Form **6252**

Department of the Treasury
Internal Revenue Service

Installment Sale Income

▶ **See separate instructions.** ▶ **Attach to your tax return.**
▶ **Use a separate form for each sale or other disposition of property on the installment method.**

OMB No. 1545-0228

1996

Attachment Sequence No. **79**

Name(s) shown on return

Identifying number

1 Description of property ▶

2a Date acquired (month, day, year) ▶ / / **b** Date sold (month, day, year) ▶ / /

3 Was the property sold to a related party after May 14, 1980? See instructions. If "No," skip line 4 . . . ☐ Yes ☐ No

4 Was the property you sold to a related party a marketable security? If "Yes," complete Part III. If "No," complete Part III for the year of sale and the 2 years after the year of sale . . . ☐ Yes ☐ No

Part I Gross Profit and Contract Price. Complete this part for the year of sale only.

5	Selling price including mortgages and other debts. Do not include interest whether stated or unstated			5	
6	Mortgages and other debts the buyer assumed or took the property subject to, but not new mortgages the buyer got from a bank or other source	6			
7	Subtract line 6 from line 5	7			
8	Cost or other basis of property sold	8			
9	Depreciation allowed or allowable	9			
10	Adjusted basis. Subtract line 9 from line 8	10			
11	Commissions and other expenses of sale	11			
12	Income recapture from Form 4797, Part III. See instructions	12			
13	Add lines 10, 11, and 12			13	
14	Subtract line 13 from line 5. If zero or less, **stop here.** Do not complete the rest of this form			14	
15	If the property described on line 1 above was your main home, enter the total of lines 14 and 22 from Form 2119. Otherwise, enter -0-			15	
16	**Gross profit.** Subtract line 15 from line 14			16	
17	Subtract line 13 from line 6. If zero or less, enter -0-			17	
18	**Contract price.** Add line 7 and line 17			18	

Part II Installment Sale Income. Complete this part for the year of sale and any year you receive a payment or have certain debts you must treat as a payment on installment obligations.

19	Gross profit percentage. Divide line 16 by line 18. For years after the year of sale, see instructions			19	
20	**For year of sale only:** Enter amount from line 17 above; otherwise, enter -0-			20	
21	Payments received during year. See instructions. Do not include interest whether stated or unstated			21	
22	Add lines 20 and 21			22	
23	Payments received in prior years. See instructions. Do not include interest whether stated or unstated	23			
24	**Installment sale income.** Multiply line 22 by line 19			24	
25	Part of line 24 that is ordinary income under recapture rules. See instructions			25	
26	Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797. See instructions			26	

Part III Related Party Installment Sale Income. Do not complete if you received the final payment this tax year.

27 Name, address, and taxpayer identifying number of related party

28 Did the related party, during this tax year, resell or dispose of the property ("second disposition")? . . . ☐ Yes ☐ No

29 **If the answer to question 28 is "Yes," complete lines 30 through 37 below unless one of the following conditions is met. Check only the box that applies.**

a ☐ The second disposition was more than 2 years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of disposition (month, day, year) ▶ / /

b ☐ The first disposition was a sale or exchange of stock to the issuing corporation.

c ☐ The second disposition was an involuntary conversion where the threat of conversion occurred after the first disposition.

d ☐ The second disposition occurred after the death of the original seller or buyer.

e ☐ It can be established to the satisfaction of the Internal Revenue Service that tax avoidance was not a principal purpose for either of the dispositions. If this box is checked, attach an explanation. See instructions.

30	Selling price of property sold by related party	30	
31	Enter contract price from line 18 for year of first sale	31	
32	Enter the **smaller** of line 30 or line 31	32	
33	Total payments received by the end of your 1996 tax year. See instructions	33	
34	Subtract line 33 from line 32. If zero or less, enter -0-	34	
35	Multiply line 34 by the gross profit percentage on line 19 for year of first sale	35	
36	Part of line 35 that is ordinary income under recapture rules. See instructions	36	
37	Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797. See instructions	37	