

Any losses that were applied to reduce the applicant's FAGI shall be subject to the following limitations:

- (A) The net amount of loss reported on federal Schedule C, D, E or F shall not exceed three thousand dollars per schedule.
- (B) The net amount of any other separate category of loss shall not exceed three thousand dollars, and
- (C) the aggregate amount of all losses shall not exceed fifteen thousand dollars

Capital Gain or (loss) from schedule D	Form 1040, line 7	(3,000)	enter amount below
Other income from Schedule 1	Form 1040, line 8	2,000	go to schedule
Total		(1,000)	

Must obtain Schedule 1

Description		Actual Reported	Allowable	FAGI addback
Capital gain or (loss) from Schedule D	Form 1040, line 7	(3,000)	(3,000)	-
Business income or (loss) from Schedule	Schedule 1, Line 3	(10,000)	(3,000)	7,000
Other Gains or (losses) from Form 4797	Schedule 1, Line 4	11,000		-
Rental real estate, royalties, partnerships, S corps, trusts, etc. from Schedule E	Schedule 1, Line 5	22,000		-
Farm income or (loss) from Schedule F	Schedule 1, Line 6	-		
Net operating loss	Schedule 1, Line 8a	(21,000)	(3,000)	18,000
FAGI addback		(1,000)		25,000

Must look at each category separately. Adding the total loss will not bring the correct result!

Total loss (3,000+10,000+21,000)	34,000
max loss	15,000
FAGI Addback	19,000