

# Form 6251 — AMT Adjustments Summary Chart (2022)

	Regular Tax Treatment	Alternative Minimum Tax Adjustment	Exclusion/Deferral
<i>Standard deduction</i>	Deductible if not filing Schedule A (Form 1040), <i>Itemized Deductions</i> .	Add back standard deduction claimed on line 12, Form 1040.	E
<i>Taxes from Schedule A (Form 1040)</i>	State and local income taxes or general sales taxes, real estate taxes, and personal property taxes are deductible. Deduction limited to \$10,000 (\$5,000 MFS).	Add back all taxes deducted on line 7, Schedule A (Form 1040), including any state and local general sales taxes, but not including any generation-skipping transfer taxes on income distributions.	E
<i>Mortgage interest</i>	Mortgage interest deductible if incurred to buy, build, or substantially improve a main or second home. Limitations apply. See <i>Home Mortgage Interest</i> , page 4-10.	No AMT adjustment is made for mortgage interest deducted for a principal residence or qualified dwelling. Add back interest deducted for a houseboat or recreation vehicle, as those are not qualified dwellings for AMT purposes.	None
<i>Tax refund</i>	Tax refunds are included in gross income to the extent a tax benefit was received for tax deducted in a prior year.	Tax refunds included in income on line 1 or line 8z, Schedule 1 (Form 1040), <i>Additional Income and Adjustments to Income</i> , are a subtraction from income for AMT.	E
<i>Investment interest expense</i>	Investment interest not allocable to tax-exempt income is deductible, limited to net investment income.	A separate Form 4952, <i>Investment Interest Expense Deduction</i> , is completed. Adjustments are made to account for AMT items.	E
<i>Depletion</i>	A deduction for depletion is allowed subject to income limits.	Recompute depletion deduction based on AMT income and basis of property. Add back excess depletion.	E
<i>Interest from private activity bonds</i>	Interest from specified private activity bonds issued after August 7, 1986, is generally not taxable. Tax-exempt interest is reported by the payer in box 8, Form 1099-INT, <i>Interest Income</i> . The portion of tax-exempt interest attributable to private activity bonds is reported in box 9, Form 1099-INT.	Interest from specified private activity bonds issued after August 7, 1986 must be added to income for AMT purposes, less any deduction allowable had the bonds been taxable under regular tax. IRC section 57(a)(5) lists exceptions. Interest earned on qualified Gulf Opportunity Zone or Midwestern disaster area bonds is excluded.	E
<i>Tax-exempt interest reported on Form 8814</i>	A parent electing to file Form 8814, <i>Parents' Election to Report Child's Interest and Dividends</i> , reports the child's tax-exempt interest on line 1b of that form.	Any interest from private activity bonds included on line 1b, Form 8814, must be added to the parents' income for AMT purposes.	E
<i>Qualified small business stock (IRC §1202)</i>	An income exclusion (50% or 75%) for gain on qualified small business stock acquired before September 28, 2010, and held for more than five years.	Add back 7% of the amount that was excluded from gross income under IRC section 1202. <b>Note:</b> For qualified small business stock acquired after September 27, 2010, there is no adjustment.	E
<i>Exercise of incentive stock options</i>	No income is recognized upon the exercise of an incentive stock option (ISO).	Add back the difference between the FMV and the amount paid (unless sold during the same tax year). See <i>Incentive Stock Options—AMT Adjustments</i> , page 14-3.	D
<i>Disposition of property</i>	Gain or loss from sale of property is computed using regular tax basis.	Gain or loss from sale of property must be recomputed if AMT basis is different from regular tax basis (such as from AMT depreciation adjustments, etc.). Add back the difference between AMT and regular gain or loss.	D
<i>Depreciation on assets placed in service before 1999</i>	Depreciation is computed under MACRS general depreciation system (GDS) or alternate depreciation system (ADS).	Recalculate depreciation for AMT using the alternative depreciation system (ADS) with the same convention used for regular tax. See <i>Depreciation Adjustments for Alternative Minimum Tax</i> , page 9-15.	D
<i>Depreciation on assets placed in service after 1998</i>	Depreciation is computed under MACRS.	AMT uses the same convention and recovery period as regular tax. For property other than section 1250 property use 150DB. For section 1250 property use SL. Property eligible for the special depreciation allowance is not subject to AMT.	D
<i>Passive activities</i>	Income and gains are computed using regular tax rules.	A separate Form 8582, <i>Passive Activity Loss Limitations</i> , must be completed for AMT purposes, taking into account AMT adjustments and preferences that apply to the activity.	D
<i>Loss limitations</i>	At-risk limitations apply.	Recompute gains or losses taking into account AMT adjustments to basis.	D
<i>Circulation costs</i>	Circulation costs are generally deductible in the year paid unless the election is made for the optional 3-year write-off.	Circulation costs deducted in full in the year incurred for regular tax purposes must be capitalized and amortized over three years for AMT.	D
<i>Long-term contracts</i>	Options exist for long-term contract accounting methods.	Long-term contracts must be accounted for by the percentage-of-completion method for AMT (does not apply to certain home construction contracts).	D
<i>Mining costs</i>	Costs are generally deducted in the year paid unless the election is made for the optional 10-year write-off.	Mining costs deducted in full in the year incurred for regular tax must be capitalized and amortized over 10 years for AMT.	D
<i>Research and experimental costs</i>	Effective for 2022, research and experimental expenditures are required to be capitalized and amortized over five years, or 15 years for foreign expenditures.	The 2022 Form 6251 still has a line for the research and experimental cost AMT adjustment. However, IRC section 174 no longer expressly references the IRC section 59(e) AMT provision.	D
<i>Income from installment sales</i>	Generally reported as income in the year payments are received.	Add back for certain nondealer dispositions that occurred before January 1, 1987.	D
<i>Intangible drilling costs (IDC)</i>	Generally allowed as a current deduction or optional 60-month write-off.	If a current deduction for IDC was claimed instead of optional 60-month amortization, add back the excess of IDC over the amount allowable had IDC been amortized over 120 months. Any permitted method for cost depletion may be used instead of 120-month amortization.	D
<i>AMT net operating loss adjustments</i>	Net operating losses are computed using regular tax rules.	Net operating losses must be recomputed using AMT rules.	D
<i>Excess business loss limitation</i>	Any excess business loss cannot be deducted in the current year and is treated as a net operating loss (NOL) carryover, subject to NOL rules. See <i>Excess Business Loss Limitation</i> , page 5-13.	A separate Form 461, <i>Limitation on Business Losses</i> , is completed. Adjustments are made to account for AMT items.	D
<i>Business interest limitation</i>	The deduction for business interest is limited for taxpayers with average annual gross receipts in excess of \$27 million. See <i>Business interest limitation</i> , page 5-11.	A separate Form 8990, <i>Limitation on Business Interest Expense Under Section 163(j)</i> , is completed. Adjustments are made to account for AMT items.	D