

Case 6 - Reinvested distribution

CANDIDATE REFERENCE CASE - NOT FOR FILING - COMMUNITY CROSS-CHECKING OPEN

Case 6 - Reinvested distribution

This is a human-readable candidate field packet, not the official IRS form and not a filed return.

Facts

Field	Value
Tax Year	2025
Original Lot Acquisition Date	2022-01-01
Distribution Date	2025-09-15
Current Distribution Usd	50.00
Preceding Distributions Usd	["20.00", "25.00", "30.00"]
New Units Acquired	5
New Lot Basis Usd	50.00

Candidate Form 8621 values

Field	Value
Line 15A Current Year Distributions	50.00
Line 15B Preceding Period Distributions	75.00
Line 15C Annual Average	25.00
Line 15D 125 Percent Of Average	31.25
Line 15E 1 Excess Distribution	18.75
Line 15E 2 Excess Distribution Usd	18.75
Line 16B Current Year Ordinary Income Usd	3.57
Line 16C Prior Year Increase In Tax Usd	5.62
Line 16F Interest Usd	0.45
Separate New Purchase Lot	{"acquisition_date": "2025-09-15", "units": "5", "basis_usd": "50.00"}

Review notes

The case assumes the reinvestment is legally a distribution followed by a new purchase.

That characterization must be supported for a real accumulation or reinvestment event.