Note:

• Use this form **ONLY** if you did not calculate your tax on Federal Schedule D **AND**:
  1. you checked the box on Federal Form 1040, line 13, **OR**
  2. you entered an amount on Federal Form 1040A, line 10.

• You must attach this schedule to RI-1040 or RI-1040NR and check the box labeled RI Schedule CGW on line 8A.

1. RI taxable income, RI-1040 or RI-1040NR, line 7................................................................................. 1.
2. Enter the amount of capital gains from Federal Form 1040, line 13 or 1040A, line 10......................... 2.
3. Subtract line 2 from line 1 (if zero or less, enter zero)........................................................................... 3.
4. Figure the tax on the amount on line 3. Use the 2004 RI Tax Table or Tax Rate Schedule, whichever applies............................. 4.
5. Enter the **SMALLER** of the amount on line 1 above **OR**
   - $48,500 If Married filing jointly or Qualifying widow(er)
   - $29,050 If Single
   - $38,900 If Head of household
   - $24,250 If Married filing separately

6. Is the amount on line 3 equal to or more than the amount on line 5?
   □ Yes. Leave lines 6 through 8 blank; go to line 9 and check the "NO" box.
   □ No. Enter the amount from line 3........................................................................................................ 6.
7. Subtract line 6 from line 5....................................................................................................................... 7.
8. Multiply line 7 by 2.5% (.025).................................................................................................................. 8.
9. Are the amounts on lines 2 and 7 the same?
   □ Yes. Leave lines 9 through 12 blank and go to line 13.
   □ No. Enter the **SMALLER** of line 1 or line 2.................................................................................... 9.
10. Enter the amount, if any, from line 7................................................................................................... 10.
11. Subtract line 10 from line 9. (if zero or less, enter zero)...................................................................... 11.
12. Multiply line 11 by 5% (.05)................................................................................................................ 12.
13. Add lines 4, 8 and 12............................................................................................................................ 13.
14. Figure the tax on the amount on line 1. Use the 2004 RI Tax Table or Tax Rate Schedule, whichever applies........................................ 14.
15. Tax on all taxable income (**including capital gains**). Enter the **SMALLER** of line 13 or line 14. Also enter this amount on RI-1040 or RI-1040NR, page 1, line 8A and check the RI Schedule CGW box.................................................. 15.