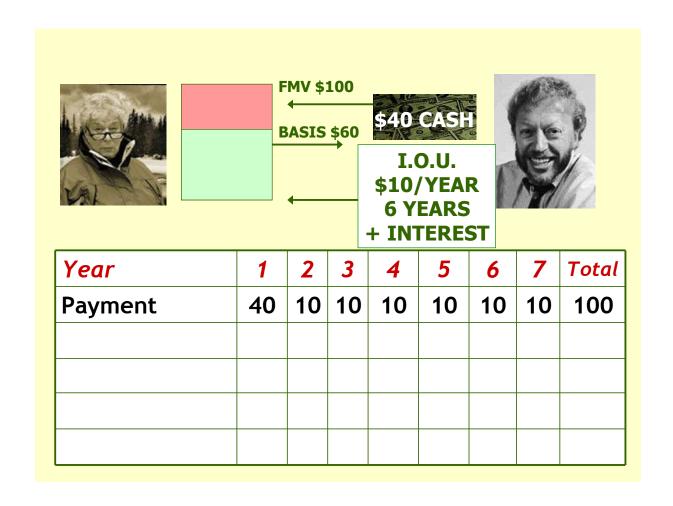
Installment Sales



IRC§453

Gross Profit Ratio: Payment × (Gross Profit / Total Contract Price) = Gain

- Default rule election *out* under Section 453(d)
 - Usual result = "closed transaction"
 - "Open transaction" rare
- Dealers ineligible
- Sales of publicly traded stock ineligible
 - Closed accrual for all taxpayers!
- Section 453A interest charge on deferred tax for large transactions
- Section 453B disposition of note triggers deferred gain