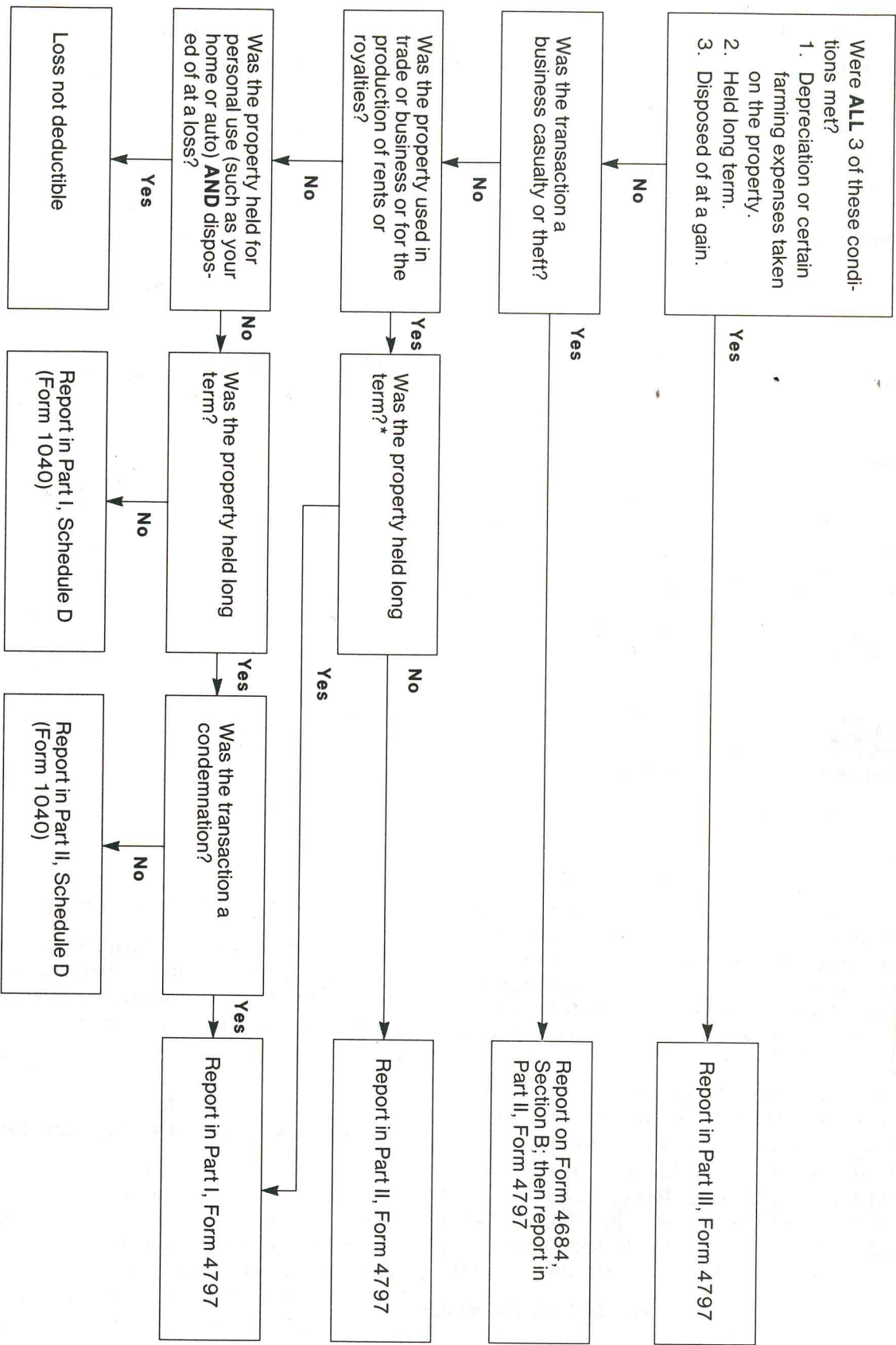


HOW TO USE FORM 4797 AND SCHEDULE D (FORM 1040)



* The long-term holding period for cattle and horses acquired after 12/31/69 is 24 months. Other livestock long-term holding period is 12 months.
 NOTE: This chart applies only to sales, exchanges, and involuntary conversions of certain capital assets and property held for productive use. It does not apply to inventory items, etc.