SCHEDULE D
FORM N-40
(REV. 1997)

STATE OF HAWAII—DEPARTMENT OF TAXATION

Capital Gains and Losses

1997

Attach this Schedule to Fiduciary Income Tax Return (Form N-40)

Name of Estate or Trust	Federal Employer Identification Number

Do not report section 644 gains on Schedule D (See Form N-40 Instructions for line 23)

PART I Short-term Capital Gains and Losses — Assets Held One Year or Less

(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Gross sales price	(e) Cost or other basis, as adjusted, plus expense of sale (see Instructions)	(f) Gain or (loss) (Col. (d), minus col. (e))
1					

2	Short-term capital gain or (loss) from federal Forms 4684, 6252, 6781, and 8824	2	
3	Net short-term gain or (loss) from partnerships, S Corporations, and other fiduciaries	3	
4	Net gain or (loss), (combine lines 1 through 3)	4	
5	Short-term capital loss carryover from 1996 Schedule D, line 28	5	( )
6	Net short-term gain or (loss), (combine lines 4 and 5). Enter here and on line 15 below ➤	6	

PART II Long-term Capital Gains and Losses — Assets Held More Than One Year

7					

8	Long-term capital gain or (loss) from federal Forms 4684, 6252, 6781, and 8824	8	
9	Net long-term gain or (loss) from partnerships, S Corporations, and other fiduciaries	9	
10	Capital gain distributions	10	
11	Enter the gain, if applicable, from Schedule D-1, Part I, line 8 or 10	11	
12	Net gain or (loss), (combine lines 7 through 11)	12	
13	Long-term capital loss carryover from 1996 Schedule D, line 35	13	( )
14	Net long-term gain or (loss), (combine lines 12 and 13). Enter here and on line 16 below ➤	14	

PART III Summary of Parts I and II

			(a) Beneficiaries	(b) Fiduciary	(c) Total
15	Net short-term gain or (loss) from line 6, above	15			
16	Net long-term gain or (loss) from line 14, above	16			
17	Total net gain or (loss), (combine lines 15 and 16) ➤	17			

If line 17, column (c), is a net gain, enter the gain on Form N-40, line 6. If lines 16 and 17, column (b), are net gains, go to Part VI, and DO NOT complete Parts IV and V.
If line 17, column (c), is a net (loss), complete Parts IV and V, as necessary.

PART IV Computation of Capital Loss Limitation

18	Enter here and enter as a (loss) on Form N-40, line 6, the smaller of: *(i)* The net loss on line 17, column (c); **or** *(ii)* $3,000	**18**	(	)

If the net loss on line 17, column (c) is more than $3,000, OR if the taxable income on line 22, page 1, of Form N-40 is zero or less, complete Part V to determine your capital loss carryover.

PART V Computation of Capital Loss Carryovers From 1997 to 1998

Section A. — Computation of Carryover Limit

19	Enter the taxable income or (loss) for 1997 from Form N-40, line 22.	**19**		
20	Enter the loss from line 18 as a positive amount	**20**		
21	Enter the amount from Form N-40, line 20	**21**		
22	Adjusted taxable income (combine lines 19, 20, and 21, but not less than zero.)	**22**		
23	Enter the lesser of line 20 or line 22	**23**		

Section B. — Short-Term Capital Loss Carryover

(Complete this section only if there is a loss shown on line 6 and line 17, column (c).)

24	Enter the loss shown on line 6 as a positive amount	**24**		
25	Enter the gain, if any, shown on line 14. (If that line is blank or shows a loss, enter zero)	**25**		
26	Enter the amount from line 23	**26**		
27	Add lines 25 and 26	**27**		
28	Line 24 minus line 27. If zero or less, enter zero. This is your short-term capital loss carryover from 1997 to 1998. If this is the final return of the trust or decedent's estate, also enter on line 9b, Schedule K-1 (Form N-40)	**28**		

Section C. — Long-Term Capital Loss Carryover

(Complete this section only if there is a loss shown on line 14 and line 17, column (c).)

29	Enter the loss shown on line 14 as a positive amount	**29**		
30	Enter the gain, if any, shown on line 6 (If that line is blank or shows a loss, enter zero)	**30**		
31	Enter the amount from line 23	**31**		
32	Enter the amount from line 24	**32**		
33	Line 31 minus line 32. If zero or less, enter zero	**33**		
34	Add lines 30 and 33	**34**		
35	Line 29 minus line 34. If zero or less, enter zero. This is your long-term capital loss carryover from 1997 to 1998. If this is the final return of the trust or decedent's estate, also enter on line 9c, Schedule K-1 (Form N-40)	**35**		

PART VI Tax Computation Using Maximum Capital Gains Rate *(Complete this part only if lines 16 and 17, column (b) are net capital gains for 1997.)*

36	Enter your taxable income from Form N-40, line 22	**36**		
37a	Net capital gain taxable for 1997. (Enter the smaller of line 16 or 17, column (b).)	**37a**		
b	If you completed Form N-158, enter the amount from Form N-158, line 4e	**37b**		
c	Line 37a minus line 37b. If zero or less, stop here. You cannot use Part VI to figure the tax for the estate or trust. Instead, see Form N-40, line 23, instructions	**37c**		
38	Line 36 minus line 37c. If zero or less, enter zero	**38**		
39	Enter the **greater** of line 38 or $3,500	**39**		
40	Tax on amount on line 39. If line 39 is $3,500, enter $130.00	**40**		
41	Line 36 minus line 39. Also, enter this amount on Form N-40, line 23(a)	**41**		
42	Multiply the amount on line 41 by 7.25% (.0725)	**42**		
43	Maximum capital gains tax. Add lines 40 and 42	**43**		
44	Regular tax on amount on line 36 above (see Form N-40, line 23, instructions)	**44**		
45	Enter the lesser of line 43 or line 44 here and on Form N-40, line 23 and check appropriate box	**45**		