

Cancellation of Debt – Insolvency Worksheet

Taxpayer(s):		SSN:	
Tax Year:		Date of Cancellation:	
		Total Cancelled Debt	A \$
Assets as of the day before the debt was cancelled			
Cash – checking accounts			
Cash – savings accounts			
Certificates of deposit			
Fair Market Value of stocks, bonds, mutual funds			
Notes and contracts receivable			
Life insurance (cash surrender value)			
Personal property (art, jewelry, furniture, boats, snowmobiles, computers, etc.) (FMV)			
Retirement funds (IRAs, 401(k), 403(b), other pension plans)			
Automobile #1 (FMV)			
Automobile #2 (FMV)			
Business assets (machinery and equipment) (FMV)			
Real estate – personal home (FMV)			
Real estate – other: vacation home, land - (FMV) (including nonrecourse financed property)			
:Education accounts			
Other assets – specify			
		Total Assets	B \$
Liabilities as of the day before the debt was cancelled			
Current debt (credit cards, charge accounts)			
Notes payable			
Auto loans payable			
Education or student loans payable			
Taxes payable			
Real estate mortgage #1			
Real estate mortgage #2			
Nonrecourse financing on real estate to the extent of its FMV			
Nonrecourse financing on real estate in excess of its FMV to the extent of amount discharged			
Other liabilities: medical bills, past due real estate taxes, utility bills, other bills:			
Loans from 401(k) plans or other retirement accounts, loans from life insurance policies			
Judgments, business debt, margin debt on stock accounts			
Other liabilities:			
		Total Liabilities	C \$
		Amount of Insolvency (C - B but not less than zero)	D \$
		Amount excluded from income (lesser of A or D)	E \$
		Amount included in income (A - D)	F \$