

Question 1

17.5 points [Save](#)

All gain or loss on the sale of property other than capital assets is taxable as ordinary income.

- True
- False

Question 2

16.5 points [Save](#)

If a decedent exercises a general power of appointment under her will and the property passes to another, the property subject to the power does not receive a stepped-up basis in the hands of the beneficiary.

- True
- False

Question 3

16.5 points [Save](#)

The stepped-up-basis rules apply to assets transferred during lifetime that were brought back into the decedent's gross estate for valuation purposes because of retained powers held by the decedent at death.

- True
- False

Question 4

16.5 points [Save](#)

When an asset is transferred to a beneficiary by reason of a decedent's death, the beneficiary must hold this asset for 6 months or longer before selling it to qualify for long-term capital-gains treatment.

- True
- False

Question 5

16.5 points [Save](#)

A donee of a gift obtains a new basis stepped up to the fair market value of the property at the time of the gift.

- True
- False

Question 6

16.5 points [Save](#)

In a bargain sale of property, the seller is deemed to make a gift of the excess of the fair market value over the amount received for the property.

- True
- False

Save

Submit