

What to send for a sale tax analysis

Home or second home. Ranked from most important to nice to have, with the pages that matter, how far back to go and where to get each one. Send what you have; the more you send, the sharper the numbers. Upload or read online at bigsaletax.com/intake. Tick the box as you gather each item.

Before you send anything: black out Social Security numbers and bank account numbers (leave the last four digits). Do not email returns; use the secure upload on the page. Files there are private and deleted automatically within 45 days.

1. Send these first

Enough to start the analysis. 9 items.

☐ Federal income tax returns, complete

The whole return as filed: every schedule, statement, worksheet and the e-file confirmation, not just the first two pages.

PAGES AND FORMS Form 1040 with Schedules 1, 2, 3, B, C, D, E, F and A as they apply, plus Forms 8949, 4797, 4562, 8582, 6252, 8824, 8960, 8995, 6198, 6251, 7203, 1116 and the carryover worksheets and statement pages behind them.

HOW FAR BACK Last 3 years minimum (the IRS normally has 3 years to assess, IRC 6501(a)). Send 5 to 7 if you can: losses and credits carry forward past 3 years (see the carryforward item).

WHY It shows your bracket, your carryovers, and any earlier installment sale or exchange. Everything else is checked against it.

WHERE TO GET IT Your CPA or tax software export. No copy? Pull return transcripts free from IRS Online Account (irs.gov/account): return transcripts for the current and three prior years; Form 4506-T for older transcripts. A transcript is a summary, so ask your CPA for the full PDF too.

☐ State income tax returns, complete

Every state return you filed, with schedules, for each state where you live, own the property or have the business.

PAGES AND FORMS For example California Form 540 with Schedule CA and Schedule D (540), Form 3885A (depreciation), Form 3840 or 3805 (exchanges), Form 593 and 592-B (withholding on sales). Other states: the resident and any nonresident returns.

HOW FAR BACK Same years as the federal returns, 3 minimum, 5 to 7 better. State carryovers and basis often differ from federal.

WHY State tax is often the second biggest line after federal, and some states tax installment gain and exchange gain differently.

WHERE TO GET IT Your CPA, or the state tax agency's online account (for example California FTB MyFTB) for transcripts and notices.

☐ The sale paperwork: listing, offer or purchase agreement

The listing agreement or offering memorandum, any letter of intent, the purchase and sale agreement and every amendment, with the price allocation if there is one.

PAGES AND FORMS Price, deposit, closing date, contingencies, what the buyer assumes, seller-carry or note terms, repairs credits, and the allocation between land, building and equipment.

HOW FAR BACK The current deal. Also any earlier offers that fell through if the terms are different.

WHY The tax depends on what is actually sold, to whom, for how much and on what terms. Terms that change the tax (seller note, assumed debt, earn-out) must be seen before you sign.

WHERE TO GET IT Your listing broker, the buyer's broker, or your title or escrow company. No contract yet? Send the listing or your asking terms.

☐ **Seller net sheet or estimated closing statement**

The title company's estimate of what you walk away with: price, payoffs, commissions, transfer taxes, prorations, credits.

PAGES AND FORMS Gross price, loan payoffs, broker commission, escrow and title fees, transfer and documentary taxes, prorated taxes and rents, and your estimated net cash.

HOW FAR BACK The latest estimate. Ask for a fresh one when the price or closing date changes.

WHY It is your real cash, which is what the tax and every comparison is measured against.

WHERE TO GET IT Your escrow officer or listing broker can produce one in a day.

☐ **Closing statement from when you bought it**

The settlement statement from your purchase (Closing Disclosure, ALTA or HUD-1).

PAGES AND FORMS Purchase price, closing costs you can add to basis, the land and building split, any seller credits, and loan terms.

HOW FAR BACK Back to the date you acquired it, however long ago. Basis is figured from that day.

WHY Basis is the number that is subtracted from the price. A missing or low basis overstates the tax.

WHERE TO GET IT Your title or escrow company from that purchase (they keep records for years); your lender's closing package; the county recorder for the deed; your CPA's files for the year you bought.

☐ **Depreciation schedule or fixed asset ledger**

Every asset you depreciate, with its cost, date placed in service, method, life, prior depreciation and remaining basis.

PAGES AND FORMS The depreciation report your CPA keeps (often called the fixed asset schedule) plus Form 4562 for each year. Include Section 179 and bonus depreciation. Home owners: only if you rented it or used part for business.

HOW FAR BACK From the date each asset was placed in service to today. Depreciation "allowed or allowable" reduces basis whether or not you claimed it (IRC 1016(a)(2)).

WHY Depreciation is taxed back at up to 25% on buildings (unrecaptured Section 1250 gain, IRC 1(h)) and as ordinary income on equipment (IRC 1245), and it is due in the year of sale even on an installment sale (IRC 453(i)).

WHERE TO GET IT your CPA or tax software, usually a tab in their workpapers. Ask for "the depreciation schedule through last year."

☐ **Every loan on it: statement, payoff quote and note**

The latest statement for each loan, a payoff quote for the closing date, and the note terms.

PAGES AND FORMS Balance, rate, maturity, prepayment penalty or yield maintenance or defeasance, due-on-sale and assumption terms. Include HELOCs, lines of credit, seller notes owed and any loan secured by this asset, even if the money was used elsewhere.

HOW FAR BACK Current. Add the original loan documents if the note has an unusual prepayment clause.

WHY Debt over basis is treated as cash in some deals, a prepayment penalty comes off your net, and an old low-rate loan is often worth more than the tax saved by selling.

WHERE TO GET IT Your lender's online portal (statement and payoff quote), or call the servicer. The county recorder lists the recorded deeds of trust.

☐ **Purchase price and improvements record for the home**

Closing statement from the purchase and a list of major improvements with dates and costs.

PAGES AND FORMS Closing Disclosure or HUD-1, receipts for additions, roof, kitchens, landscaping, permits, and the cost of any sale from a prior home rolled into it.

HOW FAR BACK From the date you bought it.

WHY Gain on a home is price minus basis. The exclusion (IRC 121) covers up to \$250,000 or \$500,000 of it if you qualify; the rest is taxed.

WHERE TO GET IT Escrow company, contractors, permit records at the city, your bank statements for large payments.

☐ **Proof you lived in it: 2 of the last 5 years**

Anything showing the home was your main home and when.

PAGES AND FORMS Driver's license and voter registration addresses, utility bills, tax returns showing the address, and dates of any rental, business use or absence.

HOW FAR BACK The last 5 years before the sale date. The test is 2 years of ownership and use in the 5 years ending on the sale (IRC 121(a)). Also the date of any other home you sold with the exclusion, because it can be used once every 2 years (IRC 121(b)(3)).

WHY Whether the exclusion applies, partly or fully, is the single biggest swing on a home sale.

WHERE TO GET IT Your own utility and bank records; your CPA's file; the county for homeowner exemption records.

2. Send next

Sharpens the numbers. 13 items.

☐ **Any installment sale or seller note you already have**

Paperwork for any sale where you are being paid over time, and any note you hold.

PAGES AND FORMS Form 6252 for each year, the note, the deed of trust or security agreement, the amortization schedule, and the latest payoff.

HOW FAR BACK Every year until the note is paid in full (Form 6252 is filed each year payments arrive).

WHY Large notes trigger the Section 453A interest charge once outstanding installment obligations pass \$5,000,000 (IRC 453A(b)), and a note pledged as security is treated as a payment (IRC 453A(d)).

WHERE TO GET IT Your CPA's files and the note servicer. Your attorney holds the signed note.

☐ **Losses and credits carried forward**

The worksheets that track what you can use against the gain.

PAGES AND FORMS Passive losses by activity (Form 8582 and the worksheets behind it), capital loss carryover worksheet (Schedule D), net operating loss schedule, charitable contribution carryover, at-risk (Form 6198), foreign tax and general business credits, alternative minimum tax credit (Form 8801), Section 163(j) disallowed interest.

HOW FAR BACK Back to the first year each loss arose. Suspended passive losses carry forward with no time limit and are released on a taxable disposition (IRC 469(g)). Capital losses carry forward without limit (IRC 1212(b)). Charitable carryovers last 5 years (IRC 170(d)(1)). Credits 20 years (IRC 39).

WHY A \$400,000 suspended loss can wipe out a large part of the gain, but only if it is tracked. An installment sale can delay when it is released.

WHERE TO GET IT your CPA or tax software: ask for "every carryforward schedule as of last year". Also look in the Form 1040 instructions' worksheets.

☐ **Your income picture for the next 10 years**

A short list of what else you expect to earn, receive or sell, year by year.

PAGES AND FORMS Wages or business income, Social Security start date, pensions, required distributions from retirement accounts, other planned sales, Medicare enrollment date, filing status and expected changes (marriage, death, move).

HOW FAR BACK Today forward, 10 years. Medicare premium surcharges (IRMAA) are set from your tax return from 2 years earlier, so a 2026 sale shows up in 2028 premiums.

WHY Spreading a gain only helps if the other years have room. This item tells us how much room each year has.

WHERE TO GET IT Your last 2 returns, the Social Security Administration statement (ssa.gov/myaccount), your retirement account's RMD projection, your CPA's tax projection.

☐ **Estimated tax payments and year-to-date income**

What you have paid and earned so far this year.

PAGES AND FORMS Form 1040-ES payments and dates, state estimates, year-to-date pay stubs or profit and loss, and any CPA tax projection for this year.

HOW FAR BACK This year to date, plus last year's total tax (for the safe-harbor rules, IRC 6654).

WHY A large sale mid-year can trigger underpayment penalties unless the payments are planned.

WHERE TO GET IT IRS Online Account shows payments; your bank statements; your CPA.

☐ **State of residence for each owner, and any planned move**

Where each owner lives and files, and whether a move is planned before or after closing.

PAGES AND FORMS Address history, driver's license state, days spent in each state (a simple calendar log), a new home purchase or lease, and the planned move date.

HOW FAR BACK Current, plus the last 2 years of days-in-state. States audit residency claims with calendar and card records.

WHY Moving from a high-tax state before the gain is recognized can change the bill by tens of thousands of dollars, but only if the dates work.

WHERE TO GET IT Your own calendar, credit card and phone records, the new state's registration receipts.

☐ **Your goals and limits**

A few lines on what the money is for and what you will not do.

PAGES AND FORMS Cash needed at closing and why, debts to retire, income you want and when, whether you want to stay in real estate or in the business, heirs, charitable intentions, your comfort with an IRS question, and how much paperwork you will tolerate.

HOW FAR BACK Today and the next 10 years.

WHY The best path depends on the goal more than on the tax. Two owners with the same gain can need different answers.

WHERE TO GET IT Just write it in the notes box below. Rough is fine.

☐ **Your advisors, and permission to talk to them**

Names and contact details for your CPA, attorney, broker, lender and qualified intermediary, and a note that Hans may speak with them.

PAGES AND FORMS Name, firm, email, phone. Tick the permission box in the form, or tell us who not to contact.

HOW FAR BACK Current.

WHY Hans works with your CPA and attorney, not around them. One call can save weeks.

WHERE TO GET IT Your engagement letters or email signatures.

☐ **Appraisal, broker opinion of value or comparable sales**

Any independent estimate of value.

PAGES AND FORMS Appraisal report, broker opinion of value, comparable sales, tax assessor's value split between land and improvements.

HOW FAR BACK Most recent, within 12 months if possible. Add the one used when you bought, financed or inherited.

WHY The land and building split changes depreciation recapture. A low appraisal in a seller-carry deal can limit the loan.

WHERE TO GET IT Your lender (they hold the appraisal), a local broker, the county assessor's public record.

☐ **If you inherited it or were given it**

The paperwork that sets your basis.

PAGES AND FORMS Inherited: date-of-death value (appraisal or estate return Form 706 and the beneficiary statement Form 8971), the will or trust, and the probate order. Gifted: the donor's basis and gift date (Form 709), and the donor's depreciation if it was rental property.

HOW FAR BACK Back to the date of death or the date of the gift. Inherited assets get a stepped-up basis to date-of-death value (IRC 1014); gifts carry the donor's basis (IRC 1015).

WHY A date-of-death basis can erase decades of gain. If it is not documented, the IRS can treat the basis as the donor's or as zero.

WHERE TO GET IT The executor or probate attorney, the estate's CPA, or a retrospective appraisal by a licensed appraiser. County recorder for the deed and probate filings.

☐ **The buyer: who it is, any relationship to you, and how they will pay**

Name, entity, how they are related to you (if at all), and their financing.

PAGES AND FORMS Buyer name and entity, relationship, proof of funds or lender commitment letter, and, if you will carry a note, the buyer's financial statement and the collateral you would get.

HOW FAR BACK The current deal. Related-party sales have a 2-year rule on resale (IRC 453(e)).

WHY A related buyer, or a buyer who may resell soon, can accelerate the tax. A seller note is only as good as the buyer and the collateral.

WHERE TO GET IT The buyer's broker or attorney; a credit report and title search if you are carrying the note.

☐ **Home office, rental or other business use**

Any part of the home used for rent or business, with the depreciation taken.

PAGES AND FORMS Form 8829 and depreciation schedules, rental periods and dates, Schedule E for rental years.

HOW FAR BACK Back to May 7, 1997 for depreciation taken on the home (not covered by the exclusion, IRC 121(d)(6)), and to January 1, 2009 for periods it was not your main home (IRC 121(b)(5)).

WHY Depreciation and non-home periods are taxed even when the exclusion applies.

WHERE TO GET IT Your CPA's workpapers and your tax returns for those years.

☐ **Any gain you have already deferred**

Records for a gain you put into a Qualified Opportunity Fund or another deferral.

PAGES AND FORMS Form 8997 and Form 8949 for each year, the fund's annual statements, and the date of investment. Gain deferred under Section 1400Z-2 is included in income on December 31, 2026 (IRC 1400Z-2(b)(1)).

HOW FAR BACK Back to the date of each investment.

WHY That deferred gain comes due this year, on top of whatever you sell now.

WHERE TO GET IT The fund manager's annual statement; your CPA.

☐ **Estate planning documents**

Trusts, wills and powers of attorney that affect the asset.

PAGES AND FORMS Revocable and irrevocable trust agreements, will, beneficiary designations, any gifting or generation-skipping plans, buy-sell agreements. The federal estate tax exemption is \$15,000,000 per person for 2026 (IRC 2010(c), as amended in 2025).

HOW FAR BACK Current, plus any change in the last 5 years.

WHY Basis step-up at death can make holding better than selling, and a trust owner changes who pays the tax.

WHERE TO GET IT Your estate attorney.

3. Nice to have

The more the better. 3 items.

☐ **Returns from 4 to 7 years ago**

The same complete returns, going back further.

PAGES AND FORMS Same forms as the first item.

HOW FAR BACK Years 4 through 7. They reveal carryforward origins, older exchanges and installment sales, and loss years.

WHY It lets us trace a loss or a basis to its source if the later returns only show a total.

WHERE TO GET IT Your CPA; IRS Form 4506 can get copies of older returns (generally about the last 7 years).

☐ **Your CPA's workpapers and a tax projection**

Anything your CPA has prepared for this sale.

PAGES AND FORMS Tax projection or memo for the sale, depreciation workpapers, basis calculations, planning emails.

HOW FAR BACK Current.

WHY It shows what your CPA already assumes so the analysis lines up with their advice.

WHERE TO GET IT Ask your CPA for "the file for the sale."

☐ **Anything else you think matters**

Photos, letters, notes about history, partners, disputes, easements, pending lawsuits or IRS notices.

PAGES AND FORMS Open IRS or state notices, disputes, pending claims, side agreements.

HOW FAR BACK Any.

WHY Surprises late in the process cost the most. A short note now helps.

WHERE TO GET IT Your files and memory. Rough is fine.

Education only, not tax, legal or financial advice. Rules cited are federal Internal Revenue Code sections as of October 10, 2026; your CPA confirms the current rule for your year. Hans is not a CPA, attorney or registered investment adviser; the analysis models tax effects and does not recommend specific securities. Hans Goldstein: Tax & Exit Planning, 1401 21st St, Ste R, Sacramento, CA 95811. hans@bigsaletax.com, 213-414-2808.