

**STATE OF WISCONSIN • DEPARTMENT OF REVENUE**

INCOME, SALES, AND EXCISE TAX DIVISION • 4638 UNIVERSITY AVENUE • MADISON, WI 53708 • (608) 266-2797

ADDRESS MAIL TO
REVENUE AUDIT BUREAU
POST OFFICE BOX 8861
MADISON, WI 53708-8861

You are receiving this notice because the Wisconsin Department of Revenue has information which indicates you sold or transferred Wisconsin real estate during 1994. When you sell or transfer Wisconsin real estate, you need to report that transaction to us. This is true whether you were a resident, a part-year resident or a nonresident of Wisconsin during 1994.

If the transfer of your Wisconsin real estate resulted in a taxable gain, you must file a 1994 Wisconsin income tax return. If you were a part-year resident or a nonresident of Wisconsin during 1994, you should file a Form 1NPR and the Schedule WD. You may obtain Wisconsin income tax booklets which includes forms, schedules and instructions by writing to the Wisconsin Department of Revenue, Post Office Box 8903, Madison, Wisconsin 53708 or by calling (608) 266-1961.

If the transfer was due to the completion of an **installment sale** or a **land contract**, please send us the details of this transaction from the original contract date through the date the sale was complete in 1994. Details should include your computations of the reportable gain, plus the amount of principal and interest payments you received throughout the years involved. If you reported the entire gain in the year of sale, you only need to send us a copy of the tax return which you filed for that year which includes the complete details of the Wisconsin real estate transfer.

If the transfer was a sale of your **main home/primary residence** (the home in your state of legal domicile where you live most of the time), you should send us a copy of your federal Form 2119-Sale of Your Home. If you were able to postpone or exclude all of the gain on the sale of your main home, the Form 2119 should be the only form we need for our records. However, if you had a reportable gain on the sale of your main home, you will need to file a Wisconsin income tax return along with the Form 2119.

If the transfer of your Wisconsin real estate resulted in a **loss** or is **not reportable** for income tax purposes (for example, a gift), you may avoid further requests for information about the transfer by submitting the details of the transaction now. Details should include the nature of the transfer (gift, sale, or other), selling price, selling expenses, original cost, cost of any improvements, depreciation allowable, and any net loss on the transaction. Even if the transaction resulted in a loss, you may need to file a Wisconsin income tax return if you have Wisconsin income against which to offset the loss, or wish to establish a net operating loss which may be carried forward up to fifteen years.

Please include a copy of this notice with any information you send to us at the address shown above. If you need to file a Wisconsin income tax return, please send your return to the address listed on that tax return.

You may obtain additional information about Wisconsin income tax laws by writing to the address shown at the top of this notice or by calling (608) 266-2797.

Sincerely,

A handwritten signature in cursive script that reads "Gregg T. Frazier".

Gregg T. Frazier, Chief
Central Audit Section

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