

		Method	
		IRS	Court
1	Gross Rental Income	\$ 120,000	\$ 120,000
2			
3	Real Estate Taxes	(10,000)	(2,466)
4	Mortgage Interest	(20,000)	(4,932)
5	Utilities	(2,400)	(2,400)
6	Repairs	(5,333)	(5,333)
7	Depreciation	(24,000)	(24,000)
8	Limitation (Carryforward)	61,733	39,131
9			
10	Net Rental Income	\$ (0)	\$ 0
11			
12			
13	<u>Schedule A</u>		
14	Real Estate Taxes - Residence	(20,000)	(20,000)
15	Real Estate Taxes - Vacation	(5,000)	(12,534)
16	Limitation	15,000	22,534
17	Deductible Real Estate Taxes	(10,000)	(10,000)