

Stock Sale Tax Checklist

Everything to check before (and after) you sell stock

1

Identify the Sale

Start here. This determines everything else.

- Did you sell stock this year?
- Was it sold in a taxable brokerage account (not an IRA or 401(k))?
- Did you sell all shares or only part of your position?

2

Know Your Holding Period

This affects your tax rate

- Held 1 year or less → Short-term capital gain/loss
- Held more than 1 year → Long-term capital gain/loss
- Unsure? Check your brokerage records

3

Confirm Your Cost Basis

One of the most common mistakes

- Original purchase price confirmed
- Commissions and fees included
- Adjusted for reinvested dividends (if applicable)
- Gifted stock? Using donor's cost basis
- Inherited stock? Using stepped-up basis

4

Calculate the Result

What actually happened?

- Sale price documented
- Capital gain or loss calculated
- Net gains after applying any losses reviewed

Losses may offset gains or up to \$3,000 of ordinary income



5

Watch for Special Situations

Easy to overlook

- Wash sale rules considered
- Employer stock (RSUs, ESPPs, options) reviewed separately
- High-income? NIIT and AMT may apply
- State taxes on investment income checked



6

Gather the Right Tax Forms

You'll need these to file correctly

- Form 1099-B (stock sales)
- Form 1099-DIV (dividends, if any)
- Form 1099-INT (taxable and tax-exempt bond interest)
- Form 8949 (asset-level reporting)
- Schedule D (capital gains & losses summary)

Next step: File confidently or explore strategies to reduce capital gains before the year ends.

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