Tax Year 2010

OKLAHOMA: TEST SCENARIO # 7 **ATS Only**

ATS

Test J Caden 400-00-1064 Linked
55 N Woodlawn
Wichita Falls Tx 75205

Taxpayer was an Oklahoma Military resident stationed in Texas. He was discharged from the military 3-31-10 and remained living in Texas.

1099 INT is interest from a Texas financial institution opened May 5, 2010

Dividends were received after March 31, 2010

Taxpayer received $1000.00 a month in alimony

Sch C operations were in Texas upon discharge from the military.

Partnership income is not Oklahoma

Texas School Bonds purchased July 1, 2010.

Final result refund $ 264.00

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Form **1040** Department of the Treasury - Internal Revenue Service

U.S. Individual Income Tax Return 2010

(99) IRS Use Only-Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2010, or other tax year beginning , 2010, ending , 20

OMB No. 1545-0074

Label (See instructions on page 14.) Use the IRS label. Otherwise, please print or type.

Your first name and initial: TEST J

Last name: CADEN

If a joint return, spouse's first name and initial

Last name

Home address (number and street). If you have a P.O. box, see page 14. Apt. no.: 55 NORTH WOODLAWN

City, town or post office, state, and ZIP code. If you have a foreign address, see page 14.: WICHITA FALLS TX 75205

Your social security number

Spouse's social security number

▲ Make sure the SSN(s) above and on line 6c are correct.

Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund (see page 14) ▶ [X] You [ ] Spouse

Checking a box below will not change your tax or refund.

Filing Status Check only one box.

1 [ ] Single

2 [ ] Married filing jointly (even if only one had income)

3 [ ] Married filing separately. Enter spouse's SSN above and full name here. ▶

4 [X] Head of household (with qualifying person). (See page 15.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶

5 [ ] Qualifying widow(er) with dependent child (see page 16)

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a

b [ ] **Spouse**

Boxes checked on 6a and 6b: 1

c **Dependents:**

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) Check if qualifying child for child tax credit (see pg17)
JASMINE CADEN	400-55-3009	Daughter	[ ]
			[ ]
			[ ]
			[ ]

If more than four dependents, see page 17 and check here ▶ [ ]

No. of children on 6c who: • lived with you: 1 • did not live with you due to divorce or separation (see page 18):

Dependents on 6c not entered above:

d Total number of exemptions claimed — Add numbers on lines above ▶ 2

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 22.

Enclose, but do not attach, any payment. Also, please use **Form 1040-V.**

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	26,600
8a	**Taxable** interest. Attach Schedule B if required		8a	610
b	**Tax-exempt** interest. **Do not** include on line 8a	8b 80		
9a	Ordinary dividends. Attach Schedule B if required		9a	120
b	Qualified dividends (see page 22)	9b 120		
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 23)		10	180
11	Alimony received		11	12,000
12	Business income or (loss). Attach Schedule C or C-EZ		12	1,220
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ [ ]		13	
14	Other gains or (losses). Attach Form 4797		14	
15a	IRA distributions	15a	b Taxable amount (see page 24)	15b
16a	Pensions and annuities	16a	b Taxable amount (see page 25)	16b
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	3,105
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation (see page 27)		19	
20a	Social security benefits	20a	b Taxable amount (see page 27)	20b
21	Other income		21	
22	Combine the amounts in the far right col for lines 7 through 21. This is your **total income** ▶		22	43,835

Adjusted Gross Income

23	RESERVED (see page 29)	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	One-half of self-employment tax. Attach Schedule SE	27	86	
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction (see page 30)	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ▶	31a		
32	IRA deduction (see page 31)	32		
33	Student loan interest deduction (see page 34)	33		
34	RESERVED (see page 35)	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 through 31a and 32 through 35		36	86
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶		37	43,749

Form 1040 (2010)

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	43,749
	39a	Check if: { ☐ **You** were born before January 2, 1946, ☐ Blind. ☐ **Spouse** was born before January 2, 1946, ☐ Blind. } **Total boxes checked** ▶ 39a ☐		
	b	If your spouse itemizes on a separate return or you were a dual-status alien, see pg 35 and check here ▶ 39b ☐		
	40	**Itemized deductions** (from Schedule A) **or** your **standard deduction** (see page 35)	40	8,400
	41	Subtract line 40 from line 38	41	35,349
	42	**Exemptions.** Multiply $3,650 by the number on line 6d	42	7,300
	43	**Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	28,049
	44	**Tax** (see page 37). Check if any tax is from: a ☐ Form(s) 8814 b ☐ Form 4972	44	3,591
	45	**Alternative minimum tax** (see page 40). Attach Form 6251	45	
	46	Add lines 44 and 45 ▶	46	3,591
	47	Foreign tax credit. Attach Form 1116 if required — 47		
	48	Credit for child and dependent care expenses. Attach Form 2441 — 48		
	49	Education credits from Form 8863, line 23 — 49		
	50	Retirement savings contributions credit. Attach Form 8880 — 50		
	51	Child tax credit (see page 42) — 51 0		
	52	Residential energy credits. Attach Form 5695 — 52		
	53	Other credits from Form: a ☐ 3800 b ☐ 8801 c ☐ ____ — 53		
	54	Add lines 47 through 53. These are your **total credits**	54	
	55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- ▶	55	3,591
Other Taxes	56	Self-employment tax. Attach Schedule SE	56	172
	57	Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 8919	57	
	58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
	59	a ☐ Form(s) W-2, box 9 b ☐ Schedule H, line 27 c ☐ Form 5405, line 16	59	
	60	Add lines 55 through 59. This is your **total tax** ▶	60	3,763
Payments	61	Federal income tax withheld from Forms W-2 and 1099 — 61 1,410		
	62	2010 estimated tax payments and amount applied from 2009 return — 62		
If you have a qualifying child, attach Schedule EIC.	63	Making work pay credit. Attach Schedule M — 63 400		
	64a	**Earned income credit (EIC)** — 64a		
	b	Nontaxable combat pay election — 64b		
	65	Additional child tax credit. Attach Form 8812 — 65		
	66	American opportunity credit from Form 8863, line 14 — 66		
	67	First-time homebuyer credit from Form 5405, line 10 — 67		
	68	Amount paid with request for extension to file (see page 72) — 68		
	69	Excess social security and tier 1 RRTA tax withheld (see page 72) — 69		
	70	Credit for federal tax on fuels. Attach Form 4136 — 70		
	71	Credits from Form: a ☐ 2439 b ☐ 8839 c ☐ 8801 d ☐ 8885 — 71		
	72	Add lines 61, 62, 63, 64a, and 65 through 71. These are your **total payments** ▶	72	1,810
Refund	73	If line 72 is more than line 60, subtract line 60 from line 72. This is the amount you **overpaid**	73	
Direct deposit? See page 73 and fill in 74b, 74c, and 74d, or Form 8888.	74a	Amount of line 73 you want **refunded to you.** If Form 8888 is attached, check here ▶ ☐	74a	
	▶ b	Routing number ▶ c Type: ☐ Checking ☐ Savings		
	▶ d	Account number		
	75	Amount of line 73 you want applied to your 2011 estimated tax ▶ — 75		
Amount You Owe	76	**Amount you owe.** Subtract line 72 from line 60. For details on how to pay, see page 74 ▶	76	1,996
	77	Estimated tax penalty (see page 74) — 77 43		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 75)? ☒ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ JOHN DOE Phone no. ▶ 888-555-1111 Personal identification number (PIN) ▶ 1 1 1 2 2

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 page 15. Keep a copy for your records.

Your signature	Date	Your occupation	Daytime phone number
05009	06-08-2011	SAILOR	
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

SCHEDULE B
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)

Interest and Ordinary Dividends

▶ Attach to Form 1040A or 1040. ▶ See instructions.

OMB No. 1545-0074
2010
Attachment Sequence No. **08**

Name(s) shown on return: TEST J CADEN

Your social security number: [illegible]

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

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.

			Amount
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 instructions and list this interest first. Also, show that buyer's social security number and address ▶		
	RIDGECREST SAVINGS BANK	1	610
2	Add the amounts on line 1	2	610
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 1040A, or Form 1040, line 8a ▶	4	610

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

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

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.

			Amount
5	List name of payer ▶		
	A & B CORP	5	120
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ▶	6	120

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 2010, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See instructions for exceptions and filing requirements for Form TD F 90-22.1		X
b	If "Yes," enter the name of the foreign country ▶		
8	During 2010, 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		X

SCHEDULE C (Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

▶ Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.
▶ Attach to Form 1040, 1040NR, or 1041. ▶ See Instructions for Schedule C (Form 1040).

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2010

Attachment Sequence No. **09**

Name of proprietor: TEST J CADEN

Social security number (SSN): ___ ___ ___

A Principal business or profession, including product or service (see page C-2 of the instructions): PAINTING

B Enter code from pages C-9, 10, & 11 ▶ 238320

C Business name. If no separate business name, leave blank.: QUALITY HOUSE PAINTING

D Employer ID number (EIN), if any

E Business address (including suite or room no.) ▶ 16 MAIN ST
City, town or post office, state, and ZIP code: San Antonio TX 78260

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ▶

G Did you "materially participate" in the operation of this business during 2010? If "No," see page C-3 for limit on losses . . . [X] Yes [ ] No

H If you started or acquired this business during 2010, check here . . . ▶ [X]

Part I Income

1 Gross receipts or sales. **Caution.** See page C-4 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, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see page C-3 for limit on losses. ▶ [ ]	1	1,980
2 Returns and allowances	2	
3 Subtract line 2 from line 1	3	1,980
4 Cost of goods sold (from line 42 on page 2)	4	
5 **Gross profit.** Subtract line 4 from line 3	5	1,980
6 Other income, including federal and state gasoline or fuel tax credit or refund (see page C-4)	6	
7 **Gross income.** Add lines 5 and 6 ▶	7	1,980

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

8 Advertising	8		18 Office expense	18	
9 Car and truck expenses (see page C-4)	9		19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see page C-6):		
11 Contract labor (see page C-4)	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 page C-5)	13		21 Repairs and maintenance	21	
			22 Supplies (not included in Part III)	22	760
			23 Taxes and licenses	23	
			24 Travel, meals, and entertainment:		
			a Travel	24a	
14 Employee benefit programs (other than on line 19)	14		b Deductible meals and entertainment (see page C-6)	24b	
15 Insurance (other than health)	15		25 Utilities	25	
16 Interest:			26 Wages (less employment credits)	26	
a Mortgage (paid to banks, etc.)	16a		27 Other expenses (from line 48 on page 2)	27	
b Other	16b				
17 Legal and professional services	17				

28 **Total expenses** before expenses for business use of home. Add lines 8 through 27 ▶	28	760
29 Tentative profit or (loss). Subtract line 28 from line 7	29	1,220
30 Expenses for business use of your home. Attach **Form 8829**	30	
31 **Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12,** and **Schedule SE, line 2,** or on **Form 1040NR, line 13** (If you checked the box on line 1, see page C-7). Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32. ▶	31	1,220

32 If you have a loss, check the box that describes your investment in this activity (see page C-7).
• If you checked 32a, enter the loss on both **Form 1040, line 12,** and **Schedule SE, line 2,** or on **Form 1040NR, line 13** (if you checked the box on line 1, see the line 31 instructions on page C-7). Estates and trusts, enter on **Form 1041, line 3.**
• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

▶ 32a [ ] All investment is at risk.
32b [ ] Some investment is not at risk.

For Paperwork Reduction Act Notice, see your tax return instructions. EEA **Schedule C (Form 1040) 2010**

D1 (06/24/10)

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

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

▶ Attach to Form 1040, 1040NR, or Form 1041. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2010

Attachment Sequence No. **13**

Name(s) shown on return: TEST J CADEN

Your social security number:

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 page E-3). If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

1 List the type and address of each **rental real estate property:**

A: OIL GAS PROPERTY A, 1800 S MAPLE ST OK CITY, OK 73126

B: OIL GAS PROPERTY B, 1802 S MAPLE ST Seymour TX 76380

C: OIL PROPERTY C, 1804 S MAPLE ST Seymour TX 76380

2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:
- 14 days **or**
- 10% of the total days rented at fair rental value?

(See page E-3.)

	Yes	No
A		
B		
C		

		Properties A	Properties B	Properties C		Totals (Add columns A, B, and C.)
Income:						
3 Rents received	3				3	
4 Royalties received	4	1,200	800	1,300	4	3,300
Expenses:						
5 Advertising	5					
6 Auto and travel (see page E-4)	6					
7 Cleaning and maintenance	7					
8 Commissions	8					
9 Insurance	9					
10 Legal and other professional fees	10					
11 Management fees	11					
12 Mortgage interest paid to banks, etc. (see page E-5)	12				12	
13 Other interest	13					
14 Repairs	14					
15 Supplies	15					
16 Taxes	16					
17 Utilities	17					
18 Other (list) ▶	18					
19 Add lines 5 through 18	19				19	
20 Depreciation expense or depletion (see page E-5)	20	180	120	195	20	495
21 Total expenses. Add lines 19 and 20	21	180	120	195		
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-5 to find out if you must file **Form 6198**	22	1,020	680	1,105		
23 Deductible rental real estate loss. **Caution.** Your rental real estate loss on line 22 may be limited. See page E-5 to find out if you must file **Form 8582.** Real estate professionals **must** complete line 43 on page 2	23	( )	( )	( )		
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24	2,805
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. 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 Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26	2,805

For Paperwork Reduction Act Notice, see page E-8 of the instructions. EEA **Schedule E (Form 1040) 2010**

Name(s) shown on return. Do not enter name and social security number if shown on page 1.

TEST J CADEN

Your social security number

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 from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See page E-1.

27 Are you reporting any loss not allowed in a prior year due to the at-risk 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 page E-7 before completing this section. ☐ Yes ☒ No

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	TEXAS PARTNERS LP	P		04-1234567	
B					
C					
D					

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A					300
B					
C					
D					
29 a Totals					300
b Totals					

30	Add columns (g) and (j) of line 29a	30	300
31	Add columns (f), (h), and (i) of line 29b	31	( )
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	300

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(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
A				
B				
34 a Totals				
b Totals				

35	Add columns (d) and (f) of line 34a	35	
36	Add columns (c) and (e) of line 34b	36	( )
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	

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

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see page E-8)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40	Net farm rental income or (loss) from **Form 4835**. Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, & 40. Enter the result here & on Form 1040, ln 17, or Form 1040NR, ln 18	41	3,105
42	**Reconciliation of farming and fishing income.** Enter your **gross** farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), line 14, code F (see page E-8)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see page E-2), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

SCHEDULE SE (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Self-Employment Tax

▶ Attach to Form 1040 or Form 1040NR. ▶ See Instructions for Schedule SE (Form 1040).

OMB No. 1545-0074

2010

Attachment Sequence No. **17**

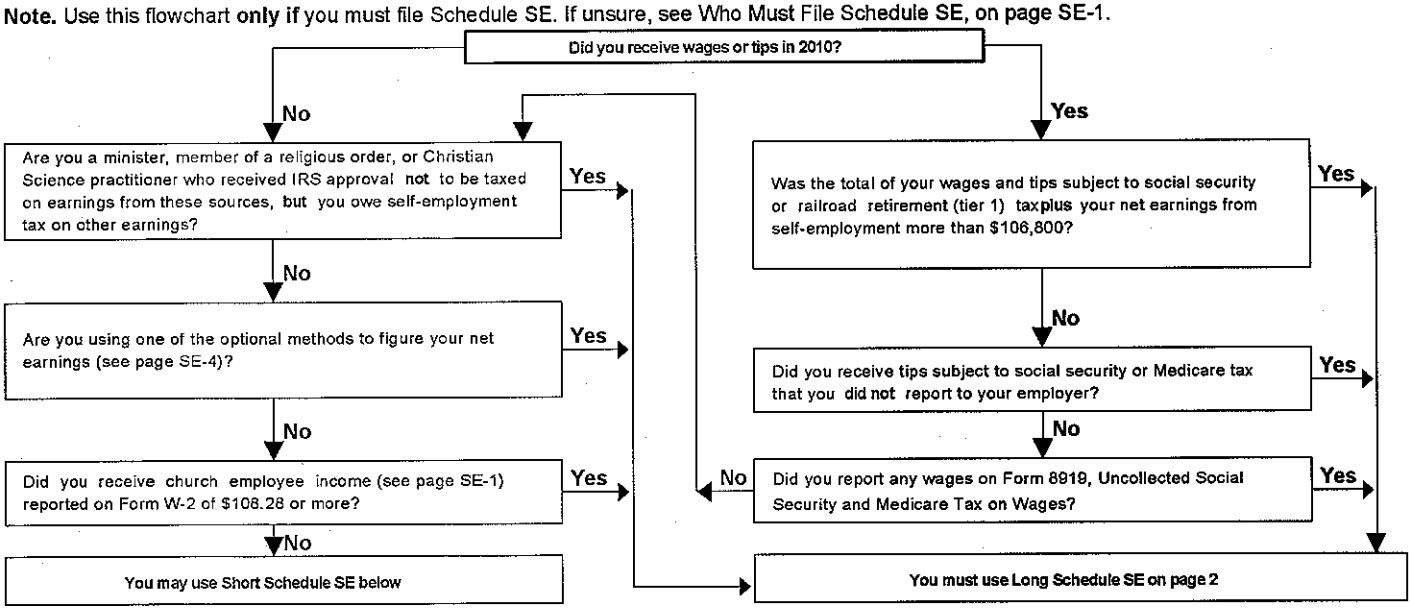
Name of person with **self-employment** income (as shown on Form 1040): TEST J CADEN

Social security number of person with **self-employment** income ▶

Before you begin: To determine if you must file Schedule SE, see the instructions on page SE-1.

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, on page SE-1.



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 36, 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 6b, or listed on Schedule K-1 (Form 1065), box 20, code Y	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 page SE-1 for types of income to report on this line. See page SE-3 for other income to report	2	1,220
3	Combine lines 1a, 1b, and 2	3	1,220
4	**Net earnings from self-employment.** Multiply line 3 by 92.35% (.9235). If less than $400, you do not owe self-employment tax; **do not** file this schedule unless you have an amount on line 1b ▶ **Note.** If line 4 is less than $400 due to Conservation Reserve Program payments on line 1b, see page SE-3.	4	1,127
5	**Self-employment tax.** If the amount on line 4 is: • $106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on **Form 1040, line 56,** or **Form 1040NR, line 54** • More than $106,800, multiply line 4 by 2.9% (.029). Then, add $13,243.20 to the result. Enter the total here and on **Form 1040, line 56,** or **Form 1040NR, line 54**	5	172
6	**Deduction for one-half of self-employment tax.** Multiply line 5 by 50% (.50). Enter the result here and on **Form 1040, line 27,** or **Form 1040NR, line 27**	6	86

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

EEA

Schedule SE (Form 1040) 2010

SCHEDULE M
(Form 1040A or 1040)
Department of the Treasury
Internal Revenue Service (99)

Making Work Pay Credit

D1 (06/30/10)

▶ **Attach to Form 1040A or 1040.** ▶ **See separate instructions.**

OMB No. 1545-0074
2010
Attachment Sequence No. **166**

Name(s) shown on return: TEST J CADEN

Your social security number: - - -

CAUTION! To take the making work pay credit, you must include your social security number (if filing a joint return, the number of either you or your spouse) on your tax return. A social security number does not include an identification number issued by the IRS. Only the Social Security Administration issues social security numbers.

CAUTION! You cannot take the making work pay credit if you can be claimed as someone else's dependent or if you are a nonresident alien.

Important: Check the **"No"** box on line 1a and see the instructions if:
- **(a)** You have a net loss from a business,
- **(b)** You received a taxable scholarship or fellowship grant not reported on a Form W-2,
- **(c)** Your wages include pay for work performed while an inmate in a penal institution,
- **(d)** You received a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan, or
- **(e)** You are filing Form 2555 or 2555-EZ.

1a Do you (& your spouse if filing jointly) have 2010 wages of more than $6,451 ($12,903 if married filing jointly)?
- ☒ **Yes.** Skip lines 1a through 3. Enter $400 ($800 if married filing jointly) on line 4 and go to line 5.
- ☐ **No.** Enter your earned income (see instructions) **1a**

b Nontaxable combat pay included on line 1a (see instructions) **1b**

2 Multiply line 1a by 6.2% (.062) **2**

3 Enter $400 ($800 if married filing jointly) **3**

4 Enter the **smaller** of line 2 or line 3 (unless you checked "Yes" on line 1a) **4** 400

5 Enter the amount from Form 1040, line 38*, or Form 1040A, line 22 . . . . . **5** 43,749

6 Enter $75,000 ($150,000 if married filing jointly) **6** 75,000

7 Is the amount on line 5 more than the amount on line 6?
- ☒ **No.** Skip line 8. Enter the amount from line 4 on line 9 below.
- ☐ **Yes.** Subtract line 6 from line 5 . . . . . **7**

8 Multiply line 7 by 2% (.02) **8**

9 Subtract line 8 from line 4. If zero or less, enter -0- **9** 400

10 Did you (or your spouse, if filing jointly) receive an economic recovery payment in **2010?** You may have received this payment in 2010 if you did not receive an economic recovery payment in 2009 but you received social security benefits, supplemental security income, railroad retirement benefits, or veterans disability compensation or pension benefits in November 2008, December 2008, or January 2009 (see instructions).
- ☒ **No.** Enter -0- on line 10 and go to line 11.
- ☐ **Yes.** Enter the total of the payments you (and your spouse, if filing jointly) received in **2010.** Do not enter more than $250 ($500 if married filing jointly) **10** 0

11 **Making work pay credit.** Subtract line 10 from line 9. If zero or less, enter -0-. Enter the result here and on Form 1040, line 63; or Form 1040A, line 40 . . . . . **11** 400

*If you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico, see instructions.

a Employee's social security number	OMB No. 1545-0008	Safe, accurate, FAST! Use	IRS e-file	Visit the IRS website at www.irs.gov/efile.

b Employer identification number (EIN) 99-1236541	1 Wages, tips, other compensation 7,640	2 Federal income tax withheld 1,200
c Employer's name, address, and ZIP code US NAVY 1100 MILITARY AVE WASHINGTON DC 20222-1643	3 Social security wages 7,640	4 Social security tax withheld 474
	5 Medicare wages and tips 7,640	6 Medicare tax withheld 111
	7 Social security tips	8 Allocated tips
d Control number	9 Advance EIC payment	10 Dependent care benefits
e Employee's first name and initial TEST J Last name CADEN Suff. 55 NORTH WOODLAWN WICHITA FALLS TX 75205 f Employee's address and ZIP code	11 Nonqualified plans	12a See instructions for box 12 Code P 500
	13 Statutory employee ☐ Retmnt. plan ☐ Third-party sick pay ☐	12b Code
	14 Other	12c Code
		12d Code

15 State Employer's state ID no.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
OK VA56124022	7,640	618			

Form **W-2** Wage and Tax Statement EEA **2010** Department of the Treasury-Internal Revenue Service

Copy B - To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

The information on the Form W-2 was used to prepare the taxpayer's 2009 Federal tax return by

a Employee's social security number	OMB No. 1545-0008	Safe, accurate, FAST! Use	IRS e-file	Visit the IRS website at www.irs.gov/efile.

b Employer identification number (EIN) 56-1242342	1 Wages, tips, other compensation 18,960	2 Federal income tax withheld 210
c Employer's name, address, and ZIP code WILSONS SUPERMARKET 91 FISH HAWK CT WILMINGTON NC 28403	3 Social security wages 18,960	4 Social security tax withheld 1,176
	5 Medicare wages and tips 18,960	6 Medicare tax withheld 275
	7 Social security tips	8 Allocated tips
d Control number	9 Advance EIC payment	10 Dependent care benefits
e Employee's first name and initial TEST J Last name CADEN Suff. 55 NORTH WOODLAWN WICHITA FALLS TX 75205 f Employee's address and ZIP code	11 Nonqualified plans	12a See instructions for box 12 Code
	13 Statutory employee ☐ Retmnt. plan ☐ Third-party sick pay ☐	12b Code
	14 Other	12c Code
		12d Code

15 State Employer's state ID no.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
TX 56420214	18,960				

Form **W-2** Wage and Tax Statement EEA **2010** Department of the Treasury-Internal Revenue Service

Copy B - To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.