

810-3-6-.12 Basis of Property Acquired in Connection with an Involuntary Conversion.

(1) After December 31, 1984. The basis of property acquired in connection with an involuntary conversion in which a gain or loss was not recognized shall be determined according to 26 U.S.C. §1033. For interpretation of federal statutes adopted by the Alabama Legislature see Rule 810-3-1.1-.01, Operating Rules.

(2) Prior to January 1, 1985. The basis of property acquired in connection with an involuntary conversion (as described in §40-18-8(f), Code of Alabama 1975, in effect prior to January 1, 1985) shall be the same as the property converted, less the amount of money received but not expended by the taxpayer, increased by any recognized gain or decreased by any recognized loss upon the conversion.

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Authority: §§ 40-2A-7(a(5) and 40-18-6, Code of Alabama 1975

History: New rule filed April 28, 1999, effective June 2, 1999.