

## ***Attention!***

This form is provided for informational purposes and should not be reproduced on personal computer printers by individual taxpayers for filing. The printed version of this form is a "machine readable" form. As such, it must be printed using special paper, special inks, and within precise specifications.

Additional information about the printing of these specialized tax forms can be found in: Publication 1167, *Substitute Printed, Computer-Prepared, and Computer-Generated Tax Forms and Schedules*; and, Publication 1179, *Specifications for Paper Document Reporting and Paper Substitutes for Forms 1096, 1098, 1099 Series, 5498, and W-2G*.

The publications listed above may be obtained by calling 1-800-TAX-FORM (1-800-829-3676). Be sure to order using the IRS publication number.

8585

VOID

CORRECTED

CREDITOR'S name, street address, city, state, and ZIP code			OMB No. 1545-1424 <b>1994</b>
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**Cancellation  
of  
Debt**

CREDITOR'S Federal identification number	DEBTOR'S identification number	<b>1</b> Date canceled	<b>2</b> Amount of debt canceled \$
DEBTOR'S name		<b>3</b> Interest included in box 2 \$	<b>4</b> Penalties, fines, admin. costs included in box 2 \$
Street address (including apt. no.)		<b>5</b> Debt description	
City, state, and ZIP code			
Account number (optional)			
		<b>6</b> Check here if the debt was discharged in bankruptcy. . . . . <input type="checkbox"/>	

**Copy A  
For  
Internal Revenue  
Service Center  
File with Form 1096.**

For Paperwork  
Reduction Act  
Notice and  
instructions for  
completing this form,  
see **Instructions for  
Forms 1099, 1098,  
5498, and W-2G.**

Form **1099-C**

Cat. No. 26280W

Department of the Treasury - Internal Revenue Service

**Do NOT Cut or Separate Forms on This Page**

CORRECTED (if checked)

CREDITOR'S name, street address, city, state, and ZIP code			OMB No. 1545-1424
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**Cancellation  
of  
Debt**

**1994**

CREDITOR'S Federal identification number	DEBTOR'S identification number	<b>1</b> Date canceled	<b>2</b> Amount of debt canceled \$
DEBTOR'S name  Street address (including apt. no.)  City, state, and ZIP code		<b>3</b> Interest included in box 2 \$	<b>4</b> Penalties, fines, admin. costs included in box 2 \$
		<b>5</b> Debt description	
Account number (optional)		<b>6</b> Debt was discharged in bankruptcy (if checked) . . . . . <input type="checkbox"/>	

**Copy B  
For Debtor**

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.

Form **1099-C**

(Keep for your records.)

Department of the Treasury - Internal Revenue Service

## Instructions for Debtor

If a Federal Government agency, financial institution, or credit union cancels or forgives a debt you owe of \$600 or more, this form must be provided to you. Generally, if you are an individual, you must include the canceled amount in your income on Form 1040. If you are a corporation, partnership, or other entity, report the canceled debt on your tax return. See the instructions for your tax return.

However, some canceled debts, such as certain student loans, qualified farm debt, qualified real property business debt, or debts canceled in bankruptcy, are not includible in your income. Do not report a canceled debt as income if you did not deduct it but would have been able to do so on your tax return if you had paid it. Also, do not include canceled debts in your income to the extent you were insolvent. If you exclude canceled debt from your income because it was canceled in a bankruptcy case or during insolvency, or because the debt is qualified farm debt or qualified real

property business debt, file **Form 982**, Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment). See **Pub. 908**, which deals with bankruptcy and other debt cancellation, for details.

**Box 1.**—Shows the date the debt was canceled.

**Box 2.**—Shows the amount of debt canceled, including principal, interest, penalties, fines, and administrative costs.

**Box 3.**—Shows the amount of interest included in the canceled debt in box 2.

**Box 4.**—Shows penalties, fines, or administrative costs included in box 2 as part of the canceled debt.

**Box 5.**—Shows a description of the debt.

**Box 6.**—If the box is marked, the creditor has indicated the debt was canceled in a bankruptcy proceeding.

VOID     CORRECTED

CREDITOR'S name, street address, city, state, and ZIP code			OMB No. 1545-1424 <b>1994</b>
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**Cancellation  
of  
Debt**

CREDITOR'S Federal identification number	DEBTOR'S identification number	<b>1</b> Date canceled	<b>2</b> Amount of debt canceled \$
DEBTOR'S name  Street address (including apt. no.)  City, state, and ZIP code		<b>3</b> Interest included in box 2 \$	<b>4</b> Penalties, fines, admin. costs included in box 2 \$
		<b>5</b> Debt description	
Account number (optional)		<b>6</b> Check here if the debt was discharged in bankruptcy. . . . . <input type="checkbox"/>	

**Copy C  
For Creditor**  
For Paperwork Reduction Act Notice and instructions for completing this form, see **Instructions for Forms 1099, 1098, 5498, and W-2G.**

## Creditors, Please Note—

Specific information needed to complete this form and other forms in the 1099 series is given in the **Instructions for Forms 1099, 1098, 5498, and W-2G**. A chart in those instructions gives a quick guide to which form must be filed to report a particular payment. You can order those instructions and additional forms by calling 1-800-TAX-FORM (1-800-829-3676).

Furnish Copy B of this form to the debtor by January 31, 1995.

File Copy A of this form with the IRS by February 28, 1995.



*Printed on recycled paper*