

# Form 8960 Cheat Sheet

	Subject to NIIT	Software Coding Required	K-1 Coding
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## Subject to NIIT:

Interest	Y		
Dividends	Y		
Royalties	Y		
Annuities	Y		
Capital Gain	Y		
Sale of Residence (if no exclusion)	Y		
Sale of Second Residence	Y		
Kiddie Passive Income	Y		
Trusts That Don't Distribute Income	Y	Y	

## Subject to NIIT and Coding Required:

Rents Except Self-Rental (Schedule E Code 7)	Y	Y	
K-1 Rental Real Estate (with Active Participation)	Y	Y	2
K-1 Passive	Y	Y	1
Gain on Sale of Passive Activity	Y	Y	
Business of Trading in Financial Commodities	Y	Y	

## Not Subject to NIIT:

W-2	N		
Retirement Accounts	N		
Unemployment	N		
Social Security	N		
Alimony Received	N		
Alaska Permanent Dividend	N		
Most Other Income	N		
Exclusion Items	N		
Deferral Items	N		
Grantor Trusts	N		

## Not Subject to NIIT and Coding Required:

Schedule C (with material participation)	N	Y	
Schedule F (with material participation)	N	Y	
Self-Rental	N	Y	
K-1 with Material Participation (without Limitation)	N	Y	3
K-1 Real Estate Professional	N	Y	4

## Expenses to Offset Gross Income:

Capital Losses up to \$3,000	Y		
Investment Expenses	N		
Management Fees	N		
Tax Preparation Fees	N		
Investment Interest Expense	Y		
Early Withdrawal Penalties	Y		
State & city income taxes as a % of passive to total income	Y	Y	

**Note: This is a general rule of thumb but is not all inclusive.**