$
2)	Loss on personal-use real property (from Schedule 20).	
3)	Loss on cars, vans, trucks, and motorcycles (from Schedule 21)	
4)	**Total.** Add lines 1, 2, and 3	$
5)	Minus: $100 (This applies to each disaster, casualty, or theft.)	
6)	Minus: 10% of your adjusted gross income	
7)	**Casualty or theft loss deduction**	$