

As of August 27, 2018

Introductory Tax Course SAMPLE TAX RETURN: 2018

Guy (37) and his wife Barb (35) Wyre are married and have two children, Ann (12) and Art (10).

Guy is employed by Wonder Foods as a manager and earns \$52,000 per year, Federal withholding \$7,000 and \$2,310 of state withholding.

Barb is self-employed as an owner of a floral business. The business has done well in the ten years of its existence. The floral business, *Blossoms are Us*, reports, on a cash basis, the following revenues and expenses. (Beginning and Ending Inventory is \$0.00)

Gross revenues:	\$700,000	
Materials and Supplies:	\$300,000	
Cash Expenses:		
Advertising	\$ 6,000	
Fuel - vans	7,000	
Labor	175,000	
Utilities	6,000	
Office Supplies	5,000	
Employee benefits	7,500	
Interest (mortgage)	12,000	
Repairs	15,000	
Freight/shipping	20,500	
Depreciation* (non-cash)		91,000
*Depreciation on items purchased prior to 2018.		

Barb has purchased the following items to be added to her depreciation schedule in 2018: equipment (7-14-18, \$20,000 cash).

Guy sold 100 shares of Acme, Inc. stock with net sales proceeds of \$5,500 (6-1-18). His basis in the stock was \$1,800 (3-12-98). Barb sold 250 shares of BYTM, Inc. stock with net sales proceeds of \$3,500 (8-12-18); her basis was \$5,300 (7-17-2000).

Interest income of \$1,300 came from the State Bank for the Wyre's. Barb also had \$2,500 of ordinary dividend income from XL, Inc. all qualifying for capital gains treatment by holding period.

Wyre's have a rental house. They receive \$1,250 rent monthly. Expenses: property tax \$725, insurance \$325, repairs 5% of rent per year, depreciation \$3,901.

The Wyre's also have not itemized in the past so they do not provide any records for any calculation. They have paid \$7,500 in federal estimated taxes.

Ann SSN 123-45-6789
Art SSN 123-45-6790

You have been asked to prepare the tax return with the lowest tax possible using the standard deduction and information provided. The Wyre's would like to have contributions to IRAs if possible.

Filing status: Single Married filing jointly Married filing separately Head of household Qualifying widow(er)

Your first name and initial **GUY** Last name **WYRE** Your social security number **S A M P L E**

Your standard deduction: Someone can claim you as a dependent You were born before January 2, 1954 You are blind

If joint return, spouse's first name and initial **BARB** Last name **WYRE** Spouse's social security number **S A M P L E**

Spouse standard deduction: Someone can claim your spouse as a dependent Spouse was born before January 2, 1954 Full-year health care coverage or exempt (see inst.)
 Spouse is blind Spouse itemizes on a separate return or you were dual-status alien

Home address (number and street). If you have a P.O. box, see instructions. **ANY STREET** Apt. no. **Presidential Election Campaign** (see inst.) You Spouse

City, town or post office, state, and ZIP code. If you have a foreign address, attach Schedule 6. **ANY TOWN, YOUR STATE, YOUR ZIP** If more than four dependents, see inst. and here

Dependents (see instructions):		(2) Social security number	(3) Relationship to you	(4) <input checked="" type="checkbox"/> if qualifies for (see inst.):	
(1) First name	Last name			Child tax credit	Credit for other dependents
ANN	WYRE	S A M P L E	DAUGHTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ART	WYRE	S A M P L E	SON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions. Keep a copy for your records.	Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
	Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparers See Schedule 6	Print/Type preparer's name	Preparer's signature	PTIN	Check if: <input type="checkbox"/> 3rd Party Designee <input type="checkbox"/> Self-employed
	Firm's name ▶	Firm's EIN ▶		

1 Wages, salaries, tips, etc. Attach Form(s) W-2		1	52,000
2a Tax-exempt interest	2a	2b Taxable interest	2b 1,300
3a Qualified dividends	3a 2,500	3b Ordinary dividends	3b 2,500
4a IRAs, pensions, and annuities	4a	4b Taxable amount	4b
5a Social security benefits	5a	5b Taxable amount	5b
6 Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22		6	101,999
7 Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6		7	88,526
8 Standard deduction or itemized deductions (from Schedule A)		8	24,000
9 Qualified business income deduction (see instructions)		9	7,000
10 Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-		10	53,126
11 a Tax (see inst) (check if any from: 1 <input type="checkbox"/> Form(s) 8814 2 <input type="checkbox"/> Form 4972 3 <input checked="" type="checkbox"/> LTCG)		11	5,994
b Add any amount from Schedule 2 and check here <input type="checkbox"/>		12	4,000
12 a Child tax credit/credit for other dependents 4,000 b Add any amount from Schedule 3 and check here <input type="checkbox"/>		12	1,994
Subtract line 12 from line 11. If zero or less, enter -0-		13	4,945
14 Other taxes. Attach Schedule 4		14	6,939
15 Total tax. Add lines 13 and 14		15	7,500
16 Federal income tax withheld from Forms W-2 and 1099		16	7,000
17 Refundable credits: a EIC (see inst.) b Sch 8812 c Form 8863		17	14,500
Add any amount from Schedule 5 7,000		17	7,561
18 Add lines 16 and 17. These are your total payments		18	7,561
19 If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you overpaid		19	
20a Amount of line 19 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>		20a	
Direct deposit? See instructions. ▶	b Routing number	▶ c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
▶	d Account number		
21 Amount of line 19 you want applied to your 2019 estimated tax		21	
Amount You Owe 22 Amount you owe. Subtract line 18 from line 15. For details on how to pay, see instructions		22	
23 Estimated tax penalty (see instructions)		23	

Standard Deduction for—

- Single or married filing separately, \$12,000
- Married filing jointly or Qualifying widow(er), \$24,000
- Head of household, \$18,000
- If you checked any box under Standard deduction, see instructions.

SCHEDULE 1
(Form 1040)

Additional Income and Adjustments to Income

OMB No. 1545-0074

2018
Attachment
Sequence No. **01**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 1040.**

▶ **Go to www.irs.gov/Form1040 for instructions and the latest information.**

Name(s) shown on Form 1040

GUY / BARB WYRE

Your social security number
SAMPLE

Additional Income		1-9b		Reserved		1-9b	
10	Taxable refunds, credits, or offsets of state and local income taxes	10				10	
11	Alimony received	11				11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	35,000			12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	1,900			13	
14	Other gains or (losses). Attach Form 4797	14				14	
15a	Reserved	15b				15b	
16a	Reserved	16b				16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	9,299			17	
18	Farm income or (loss). Attach Schedule F	18				18	
19	Unemployment compensation	19				19	
20a	Reserved	20b				20b	
21	Other income. List type and amount	21				21	
22	Combine the amounts in the far right column. If you don't have any adjustments to income, enter here and include on Form 1040, line 6. Otherwise, go to line 23	22	46,199			22	
Adjustments to Income		23				23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106	24				24	
25	Health savings account deduction. Attach Form 8889	25				25	
26	Moving expenses for members of the Armed Forces. Attach Form 3903	26				26	
27	Deductible part of self-employment tax. Attach Schedule SE	27	2,473			27	
28	Self-employed SEP, SIMPLE, and qualified plans	28				28	
29	Self-employed health insurance deduction	29				29	
30	Penalty on early withdrawal of savings	30				30	
31a	Alimony paid b Recipient's SSN ▶	31a				31a	
32	IRA deduction	32	11,000			32	
33	Student loan interest deduction	33				33	
34	Reserved	34				34	
35	Reserved	35				35	
36	Add lines 23 through 35	36	13,473			36	

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71479F

Schedule 1 (Form 1040) 2018

SCHEDULE 4
(Form 1040)

Other Taxes

OMB No. 1545-0074

2018

Attachment
Sequence No. **04**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 1040.**

▶ **Go to www.irs.gov/Form1040 for instructions and the latest information.**

Name(s) shown on Form 1040

Your social security number

GUY / BARB WYRE

SAMPLE

Other Taxes

57	Self-employment tax. Attach Schedule SE	57	4,945
58	Unreported social security and Medicare tax from: Form a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58	
59	Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts. Attach Form 5329 if required	59	
60a	Household employment taxes. Attach Schedule H	60a	
b	Repayment of first-time homebuyer credit from Form 5405. Attach Form 5405 if required	60b	
61	Health care: individual responsibility (see instructions)	61	
62	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	62	
63	Section 965 net tax liability installment from Form 965-A	63	
64	Add the amounts in the far right column. These are your total other taxes . Enter here and on Form 1040, line 14	64	4,945

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71481R

Schedule 4 (Form 1040) 2018

DRAFT AS OF
JULY 31, 2018
DO NOT FILE

SCHEDULE 5
(Form 1040)

Other Payments and Refundable Credits

OMB No. 1545-0074

2018
Attachment
Sequence No. **05**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 1040.**

▶ **Go to www.irs.gov/Form1040 for instructions and the latest information.**

Name(s) shown on Form 1040

GUY / BARB WYRE

Your social security number
SAMPLE

Other Payments and Refundable Credits	65	Reserved	65		
	66	2018 estimated tax payments and amount applied from 2017 return	66	7,000	
	67a	Reserved	67a		
	b	Reserved	67b		
	68-69	Reserved	68-69		
	70	Net premium tax credit. Attach Form 8962	70		
	71	Amount paid with request for extension to file (see instructions)	71		
	72	Excess social security and tier 1 RRTA tax withheld	72		
	73	Credit for federal tax on fuels. Attach Form 4136	73		
	74	Credits from Form: a <input type="checkbox"/> 2439 b <input checked="" type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	74		
	75	Add the amounts in the far right column. These are your total other payments and refundable credits . Enter here and include on Form 1040, line 17.	75	7,000	

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71482C

Schedule 5 (Form 1040) 2018

DRAFT AS OF JULY 31, 2018
DO NOT FILE

SCHEDULE B
(Form 1040)

Interest and Ordinary Dividends

OMB No. 1545-0074

2018
Attachment
Sequence No. **08**

Department of the Treasury
Internal Revenue Service (99)

► Go to www.irs.gov/ScheduleB for instructions and the latest information.
► Attach to Form 1040.

Name(s) shown on return
GUY / BARB WYRE

Your social security number
SAMPLE

Part I

Interest

(See instructions and the instructions for Form 1040, line 2b.)

Note: If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►

STATE CREDIT UNION

Amount

1,300

2 Add the amounts on line 1

2

1,300

3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815

3

4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 2b . . ►

4

1,300

Note: If line 4 is over \$1,500, you must complete Part III.

Part II

Ordinary Dividends

(See instructions and the instructions for Form 1040, line 3b.)

Note: If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

5 List name of payer ►

XL, INC.

5

2,500

6 Add the amounts on line 5. Enter the total here and on Form 1040, line 3b . . ►

6

2,500

Note: If line 6 is over \$1,500, you must complete Part III.

Part III

Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over \$1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes No

7a At any time during 2018, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions

If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements

b If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ►

8 During 2018, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions

**SCHEDULE C
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

**Profit or Loss From Business
(Sole Proprietorship)**

▶ Go to www.irs.gov/ScheduleC for instructions and the latest information.

▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2018
Attachment
Sequence No. **09**

Name of proprietor BARB WYRE		Social security number (SSN) SAMPLE
A Principal business or profession, including product or service (see instructions) FLORAL SHOP		B Enter code from instructions ▶ 4 5 3 1 1 0
C Business name. If no separate business name, leave blank. BLOSSOMS R US		D Employer ID number (EIN) (see instr.)
E Business address (including suite or room no.) ▶ ADDRESS OF BUSINESS HERE City, town or post office, state, and ZIP code		
F Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶		
G Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on losses		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
H If you started or acquired this business during 2018, check here		<input type="checkbox"/>
I Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions)		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
J If "Yes," did you or will you file required Forms 1099?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked <input type="checkbox"/>	1	700,000
2 Returns and allowances	2	
3 Subtract line 2 from line 1	3	
4 Cost of goods sold (from line 42)	4	475,000
5 Gross profit. Subtract line 4 from line 3	5	225,000
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7 Gross income. Add lines 5 and 6	7	225,000

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8 Advertising	8	6,000	18 Office expense (see instructions)	18	
9 Car and truck expenses (see instructions)	9		19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	111,000	21 Repairs and maintenance	21	15,000
14 Employee benefit programs (other than on line 19)	14	7,500	22 Supplies (not included in Part III)	22	5,000
15 Insurance (other than health)	15		23 Taxes and licenses	23	
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a	12,000	a Travel	24a	20,500
b Other	16b		b Deductible meals (see instructions)	24b	
17 Legal and professional services	17		25 Utilities	25	6,000
28 Total expenses before expenses for business use of home. Add lines 8 through 27a	28	190,000	26 Wages (less employment credits)	26	
29 Tentative profit or (loss). Subtract line 28 from line 7	29	35,000	27a Other expenses (from line 48)	27a	7,000
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30		b Reserved for future use	27b	
31 Net profit or (loss). Subtract line 30 from line 29.			28 Total expenses before expenses for business use of home. Add lines 8 through 27a	28	190,000
• If a profit, enter on both Schedule 1 (Form 1040), line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.			29 Tentative profit or (loss). Subtract line 28 from line 7	29	35,000
• If a loss, you must go to line 32.			30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30	
32 If you have a loss, check the box that describes your investment in this activity (see instructions).			31 Net profit or (loss). Subtract line 30 from line 29.	31	35,000
• If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.			• If a profit, enter on both Schedule 1 (Form 1040), line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.		
• If you checked 32b, you must attach Form 6198. Your loss may be limited.			• If a loss, you must go to line 32.		
			32 If you have a loss, check the box that describes your investment in this activity (see instructions).		
			• If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.		
			• If you checked 32b, you must attach Form 6198. Your loss may be limited.		
			32a <input type="checkbox"/> All investment is at risk.		
			32b <input type="checkbox"/> Some investment is not at risk.		

Part III Cost of Goods Sold (see instructions)

33	Method(s) used to value closing inventory: a <input checked="" type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)		
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes	<input type="checkbox"/> No
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	-0-
36	Purchases less cost of items withdrawn for personal use	36	
37	Cost of labor. Do not include any amounts paid to yourself	37	175,000
38	Materials and supplies	38	300,000
39	Other costs	39	
40	Add lines 35 through 39	40	
41	Inventory at end of year	41	-0-
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42	475,000

DRAFT AS OF
July 12, 2018
DO NOT FILE

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

- 43** When did you place your vehicle in service for business purposes? (month, day, year) ▶ / / _____
- 44** Of the total number of miles you drove your vehicle during 2018, enter the number of miles you used your vehicle for:
- a** Business _____ **b** Commuting (see instructions) _____ **c** Other _____
- 45** Was your vehicle available for personal use during off-duty hours? Yes No
- 46** Do you (or your spouse) have another vehicle available for personal use?. Yes No
- 47a** Do you have evidence to support your deduction? Yes No
- b** If "Yes," is the evidence written? Yes No

Part V Other Expenses. List below business expenses not included on lines 8–26 or line 30.

FUEL - VANS	7,000
48 Total other expenses. Enter here and on line 27a	48 7,000

**SCHEDULE D
(Form 1040)**

Capital Gains and Losses

OMB No. 1545-0074

2018

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.
▶ Go to www.irs.gov/ScheduleD for instructions and the latest information.
▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

Attachment
Sequence No. **12**

Name(s) shown on return
GUY / BARB WYRE

Your social security number
SAMPLE

Part I Short-Term Capital Gains and Losses—Generally Assets Held One Year or Less (see instructions)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6 ()
7 Net short-term capital gain or (loss) . Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back				7

Part II Long-Term Capital Gains and Losses—Generally Assets Held More Than One Year (see instructions)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked				
9 Totals for all transactions reported on Form(s) 8949 with Box E checked	9,000	7,100	-0-	1,900
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14 ()
15 Net long-term capital gain or (loss) . Combine lines 8a through 14 in column (h). Then go to Part III on the back				15 1,900

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result</p> <ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Schedule 1 (Form 1040), line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Schedule 1 (Form 1040), line 13, or Form 1040NR, line 14. Then go to line 22. <p>17 Are lines 15 and 16 both gains? <input type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p> <p>18 If you are required to complete the 28% Rate Gain Worksheet (see instructions), enter the amount, if any, from line 7 of that worksheet ▶</p> <p>19 If you are required to complete the Unrecaptured Section 1250 Gain Worksheet (see instructions), enter the amount, if any, from line 18 of that worksheet ▶</p> <p>20 Are lines 18 and 19 both zero or blank? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 11a (or in the instructions for Form 1040NR, line 42). Don't complete lines 21 and 22 below. <input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Don't complete lines 21 and 22 below.</p> <p>21 If line 16 is a loss, enter here and on Schedule 1 (Form 1040), line 13, or Form 1040NR, line 14, the smaller of: <ul style="list-style-type: none"> • The loss on line 16; or • (\$3,000), or if married filing separately, (\$1,500) } <p>Note: When figuring which amount is smaller, treat both amounts as positive numbers.</p> <p>22 Do you have qualified dividends on Form 1040, line 3a, or Form 1040NR, line 10b? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 11a (or in the instructions for Form 1040NR, line 42). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.</p> </p>	<p>16</p> <hr/> <p>18</p> <hr/> <p>19</p> <hr/> <p>21</p> <hr/>	<p>1,900</p> <hr/>
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DRAFT AS OF August 21, 2018 DO NOT FILE

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side
GUY / BARB WYRE

Social security number or taxpayer identification number
SAMPLE

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (F)** Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	100 SH ACME, INC	3/12/1998	6/1/2018	5,500	1,800	E	-0-	3,700
	250 SH BYTM, INC	7/1/2000	8/12/2018	3,500	5,300	E	-0-	(1,800)
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ►				9,000	7,100		-0-	1,900

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

**SCHEDULE E
(Form 1040)**

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

OMB No. 1545-0074

2018

Attachment
Sequence No. **13**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Go to www.irs.gov/ScheduleE for instructions and the latest information.

Name(s) shown on return

Your social security number

GUY / BARB WYRE

SAMPLE

Part I Income or Loss From Rental Real Estate and Royalties Note: If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

A Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions) Yes No
B If "Yes," did you or will you file required Forms 1099? Yes No

1a Physical address of each property (street, city, state, ZIP code)
A ANY STREET, ANY TOWN, ANY STATE, ANY ZIP

B
C

1b	Type of Property (from list below)	2	For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days		Personal Use Days	QJV
				A	B	C	<input type="checkbox"/>
A	1			365	-0-		<input type="checkbox"/>
B							<input type="checkbox"/>
C							<input type="checkbox"/>

Type of Property:

- 1 Single Family Residence
- 2 Multi-Family Residence
- 3 Vacation/Short-Term Rental
- 4 Commercial
- 5 Land
- 6 Royalties
- 7 Self-Rental
- 8 Other (describe)

Income:	Properties:	A	B	C
3 Rents received	3	15,000		
4 Royalties received	4			
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9	325		
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see instructions)	12			
13 Other interest	13			
14 Repairs	14	750		
15 Supplies	15			
16 Taxes	16	725		
17 Utilities	17			
18 Depreciation expense or depletion	18	3,901		
19 Other (list) ▶	19			
20 Total expenses. Add lines 5 through 19	20	5,701		
21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	21	9,299		
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	()	()	()
23a Total of all amounts reported on line 3 for all rental properties	23a	15,000		
b Total of all amounts reported on line 4 for all royalty properties	23b			
c Total of all amounts reported on line 12 for all properties	23c			
d Total of all amounts reported on line 18 for all properties	23d	3,901		
e Total of all amounts reported on line 20 for all properties	23e	5,701		
24 Income. Add positive amounts shown on line 21. Do not include any losses	24		9,299	
25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	()	()	()
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040), line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2.	26		9,299	

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

GUY / BARB WYRE

SAMPLE

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations - Note: If you report a loss, receive a distribution, dispose of stock, or receive a loan repayment from an S corporation, you must check the box in column (e) on line 28 and attach the required basis computation. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (f) on line 28 and attach Form 6198 (see instructions).

27 Are you reporting any loss not allowed in a prior year due to the at-risk, excess farm loss, or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see instructions before completing this section. Yes No

Table with 6 columns: (a) Name, (b) Enter P for partnership; S for S corporation, (c) Check if foreign partnership, (d) Employer identification number, (e) Check if basis computation is required, (f) Check if any amount is not at risk. Rows A, B, C, D.

Table with 5 columns: (g) Passive loss allowed (attach Form 8582 if required), (h) Passive income from Schedule K-1, (i) Nonpassive loss from Schedule K-1, (j) Section 179 expense deduction from Form 4562, (k) Nonpassive income from Schedule K-1. Rows A, B, C, D, 29a Totals, b Totals, 30, 31, 32.

Part III Income or Loss From Estates and Trusts

Table with 2 columns: (a) Name, (b) Employer identification number. Rows A, B.

Table with 4 columns: (c) Passive deduction or loss allowed (attach Form 8582 if required), (d) Passive income from Schedule K-1, (e) Deduction or loss from Schedule K-1, (f) Other income from Schedule K-1. Rows A, B, 34a Totals, b Totals, 35, 36, 37.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

Table with 5 columns: (a) Name, (b) Employer identification number, (c) Excess inclusion from Schedules Q, line 2c (see instructions), (d) Taxable income (net loss) from Schedules Q, line 1b, (e) Income from Schedules Q, line 3b. Rows 38, 39.

Part V Summary

Summary table with 2 columns: Description, Amount. Rows 40, 41, 42, 43.

**SCHEDULE SE
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Self-Employment Tax

► Go to www.irs.gov/ScheduleSE for instructions and the latest information.
► Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

2018
Attachment
Sequence No. **17**

Name of person with self-employment income (as shown on Form 1040 or Form 1040NR)

BARB WYRE

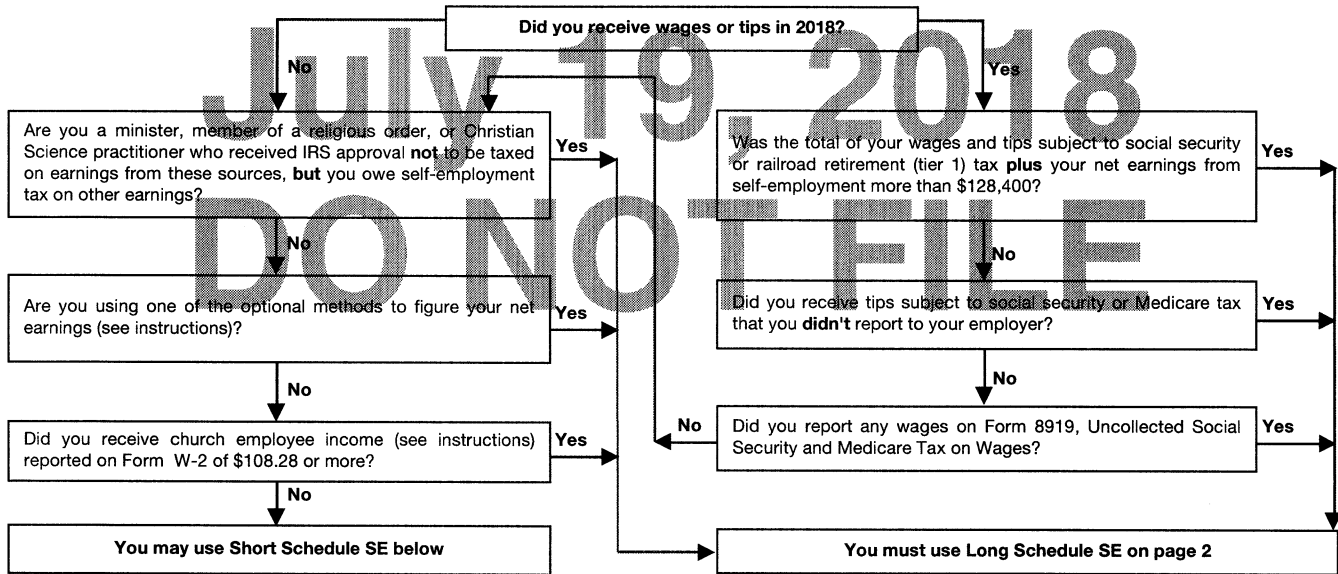
Social security number of person with self-employment income ►

SAMPLE

Before you begin: To determine if you must file Schedule SE, see the instructions.

May I Use Short Schedule SE or Must I Use Long Schedule SE?

Note: Use this flowchart **only** if you must file Schedule SE. If unsure, see *Who Must File Schedule SE* in the instructions.



Section A—Short Schedule SE. Caution: Read above to see if you can use Short Schedule SE.

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a		
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code AH	1b ()
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report	2	35,000	
3 Combine lines 1a, 1b, and 2	3	35,000	
4 Multiply line 3 by 92.35% (0.9235). If less than \$400, you don't owe self-employment tax; don't file this schedule unless you have an amount on line 1b. ►	4	32,323	
Note: If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.			
5 Self-employment tax. If the amount on line 4 is: • \$128,400 or less, multiply line 4 by 15.3% (0.153). Enter the result here and on Schedule 4 (Form 1040), line 57, or Form 1040NR, line 55 • More than \$128,400, multiply line 4 by 2.9% (0.029). Then, add \$15,921.60 to the result. Enter the total here and on Schedule 4 (Form 1040), line 57, or Form 1040NR, line 55	5	4,945	
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (0.50). Enter the result here and on Schedule 1 (Form 1040), line 27, or Form 1040NR, line 27	6	2,473	

Depreciation and Amortization
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

GUY / BARB WYRE

SCHEDULE C

SAMPLE

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	1,000,000
2 Total cost of section 179 property placed in service (see instructions)	2	20,000
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,500,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	-0-
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	1,000,000
6 (a) Description of property (b) Cost (business use only) (c) Elected cost		
EQUIPMENT	20,000	20,000
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	20,000
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	20,000
10 Carryover of disallowed deduction from line 13 of your 2017 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	55,000
12 Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	20,000
13 Carryover of disallowed deduction to 2019. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions.	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2018	17	91,000
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B—Assets Placed in Service During 2018 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2018 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year			30 yrs.	MM	S/L	
d 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	111,000
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	