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Mar. 28, 2022

Form **7203**  
(December 2021)  
Department of the Treasury  
Internal Revenue Service

**S Corporation Shareholder Stock and Debt Basis Limitations**  
▶ Attach to your tax return.  
▶ Go to [www.irs.gov/Form7203](https://www.irs.gov/Form7203) for instructions and the latest information.

OMB No. 1545-2302  
Attachment Sequence No. **203**

Name(s) shown on return

Identifying number

Name of S corporation

Employer identification number

Stock block (see instructions) ▶

**Part I Shareholder Stock Basis**

|  |   |    |  |
|--|---|----|--|
| 1  | Stock basis at the beginning of the corporation's tax year . . . . .  | 1  |  |
| 2  | Basis from any capital contributions made or additional stock acquired during the tax year . . . . .  | 2  |  |
| 3a   | Ordinary business income (enter losses in Part III) . . . . .   | 3a |  |
| b  | Net rental real estate income (enter losses in Part III) . . . . .  | 3b |  |
| c  | Other net rental income (enter losses in Part III) . . . . .  | 3c |  |
| d  | Interest income . . . . .   | 3d |  |
| e  | Ordinary dividends . . . . .  | 3e |  |
| f  | Royalties . . . . .   | 3f |  |
| g  | Net capital gains (enter losses in Part III) . . . . .  | 3g |  |
| h  | Net section 1231 gain (enter losses in Part III) . . . . .  | 3h |  |
| i  | Other income (enter losses in Part III) . . . . .   | 3i |  |
| j  | Excess depletion adjustment . . . . .   | 3j |  |
| k  | Tax-exempt income . . . . .   | 3k |  |
| l  | Recapture of business credits . . . . .   | 3l |  |
| m  | Other items that increase stock basis . . . . .   | 3m |  |
| 4  | Add lines 3a through 3m . . . . .   | 4  |  |
| 5  | Stock basis before distributions. Add lines 1, 2, and 4 . . . . .   | 5  |  |
| 6  | Distributions (excluding dividend distributions) . . . . .  | 6  |  |
| <b>Note:</b> If line 6 is larger than line 5, subtract line 5 from line 6 and report the result as a capital gain on Form 8949 and Schedule D. See instructions. |   |    |  |
| 7  | Stock basis after distributions. Subtract line 6 from line 5. If the result is zero or less, enter -0-, skip lines 8 through 14, and enter -0- on line 15 . . . . . | 7  |  |
| 8a   | Nondeductible expenses . . . . .  | 8a |  |
| b  | Depletion for oil and gas . . . . .   | 8b |  |

S corporation shareholders use Form 7203 to figure the potential limitations of their share of the S corporation’s deductions, credits, and other items that can be deducted on their individual returns.

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