

2023 Schedule C-2

Excess Deductions Against Trade or Business Income

1.	Total 5.0% income or (loss)	1
2.	5.0% interest exemption	2
3.	Abandoned Building Renovation Deduction	3
4.	Combine lines 1, 2 and 3	4
5.	Additional adjusted gross income deductions	5
6.	Subtract line 5 from line 4	6
7.	If line 6 is 0 or greater, you have no excess deductions	
7a.	8.5% capital gains effectively connected with the active conduct of your trade or business	7a
7b.	8.5% capital gains from passive activities allowed to offset (losses) from passive activities in the current taxable year	7b
	Add lines 7a and 7b	7
8.	Allowable deduction. Enter the smaller of line 6 (considered as a positive amount) or line 7 here and in Schedule B, line 14 of Forms 1, 1-NR/PY or MA NRCR; or Form 2, Schedule B, line 16	8
9.	Combine lines 6 and 8	9
10.	If line 9 is 0 or greater, you have no excess deductions	
10a.	Interest (other than from Massachusetts banks) and dividends effectively connected with the active conduct of your trade or business	10a
10b.	Interest (other than from Massachusetts banks) and dividends from passive activities allowed to offset (losses) from passive activities in the current taxable year	10b
	Add lines 10a and 10b	10
11.	Allowable deduction. Enter the smaller of line 9 (considered as a positive amount) or line 10 here and in Schedule B, line 8 of Forms 1, 1-NR/PY or MA NRCR; or Form 2, Schedule B, line 10	11
12.	Combine lines 9 and 11	12
13.	If line 12 is 0 or greater, you have no excess deductions	
13a.	Long-term capital gains effectively connected with the active conduct of your trade or business (enclose statement)	13a
13b.	Long-term capital gains from passive activities allowed to offset (losses) from passive activities in the current taxable year	13b
13.	Add lines 13a and 13b	13
14.	Allowable deduction. Enter the smaller of line 12 (considered as a positive amount) or line 13 here and in Schedule D, line 18 of Forms 1, 1-NR/PY or MA NRCR; or Form 2, Schedule D, line 17	14