

## Form 4684 Casualties and Thefts

Mr. Rosso's only business casualty occurred on July 7 when a dairy cow he purchased 4 years ago was killed by lightning. He shows the loss from the casualty on page 2 of Form 4684. (Only page 2 is shown, because page 1 is for non-business casualties.)

He prints his name, his wife's name, and his identifying number at the top of page 2.

**Part I.** He prints the kind of property, "Dairy cow", its location, and the date acquired on line 19a. He enters his adjusted basis in the cow, \$224, on line 20 and the \$109 insurance payment he received for the cow on line 21. Line 20 is more than line 21, so he skips line 22. On lines 23 and 24, he enters the FMVs before and after the casualty (\$500 and \$0, respectively), and he shows the difference, \$500, on line 25. He enters the amount from line 21 on line 26, subtracts line 21 from line 26, and enters \$115 on lines 271 and 28.

**Part II.** He owned the cow for more than 1 year, so he identifies the casualty on line 34 and enters \$115 on lines 34(b), 35(b). On lines 37 and 38a, and on Form 4797, Part II, line 14 he enters \$-115.

