

SCHEDULE D
FORM N-20
(REV. 2010)

STATE OF HAWAII—DEPARTMENT OF TAXATION
Capital Gains and Losses
To be filed with Form N-20

2010

Name of Partnership

Federal Employer I.D. No.

Part I Short-Term Capital Gains and Losses — Assets Held 1 Year or Less

(a) Description of property (e.g., 100 shares of "Z" Co.)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (See Instructions.)	(e) Cost or other basis (See Instructions.)	(f) Gain or (loss) (column (d) minus column (e))
1					
2 Short-term capital gain from installment sales from federal Form 6252				2	
3 Short-term capital gain (loss) from like-kind exchanges from federal Form 8824				3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts.....				4	
5 Short-term gain from stock acquired through stock options from qualified high technology businesses.....				5	()
6 Section 235-7(a)(13), HRS, short-term gain (See Instructions.).....				6	()
7 Net short-term capital gain or (loss). Add lines 1 through 6 in column (f). Enter here and on Schedule K (Form N-20), line 4d or 7				7	

Part II Long-Term Capital Gains and Losses — Assets Held More Than 1 Year

8					
9 Long-term capital gain from installment sales from federal Form 6252.....				9	
10 Long-term capital gain (loss) from like-kind exchanges from federal Form 8824.....				10	
11 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts.....				11	
12 Capital gain distributions				12	
13 Long-term gain from stock acquired through stock options from qualified high technology businesses				13	()
14 Section 235-7(a)(13), HRS, long-term gain (See Instructions.).....				14	()
15 Net long-term capital gain or (loss). Add lines 8 through 14 in column (f). Enter here and on Schedule K (Form N-20), line 4e or 7				15	

General Instructions

(Section references are to the Internal Revenue Code unless Hawaii Revised Statutes (HRS) is indicated.)

Purpose of Schedule

Use Schedule D (Form N-20) to report the sale or exchange of capital assets, except capital gains (losses) that are specially allocated to any partners.

Enter capital gains (losses) specially allocated to the partnership as a partner in other partnerships and from estates and trusts on Schedule D (Form N-20), line 4 or 11, whichever applies. Enter capital gains (losses) of the partnership that are specially allocated to partners directly on line 4d, 4e, or 7 of Schedule K and K-1 (Form N-20), whichever applies. Do not include these amounts on Schedule D. See **How Income Is Shared Among Partners** in the Instructions for Form N-20 for more information.

General Information

To report sales or exchanges of property other than capital assets, including the sale or exchange of property used in a trade or business and involuntary conversions (other than casual-

ties and thefts) see Schedule D-1, Sales of Business Property, and related instructions. If property is involuntarily converted because of a casualty or theft, use federal Form 4684, Casualties and Thefts.

Gain and losses from section 1256 contracts and straddles are reported on federal Form 6781, Gains and Losses From Section 1256 Contracts and Straddles. If there are limited partners, see section 1256(e)(4) for the limitation on losses from hedging transactions.

An exchange of business or investment property for property of a like kind is reported on federal Form 8824, Like-Kind Exchange.

For more information, see federal Publication 544, Sales and Other Dispositions of Assets.

Items for Special Treatment

- Effective for tax years beginning after December 31, 1999, all income earned and proceeds derived from stock options or stock, including stock issued through the exercise of stock options or warrants, from a qualified high technology business or from a holding company of a qualified high technology business by an employee, officer, or director of the qualified high technology

business, or investor who qualifies for the high technology business investment tax credit is excluded from income taxes.

- For tax years beginning after 2007 and ending before 2013, the gain realized by a fee simple owner from the sale of a leased fee interest in units within a condominium project, cooperative project, or planned unit development to the association of owners under chapter 514A or 514B, HRS, or the residential cooperative corporation of the leasehold units is exempt from Hawaii income taxation.
- Gain from the sale of property (other than publicly traded stock or securities) for which any payment is to be received in a tax year after the year of sale, must be reported using the installment method on federal Form 6252, Installment Sale Income, unless the partnership elects to report the entire gain in the year of sale. The partnership should also use federal Form 6252 if it received a payment this year from a sale made in an earlier year on the installment method.

If the partnership wants to elect out of the installment method for installment gain that is **not** specially allocated among the partners, it

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