

Form **1040**

Department of the Treasury—Internal Revenue Service  
**U.S. Individual Income Tax Return 2003**

FLPD YR / MO DLN  
(99) IRS Use Only—Do not write or staple in this space.

**Label**

See instructions on page 19.)  
Use the IRS label. Otherwise, please print or type.

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For the year Jan. 1-Dec. 31, 2003, or other tax year beginning \_\_\_\_\_, 2003, ending \_\_\_\_\_, 20

Your first name and initial	Last name FNMLN	Your social security number S002
If a joint return, spouse's first name and initial	Last name SNMLN	Spouse's social security number S003
Home address (number and street). If you have a P.O. box, see page 19. ADDRSS		Apt. no.
City, town or post office, state, and ZIP code. If you have a foreign address, see page 19. CITYST N21 (ZIP CODE)		

**▲ Important! ▲**  
You must enter your SSN(s) above.  
N14 = \_\_\_\_\_  
You 1,2 Spouse  
 Yes  No  Yes  No

**Presidential Election Campaign**  
(See page 19.)

**Note.** Checking "Yes" will not change your tax or reduce your refund. ELECT 1,2  
Do you, or your spouse if filing a joint return, want \$3 to go to this fund?  Yes  No

**Filing Status**

MARS=1  Single MARS=4  Head of household (with qualifying person). (See page 20.) If the qualifying person is a child but not your dependent, enter this child's name here. **MARS=6 SPOUSE NOT FILING**

MARS=2  Married filing jointly (even if only one had income)

MARS=3  Married filing separately. Enter spouse's SSN above and full name here. **MFN** MARS=5  Qualifying widow(er) with dependent child. (See page 20.)

**Exemptions**

6a  Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a

b  Spouse XFAST

c **Dependents:**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If qualifying child for child tax credit (see page 21)
CHILDREN AT HOME		NMDEP1 thru NMDEP10	N7 XOCAH	XTXCR1 thr
CHILDREN AWAY FROM HOME		S025 thru S034	N8 XOCAWH	XTXCR0
PARENTS			N9 XOPAR	<input type="checkbox"/>
OTHER DEPENDENTS			N10 XODEP	<input type="checkbox"/>
TOTAL DEPENDENTS			N6 XTOT	N24

d Total number of exemptions claimed

No. of boxes checked on 6a and 6b **N3**

No. of children on 6c who:  
• lived with you **N7**  
• did not live with you due to divorce or separation (see page 21) **N8**

Dependents on 6c not entered above  
Add numbers on lines above **N2**

**Income**

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

7 Wages, salaries, tips, etc. Attach Form(s) W-2 **\*\* dep othr ernd inc E00250 +/-**

8a Taxable interest. Attach Schedule B if required

b Tax-exempt interest. Do not include on line 8a **8b E00400**

9a Ordinary dividends. Attach Schedule B if required

b Qualified dividends (see page 23) **9b E00650**

10 Taxable refunds, credits, or offsets of state and local income taxes (see page 23)

11 Alimony received

12 Business income or (loss). Attach Schedule C or C-EZ **13\* cap gain distrib E01100**

13a Capital gain or (loss). Attach Schedule D if required. If not required, check here

b If box on 13a is checked, enter post-May 5 capital gain distributions **13b E01150**

14 Other gains or (losses). Attach Form 4797

15a IRA distributions **15a E01300** b Taxable amount (see page 25)

16a Pensions and annuities **16a E01500** b Taxable amount (see page 25)

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E

18 Farm income or (loss). Attach Schedule F

19 Unemployment compensation

20a Social security benefits **20a E02400** b Taxable amount (see page 27)

21 Other income. List type and amount (see page 27)

22 Add the amounts in the far right column for lines 7 through 21. This is your total income

7	E00200	
8a	E00300	
9a	E00600	
10	E00700	
11	E00800	
12	E00900 +/-	
13a	E01000 +/-	
14	E01200 +/-	
15b	E01400	
16b	E01700	
17	E02000 +/-	
18	E02100 +/-	
19	E02300	
20b	E02500	
21	E02600 +/-	
22	E02650 +/-	

**Adjusted Gross Income**

23 Educator expenses (see page 29) **23 E03220**

24 IRA deduction (see page 29) **24 E03150**

25 Student loan interest deduction (see page 31) **25 E03210**

26 Tuition and fees deduction (see page 32) **26 E03230**

27 Moving expenses. Attach Form 3903 **27 E03280**

28 One-half of self-employment tax. Attach Schedule SE **28 E03260**

29 Self-employed health insurance deduction (see page 33) **29 E03270**

30 Self-employed SEP, SIMPLE, and qualified plans **30 E03300**

31 Penalty on early withdrawal of savings **31 E03400**

32a Alimony paid b Recipient's SSN **32a E03500**

33 Add lines 23 through 32a **33 E02900**

34 Subtract line 33 from line 22. This is your adjusted gross income **34 E00100 +/-**

21 FEI excl	E02700
21 NOL	E02540
21 gambling inc	E02800
21 stock options	E02605
33 housing ded	E04000
33 Archer MSA	E03600
33 bus exp	E03700
33 other adj	E03900
33	E02900
34	E00100 +/-

Tax and Credits

Standard Deduction for—

• People who checked any box on line 36a or 36b or who can be claimed as a dependent, see page 34.

• All others: Single or Married filing separately, \$4,750

Married filing jointly or Qualifying widow(er), \$9,500

Head of household, \$7,000

35 Amount from line 34 (adjusted gross income)
36a Check if: [ ] You were born before January 2, 1939, [ ] Blind. Total boxes checked 36a
b If you are married filing separately and your spouse itemizes deductions, or you were a dual-status alien, see page 34 and check here
37 Itemized deductions (from Schedule A) or your standard deduction (see left margin)
38 Subtract line 37 from line 35
39 If line 35 is \$104,625 or less, multiply \$3,050 by the total number of exemptions claimed on line 6d. If line 35 is over \$104,625, see the worksheet on page 35
40 Taxable income. Subtract line 39 from line 38. If line 39 is more than line 38, enter -0-
41 Tax (see page 36). Check if any tax is from: a [ ] Form(s) 8814 b [ ] Form 4972
42 Alternative minimum tax (see page 38). Attach Form 6251
43 Add lines 41 and 42
44 Foreign tax credit. Attach Form 1116 if required
45 Credit for child and dependent care expenses. Attach Form 2441
46 Credit for the elderly or the disabled. Attach Schedule R
47 Education credits. Attach Form 8863
48 Retirement savings contributions credit. Attach Form 8880
49 Child tax credit (see page 40)
50 Adoption credit. Attach Form 8839
51 Credits from: a [ ] Form 8396 b [ ] Form 8859
52 Other credits. Check applicable box(es): a [ ] Form 3800 b [ ] Form 8801 c [ ] Specify
53 Add lines 44 through 52. These are your total credits
54 Subtract line 53 from line 43. If line 53 is more than line 43, enter -0-

Other Taxes

55 Self-employment tax. Attach Schedule SE
56 Social security and Medicare tax on tip income not reported to employer. Attach Form 4137
57 Tax on qualified plans, including IRAs, and other tax-favored accounts. Attach Form 5329 if required
58 Advance earned income credit payments from Form(s) W-2
59 Household employment taxes. Attach Schedule H
60 Add lines 54 through 59. This is your total tax

Payments

If you have a qualifying child, attach Schedule EIC.

61 Federal income tax withheld from Forms W-2 and 1099
62 2003 estimated tax payments and amount applied from 2002 return
63 Earned income credit (EIC)
64 Excess social security and tier 1 RRTA tax withheld (see page 56)
65 Additional child tax credit. Attach Form 8812
66 Amount paid with request for extension to file (see page 56)
67 Other payments from: a [ ] Form 2439 b [ ] Form 4136 c [ ] Form 8885
68 Add lines 61 through 67. These are your total payments

Refund

Direct deposit? See page 56 and fill in 70b, 70c, and 70d.

69 If line 68 is more than line 60, subtract line 60 from line 68. This is the amount you overpaid
70a Amount of line 69 you want refunded to you
b Routing number
c Type: [ ] Checking [ ] Savings
d Account number
71 Amount of line 69 you want applied to your 2004 estimated tax

Amount You Owe

72 Amount you owe. Subtract line 68 from line 60. For details on how to pay, see page 57
73 Estimated tax penalty (see page 58)

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 58)? [ ] Yes. Complete the following. [ ] No
Designee's name AUTHCD Phone no. ( ) Personal Identification number (PIN)

Sign Here

Joint return? See page 20. Keep a copy for your records.

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.
Your Signature Date Your occupation OCCPRI Daytime phone number ( )
Spouse's signature. If a joint return, both must sign. Date Spouse's occupation OCCSEC

Paid Preparer's Use Only

Preparer's signature Date Check if self-employed [ ] Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code EIN
Phone no. ( )

1040A

U.S. Individual Income Tax Return

(99)

2003

IRS Use Only—Do not write or staple in this space.

Label (see page 19.)

Use the IRS label. Otherwise, please print or type.

LABEL HERE

Your first name and initial	Last name	FNMLN	
If a joint return, spouse's first name and initial	Last name	SNMLN	
Home address (number and street), if you have a P.O. box, see page 20.		Apt. no.	
ADDRSS			
City, town or post office, state, and ZIP code. If you have a foreign address, see page 20.		n21 (zip code)	
CITYST			

OMB No. 1545-0085

Your social security number  
: : S002

Spouse's social security number  
: : S003

**▲ Important! ▲**

You must enter your SSN(s) above.  
n14 =

You 1,2 Spouse  
 Yes  No  Yes  No

Presidential Election Campaign (See page 20.)

Note. Checking "Yes" will not change your tax or reduce your refund. Do you, or your spouse if filing a joint return, want \$3 to go to this fund? . . . elect = 1,2

Filing status Check only one box.

MARS=1  Single MARS 6 = spouse not filing MARS=1  Head of household (with qualifying person). (See page 20.)  
 MARS=1  Married filing jointly (even if only one had income) If the qualifying person is a child but not your dependent, enter this child's name here. ▶  
 MARS=1  Married filing separately. Enter spouse's SSN above and full name here. ▶ MFNL MARS=1  Qualifying widow(er) with dependent child (See page 21.)

Exemptions

6a  Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a. } No. of boxes checked on 6a and 6b **N3**

b  Spouse XFST

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if qualifying child for child tax credit (see page 23)	No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see page 23)
CHILDREN AT HOME		NMDEP1 thru NMDEP10	N7 XOCAH	XTXCR 1	N7
CHILDREN AWAY FROM HOME		S025 thru S034	N8 XOCAWH	thur	
PARENTS			N9 XOPAR	XTXCR0	N8
OTHER DEPENDENTS			N10 XODEP	<input type="checkbox"/>	
TOTAL DEPENDENTS			N6 XTOT	<input type="checkbox"/>	
				N24	

Dependents on 6c not entered above

If more than six dependents, see page 21.

d Total number of exemptions claimed. **N2**

Income

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

If you did not get a W-2, see page 24.

Enclose, but do not attach, any payment.

7	Wages, salaries, tips, etc. Attach Form(s) W-2.	7	E00200
8a	Taxable interest. Attach Schedule 1 if required.	8a	E00300
b	Tax-exempt interest. Do not include on line 8a.	8b	E00400
9a	Ordinary dividends. Attach Schedule 1 if required.	9a	E00600
b	Qualified dividends (see page 25).	9b	E00650
10a	Capital gain distributions (see page 25).	10a	E01100
b	Post-May 5 capital gain distributions (see page 25).	10b	E01150
11a	IRA distributions.	11a	E01300
11b	Taxable amount (see page 25).	11b	E01400
12a	Pensions and annuities.	12a	E01500
12b	Taxable amount (see page 26).	12b	E01700
13	Unemployment compensation and Alaska Permanent Fund dividends.	13	E01000 +/-
14a	Social security benefits.	14a	E02400
14b	Taxable amount (see page 28).	14b	E02500
15	Add lines 7 through 14b (far right column). This is your total income. other inc E02600 +/-	15	E02650
16	Educator expenses (see page 28).	16	E03220
17	IRA deduction (see page 28).	17	E02000 +/-
18	Student loan interest deduction (see page 31).	18	E02100 +/-
19	Tuition and fees deduction (see page 31).	19	E02300
20	Add lines 16 through 19. These are your total adjustments.	20	E02900
21	Subtract line 20 from line 15. This is your adjusted gross income.	21	E02600 +/-

Adjusted gross income

<b>Tax, credits, and payments</b>	<b>22</b>	Enter the amount from line 21 (adjusted gross income).	22	
	<b>23a</b>	Check if: <input type="checkbox"/> AGEP You were born before January 2, 1939, <input type="checkbox"/> PBI Blind } Total boxes checked <input type="checkbox"/> 23a		
	<b>b</b>	If you are married filing separately and your spouse itemizes deductions, see page 32 and check here <input type="checkbox"/> MIDR 23b		E04450 E04100
<b>Standard Deduction for—</b>	<b>24</b>	Enter your <b>standard deduction</b> (see left margin).	DSI 24	E03150
• People who checked any box on line 23a or 23b or who can be claimed as a dependent, see page 32.	<b>25</b>	Subtract line 24 from line 22. If line 24 is more than line 22, enter -0-.	25	E03210
• All others:	<b>26</b>	Multiply \$3,050 by the total number of exemptions claimed on line 6d.	26	E03230
Single or Married filing separately, \$4,750	<b>27</b>	Subtract line 26 from line 25. If line 26 is more than line 25, enter -0-. This is your <b>taxable income</b> .	27	E03280
Married filing jointly or Qualifying widow(er), \$9,500	<b>28</b>	<b>Tax</b> , including any alternative minimum tax (see page 33).	E09600 TXST 28	E03260
Head of household, \$7,000	<b>29</b>	Credit for child and dependent care expenses. Attach Schedule 2.	29 E03270	E05100 E05800
	<b>30</b>	Credit for the elderly or the disabled. Attach Schedule 3.	30 E03300	
	<b>31</b>	Education credits. Attach Form 8863.	31 E03400	
	<b>32</b>	Retirement savings contributions credit. Attach Form 8880.	32 E07240	
	<b>33</b>	Child tax credit (see page 37).	33 E02900	
	<b>34</b>	Adoption credit. Attach Form 8839.	34 E00100 +/-	
	<b>35</b>	Add lines 29 through 34. These are your <b>total credits</b> .	SSNERR 35	E07100
	<b>36</b>	Subtract line 35 from line 28. If line 35 is more than line 28, enter -0-.	36	E08795
	<b>37</b>	Advance earned income credit payments from Form(s) W-2.	37	E10000
	<b>38</b>	Add lines 36 and 37. This is your <b>total tax</b> .	38	E04500
	<b>39</b>	Federal income tax withheld from Forms W-2 and 1099.	39 E04600	
	<b>40</b>	2003 estimated tax payments and amount applied from 2002 return.	40 E04800	
	<b>41</b>	<b>Earned income credit (EIC)</b> .	EICERR 41 100 E05700 E05	excess FICA w/h E11200
	<b>42</b>	Additional child tax credit. Attach Form 8812.	42 E09600	extension request E11100
	<b>43</b>	Add lines 39 through 42. These are your <b>total payments</b> .	43	E05800
<b>Refund</b>	<b>44</b>	If line 43 is more than line 38, subtract line 38 from line 43. This is the amount you <b>overpaid</b> .	44	E07300
Direct deposit? See page 50 and fill in 45b, 45c, and 45d.	<b>45a</b>	Amount of line 44 you want <b>refunded to you</b> .	45a	E12100
	<b>b</b>	Routing number <input type="text"/> <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	DIRDEP	
	<b>d</b>	Account number <input type="text"/>	RAL	
	<b>46</b>	Amount of line 44 you want <b>applied to your 2004 estimated tax</b> .	46 E07200	
<b>Amount you owe</b>	<b>47</b>	<b>Amount you owe</b> . Subtract line 43 from line 38. For details on how to pay, see page 51.	47	E07230
	<b>48</b>	Estimated tax penalty (see page 52).	48 E07240	
<b>Third party designee</b>	Do you want to allow another person to discuss this return with the IRS (see page 52)? <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No			
	Designee's name	AUTHCD	Phone no. ( )	Personal identification number (PIN) <input type="text"/>
<b>Sign here</b>	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 accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.			
Joint return? See page 20. Keep a copy for your records.	Your signature	Date	Your occupation	Daytime phone number ( )
	Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	
<b>Paid preparer's use only</b>	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no. ( )	



## Purpose of Schedule

Use Schedule 1 if **any** of the following apply.

- You had over \$1,500 of taxable interest (fill in Part I).
- You received interest from a seller-financed mortgage and the buyer used the property as a personal residence (fill in Part I).
- You are claiming the exclusion of interest from series EE or I U.S. savings bonds issued after 1989 (fill in Part I).
- You received interest as a nominee or a Form 1099-INT for tax-exempt interest (fill in Part I).
- You had over \$1,500 of ordinary dividends or you received ordinary dividends as a nominee (fill in Part II).



If you need more space to list your interest or ordinary dividends, attach separate statements that are the same size as Schedule 1. Use the same format as lines 1 and 5, but show your totals on Schedule 1. Be sure to put your name and social security number on the statements and attach them at the end of your return.

### Part I

#### Interest

#### Line 1

Report on line 1 **all** of your taxable interest. Include interest from series EE and I U.S. savings bonds. List each payer's name and show the amount. Interest should be shown on your **Forms 1099-INT, Forms 1099-OID**, or substitute statements.

**Seller-Financed Mortgages.** If you sold your home or other property and the buyer used the property as a personal residence, list first any interest the buyer paid you on a mortgage or other form of seller financing. Be sure to show the buyer's name, address, and social security number (SSN). You must also let the buyer know your SSN. If you do not show the buyer's name, address, and SSN, or let the buyer know your SSN, you may have to pay a \$50 penalty.

**Nominees.** If you received a Form 1099-INT that includes interest you received as a nominee (that is, in your name, but the interest actually belongs to someone else), report the total on line 1. Do this even if you later distributed some or all of this income to others. Under your last entry on line 1, put a subtotal of all interest listed on line 1. Below this subtotal, enter "Nominee Distribution" and show the total interest you received as a nominee. Subtract this amount from the subtotal and enter the result on line 2.



If you received interest as a nominee, you must give the actual owner a Form 1099-INT unless the owner is your spouse. You must also file a **Form 1096** and a Form 1099-INT with the IRS. For more details, see the **General Instructions for Forms 1099, 1098, 5498, and W-2G and Instructions for Forms 1099-INT and 1099-OID.**

**Tax-Exempt Interest.** If you received a **Form 1099-INT** for tax-exempt interest, follow the rules earlier under **Nominees** to see how to report the interest on Schedule 1. But identify the amount to be subtracted as "Tax-Exempt Interest." Be sure to also include this tax-exempt interest on Form 1040A, line 8b.

#### Line 3

Did you cash series EE or I U.S. savings bonds in 2003 that were issued after 1989? If you did and you paid qualified higher education expenses in 2003 for yourself, your spouse, or your dependents, you may be able to exclude part or all of the interest on those bonds. See **Form 8815** for details.

### Part II

#### Ordinary Dividends

#### Line 5

Report on line 5 **all** of your ordinary dividends. List each payer's name and show the amount. Ordinary dividends should be shown in box 1a of your **Forms 1099-DIV** or substitute statements.

**Nominees.** If you received a Form 1099-DIV that includes ordinary dividends you received as a nominee (that is, in your name, but the ordinary dividends actually belong to someone else), report the total on line 5. Do this even if you later distributed some or all of this income to others. Under your last entry on line 5, put a subtotal of all ordinary dividends listed on line 5. Below this subtotal, enter "Nominee Distribution" and show the total ordinary dividends you received as a nominee. Subtract this amount from the subtotal and enter the result on line 6.



If you received dividends as a nominee, you must give the actual owner a Form 1099-DIV unless the owner is your spouse. You must also file a **Form 1096** and a Form 1099-DIV with the IRS. For more details, see the **General Instructions for Forms 1099, 1098, 5498, and W-2G and Instructions for Form 1099-DIV.**

**Schedule 2**  
**(Form 1040A)**

Department of the Treasury—Internal Revenue Service

**Child and Dependent Care Expenses for Form 1040A Filers** (99) **2003**

OMB No. 1545-0085

Name(s) shown on Form 1040A

Your social security number

**Before you begin:** You need to understand the following terms. See **Definitions** on page 1 of the separate instructions.

- **Dependent Care Benefits**
- **Qualifying Person(s)**
- **Qualified Expenses**
- **Earned Income**

**Part I**

Persons or organizations who provided the care

You must complete this part.

1	(a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid (see instructions)
				E32700

(If you need more space, use the bottom of page 2.)

Did you receive dependent care benefits?	No	→	Complete only Part II below.
	Yes	→	Complete Part III on the back next.

**Caution.** If the care was provided in your home, you may owe employment taxes. If you do, you must use Form 1040. See **Schedule H** and its instructions for details.

**Part II**

Credit for child and dependent care expenses

**2** Information about your **qualifying person(s)**. If you have more than two qualifying persons, see the instructions.

(a) Qualifying person's name		(b) Qualifying person's social security number	(c) Qualified expenses you incurred and paid in 2003 for the person listed in column (a)
First	Last		
		S056	E32750
number of qualified persons - F2441		S057	E32775

**3** Add the amounts in column (c) of line 2. **Do not** enter more than \$3,000 for one qualifying person or \$6,000 for two or more persons. If you completed Part III, enter the amount from line 26.

3 E32800

**4** Enter your **earned income**.

4 E32880

**5** If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions); **all others**, enter the amount from line 4.

5 E32890

**6** Enter the **smallest** of line 3, 4, or 5.

6 E33000

**7** Enter the amount from Form 1040A, line 22.

**8** Enter on line 8 the decimal amount shown below that applies to the amount on line 7.

If line 7 is:			If line 7 is:		
Over	But not over	Decimal amount is	Over	But not over	Decimal amount is
\$0—15,000		.35	\$29,000—31,000		.27
15,000—17,000		.34	31,000—33,000		.26
17,000—19,000		.33	33,000—35,000		.25
19,000—21,000		.32	35,000—37,000		.24
21,000—23,000		.31	37,000—39,000		.23
23,000—25,000		.30	39,000—41,000		.22
25,000—27,000		.29	41,000—43,000		.21
27,000—29,000		.28	43,000—No limit		.20

**9** Multiply line 6 by the decimal amount on line 8. If you paid 2002 expenses in 2003, see the instructions.

9 AG2441 X E33200 current yr. - E33300 prior year -

**10** Enter the amount from Form 1040A, line 28.

10 total credit - E33400

**11** Credit for child and dependent care expenses. Enter the smaller of line 9 or line 10 here and on Form 1040A, line 29.

**Part III****Dependent care benefits**

<b>12</b>	Enter the total amount of <b>dependent care benefits</b> you received for 2003. This amount should be shown in box 10 of your W-2 form(s). <b>Do not</b> include amounts that were reported to you as wages in box 1 of Form(s) W-2.	12	E33420
<b>13</b>	Enter the amount forfeited, if any. See the instructions.	13	E33450
<b>14</b>	Subtract line 13 from line 12.	14	
<b>15</b>	Enter the total amount of <b>qualified expenses</b> incurred in 2003 for the care of the qualifying person(s).	15	E33460
<b>16</b>	Enter the <b>smaller</b> of line 14 or 15.	16	
<b>17</b>	Enter your <b>earned income</b> .	17	E32880
<b>18</b>	Enter the amount shown below that applies to you. <ul style="list-style-type: none"> <li>• If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions for line 5).</li> <li>• If married filing separately, see the instructions for the amount to enter.</li> <li>• All others, enter the amount from line 17.</li> </ul>	18	E32890
<b>19</b>	Enter the <b>smallest</b> of line 16, 17, or 18.	19	
<b>20</b>	<b>Excluded benefits.</b> Enter here the <b>smaller</b> of the following: <ul style="list-style-type: none"> <li>• The amount from line 19 or</li> <li>• \$5,000 (\$2,500 if married filing separately <b>and</b> you were required to enter your spouse's earned income on line 18).</li> </ul>	20	E32840
<b>21</b>	<b>Taxable benefits.</b> Subtract line 20 from line 14. Also, include this amount on Form 1040A, line 7. In the space to the left of line 7, enter "DCB."	21	E33480
To claim the child and dependent care credit, complete lines 22-26 below.			
<b>22</b>	Enter \$3,000 (\$6,000 if two or more qualifying persons).	22	
<b>23</b>	Enter the amount from line 20.	23	E32840
<b>24</b>	Subtract line 23 from line 22. If zero or less, <b>stop</b> . You cannot take the credit. <b>Exception.</b> If you paid 2002 expenses in 2003, see the instructions for line 9.	24	
<b>25</b>	Complete line 2 on the front of this schedule. <b>Do not</b> include in column (c) any benefits shown on line 20 above. Then, add the amounts in column (c) and enter the total here.	25	
<b>26</b>	Enter the <b>smaller</b> of line 24 or 25. Also, enter this amount on line 3 on the front of this schedule and complete lines 4-11.	26	E32800



**Schedule 3**  
**(Form 1040A)**

Department of the Treasury—Internal Revenue Service

**Credit for the Elderly or the Disabled**  
**for Form 1040A Filers**

(99) **2003**

OMB No. 1545-0085

Name(s) shown on Form 1040A

Your social security number

You may be able to take this credit and reduce your tax if by the end of 2003:

- You were age 65 or older **or**
- You were under age 65, you retired on **permanent and total** disability, and you received taxable disability income.

But you must also meet other tests. See the separate instructions for Schedule 3.



In most cases, the IRS can figure the credit for you. See the instructions.

**Part I**

**If your filing status is:**

**And by the end of 2003:**

**Check only one box:**

**Check the box for your filing status and age**

Single,  
Head of household, or  
Qualifying widow(er)

Married filing  
jointly

Married filing  
separately

- |  | FLGSTR |                          |
|--|--------|--------------------------|
| 1 You were 65 or older . . . . .   | 1      | <input type="checkbox"/> |
| 2 You were under 65 and you retired on permanent and total disability . . . . .  | 2      | <input type="checkbox"/> |
| 3 Both spouses were 65 or older . . . . .  | 3      | <input type="checkbox"/> |
| 4 Both spouses were under 65, but only one spouse retired on permanent and total disability . . . . .                              | 4      | <input type="checkbox"/> |
| 5 Both spouses were under 65, and both retired on permanent and total disability . . . . .   | 5      | <input type="checkbox"/> |
| 6 One spouse was 65 or older, and the other spouse was under 65 and retired on permanent and total disability . . . . .            | 6      | <input type="checkbox"/> |
| 7 One spouse was 65 or older, and the other spouse was under 65 and <b>not</b> retired on permanent and total disability . . . . . | 7      | <input type="checkbox"/> |
| 8 You were 65 or older and you lived apart from your spouse for all of 2003 . . . . .  | 8      | <input type="checkbox"/> |
| 9 You were under 65, you retired on permanent and total disability, and you lived apart from your spouse for all of 2003 . . . . . | 9      | <input type="checkbox"/> |

**Did you check box 1, 3, 7, or 8?**

- Yes** —> Skip Part II and complete Part III on the back.
- No** —> Complete Parts II and III.

**Part II**  
**Statement of permanent and total disability**

Complete this part only if you checked box 2, 4, 5, 6, or 9 above.

- If:**
- 1 You filed a physician's statement for this disability for 1983 or an earlier year, or you filed or got a statement for tax years after 1983 and your physician signed line B on the statement, **and**
  - 2 Due to your continued disabled condition, you were unable to engage in any substantial gainful activity in 2003, check this box DISABL 
    - If you checked this box, you do not have to get another statement for 2003.
    - If you **did not** check this box, have your physician complete the statement on page 4 of the instructions. You **must** keep the statement for your records.

**Part III**  
**Figure your credit**

<b>10</b>	<b>If you checked (in Part I):</b>	<b>Enter:</b>							
	Box 1, 2, 4, or 7 . . . . .	\$5,000							
	Box 3, 5, or 6 . . . . .	\$7,500							
	Box 8 or 9 . . . . .	\$3,750	10						
<table border="0" style="width: 100%;"> <tr> <td style="border: 1px solid black; padding: 2px;"><b>Did you check box 2, 4, 5, 6, or 9 in Part I?</b></td> <td style="padding: 2px;">— Yes —&gt;</td> <td style="padding: 2px;">You <b>must</b> complete line 11.</td> </tr> <tr> <td></td> <td style="padding: 2px;">— No —&gt;</td> <td style="padding: 2px;">Enter the amount from line 10 on line 12 and go to line 13.</td> </tr> </table>				<b>Did you check box 2, 4, 5, 6, or 9 in Part I?</b>	— Yes —>	You <b>must</b> complete line 11.		— No —>	Enter the amount from line 10 on line 12 and go to line 13.
<b>Did you check box 2, 4, 5, 6, or 9 in Part I?</b>	— Yes —>	You <b>must</b> complete line 11.							
	— No —>	Enter the amount from line 10 on line 12 and go to line 13.							
<b>11</b>	<b>If you checked (in Part I):</b>								
	<ul style="list-style-type: none"> <li>• Box 6, add \$5,000 to the taxable disability income of the spouse who was under age 65. Enter the total.</li> <li>• Box 2, 4, or 9, enter your taxable disability income.</li> <li>• Box 5, add your taxable disability income to your spouse's taxable disability income. Enter the total.</li> </ul>								
	<b>TIP</b> For more details on what to include on line 11, see the instructions.		11						
<b>12</b>	If you completed line 11, enter the <b>smaller</b> of line 10 or line 11; <b>all others</b> , enter the amount from line 10.		12						
<b>13</b>	Enter the following pensions, annuities, or disability income that you (and your spouse if filing a joint return) received in 2003.								
	<b>a</b> Nontaxable part of social security benefits and Nontaxable part of railroad retirement benefits treated as social security (see instructions).		13a						
	<b>b</b> Nontaxable veterans' pensions and Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law (see instructions).		13b						
	<b>c</b> Add lines 13a and 13b. (Even though these income items are not taxable, they <b>must</b> be included here to figure your credit.) If you did not receive any of the types of nontaxable income listed on line 13a or 13b, enter -0- on line 13c.		13c						
<b>14</b>	Enter the amount from Form 1040A, line 22.		14						
<b>15</b>	<b>If you checked (in Part I):</b>	<b>Enter:</b>							
	Box 1 or 2 . . . . .	\$7,500							
	Box 3, 4, 5, 6, or 7 . . . . .	\$10,000							
	Box 8 or 9 . . . . .	\$5,000	15						
<b>16</b>	Subtract line 15 from line 14. If zero or less, enter -0-.		16						
<b>17</b>	Enter one-half of line 16.		17						
<b>18</b>	Add lines 13c and 17.		18						
<b>19</b>	Subtract line 18 from line 12. If zero or less, <b>stop</b> ; you <b>cannot</b> take the credit. Otherwise, go to line 20.		19						
<b>20</b>	Multiply line 19 by 15% (.15).		20						
<b>21</b>	Enter the amount from Form 1040A, line 28, minus any amount on Form 1040A, line 29.		21						
<b>22</b>	<b>Credit for the elderly or the disabled.</b> Enter the <b>smaller</b> of line 20 or line 21 here and on Form 1040A, line 30.		22						





**Use this form if**

- Your filing status is single or married filing jointly.
- You (and your spouse if married filing jointly) were under age 65 and not blind at the end of 2003. If you were born on January 1, 1939, you are considered to be age 65 at the end of 2003.
- You do not claim any dependents.
- Your taxable income (line 6) is less than \$50,000.
- You do not claim a deduction for educator expenses, the student loan interest deduction, or the tuition and fees deduction.
- You do not claim an education credit, the retirement savings contributions credit, or the health coverage tax credit.
- You had **only** wages, salaries, tips, taxable scholarship or fellowship grants, unemployment compensation, or Alaska Permanent Fund dividends, and your taxable interest was not over \$1,500. **But** if you earned tips, including allocated tips, that are not included in box 5 and box 7 of your W-2, you may not be able to use Form 1040EZ (see page 13). If you are planning to use Form 1040EZ for a child who received Alaska Permanent Fund dividends, see page 14.
- You did not receive any advance earned income credit payments.

If you are not sure about your filing status, see page 11. If you have questions about dependents, use TeleTax topic 354 (see page 6). If you **cannot use this form**, use TeleTax topic 352 (see page 6).

**Filling in your return**

For tips on how to avoid common mistakes, see page 21.

If you received a scholarship or fellowship grant or tax-exempt interest income, such as on municipal bonds, see the booklet before filling in the form. Also, see the booklet if you received a Form 1099-INT showing Federal income tax withheld or if Federal income tax was withheld from your unemployment compensation or Alaska Permanent Fund dividends.

**Remember**, you must report all wages, salaries, and tips even if you do not get a Form W-2 from your employer. You must also report all your taxable interest, including interest from banks, savings and loans, credit unions, etc., even if you do not get a Form 1099-INT.

**Worksheet for dependents who checked "Yes" on line 5**

(keep a copy for your records)

Use this worksheet to figure the amount to enter on line 5 if someone can claim you (or your spouse if married filing jointly) as a dependent, even if that person chooses not to do so. To find out if someone can claim you as a dependent, use TeleTax topic 354 (see page 6).

A. Amount, if any, from line 1 on front	_____				
	+ 250.00	Enter total ▶	A.	_____	
B. Minimum standard deduction			B.	750.00	
C. Enter the <b>larger</b> of line A or line B here			C.	_____	
D. Maximum standard deduction. If <b>single</b> , enter \$4,750; if <b>married filing jointly</b> , enter \$9,500			D.	_____	
E. Enter the <b>smaller</b> of line C or line D here. This is your standard deduction			E.	_____	
F. Exemption amount.			}	F.	_____
• If single, enter -0-.					
• If married filing jointly and— —both you and your spouse can be claimed as dependents, enter -0-. —only one of you can be claimed as a dependent, enter \$3,050.					
G. Add lines E and F. Enter the total here and on line 5 on the front			G.	_____	

If you checked "No" on line 5 because no one can claim you (or your spouse if married filing jointly) as a dependent, enter on line 5 the amount shown below that applies to you.

- Single, enter \$7,800. This is the total of your standard deduction (\$4,750) and your exemption (\$3,050).
- Married filing jointly, enter \$15,600. This is the total of your standard deduction (\$9,500), your exemption (\$3,050), and your spouse's exemption (\$3,050).

**Mailing return**

Mail your return by **April 15, 2004**. Use the envelope that came with your booklet. If you do not have that envelope or if you moved during the year, see the back cover for the address to use.



**SCHEDULES A&B**  
**(Form 1040)**

**Schedule A— Itemized Deductions**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **07**

Department of the Treasury  
Internal Revenue Service (99)

▶ **Attach to Form 1040.** ▶ See instructions for Schedules A and B (Form 1040).

Name(s) shown on Form 1040

Your social security number

<b>Medical and Dental Expenses</b>	<b>Caution.</b> Do not include expenses reimbursed or paid by others.			
	<b>1</b> Medical and dental expenses (see page A-2)	<b>1</b>		
	<b>2</b> Enter amount from Form 1040, line 35 <b>2</b>			
	<b>3</b> Multiply line 2 by 7.5% (.075).	<b>3</b>		
<b>4</b> Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			<b>4</b>	
<b>Taxes You Paid</b> (See page A-2.)	<b>5</b> State and local income taxes	<b>5</b>		
	<b>6</b> Real estate taxes (see page A-2)	<b>6</b>		
	<b>7</b> Personal property taxes	<b>7</b>	<b>N3</b>	
	<b>8</b> Other taxes. List type and amount ▶	<b>8</b>		
	<b>9</b> Add lines 5 through 8			<b>9</b>
<b>Interest You Paid</b> (See page A-3.)	<b>10</b> Home mortgage interest and points reported to you on Form 1098	<b>10</b>		
	<b>11</b> Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-3 and show that person's name, identifying no., and address ▶	<b>11</b>		
<b>Note.</b> Personal interest is not deductible.	<b>PARENTS</b>			
	<b>12</b> Points not reported to you on Form 1098. See page A-3 for special rules	<b>12</b>	<b>NTS</b>	
	<b>13</b> Investment interest. Attach Form 4952 if required. (See page A-4.)	<b>13</b>		
	<b>14</b> Add lines 10 through 13			<b>14</b>
<b>Gifts to Charity</b> If you made a gift and got a benefit for it, see page A-4.	<b>15</b> Gifts by cash or check. If you made any gift of \$250 or more, see page A-4	<b>15</b>	<b>DEPENDENTS</b>	
	<b>16</b> Other than by cash or check. If any gift of \$250 or more, see page A-4. You <b>must</b> attach Form 8283 if over \$500	<b>16</b>		
	<b>17</b> Carryover from prior year	<b>17</b>		
	<b>18</b> Add lines 15 through 17 <b>CGDED</b>			<b>18</b>
<b>Casualty and Theft Losses</b>	<b>19</b> Casualty or theft loss(es). Attach Form 4684. (See page A-5.)			<b>19</b>
<b>Job Expenses and Most Other Miscellaneous Deductions</b> (See page A-5.)	<b>20</b> Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-5.) ▶	<b>20</b>	<b>E21090</b>	
	<b>21</b> Tax preparation fees	<b>21</b>		
	<b>22</b> Other expenses—investment, safe deposit box, etc. List type and amount ▶	<b>22</b>		
	<b>23</b> Add lines 20 through 22	<b>23</b>		
	<b>24</b> Enter amount from Form 1040, line 35 <b>24</b>	<b>24</b>		
	<b>25</b> Multiply line 24 by 2% (.02)	<b>25</b>		
<b>26</b> Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-			<b>26</b>	
<b>Other Miscellaneous Deductions</b>	<b>27</b> Other—from list on page A-6. List type and amount ▶			<b>27</b>
<b>Total Itemized Deductions</b>	<b>28</b> Is Form 1040, line 35, over \$139,500 (over \$69,750 if married filing separately)?			<b>28</b>
	<input type="checkbox"/> <b>No.</b> Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 37. <input type="checkbox"/> <b>Yes.</b> Your deduction may be limited. See page A-6 for the amount to enter. <b>E21040</b>			



**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **09**

Department of the Treasury  
Internal Revenue Service (99)

▶ Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.

▶ Attach to Form 1040 or 1041. ▶ See Instructions for Schedule C (Form 1040).

Name of proprietor <b>SXPRC1                      SXVRF1                      FIRST SCHEDULE C</b>			Social security number (SSN)		
A Principal business or profession, including product or service (see page C-2 of the instructions) <b>CMSCH1                      DPEXP1                      DOMC1</b>			B Enter code from pages C-7, 8, & 9 <b>NAIC1</b>		
C Business name. If no separate business name, leave blank. <b>LLC</b>			D Employer ID number (EIN), if any <b>EINC1</b>		
E Business address (including suite or room no.) ▶ 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) ▶ <b>ACMEC1</b> <span style="float:right">MPRTC1</span>					
G Did you "materially participate" in the operation of this business during 2003? If "No," see page C-3 for limit on losses <input type="checkbox"/> Yes <input type="checkbox"/> No					
H If you started or acquired this business during 2003, check here <span style="float:right">FRSTC1</span> <input type="checkbox"/>					

**Part I Income**

1 Gross receipts or sales. <b>Caution.</b> If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-3 and check here <span style="float:right">STATM1 <input type="checkbox"/></span>	1	E91020	
2 Returns and allowances	2	E91030	
3 Subtract line 2 from line 1	3	E91040 +/-	
4 Cost of goods sold (from line 42 on page 2)	4	E91050	
5 <b>Gross profit.</b> Subtract line 4 from line 3	5	E91060 +/-	
6 Other income, including Federal and state gasoline or fuel tax credit or refund (see page C-3)	6	E91080 +/-	
7 <b>Gross income.</b> Add lines 5 and 6	7	E91010 +/-	

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

8 Advertising	8	E91110		19 Pension and profit-sharing plans	19	E91290
9 Car and truck expenses (see page C-3)	9	E91140		20 Rent or lease (see page C-5):	20	
10 Commissions and fees	10	E91160		a Vehicles, machinery, and equipment	20a	E91300
11 Contract labor (see page C-4)	11	E91165		b Other business property	20b	E91310
12 Depletion	12	E91170		21 Repairs and maintenance	21	E91320
13 Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13	E91190		22 Supplies (not included in Part III)	22	E91325
14 Employee benefit programs (other than on line 19)	14	E91200		23 Taxes and licenses	23	E91330
15 Insurance (other than health)	15	E91210		24 Travel, meals, and entertainment:	24	
16 Interest:	16			a Travel	24a	E91340
a Mortgage (paid to banks, etc.)	16a	E91240		b Meals and entertainment	E91345	
b Other	16b	E91250		c Enter nondeductible amount included on line 24b (see page C-5)	E91350	
17 Legal and professional services	17	E91260		d Subtract line 24c from line 24b	24d	E91355
18 Office expense	18	E91280		25 Utilities	25	E91360
28 <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27 in columns	28			26 Wages (less employment credits)	26	E91370
29 Tentative profit (loss). Subtract line 28 from line 7	29			27 Other expenses (from line 48 on page 2)	27	E91430
30 Expenses for business use of your home. Attach <b>Form 8829</b>	30			28 <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27 in columns	28	E91100
31 <b>Net profit or (loss).</b> Subtract line 30 from line 29.	31			29 Tentative profit (loss). Subtract line 28 from line 7	29	E91435 +/-
• If a profit, enter on <b>Form 1040, line 12</b> , and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.				30 Expenses for business use of your home. Attach <b>Form 8829</b>	30	E91438
• If a loss, you <b>must</b> go to line 32.                      nondeductible loss (+)/suspended loss carryover (-)				31 <b>Net profit or (loss).</b> Subtract line 30 from line 29.	31	E91440 +/-
32 If you have a loss, check the box that describes your investment in this activity (see page C-6).				• If you checked 32a, enter the loss on <b>Form 1040, line 12</b> , and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.	32a	<input type="checkbox"/> All investment is at risk.
• If you checked 32a, enter the loss on <b>Form 1040, line 12</b> , and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.				• If you checked 32b, you <b>must</b> attach <b>Form 6198</b> .	32b	<input type="checkbox"/> Some investment is not at risk.









**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **09**

Department of the Treasury  
Internal Revenue Service (99)

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

Name of proprietor: SXPRC3 SXVRF3 THIRD SCHEDULE C Social security number (SSN)

A Principal business or profession, including product or service (see page C-2 of the instructions)  
CMSCH3 DPEXP3 DOMC3 B Enter code from pages C-7, 8, & 9  
NAIC3

C Business name. If no separate business name, leave blank.  
LLC3 D Employer ID number (EIN), if any  
EINC3

E Business address (including suite or room no.) ▶  
City, town or post office, state, and ZIP code

F Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ ACMEC3 MPRTC3

G Did you "materially participate" in the operation of this business during 2003? If "No," see page C-3 for limit on losses  Yes  No

H If you started or acquired this business during 2003, check here FRSTC3

**Part I Income**

1	Gross receipts or sales. <b>Caution.</b> If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-3 and check here STATM3 <input type="checkbox"/>	1	E93020	
2	Returns and allowances	2	E93030	
3	Subtract line 2 from line 1	3	E93040 +/-	
4	Cost of goods sold (from line 42 on page 2)	4	E93050	
5	<b>Gross profit.</b> Subtract line 4 from line 3	5	E93060 +/-	
6	Other income, including Federal and state gasoline or fuel tax credit or refund (see page C-3)	6	E93080 +/-	
7	<b>Gross income.</b> Add lines 5 and 6	7	E93010 +/-	

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

8	Advertising	8	E93110		19	Pension and profit-sharing plans	19	E93290	
9	Car and truck expenses (see page C-3)	9	E93140		20	Rent or lease (see page C-5):			
10	Commissions and fees	10	E93160		20a	a Vehicles, machinery, and equipment	20a	E93300	
11	Contract labor (see page C-4)	11	E93165		20b	b Other business property	20b	E93310	
12	Depletion	12	E93170		21	Repairs and maintenance	21	E93320	
13	Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13	E93190		22	Supplies (not included in Part III)	22	E93325	
14	Employee benefit programs (other than on line 19)	14	E93200		23	Taxes and licenses	23	E93330	
15	Insurance (other than health)	15	E93210		24	Travel, meals, and entertainment:			
16	Interest:				24a	a Travel	24a	E93340	
16a	a Mortgage (paid to banks, etc.)	16a	E93240			b Meals and entertainment		E93345	
16b	b Other	16b	E93250			c Enter nondeductible amount included on line 24b (see page C-5)		E93350	
17	Legal and professional services	17	E93260		24d	d Subtract line 24c from line 24b	24d	E93355	
18	Office expense	18	E93280		25	Utilities	25	E93360	
19	Pension and profit-sharing plans	19	E93290		26	Wages (less employment credits)	26	E93370	
20	Rent or lease (see page C-5):				27	Other expenses (from line 48 on page 2)	27	E93430	
20a	a Vehicles, machinery, and equipment	20a	E93300		28	<b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27 in columns	28	E93100	
20b	b Other business property	20b	E93310		29	Tentative profit (loss). Subtract line 28 from line 7	29	E93435 +/-	
21	Repairs and maintenance	21	E93320		30	Expenses for business use of your home. Attach Form 8829	30	E93438	
22	Supplies (not included in Part III)	22	E93325		31	<b>Net profit or (loss).</b> Subtract line 30 from line 29.	31	E93440 +/-	
23	Taxes and licenses	23	E93330			<ul style="list-style-type: none"> <li>• If a profit, enter on Form 1040, line 12, and also on Schedule SE, line 2 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.</li> <li>• If a loss, you must go to line 32. nondeductible loss (+)/suspended loss carryover (-)</li> </ul>		E93640 +/-	
24	Travel, meals, and entertainment:				32	If you have a loss, check the box that describes your investment in this activity (see page C-6).			
24a	a Travel	24a	E93340			<ul style="list-style-type: none"> <li>• If you checked 32a, enter the loss on Form 1040, line 12, and also on Schedule SE, line 2 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.</li> <li>• If you checked 32b, you must attach Form 6198.</li> </ul>	32a	<input type="checkbox"/> All investment is at risk.	
24b	b Meals and entertainment		E93345				32b	<input type="checkbox"/> Some investment is not at risk.	
24c	c Enter nondeductible amount included on line 24b (see page C-5)		E93350						
24d	d Subtract line 24c from line 24b	24d	E93355						
25	Utilities	25	E93360						
26	Wages (less employment credits)	26	E93370						
27	Other expenses (from line 48 on page 2)	27	E93430						
28	<b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27 in columns	28	E93100						
29	Tentative profit (loss). Subtract line 28 from line 7	29	E93435 +/-						
30	Expenses for business use of your home. Attach Form 8829	30	E93438						
31	<b>Net profit or (loss).</b> Subtract line 30 from line 29.	31	E93440 +/-						



**SCHEDULE C  
(Form 1040)**

SCHC

**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

**2003**

Attachment Sequence No. **09**

Department of the Treasury  
Internal Revenue Service (99)

▶ Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.

▶ Attach to Form 1040 or 1041. ▶ See Instructions for Schedule C (Form 1040).

Name of proprietor

<b>SEXPRC</b>	<b>SXVRFY</b>	<b>COMBINED SCHEDULES TOTAL</b>	<b>Social security number (SSN)</b>
<b>A</b> Principal business or profession, including product or service (see page C-2 of the instructions)	<b>COMSCH</b>	<b>DEPEXP</b>	<b>B</b> Enter code from pages C-7, 8, & 9
<b>C</b> Business name. If no separate business name, leave blank.	<b>LLC</b>	<b>DOMC</b>	<b>D</b> Employer ID number (EIN), if any
<b>E</b> Business address (including suite or room no.) ▶ City, town or post office, state, and ZIP code			<b>EINC</b>
<b>F</b> Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ <b>ACCMEC</b>			<b>MPARTC</b>
<b>G</b> Did you "materially participate" in the operation of this business during 2003? If "No," see page C-3 for limit on losses <input type="checkbox"/> Yes <input type="checkbox"/> No			<b>FIRSTC</b>
<b>H</b> If you started or acquired this business during 2003, check here <input type="checkbox"/>			

**Part I Income**

<b>1</b> Gross receipts or sales. <b>Caution.</b> If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-3 and check here <b>STATEM</b> ▶ <input type="checkbox"/>	<b>1</b>	E90020	
<b>2</b> Returns and allowances	<b>2</b>	E90030	
<b>3</b> Subtract line 2 from line 1	<b>3</b>	E90040 +/-	
<b>4</b> Cost of goods sold (from line 42 on page 2)	<b>4</b>	E90050	
<b>5</b> <b>Gross profit.</b> Subtract line 4 from line 3	<b>5</b>	E90060 +/-	
<b>6</b> Other income, including Federal and state gasoline or fuel tax credit or refund (see page C-3)	<b>6</b>	E90080 +/-	
<b>7</b> <b>Gross income.</b> Add lines 5 and 6 ▶	<b>7</b>	E90010 +/-	

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

<b>8</b> Advertising	<b>8</b>	E90110		<b>19</b> Pension and profit-sharing plans	<b>19</b>	E90290
<b>9</b> Car and truck expenses (see page C-3)	<b>9</b>	E90140		<b>20</b> Rent or lease (see page C-5):	<b>20a</b>	E90300
<b>10</b> Commissions and fees	<b>10</b>	E90160		a Vehicles, machinery, and equipment	<b>20b</b>	E90310
<b>11</b> Contract labor (see page C-4)	<b>11</b>	E90165		b Other business property	<b>21</b>	E90320
<b>12</b> Depletion	<b>12</b>	E90170		<b>22</b> Repairs and maintenance	<b>22</b>	E90325
<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	<b>13</b>	E90190		<b>23</b> Supplies (not included in Part III)	<b>23</b>	E90330
<b>14</b> Employee benefit programs (other than on line 19)	<b>14</b>	E90200		<b>24</b> Taxes and licenses	<b>24a</b>	E90340
<b>15</b> Insurance (other than health)	<b>15</b>	E90210		a Travel		
<b>16</b> Interest:	<b>16a</b>	E90240		b Meals and entertainment		E90345
a Mortgage (paid to banks, etc.)	<b>16b</b>	E90250		c Enter nondeductible amount included on line 24b (see page C-5)		E90350
b Other				d Subtract line 24c from line 24b	<b>24d</b>	E90355
<b>17</b> Legal and professional services	<b>17</b>	E90260		<b>25</b> Utilities	<b>25</b>	E90360
<b>18</b> Office expense	<b>18</b>	E90280		<b>26</b> Wages (less employment credits)	<b>26</b>	E90370
<b>28</b> <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27 in columns ▶	<b>28</b>	E90100		<b>27</b> Other expenses (from line 48 on page 2)	<b>27</b>	E90430
<b>29</b> Tentative profit (loss). Subtract line 28 from line 7	<b>29</b>	E90435 +/-		<b>28</b> <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27 in columns ▶	<b>28</b>	E90100
<b>30</b> Expenses for business use of your home. Attach <b>Form 8829</b>	<b>30</b>	E90438		<b>29</b> Tentative profit (loss). Subtract line 28 from line 7	<b>29</b>	E90435 +/-
<b>31</b> <b>Net profit or (loss).</b> Subtract line 30 from line 29.	<b>31</b>	E90440 +/-		<b>30</b> Expenses for business use of your home. Attach <b>Form 8829</b>	<b>30</b>	E90438
• If a profit, enter on <b>Form 1040, line 12</b> , and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.				<b>31</b> <b>Net profit or (loss).</b> Subtract line 30 from line 29.		
• If a loss, you <b>must</b> go to line 32.                      nondeductible loss (+) / suspended loss carryover (-)				• If a profit, enter on <b>Form 1040, line 12</b> , and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.		
<b>32</b> If you have a loss, check the box that describes your investment in this activity (see page C-6).				• If you checked 32a, enter the loss on <b>Form 1040, line 12</b> , and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.		
• If you checked 32a, enter the loss on <b>Form 1040, line 12</b> , and also on <b>Schedule SE, line 2</b> (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.				• If you checked 32b, you <b>must</b> attach <b>Form 6198</b> .		
• If you checked 32b, you <b>must</b> attach <b>Form 6198</b> .				<b>32a</b> <input type="checkbox"/> All investment is at risk.		
				<b>32b</b> <input type="checkbox"/> Some investment is not at risk.		



SCHEDULE C-EZ (Form 1040)

Net Profit From Business

(Sole Proprietorship)

2003

Attachment Sequence No. 09A

Department of the Treasury Internal Revenue Service (99)

Partnerships, joint ventures, etc., must file Form 1065 or 1065-B. Attach to Form 1040 or 1041. See instructions on back.

Name of proprietor

Social security number (SSN)

Part I General Information COMBINED TOTALS - SCHEDULE C - EZ

You May Use Schedule C-EZ Instead of Schedule C Only If You:

- Had business expenses of \$2,500 or less.
Use the cash method of accounting.
Did not have an inventory at any time during the year.
Did not have a net loss from your business.
Had only one business as a sole proprietor.

CCMEC

And You:

- Had no employees during the year.
Are not required to file Form 4562, Depreciation and Amortization, for this business.
Do not deduct expenses for business use of your home.
Do not have prior year unallowed passive activity losses from this business.

Form fields: A Principal business or profession, including product or service; B Enter code from pages C-7, 8, & 9; C Business name; D Employer ID number (EIN); E Business address.

Part II Figure Your Net Profit

Table with 3 rows: 1 Gross receipts, 2 Total expenses, 3 Net profit. Includes checkboxes for STATEM and PARENTS.

Part III Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 2.

Form fields: 4 When did you place your vehicle in service; 5 Of the total number of miles you drove your vehicle during 2003; 6-8a Questions about personal use and evidence.

## Instructions

You may use Schedule C-EZ instead of Schedule C if you operated a business or practiced a profession as a sole proprietorship and you have met all the requirements listed in Part I of Schedule C-EZ.

### Line A

Describe the business or professional activity that provided your principal source of income reported on line 1. Give the general field or activity and the type of product or service.

### Line B

Enter the six-digit code that identifies your principal business or professional activity. See pages C-7 through C-9 of the Instructions for Schedule C for the list of codes.

### Line D

You need an employer identification number (EIN) only if you had a qualified retirement plan or were required to file an employment, excise, estate, trust, or alcohol, tobacco, and firearms tax return. If you need an EIN, file **Form SS-4**, Application for Employer Identification Number. If you do not have an EIN, leave line D blank. **Do not** enter your SSN.

### Line E

Enter your business address. Show a street address instead of a box number. Include the suite or room number, if any.

### Line 1

Enter gross receipts from your trade or business. Include amounts you received in your trade or business that were properly shown on **Forms 1099-MISC**. If the total amounts that were reported in box 7 of Forms 1099-MISC are more than the total you are reporting on line 1, attach a statement explaining the difference. You must show all items of taxable income actually or constructively received during the year (in cash, property, or services). Income is constructively received when it is credited to your account or set aside for you to use. Do not offset this amount by any losses.

### Line 2

Enter the total amount of all deductible business expenses you actually paid during the year. Examples of these expenses include advertising, car and truck expenses, commissions and fees, insurance, interest, legal and professional services, office expense, rent or lease expenses, repairs and maintenance, supplies, taxes, travel, the allowable percentage of business meals and entertainment, and utilities (including telephone). For details, see the instructions for Schedule C, Parts II and V, on pages C-3 through C-7. If you wish, you may use the optional worksheet below to record your expenses.

If you claim car or truck expenses, be sure to complete Part III of Schedule C-EZ.

### Optional Worksheet for Line 2 (keep a copy for your records)

<b>a</b> Business meals and entertainment .....	<b>a</b>				
<b>b</b> Enter nondeductible amount included on line a (see the instructions for lines 24b and 24c on page C-5) .....	<b>b</b>				
<b>c</b> Deductible business meals and entertainment. Subtract line b from line a .....	<b>c</b>				
<b>d</b> .....	<b>d</b>				
<b>e</b> .....	<b>e</b>				
<b>f</b> .....	<b>f</b>				
<b>g</b> .....	<b>g</b>				
<b>h</b> .....	<b>h</b>				
<b>i</b> .....	<b>i</b>				
<b>j</b> Total. Add lines c through i. Enter here and on line 2 .....	<b>j</b>				





Net Profit From Business

(Sole Proprietorship)

Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.

Attach to Form 1040 or 1041. See instructions on back.

SCHEDULE C-EZ (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Name of proprietor

Social security number (SSN)

Part I General Information COMBINED TOTALS - SCHEDULE C - EZ

You May Use Schedule C-EZ Instead of Schedule C Only If You:

- Had business expenses of \$2,500 or less.
Use the cash method of accounting.
Did not have an inventory at any time during the year.
Did not have a net loss from your business.
Had only one business as a sole proprietor.

INVALC

CCMEC

And You:

- Had no employees during the year.
Are not required to file Form 4562, Depreciation and Amortization, for this business.
Do not deduct expenses for business use of your home.
Do not have prior year unallowed passive activity losses from this business.

Form fields: A Principal business or profession, including product or service; B Enter code from pages C-7, 8, & 9 NAIC; C Business name; D Employer ID number (EIN), if any; E Business address (including suite or room no.).

Part II Figure Your Net Profit

Table with 3 rows: 1 Gross receipts, 2 Total expenses, 3 Net profit. Includes checkboxes for STATEM and PARENTS.

Part III Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 2.

- 4 When did you place your vehicle in service for business purposes?
5 Of the total number of miles you drove your vehicle during 2003, enter the number of miles you used your vehicle for: a Business OTHER DEPENDENTS b Commuting c Other
6 Do you (or your spouse) have another vehicle available for personal use?
7 Was your vehicle available for personal use during off-duty hours?
8a Do you have evidence to support your deduction?
b If "Yes," is the evidence written?

## Instructions

You may use Schedule C-EZ instead of Schedule C if you operated a business or practiced a profession as a sole proprietorship and you have met all the requirements listed in Part I of Schedule C-EZ.

### Line A

Describe the business or professional activity that provided your principal source of income reported on line 1. Give the general field or activity and the type of product or service.

### Line B

Enter the six-digit code that identifies your principal business or professional activity. See pages C-7 through C-9 of the Instructions for Schedule C for the list of codes.

### Line D

You need an employer identification number (EIN) only if you had a qualified retirement plan or were required to file an employment, excise, estate, trust, or alcohol, tobacco, and firearms tax return. If you need an EIN, file **Form SS-4**, Application for Employer Identification Number. If you do not have an EIN, leave line D blank. **Do not** enter your SSN.

### Line E

Enter your business address. Show a street address instead of a box number. Include the suite or room number, if any.

### Line 1

Enter gross receipts from your trade or business. Include amounts you received in your trade or business that were properly shown on **Forms 1099-MISC**. If the total amounts that were reported in box 7 of Forms 1099-MISC are more than the total you are reporting on line 1, attach a statement explaining the difference. You must show all items of taxable income actually or constructively received during the year (in cash, property, or services). Income is constructively received when it is credited to your account or set aside for you to use. Do not offset this amount by any losses.

### Line 2

Enter the total amount of all deductible business expenses you actually paid during the year. Examples of these expenses include advertising, car and truck expenses, commissions and fees, insurance, interest, legal and professional services, office expense, rent or lease expenses, repairs and maintenance, supplies, taxes, travel, the allowable percentage of business meals and entertainment, and utilities (including telephone). For details, see the instructions for Schedule C, Parts II and V, on pages C-3 through C-7. If you wish, you may use the optional worksheet below to record your expenses.

If you claim car or truck expenses, be sure to complete Part III of Schedule C-EZ.

### Optional Worksheet for Line 2 (keep a copy for your records)

a Business meals and entertainment .....	a					
b Enter nondeductible amount included on line a (see the instructions for lines 24b and 24c on page C-5) .....	b					
c Deductible business meals and entertainment. Subtract line b from line a .....	c					
d .....	d					
e .....	e					
f .....	f					
g .....	g					
h .....	h					
i .....	i					
j <b>Total.</b> Add lines c through i. Enter here and on line 2 .....	j					



SCHEDULE C-EZ (Form 1040)

Net Profit From Business

(Sole Proprietorship)

2003

Attachment Sequence No. 09A

Department of the Treasury Internal Revenue Service (99)

Partnerships, joint ventures, etc., must file Form 1065 or 1065-B. Attach to Form 1040 or 1041. See instructions on back.

Name of proprietor

Social security number (SSN)

Part I General Information COMBINED TOTALS - SCHEDULE C - EZ

You May Use Schedule C-EZ Instead of Schedule C Only If You:

- Had business expenses of \$2,500 or less.
Use the cash method of accounting.
Did not have an inventory at any time during the year.
Did not have a net loss from your business.
Had only one business as a sole proprietor.

CCMEC

And You:

- Had no employees during the year.
Are not required to file Form 4562, Depreciation and Amortization, for this business.
Do not deduct expenses for business use of your home.
Do not have prior year unallowed passive activity losses from this business.

Form sections A through E: A Principal business or profession, including product or service; B Enter code from pages C-7, 8, & 9 NAIC; C Business name; D Employer ID number (EIN); E Business address.

Part II Figure Your Net Profit

Table with 3 rows: 1 Gross receipts, 2 Total expenses, 3 Net profit. Includes checkboxes for STATEM and PARENTS.

Part III Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 2.

- 4 When did you place your vehicle in service for business purposes?
5 Of the total number of miles you drove your vehicle during 2003, enter the number of miles you used your vehicle for: a Business, b Commuting, c Other
6 Do you (or your spouse) have another vehicle available for personal use?
7 Was your vehicle available for personal use during off-duty hours?
8a Do you have evidence to support your deduction?
b If "Yes," is the evidence written?

## Instructions

You may use Schedule C-EZ instead of Schedule C if you operated a business or practiced a profession as a sole proprietorship and you have met all the requirements listed in Part I of Schedule C-EZ.

### Line A

Describe the business or professional activity that provided your principal source of income reported on line 1. Give the general field or activity and the type of product or service.

### Line B

Enter the six-digit code that identifies your principal business or professional activity. See pages C-7 through C-9 of the Instructions for Schedule C for the list of codes.

### Line D

You need an employer identification number (EIN) only if you had a qualified retirement plan or were required to file an employment, excise, estate, trust, or alcohol, tobacco, and firearms tax return. If you need an EIN, file **Form SS-4**, Application for Employer Identification Number. If you do not have an EIN, leave line D blank. **Do not** enter your SSN.

### Line E

Enter your business address. Show a street address instead of a box number. Include the suite or room number, if any.

### Line 1

Enter gross receipts from your trade or business. Include amounts you received in your trade or business that were properly shown on **Forms 1099-MISC**. If the total amounts that were reported in box 7 of Forms 1099-MISC are more than the total you are reporting on line 1, attach a statement explaining the difference. You must show all items of taxable income actually or constructively received during the year (in cash, property, or services). Income is constructively received when it is credited to your account or set aside for you to use. Do not offset this amount by any losses.

### Line 2

Enter the total amount of all deductible business expenses you actually paid during the year. Examples of these expenses include advertising, car and truck expenses, commissions and fees, insurance, interest, legal and professional services, office expense, rent or lease expenses, repairs and maintenance, supplies, taxes, travel, the allowable percentage of business meals and entertainment, and utilities (including telephone). For details, see the instructions for Schedule C, Parts II and V, on pages C-3 through C-7. If you wish, you may use the optional worksheet below to record your expenses.

If you claim car or truck expenses, be sure to complete Part III of Schedule C-EZ.

### Optional Worksheet for Line 2 (keep a copy for your records)

<b>a</b> Business meals and entertainment . . . . .	<b>a</b>					
<b>b</b> Enter nondeductible amount included on line <b>a</b> (see the instructions for lines 24b and 24c on page C-5) . . . . .	<b>b</b>					
<b>c</b> Deductible business meals and entertainment. Subtract line <b>b</b> from line <b>a</b> . . . . .				<b>c</b>		
<b>d</b> .....				<b>d</b>		
<b>e</b> .....				<b>e</b>		
<b>f</b> .....				<b>f</b>		
<b>g</b> .....				<b>g</b>		
<b>h</b> .....				<b>h</b>		
<b>i</b> .....				<b>i</b>		
<b>j</b> <b>Total.</b> Add lines <b>c</b> through <b>i</b> . Enter here and on line 2 . . . . .				<b>j</b>		



**SCHEDULE D  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

Name(s) shown on Form 1040

**Capital Gains and Losses**

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040).  
▶ Use Schedule D-1 to list additional transactions for lines 1 and 8.

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **12**

Your social security number

**Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less**

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-6 of the instructions)	(e) Cost or other basis (see page D-6 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)	(g) Post-May 5 gain or (loss)* (see below)
1						
	N3					
	PARENTS				NTS	
<b>TOTAL DEPENDENTS</b>						
2 Enter your short-term totals, if any, from Schedule D-1, line 2 . . . . .		2			E21090	
3 <b>Total short-term sales price amounts.</b> Add lines 1 and 2 in column (d) . . . . .		3				
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 2002 Capital Loss Carryover Worksheet . . . . .					6 ( )	
7a Combine lines 1 through 5 in column (g). If the result is a loss, enter the result. Otherwise, enter -0-. Do not enter more than zero . . . . .					7a	( )
b <b>Net short-term capital gain or (loss).</b> Combine lines 1 through 6 in column (f) . . . . .					7b	

E22260

**Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year**

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-6 of the instructions)	(e) Cost or other basis (see page D-6 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)	(g) Post-May 5 gain or (loss)* (see below)
8						
						E21150
9 Enter your long-term totals, if any, from Schedule D-1, line 9 . . . . .		9			E22300	E22306
10 <b>Total long-term sales price amounts.</b> Add lines 8 and 9 in column (d) . . . . .		10	E22270			
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	E22320
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . . . .					12	E22365
13 Capital gain distributions. See page D-2 of the instructions . . . . .					13	E22370
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your 2002 Capital Loss Carryover Worksheet . . . . .					14 ( E22390 )	
15 Combine lines 8 through 13 in column (g). If zero or less, enter -0- . . . . .					15	E22556
16 <b>Net long-term capital gain or (loss).</b> Combine lines 8 through 14 in column (f) Next: Go to Part III on the back. . . . .					16	E23250
						E23300

\*Include in column (g) all gains and losses from column (f) from sales, exchanges, or conversions (including installment payments received) after May 5, 2003. However, do not include gain attributable to unrecaptured section 1250 gain, "collectibles gains and losses" (as defined on page D-8 of the instructions) or eligible gain on qualified small business stock (see page D-4 of the instructions).

**Part III Taxable Gain or Deductible Loss**

- 17a** Combine lines 7b and 16 and enter the result. If a loss, enter -0- on line 17b and go to line 18. If a gain, enter the gain on Form 1040, line 13a, and go to line 17b below
- b** Combine lines 7a and 15. If zero or less, enter -0-. Then complete Form 1040 through line 40.
- Next:**
- If line 16 of Schedule D is a gain or you have qualified dividends on Form 1040, line 9b, complete **Part IV** below.
  - Otherwise, skip the rest of Schedule D and complete the rest of Form 1040.
- 18** If line 17a is a loss, enter here and on Form 1040, line 13a, the **smaller** of (a) that loss or (b) (\$3,000) (or, if married filing separately, (\$1,500)) (see page D-7 of the instructions)
- Next:**
- If you have qualified dividends on Form 1040, line 9b, complete Form 1040 through line 40, and then complete **Part IV** below (but skip lines 19 and 20).
  - Otherwise, skip **Part IV** below and complete the rest of Form 1040.

17a		
17b		
18	(	)

**Part IV Tax Computation Using Maximum Capital Gains Rates**

If line 16 or line 17a is zero or less, skip lines 19 and 20 and go to line 21. Otherwise, go to line 19.

- 19** Enter your unrecaptured section 1250 gain, if any, from line 18 of the worksheet on page D-7
- 20** Enter your 28% rate gain, if any, from line 7 of the worksheet on page D-8 of the instructions

19		
20		

If lines 19 and 20 are zero, go to line 21. Otherwise, complete the worksheet on page D-11 of the instructions to figure the amount to enter on lines 35 and 53 below, and skip all other lines below.

- 21** Enter your taxable income from Form 1040, line 40
- 22** Enter the **smaller** of line 16 or line 17a, but not less than zero
- 23** Enter your qualified dividends from Form 1040, line 9b
- 24** Add lines 22 and 23
- 25** Amount from line 4g of Form 4952 (investment interest expense)
- 26** Subtract line 25 from line 24. If zero or less, enter -0-
- 27** Subtract line 26 from line 21. If zero or less, enter -0-
- 28** Enter the **smaller** of line 21 or:
- \$56,800 if married filing jointly or qualifying widow(er);
  - \$28,400 if single or married filing separately; or
  - \$38,050 if head of household
- If line 27 is more than line 28, skip lines 29-39 and go to line 40.
- 29** Enter the amount from line 27
- 30** Subtract line 29 from line 28. If zero or less, enter -0- and go to line 40
- 31** Add lines 17b and 23\*
- 32** Enter the **smaller** of line 30 or line 31
- 33** Multiply line 32 by 5% (.05)
- If lines 30 and 32 are the same, skip lines 34-39 and go to line 40.
- 34** Subtract line 32 from line 30
- 35** Enter your qualified 5-year gain, if any, from line 8 of the worksheet on page D-10
- 36** Enter the **smaller** of line 34 or line 35
- 37** Multiply line 36 by 8% (.08)
- 38** Subtract line 36 from line 34
- 39** Multiply line 38 by 10% (.10)
- If lines 26 and 30 are the same, skip lines 40-49 and go to line 50.
- 40** Enter the **smaller** of line 21 or line 26
- 41** Enter the amount from line 30 (if line 30 is blank, enter -0-)
- 42** Subtract line 41 from line 40
- 43** Add lines 17b and 23\*
- 44** Enter the amount from line 32 (if line 32 is blank, enter -0-)
- 45** Subtract line 44 from line 43
- 46** Enter the **smaller** of line 42 or line 45
- 47** Multiply line 46 by 15% (.15)
- 48** Subtract line 46 from line 42
- 49** Multiply line 48 by 20% (.20)
- 50** Figure the tax on the amount on line 27. Use the Tax Table or Tax Rate Schedules, whichever applies
- 51** Add lines 33, 37, 39, 47, 49, and 50
- 52** Figure the tax on the amount on line 21. Use the Tax Table or Tax Rate Schedules, whichever applies
- 53** **Tax on all taxable income.** Enter the **smaller** of line 51 or line 52 here and on Form 1040, line 41

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\*If lines 23 and 25 are more than zero, see Lines 31 and 43 on page D-9 for the amount to enter.

**SCHEDULE E  
(Form 1040)**

SCHE

**Supplemental Income and Loss**

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

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **13**

Department of the Treasury  
Internal Revenue Service (99)

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

Name(s) shown on return

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-2). Report farm rental income or loss from Form 4835 on page 2, line 40.

<b>1</b>	Show the kind and location of each rental real estate property:	<b>2</b>	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:	<b>Yes</b>	<b>No</b>
<b>A</b>	Number of RENTALS N22		• 14 days or	<b>A</b>	PURP
<b>B</b>	Number of ROYALTIES N23		• 10% of the total days rented at fair rental value?	<b>B</b>	
<b>C</b>			(See page E-3.)	<b>C</b>	

	Properties			Totals (Add columns A, B, and C.)
	A	B	C	
<b>3</b> Rents received	<b>3</b> RENT			<b>3</b> E25350
<b>4</b> Royalties received		<b>4</b> ROYALTY		<b>4</b> E25360
<b>Expenses:</b>				
<b>5</b> Advertising	<b>5</b>			
<b>6</b> Auto and travel (see page E-4)	<b>6</b>			
<b>7</b> Cleaning and maintenance	<b>7</b>			
<b>8</b> Commissions	<b>8</b>			
<b>9</b> Insurance	<b>9</b>			
<b>10</b> Legal and other professional fees	<b>10</b>			
<b>11</b> Management fees	<b>11</b>			
<b>12</b> Mortgage interest paid to banks, etc. (see page E-4)	<b>12</b>			<b>12</b> E25370
<b>13</b> Other interest	<b>13</b>		E25380	
<b>14</b> Repairs	<b>14</b>			
<b>15</b> Supplies	<b>15</b>			
<b>16</b> Taxes	<b>16</b>			
<b>17</b> Utilities	<b>17</b>			
<b>18</b> Other (list) ▶	<b>18</b>			
<b>19</b> Add lines 5 through 18	<b>19</b> E25400	E25430		<b>19</b>
<b>20</b> Depreciation expense or depletion (see page E-4)	<b>20</b> E25500	E25470		<b>20</b>
<b>21</b> Total expenses. Add lines 19 and 20	<b>21</b>			
<b>22</b> 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-4 to find out if you must file Form 6198.	<b>22</b> E25700 +/-	E25800 +/-		
<b>23</b> Deductible rental real estate loss. <b>Caution.</b> Your rental real estate loss on line 22 may be limited. See page E-4 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2.	<b>23</b> ( E25820 )	nondeductible rental loss suspended loss carryover	E25830 E25840	
<b>24</b> <b>Income.</b> Add positive amounts shown on line 22. Do not include any losses.	<b>24</b>			<b>24</b> E25850
<b>25</b> <b>Losses.</b> Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here	<b>25</b> ( E25860 )			
<b>26</b> <b>Total rental real estate and royalty income or (loss).</b> 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. Otherwise, include this amount in the total on line 41 on page 2	<b>26</b>			<b>26</b> E25870 +/-

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

Your social security number

**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 column (e) on line 28 and attach Form 6198. See page E-1.

**27** Are you reporting losses not allowed in prior years due to the at-risk or basis limitations, passive losses not reported on Form 8582, or unreimbursed partnership expenses?  Yes  No  
 If you answered "Yes," see page E-5 before completing this section. **SCHLOSS**  
**Caution:** The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

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	Number of PARTNERSHIPS	N15			N17
B					
C	Number of S-CORPS	N16			N18
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	
PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS
B	E25920	E25940	E25960	E26110	E25980
C	S-CORPS	S-CORPS	S-CORPS	S-CORPS	S-CORPS
D	E26160	E26170	E26180	E26100	E26190
29a Totals	E26210				E26225
b Totals	E26205		E26215	E26220	
30	Add columns (g) and (j) of line 29a				30 E26200
31	Add columns (f), (h), and (i) of line 29b				31 ( E26250 )
32	<b>Total partnership and S corporation income or (loss).</b> Combine lines 30 and 31. Enter the result here and include in the total on line 41 below				32 E26270 +/-

**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					
34a Totals	E26340				E26380
b Totals	E26320		E26360		
35	Add columns (d) and (f) of line 34a				35 E26390
36	Add columns (c) and (e) of line 34b				36 ( E26400 )
37	<b>Total estate and trust income or (loss).</b> Combine lines 35 and 36. Enter the result here and include in the total on line 41 below				37 E26500 +/-

**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-6)	(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 E27100 +/-

**Part V Summary**

40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	E27200 +/-
41	<b>Total income or (loss).</b> Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17	41	E27300 +/-
42	<b>Reconciliation of Farming and Fishing Income.</b> Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), line 15b; Schedule K-1 (Form 1120S), line 23; and Schedule K-1 (Form 1041), line 14 (see page E-6)	42	E27315
43	<b>Reconciliation for Real Estate Professionals.</b> If you were a real estate professional (see page E-1), enter the net income or (loss) you reported anywhere on Form 1040 from all rental real estate activities in which you materially participated under the passive activity loss rules	43	E27320 +/-

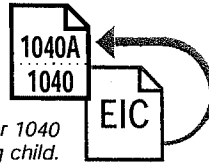




**SCHEDULE EIC**  
**(Form 1040A or 1040)**

EIC

**Earned Income Credit**  
**Qualifying Child Information**



OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **43**

Department of the Treasury  
Internal Revenue Service (99)

Complete and attach to Form 1040A or 1040  
only if you have a qualifying child.

Name(s) shown on return

Your social security number

**Before you begin:** See the instructions for Form 1040A, line 41, or Form 1040, line 63, to make sure that  
(a) you can take the EIC and (b) you have a qualifying child.



- If you take the EIC even though you are not eligible, you may not be allowed to take the credit for up to 10 years. See back of schedule for details.
- It will take us longer to process your return and issue your refund if you do not fill in all lines that apply for each qualifying child.
- Be sure the child's name on line 1 and social security number (SSN) on line 2a agree with the child's social security card. Otherwise, at the time we process your return, we may reduce or disallow your EIC. If the name or SSN on the child's social security card is not correct, call the Social Security Administration at 1-800-772-1213.

**Qualifying Child Information**

	Child 1		Child 2	
	First name	Last name	First name	Last name
<b>1 Child's name</b> If you have more than two qualifying children, you only have to list two to get the maximum credit.				
<b>2a Child's SSN</b> The child must have an SSN as defined on page 43 of the Form 1040A instructions or page 47 of the Form 1040 instructions unless the child was born and died in 2003. If your child was born and died in 2003 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate.	NOTREQ			
<b>b Child's year of birth</b>	Year <u>EICYB1</u> <u>EYOB1</u> <i>If born after 1984, skip lines 3a and 3b; go to line 4.</i>	<u>S054</u>	Year <u>EICYB2</u> <u>EYOB2</u> <i>If born after 1984, skip lines 3a and 3b; go to line 4.</i>	<u>S055</u>
<b>3 If the child was born before 1985—</b>	STDNT1		STDNT2	
<b>a</b> Was the child under age 24 at the end of 2003 and a student?	<input type="checkbox"/> Yes. <i>Go to line 4.</i>	<input type="checkbox"/> No. <i>Continue</i>	<input type="checkbox"/> Yes. <i>Go to line 4.</i>	<input type="checkbox"/> No. <i>Continue</i>
<b>b</b> Was the child permanently and totally disabled during any part of 2003?	<input type="checkbox"/> CHIND1 Yes. <i>Continue</i>	<input type="checkbox"/> No. The child is not a qualifying child.	<input type="checkbox"/> CHIND2 Yes. <i>Continue</i>	<input type="checkbox"/> No. The child is not a qualifying child.
<b>4 Child's relationship to you</b> (for example, son, daughter, grandchild, niece, nephew, foster child, etc.)	RELAT1		RELAT2	
<b>5 Number of months child lived with you in the United States during 2003</b>	NMNTH1		NMNTH2	
<ul style="list-style-type: none"> <li>• If the child lived with you for more than half of 2003 but less than 7 months, enter "7".</li> <li>• If the child was born or died in 2003 and your home was the child's home for the entire time he or she was alive during 2003, enter "12".</li> </ul>	_____ months <i>Do not enter more than 12 months.</i>		_____ months <i>Do not enter more than 12 months.</i>	



You may also be able to take the additional child tax credit if your child (a) was under age 17 at the end of 2003, (b) is claimed as your dependent on line 6c of Form 1040A or Form 1040, and (c) is a U.S. citizen or resident alien. For more details, see the instructions for line 42 of Form 1040A or line 65 of Form 1040.

**SCHEDULE D  
(Form 1040)**

**Capital Gains and Losses**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. 12

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040).

▶ Use Schedule D-1 to list additional transactions for lines 1 and 8.

Name(s) shown on Form 1040

Your social security number

**Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less**

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-6 of the instructions)	(e) Cost or other basis (see page D-6 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)	(g) Post-May 5 gain or (loss)* (see below)
1						
	N3					
	PARENTS				NTS	
<b>TOTAL DEPENDENTS</b>						
2 Enter your short-term totals, if any, from Schedule D-1, line 2 . . . . .	2				E21090	
3 <b>Total short-term sales price amounts.</b> Add lines 1 and 2 in column (d) . . . . .	3					
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 2002 Capital Loss Carryover Worksheet . . . . .					6 ( )	
7a Combine lines 1 through 5 in column (g). If the result is a loss, enter the result. Otherwise, enter -0-. <b>Do not</b> enter more than zero . . . . .					7a	( )
b <b>Net short-term capital gain or (loss).</b> Combine lines 1 through 6 in column (f) . . . . .					7b	

**Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year**

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-6 of the instructions)	(e) Cost or other basis (see page D-6 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)	(g) Post-May 5 gain or (loss)* (see below)
8						
						E21150
9 Enter your long-term totals, if any, from Schedule D-1, line 9 . . . . .	9				E22300	E22306
10 <b>Total long-term sales price amounts.</b> Add lines 8 and 9 in column (d) . . . . .	10		E22270			
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 E22320	E22326
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . . . .					12 E22365	E22366
13 Capital gain distributions. See page D-2 of the instructions . . . . .					13 E22370	E22376
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your 2002 Capital Loss Carryover Worksheet . . . . .					14 ( E22390 )	
15 Combine lines 8 through 13 in column (g). If zero or less, enter -0- . . . . .					15	E22556
16 <b>Net long-term capital gain or (loss).</b> Combine lines 8 through 14 in column (f) Next: Go to Part III on the back. . . . .					16 E23250	
						E23300

\*Include in column (g) all gains and losses from column (f) from sales, exchanges, or conversions (including installment payments received) after May 5, 2003. However, do not include gain attributable to unrecaptured section 1250 gain, "collectibles gains and losses" (as defined on page D-8 of the instructions) or eligible gain on qualified small business stock (see page D-4 of the instructions).

**Part III Taxable Gain or Deductible Loss**

- 17a** Combine lines 7b and 16 and enter the result. If a loss, enter -0- on line 17b and go to line 18. If a gain, enter the gain on Form 1040, line 13a, and go to line 17b below
- b** Combine lines 7a and 15. If zero or less, enter -0-. Then complete Form 1040 through line 40.  
**Next:** • If line 16 of Schedule D is a gain or you have qualified dividends on Form 1040, line 9b, complete **Part IV** below.  
 • Otherwise, skip the rest of Schedule D and complete the rest of Form 1040.
- 18** If line 17a is a loss, enter here and on Form 1040, line 13a, the **smaller** of (a) that loss or (b) (\$3,000) (or, if married filing separately, (\$1,500)) (see page D-7 of the instructions)  
**Next:** • If you have qualified dividends on Form 1040, line 9b, complete Form 1040 through line 40, and then complete **Part IV** below (but skip lines 19 and 20).  
 • Otherwise, skip **Part IV** below and complete the rest of Form 1040.

17a		
17b		
18	(	)

**Part IV Tax Computation Using Maximum Capital Gains Rates**

If line 16 or line 17a is zero or less, skip lines 19 and 20 and go to line 21. Otherwise, go to line 19.

- 19** Enter your unrecaptured section 1250 gain, if any, from line 18 of the worksheet on page D-7
- 20** Enter your 28% rate gain, if any, from line 7 of the worksheet on page D-8 of the instructions

19		
20		

If lines 19 and 20 are zero, go to line 21. Otherwise, complete the worksheet on page D-11 of the instructions to figure the amount to enter on lines 35 and 53 below, and skip all other lines below.

- 21** Enter your taxable income from Form 1040, line 40
- 22** Enter the **smaller** of line 16 or line 17a, but not less than zero
- 23** Enter your qualified dividends from Form 1040, line 9b
- 24** Add lines 22 and 23
- 25** Amount from line 4g of Form 4952 (investment interest expense)
- 26** Subtract line 25 from line 24. If zero or less, enter -0-
- 27** Subtract line 26 from line 21. If zero or less, enter -0-
- 28** Enter the **smaller** of line 21 or:  
 • \$56,800 if married filing jointly or qualifying widow(er);  
 • \$28,400 if single or married filing separately; or  
 • \$38,050 if head of household

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23		
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25		
26		E24516
27		
28		

If line 27 is more than line 28, skip lines 29-39 and go to line 40.

- 29** Enter the amount from line 27
- 30** Subtract line 29 from line 28. If zero or less, enter -0- and go to line 40
- 31** Add lines 17b and 23\*
- 32** Enter the **smaller** of line 30 or line 31
- 33** Multiply line 32 by 5% (.05)
- If lines 30 and 32 are the same, skip lines 34-39 and go to line 40.
- 34** Subtract line 32 from line 30
- 35** Enter your qualified 5-year gain, if any, from line 8 of the worksheet on page D-10
- 36** Enter the **smaller** of line 34 or line 35
- 37** Multiply line 36 by 8% (.08)
- 38** Subtract line 36 from line 34
- 39** Multiply line 38 by 10% (.10)

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39		

If lines 26 and 30 are the same, skip lines 40-49 and go to line 50.

- 40** Enter the **smaller** of line 21 or line 26
- 41** Enter the amount from line 30 (if line 30 is blank, enter -0-)
- 42** Subtract line 41 from line 40
- 43** Add lines 17b and 23\*
- 44** Enter the amount from line 32 (if line 32 is blank, enter -0-)
- 45** Subtract line 44 from line 43
- 46** Enter the **smaller** of line 42 or line 45
- 47** Multiply line 46 by 15% (.15)
- 48** Subtract line 46 from line 42
- 49** Multiply line 48 by 20% (.20)
- 50** Figure the tax on the amount on line 27. Use the Tax Table or Tax Rate Schedules, whichever applies
- 51** Add lines 33, 37, 39, 47, 49, and 50
- 52** Figure the tax on the amount on line 21. Use the Tax Table or Tax Rate Schedules, whichever applies
- 53** **Tax on all taxable income.** Enter the **smaller** of line 51 or line 52 here and on Form 1040, line 41

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42		
43		
44		
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47		
48		
49		
50		
51		
52		
53		

\*If lines 23 and 25 are more than zero, see Lines 31 and 43 on page D-9 for the amount to enter.

**SCHEDULE E  
(Form 1040)**

SCHE

**Supplemental Income and Loss**  
(From rental real estate, royalties, partnerships,  
S corporations, estates, trusts, REMICs, etc.)

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **13**

Department of the Treasury  
Internal Revenue Service (99)

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

Name(s) shown on return

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-2). Report farm rental income or loss from Form 4835 on page 2, line 40.

<b>1</b> Show the kind and location of each rental real estate property:	<b>2</b> 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.)	<b>Yes</b>	<b>No</b>
<b>A</b> ..... Number of RENTALS N22		<b>A</b>	<b>PURP</b>
<b>B</b> ..... Number of ROYALTIES N23		<b>B</b>	
<b>C</b> .....		<b>C</b>	

Income:	Properties			Totals (Add columns A, B, and C.)
	A	B	C	
<b>3</b> Rents received	<b>3</b> RENT			<b>3</b> E25350
<b>4</b> Royalties received		<b>4</b> ROYALTY		<b>4</b> E25360
<b>Expenses:</b>	<b>5</b>			
<b>6</b> Advertising	<b>6</b>			
<b>7</b> Auto and travel (see page E-4)	<b>7</b>			
<b>8</b> Cleaning and maintenance	<b>8</b>			
<b>9</b> Commissions	<b>9</b>			
<b>10</b> Insurance	<b>10</b>			
<b>11</b> Legal and other professional fees	<b>11</b>			
<b>12</b> Management fees	<b>12</b>			
<b>13</b> Mortgage interest paid to banks, etc. (see page E-4)	<b>13</b>		E25380	<b>12</b> E25370
<b>14</b> Other interest	<b>14</b>			
<b>15</b> Repairs	<b>15</b>			
<b>16</b> Supplies	<b>16</b>			
<b>17</b> Taxes	<b>17</b>			
<b>18</b> Utilities	<b>18</b>			
<b>18</b> Other (list) ▶	<b>18</b>			
<b>19</b> Add lines 5 through 18	<b>19</b> E25400	E25430		<b>19</b>
<b>20</b> Depreciation expense or depletion (see page E-4)	<b>20</b> E25500	E25470		<b>20</b>
<b>21</b> Total expenses. Add lines 19 and 20	<b>21</b>			
<b>22</b> 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-4 to find out if you must file Form 6198.	<b>22</b> E25700 +/-	E25800 +/-		
<b>23</b> Deductible rental real estate loss. <b>Caution.</b> Your rental real estate loss on line 22 may be limited. See page E-4 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	<b>23</b> (E25820)	nondeductible rental loss suspended loss carryover	E25830 E25840	
<b>24</b> Income. Add positive amounts shown on line 22. Do not include any losses.	<b>24</b>			<b>24</b> E25850
<b>25</b> Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here	<b>25</b>			<b>25</b> (E25860)
<b>26</b> 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. Otherwise, include this amount in the total on line 41 on page 2	<b>26</b>			<b>26</b> E25870 +/-

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

Your social security number

**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 column (e) on line 28 and attach Form 6198. See page E-1.

27 Are you reporting losses not allowed in prior years due to the at-risk or basis limitations, passive losses not reported on Form 8582, or unreimbursed partnership expenses?  Yes  No

If you answered "Yes," see page E-5 before completing this section. **SCHELOSS**

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

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	Number of PARTNERSHIPS	N15			N17
B					
C	Number of S-CORPS	N16			N18
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	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	PARTNERSHIPS	
B	E25920	E25940	E25960	E26110	E25980					
C	S-CORPS	S-CORPS	S-CORPS	S-CORPS	S-CORPS					
D	E26160	E26170	E26180	E26100	E26190					
29a	Totals		E26210				E26220			
b	Totals		E26205		E26215		E26220			
30	Add columns (g) and (j) of line 29a							30	E26200	
31	Add columns (f), (h), and (i) of line 29b							31	( E26250 )	
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	E26270 +/-	

**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									
34a	Totals		E26340		E26360		E26380		
b	Totals		E26320		E26360				
35	Add columns (d) and (f) of line 34a							35	E26390
36	Add columns (c) and (e) of line 34b							36	( E26400 )
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	E26500 +/-

**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-6)	(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	E27100 +/-

**Part V Summary**

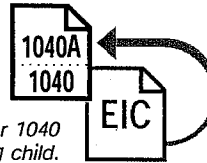
40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	E27200 +/-
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17	41	E27300 +/-
42	Reconciliation of Farming and Fishing Income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), line 15b; Schedule K-1 (Form 1120S), line 23; and Schedule K-1 (Form 1041), line 14 (see page E-6)	42	E27315
43	Reconciliation for Real Estate Professionals. If you were a real estate professional (see page E-1), enter the net income or (loss) you reported anywhere on Form 1040 from all rental real estate activities in which you materially participated under the passive activity loss rules.	43	E27320 +/-



**SCHEDULE EIC**  
(Form 1040A or 1040)

EIC

**Earned Income Credit**  
Qualifying Child Information



OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **43**

Department of the Treasury  
Internal Revenue Service (99)

Complete and attach to Form 1040A or 1040  
only if you have a qualifying child.

Name(s) shown on return

Your social security number

**Before you begin:** See the instructions for Form 1040A, line 41, or Form 1040, line 63, to make sure that (a) you can take the EIC and (b) you have a qualifying child.



- If you take the EIC even though you are not eligible, you may not be allowed to take the credit for up to 10 years. See back of schedule for details.
- It will take us longer to process your return and issue your refund if you do not fill in all lines that apply for each qualifying child.
- Be sure the child's name on line 1 and social security number (SSN) on line 2a agree with the child's social security card. Otherwise, at the time we process your return, we may reduce or disallow your EIC. If the name or SSN on the child's social security card is not correct, call the Social Security Administration at 1-800-772-1213.

**Qualifying Child Information**

**Child 1**

**Child 2**

	Child 1	Child 2
<b>1 Child's name</b> If you have more than two qualifying children, you only have to list two to get the maximum credit.	First name      Last name	First name      Last name
<b>2a Child's SSN</b> The child must have an SSN as defined on page 43 of the Form 1040A instructions or page 47 of the Form 1040 instructions unless the child was born and died in 2003. If your child was born and died in 2003 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate.	NOTREQ  S054	S055
<b>b Child's year of birth</b>	Year <u>  </u> EICYBI <u>  </u> EYOB1 <u>  </u> <i>If born after 1984, skip lines 3a and 3b; go to line 4.</i>	Year <u>  </u> EICYB2 <u>  </u> EYOB2 <u>  </u> <i>If born after 1984, skip lines 3a and 3b; go to line 4.</i>
<b>3 If the child was born before 1985—</b>	STDNT1	STDNT2
<b>a Was the child under age 24 at the end of 2003 and a student?</b>	<input type="checkbox"/> Yes. <input type="checkbox"/> No. <i>Go to line 4.      Continue</i>	<input type="checkbox"/> Yes. <input type="checkbox"/> No. <i>Go to line 4.      Continue</i>
<b>b Was the child permanently and totally disabled during any part of 2003?</b>	<input type="checkbox"/> CHIND1 Yes. <input type="checkbox"/> No. <i>Continue      The child is not a qualifying child.</i>	<input type="checkbox"/> CHIND2 Yes. <input type="checkbox"/> No. <i>Continue      The child is not a qualifying child.</i>
<b>4 Child's relationship to you</b> (for example, son, daughter, grandchild, niece, nephew, foster child, etc.)	RELAT1	RELAT2
<b>5 Number of months child lived with you in the United States during 2003</b>	NMNTH1	NMNTH2
<ul style="list-style-type: none"> <li>• If the child lived with you for more than half of 2003 but less than 7 months, enter "7".</li> <li>• If the child was born or died in 2003 and your home was the child's home for the entire time he or she was alive during 2003, enter "12".</li> </ul>	_____ months <i>Do not enter more than 12 months.</i>	_____ months <i>Do not enter more than 12 months.</i>



You may also be able to take the additional child tax credit if your child (a) was under age 17 at the end of 2003, (b) is claimed as your dependent on line 6c of Form 1040A or Form 1040, and (c) is a U.S. citizen or resident alien. For more details, see the instructions for line 42 of Form 1040A or line 65 of Form 1040.

**SCHEDULE F  
(Form 1040)**

SCHF

**Profit or Loss From Farming**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **14**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1041, Form 1065, or Form 1065-B.

▶ See Instructions for Schedule F (Form 1040).

Name of proprietor <b>SEXPRF</b>		Social security number (SSN)	
Principal product. Describe in one or two words your principal crop or activity for the current tax year. <b>COMSCF</b>		<b>B</b> Enter code from Part IV <b>NAIF</b>	
Accounting method: <b>ACCMEF</b> (1) <input type="checkbox"/> Cash ACMEF = 1 (2) <input type="checkbox"/> Accrual ACMEF = 2		<b>D</b> Employer ID number (EIN), if any <b>EINF</b>	
E Did you "materially participate" in the operation of this business during 2003? If "No," see page F-2 for limit on passive losses. <input type="checkbox"/> Yes <input type="checkbox"/> No <b>MPARTF</b>			

**Part I Farm Income—Cash Method. Complete Parts I and II (Accrual method taxpayers complete Parts II and III, and line 11 of Part I.)**  
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797.

1 Sales of livestock and other items you bought for resale	<b>1</b>	E95070		
2 Cost or other basis of livestock and other items reported on line 1	<b>2</b>	E95080		
3 Subtract line 2 from line 1	<b>3</b>	E95090 +/-		
4 Sales of livestock, produce, grains, and other products you raised	<b>4</b>	E95100		
5a Total cooperative distributions (Form(s) 1099-PATR)	<b>5a</b>	E95200	<b>5b</b> Taxable amount	<b>5b</b> E95210
6a Agricultural program payments (see page F-2)	<b>6a</b>	E95220	<b>6b</b> Taxable amount	<b>6b</b> E95230
7 Commodity Credit Corporation (CCC) loans (see page F-3):				
a CCC loans reported under election	<b>7a</b>	E95240		
b CCC loans forfeited	<b>7b</b>	E95260	<b>7c</b> Taxable amount	<b>7c</b> E95250
8 Crop insurance proceeds and certain disaster payments (see page F-3):				
a Amount received in 2003	<b>8a</b>	E95270	<b>8b</b> Taxable amount	<b>8b</b> E95280
c If election to defer to 2004 is attached, check here <input type="checkbox"/>	<b>8d</b>		<b>8d</b> Amount deferred from 2002	
9 Custom hire (machine work) income	<b>9</b>	E95290		
10 Other income, including Federal and state gasoline or fuel tax credit or refund (see page F-3)	<b>10</b>	E95300 +/-		
11 <b>Gross income.</b> Add amounts in the right column for lines 3 through 10. If accrual method taxpayer, enter the amount from page 2, line 51	<b>11</b>	E95310 +/-		

**Part II Farm Expenses—Cash and Accrual Method. Do not include personal or living expenses such as taxes, insurance, repairs, etc., on your home.**

12 Car and truck expenses (see page F-4—also attach Form 4562)	<b>12</b>	E95320		
13 Chemicals	<b>13</b>	E95330		
14 Conservation expenses (see page F-4)	<b>14</b>	E95340		
15 Custom hire (machine work)	<b>15</b>	E95350		
16 Depreciation and section 179 expense deduction not claimed elsewhere (see page F-4)	<b>16</b>	E95360		
17 Employee benefit programs other than on line 25	<b>17</b>	E95370		
18 Feed purchased	<b>18</b>	E95375		
19 Fertilizers and lime	<b>19</b>	E95377		
20 Freight and trucking	<b>20</b>			
21 Gasoline, fuel, and oil	<b>21</b>	E95380		
22 Insurance (other than health)	<b>22</b>	E95390		
23 Interest:				
a Mortgage (paid to banks, etc.)	<b>23a</b>	E95400		
b Other	<b>23b</b>	E95410		
24 Labor hired (less employment credits)	<b>24</b>	E95415		
25 Pension and profit-sharing plans	<b>25</b>	E95440		
26 Rent or lease (see page F-5):				
a Vehicles, machinery, and equipment	<b>26a</b>			
b Other (land, animals, etc.)	<b>26b</b>			
27 Repairs and maintenance	<b>27</b>	E95420		
28 Seeds and plants purchased	<b>28</b>	E95430		
29 Storage and warehousing	<b>29</b>			
30 Supplies purchased	<b>30</b>	E95450		
31 Taxes	<b>31</b>	E95460		
32 Utilities	<b>32</b>			
33 Veterinary, breeding, and medicine	<b>33</b>			
34 Other expenses (specify):				
a	<b>34a</b>			
b	<b>34b</b>			
c	<b>34c</b>			
d	<b>34d</b>			
e	<b>34e</b>			
f	<b>34f</b>			

Total of all unmarked expenses		E95540		
		(36)E95660 +/-		
35 <b>Total expenses.</b> Add lines 12 through 34	<b>35</b>	E95550		
36 <b>Net farm profit or (loss).</b> Subtract line 35 from line 11. If a profit, enter on Form 1040, line 18, and also on Schedule SE, line 1. If a loss, you must go on to line 37 (estates, trusts, and partnerships, see page F-6)	<b>36</b>	E95640 +/-		
37 If you have a loss, you must check the box that describes your investment in this activity (see page F-6).				
• If you checked 37a, enter the loss on Form 1040, line 18, and also on Schedule SE, line 1.	<b>37a</b>	<input type="checkbox"/>	All investment is at risk.	
• If you checked 37b, you must attach Form 6198.	<b>37b</b>	<input type="checkbox"/>	Some investment is not at risk.	

ATRSKF

**Part III Farm Income—Accrual Method** (see page F-6)

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797 and do not include this livestock on line 46 below.

38	Sales of livestock, produce, grains, and other products during the year . . . . .				38	E95100	
39a	Total cooperative distributions (Form(s) 1099-PATR)	39a	E95200		39b	E95210	
40a	Agricultural program payments . . . . .	40a	E95220		40b	E95230	
41	Commodity Credit Corporation (CCC) loans:						
a	CCC loans reported under election . . . . .				41a	E95240	
b	CCC loans forfeited . . . . .	41b	E95260		41c	E95250	
42	Crop insurance proceeds . . . . .				42	E95280	
43	Custom hire (machine work) income . . . . .				43	E95290	
44	Other income, including Federal and state gasoline or fuel tax credit or refund . . . . .				44	E95300 +/-	
45	Add amounts in the right column for lines 38 through 44 . . . . .				45	E95600	
46	Inventory of livestock, produce, grains, and other products at beginning of the year . . . . .	46					
47	Cost of livestock, produce, grains, and other products purchased during the year . . . . .	47					
48	Add lines 46 and 47 . . . . .	48					
49	Inventory of livestock, produce, grains, and other products at end of year . . . . .	49					
50	Cost of livestock, produce, grains, and other products sold. Subtract line 49 from line 48* . . . . .				50		
51	Gross income. Subtract line 50 from line 45. Enter the result here and on page 1, line 11 . . . . . ▶				51	E95610 +/-	

\*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 49 is larger than the amount on line 48, subtract line 48 from line 49. Enter the result on line 50. Add lines 45 and 50. Enter the total on line 51.

**Part IV Principal Agricultural Activity Codes**



File **Schedule C** (Form 1040), Profit or Loss From Business, or **Schedule C-EZ** (Form 1040), Net Profit From Business, instead of Schedule F if:

- Your principal source of income is from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management for a fee or on a contract basis or
- You are engaged in the business of breeding, raising, and caring for dogs, cats, or other pet animals.

These codes for the Principal Agricultural Activity classify farms by the type of activity they are engaged in to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select one of the following codes and enter the six-digit number on page 1, line B.

**Crop Production**

- 111100 Oilseed and grain farming
- 111210 Vegetable and melon farming

- 111300 Fruit and tree nut farming
- 111400 Greenhouse, nursery, and floriculture production
- 111900 Other crop farming

**Animal Production**

- 112111 Beef cattle ranching and farming
- 112112 Cattle feedlots
- 112120 Dairy cattle and milk production
- 112210 Hog and pig farming
- 112300 Poultry and egg production
- 112400 Sheep and goat farming
- 112510 Animal aquaculture
- 112900 Other animal production

**Forestry and Logging**

- 113000 Forestry and logging (including forest nurseries and timber tracts)





**SCHEDULE F  
(Form 1040)**

**Profit or Loss From Farming**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **14**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1041, Form 1065, or Form 1065-B.

▶ See Instructions for Schedule F (Form 1040).

Name of proprietor: **SXPRF1** Social security number (SSN):

**FIRST SCHEDULE F**

A Principal product. Describe in one or two words your principal crop or activity for the current tax year.  
**CMSCF1** NAIFX1

B Enter code from Part IV  
▶ **NAIF1**

C Accounting method: (1)  Cash ACMEF1 = 1 (2)  Accrual ACMEF1 = 2  
DOMF1

D Employer ID number (EIN), if any  
EIN1

E Did you "materially participate" in the operation of this business during 2003? If "No," see page F-2 for limit on passive losses.  Yes  No  
MPRTF1

**Part I Farm Income—Cash Method. Complete Parts I and II (Accrual method taxpayers complete Parts II and III, and line 11 of Part I.)  
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797.**

1	Sales of livestock and other items you bought for resale	1	E95070		
2	Cost or other basis of livestock and other items reported on line 1	2	E96080		
3	Subtract line 2 from line 1	3	E95090 +/-		
4	Sales of livestock, produce, grains, and other products you raised	4	E95100		
5a	Total cooperative distributions (Form(s) 1099-PATR)	5a	E96200	5b	Taxable amount
5b				5b	E95210
6a	Agricultural program payments (see page F-2)	6a	E96220	6b	Taxable amount
6b				6b	E96230
7	Commodity Credit Corporation (CCC) loans (see page F-3):				
a	CCC loans reported under election			7a	E95240
b	CCC loans forfeited	7b	E96260	7c	Taxable amount
7c				7c	E95250
8	Crop insurance proceeds and certain disaster payments (see page F-3):				
a	Amount received in 2003	8a	E96270	8b	Taxable amount
8b				8b	E96280
c	If election to defer to 2004 is attached, check here <input type="checkbox"/> 8d			8d	Amount deferred from 2002
8d				8d	
9	Custom hire (machine work) income	9	E96290	9	E96290
10	Other income, including Federal and state gasoline or fuel tax credit or refund (see page F-3)	10	E95300 +/-	10	E95300 +/-
11	Gross income. Add amounts in the right column for lines 3 through 10. If accrual method taxpayer, enter the amount from page 2, line 51	11	E96310 +/-	11	E96310 +/-

**Part II Farm Expenses—Cash and Accrual Method. Do not include personal or living expenses such as taxes, insurance, repairs, etc., on your home.**

12	Car and truck expenses (see page F-4—also attach Form 4562)	12	E95320	25	Pension and profit-sharing plans	25	E96440
13	Chemicals	13	E95330	26	Rent or lease (see page F-5):		
14	Conservation expenses (see page F-4)	14	E95340	a	Vehicles, machinery, and equipment	26a	
15	Custom hire (machine work)	15	E96350	b	Other (land, animals, etc.)	26b	
16	Depreciation and section 179 expense deduction not claimed elsewhere (see page F-4)	16	E96360	27	Repairs and maintenance	27	E96420
17	Employee benefit programs other than on line 25	17	E96370	28	Seeds and plants purchased	28	E96430
18	Feed purchased	18	E95375	29	Storage and warehousing	29	
19	Fertilizers and lime	19	E95377	30	Supplies purchased	30	E96450
20	Freight and trucking	20		31	Taxes	31	E96460
21	Gasoline, fuel, and oil	21	E96380	32	Utilities	32	
22	Insurance (other than health)	22	E95390	33	Veterinary, breeding, and medicine	33	
23	Interest:			34	Other expenses (specify):		
a	Mortgage (paid to banks, etc.)	23a	E96400	a		34a	
b	Other	23b	E96410	b		34b	
24	Labor hired (less employment credits)	24	E96415	c		34c	
				d		34d	
				e		34e	
				f		34f	

35	Total expenses. Add lines 12 through 34f	35	E96550		
36	Net farm profit or (loss). Subtract line 35 from line 11. If a profit, enter on Form 1040, line 18, and also on Schedule SE, line 1. If a loss, you must go on to line 37 (estates, trusts, and partnerships, see page F-6)	36	E96640 +/-		
37	If you have a loss, you must check the box that describes your investment in this activity (see page F-6). • If you checked 37a, enter the loss on Form 1040, line 18, and also on Schedule SE, line 1. • If you checked 37b, you must attach Form 6198.	37a	<input type="checkbox"/> All investment is at risk.	37b	<input type="checkbox"/> Some investment is not at risk.

ARSKF1

**Part III Farm Income—Accrual Method** (see page F-6)

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797 and do not include this livestock on line 46 below.

38	Sales of livestock, produce, grains, and other products during the year . . . . .				38	E95100	
39a	Total cooperative distributions (Form(s) 1099-PATR)	39a	E96200		39b	Taxable amount	E95210
40a	Agricultural program payments . . . . .	40a	E96220		40b	Taxable amount	E96230
41	Commodity Credit Corporation (CCC) loans:						
a	CCC loans reported under election . . . . .				41a		E95240
b	CCC loans forfeited . . . . .	41b	E96260		41c	Taxable amount	E95250
42	Crop insurance proceeds . . . . .				42		E96280
43	Custom hire (machine work) income . . . . .				43		E96290
44	Other income, including Federal and state gasoline or fuel tax credit or refund . . . . .				44		E95300 +/-
45	Add amounts in the right column for lines 38 through 44 . . . . .				45		E96600
46	Inventory of livestock, produce, grains, and other products at beginning of the year . . . . .	46					
47	Cost of livestock, produce, grains, and other products purchased during the year . . . . .	47					
48	Add lines 46 and 47 . . . . .	48					
49	Inventory of livestock, produce, grains, and other products at end of year . . . . .	49					
50	Cost of livestock, produce, grains, and other products sold. Subtract line 49 from line 48* . . . . .				50		
51	<b>Gross income.</b> Subtract line 50 from line 45. Enter the result here and on page 1, line 11 . . . . . ▶				51		E96610 +/-

\*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 49 is larger than the amount on line 48, subtract line 48 from line 49. Enter the result on line 50. Add lines 45 and 50. Enter the total on line 51.

**Part IV Principal Agricultural Activity Codes**



File **Schedule C** (Form 1040), Profit or Loss From Business, or **Schedule C-EZ** (Form 1040), Net Profit From Business, instead of Schedule F if:

- Your principal source of income is from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management for a fee or on a contract basis or
- You are engaged in the business of breeding, raising, and caring for dogs, cats, or other pet animals.

These codes for the Principal Agricultural Activity classify farms by the type of activity they are engaged in to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select one of the following codes and enter the six-digit number on page 1, line B.

**Crop Production**

- 111100 Oilseed and grain farming
- 111210 Vegetable and melon farming

- 111300 Fruit and tree nut farming
- 111400 Greenhouse, nursery, and floriculture production
- 111900 Other crop farming

**Animal Production**

- 112111 Beef cattle ranching and farming
- 112112 Cattle feedlots
- 112120 Dairy cattle and milk production
- 112210 Hog and pig farming
- 112300 Poultry and egg production
- 112400 Sheep and goat farming
- 112510 Animal aquaculture
- 112900 Other animal production

**Forestry and Logging**

- 113000 Forestry and logging (including forest nurseries and timber tracts)



**SCHEDULE F  
(Form 1040)**

**Profit or Loss From Farming**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **14**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1041, Form 1065, or Form 1065-B.

▶ See Instructions for Schedule F (Form 1040).

Name of proprietor

SXPRF2

SECOND SCHEDULE F

Social security number (SSN)

A Principal product. Describe in one or two words your principal crop or activity for the current tax year.

CMSCF2

NAIFX2

B Enter code from Part IV

▶ NAIF2

DOMF2

D Employer ID number (EIN), if any

EINF2

C Accounting method:

(1)  Cash ACMEF2 = 1 (2)  Accrual ACMEF2 = 2

MPRTF2

E Did you "materially participate" in the operation of this business during 2003? If "No," see page F-2 for limit on passive losses.  Yes  No

**Part I Farm Income—Cash Method. Complete Parts I and II (Accrual method taxpayers complete Parts II and III, and line 11 of Part I.)**  
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797.

1	Sales of livestock and other items you bought for resale	1	E95070		
2	Cost or other basis of livestock and other items reported on line 1	2	E97080		
3	Subtract line 2 from line 1	3	E95090 +/-		
4	Sales of livestock, produce, grains, and other products you raised	4	E95100		
5a	Total cooperative distributions (Form(s) 1099-PATR)	5a	E97200	5b Taxable amount	5b E95210
6a	Agricultural program payments (see page F-2)	6a	E97220	6b Taxable amount	6b E97230
7	Commodity Credit Corporation (CCC) loans (see page F-3):				
a	CCC loans reported under election			7a	E95240
b	CCC loans forfeited	7b	E97260	7c Taxable amount	7c E95250
8	Crop insurance proceeds and certain disaster payments (see page F-3):				
a	Amount received in 2003	8a	E97270	8b Taxable amount	8b E97280
c	If election to defer to 2004 is attached, check here <input type="checkbox"/>	8d		Amount deferred from 2002	8d
9	Custom hire (machine work) income	9	E97290		
10	Other income, including Federal and state gasoline or fuel tax credit or refund (see page F-3)	10	E95300 +/-		
11	Gross income. Add amounts in the right column for lines 3 through 10. If accrual method taxpayer, enter the amount from page 2, line 51	11	E97310 +/-		

**Part II Farm Expenses—Cash and Accrual Method. Do not include personal or living expenses such as taxes, insurance, repairs, etc., on your home.**

12	Car and truck expenses (see page F-4—also attach Form 4562)	12	E95320	25	Pension and profit-sharing plans	25	E97440
13	Chemicals	13	E95330	26	Rent or lease (see page F-5):		
14	Conservation expenses (see page F-4)	14	E95340	a	Vehicles, machinery, and equipment	26a	
15	Custom hire (machine work)	15	E97350	b	Other (land, animals, etc.)	26b	
16	Depreciation and section 179 expense deduction not claimed elsewhere (see page F-4)	16	E97360	27	Repairs and maintenance	27	E97420
17	Employee benefit programs other than on line 25	17	E97370	28	Seeds and plants purchased	28	E97430
18	Feed purchased	18	E95375	29	Storage and warehousing	29	
19	Fertilizers and lime	19	E95377	30	Supplies purchased	30	E97450
20	Freight and trucking	20		31	Taxes	31	E97460
21	Gasoline, fuel, and oil	21	E97380	32	Utilities	32	
22	Insurance (other than health)	22	E95390	33	Veterinary, breeding, and medicine	33	
23	Interest:			34	Other expenses (specify):		
a	Mortgage (paid to banks, etc.)	23a	E97400	a	.....	34a	
b	Other	23b	E97410	b	.....	34b	
24	Labor hired (less employment credits)	24	E97415	c	.....	34c	
				d	.....	34d	
				e	.....	34e	
				f	.....	34f	

Total of all unmarked expenses E97540 E97660 +/-

35 Total expenses. Add lines 12 through 34f. Non-deductible Loss (+) / Suspended Carryover (-) ▶ 35 E97550

36 Net farm profit or (loss). Subtract line 35 from line 11. If a profit, enter on Form 1040, line 18, and also on Schedule SE, line 1. If a loss, you must go on to line 37 (estates, trusts, and partnerships, see page F-6) . . . 36 E97640 +/-

37 If you have a loss, you must check the box that describes your investment in this activity (see page F-6).  
 • If you checked 37a, enter the loss on Form 1040, line 18, and also on Schedule SE, line 1.  
 • If you checked 37b, you must attach Form 6198. } 37a  All investment is at risk.  
 ARSKF2 37b  Some investment is not at risk.

**Part III Farm Income—Accrual Method** (see page F-6)

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797 and do not include this livestock on line 46 below.

38	Sales of livestock, produce, grains, and other products during the year . . . . .				38	E95100	
39a	Total cooperative distributions (Form(s) 1099-PATR)	39a	E97200		39b	Taxable amount	39b E95210
40a	Agricultural program payments . . . . .	40a	E97220		40b	Taxable amount	40b E97230
41	Commodity Credit Corporation (CCC) loans:						
a	CCC loans reported under election . . . . .				41a		41a E95240
b	CCC loans forfeited . . . . .	41b	E97260		41c	Taxable amount	41c E95250
42	Crop insurance proceeds . . . . .				42		42 E97280
43	Custom hire (machine work) income . . . . .				43		43 E97290
44	Other income, including Federal and state gasoline or fuel tax credit or refund . . . . .				44		44 E95300 +/-
45	Add amounts in the right column for lines 38 through 44 . . . . .				45		45 E97600
46	Inventory of livestock, produce, grains, and other products at beginning of the year . . . . .	46					
47	Cost of livestock, produce, grains, and other products purchased during the year . . . . .	47					
48	Add lines 46 and 47 . . . . .	48					
49	Inventory of livestock, produce, grains, and other products at end of year	49					
50	Cost of livestock, produce, grains, and other products sold. Subtract line 49 from line 48* . . . . .				50		
51	<b>Gross income.</b> Subtract line 50 from line 45. Enter the result here and on page 1, line 11 . . . . . ▶				51		51 E97610 +/-

\*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 49 is larger than the amount on line 48, subtract line 48 from line 49. Enter the result on line 50. Add lines 45 and 50. Enter the total on line 51.

**Part IV Principal Agricultural Activity Codes**



File **Schedule C** (Form 1040), Profit or Loss From Business, or **Schedule C-EZ** (Form 1040), Net Profit From Business, instead of Schedule F if:

- Your principal source of income is from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management for a fee or on a contract basis or
- You are engaged in the business of breeding, raising, and caring for dogs, cats, or other pet animals.

These codes for the Principal Agricultural Activity classify farms by the type of activity they are engaged in to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select one of the following codes and enter the six-digit number on page 1, line B.

**Crop Production**

- 111100 Oilseed and grain farming
- 111210 Vegetable and melon farming

- 111300 Fruit and tree nut farming
- 111400 Greenhouse, nursery, and floriculture production
- 111900 Other crop farming

**Animal Production**

- 112111 Beef cattle ranching and farming
- 112112 Cattle feedlots
- 112120 Dairy cattle and milk production
- 112210 Hog and pig farming
- 112300 Poultry and egg production
- 112400 Sheep and goat farming
- 112510 Animal aquaculture
- 112900 Other animal production

**Forestry and Logging**

- 113000 Forestry and logging (including forest nurseries and timber tracts)



**SCHEDULE H  
(Form 1040)**

SCHH

**Household Employment Taxes**

(For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes)

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **44**

Department of the Treasury  
Internal Revenue Service (99)

▶ **Attach to Form 1040, 1040NR, 1040-SS, or 1041.**

▶ **See separate instructions.**

Name of employer

Social security number

**COMBINED TOTAL**

Employer identification number

**A** Did you pay **any one** household employee cash wages of \$1,400 or more in 2003? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions on page H-3 before you answer this question.)

- Yes.** Skip lines B and C and go to line 1.
- No.** Go to line B.

**B** Did you withhold Federal income tax during 2003 for any household employee?

- Yes.** Skip line C and go to line 5.
- No.** Go to line C.

**C** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2002 or 2003 to **all** household employees? (**Do not** count cash wages paid in 2002 or 2003 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Do not file this schedule.
- Yes.** Skip lines 1-9 and go to line 10 on the back. (Calendar year taxpayers having no household employees in 2003 **do not** have to complete this form for 2003.)

**Part 1 Social Security, Medicare, and Income Taxes**

<b>1</b>	Total cash wages subject to social security taxes (see page H-3)	<b>1</b>	T27602		
<b>2</b>	Social security taxes. Multiply line 1 by 12.4% (.124)			<b>2</b>	S27612
<b>3</b>	Total cash wages subject to Medicare taxes (see page H-3)	<b>3</b>	T27622		
<b>4</b>	Medicare taxes. Multiply line 3 by 2.9% (.029)			<b>4</b>	S27632
<b>5</b>	Federal income tax withheld, if any			<b>5</b>	T27642
<b>6</b>	<b>Total social security, Medicare, and income taxes</b> (add lines 2, 4, and 5)			<b>6</b>	T27652
<b>7</b>	Advance earned income credit (EIC) payments, if any			<b>7</b>	T27662
<b>8</b>	<b>Net taxes</b> (subtract line 7 from line 6)			<b>8</b>	T27672

**9** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2002 or 2003 to household employees? (**Do not** count cash wages paid in 2002 or 2003 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Enter the amount from line 8 above on Form 1040, line 59. If you are not required to file Form 1040, see the line 9 instructions on page H-3.
- Yes.** Go to line 10 on the back.

**Part II Federal Unemployment (FUTA) Tax**

		FUTA		Yes	No
10	Did you pay unemployment contributions to only one state?	10			
11	Did you pay all state unemployment contributions for 2003 by April 15, 2004? Fiscal year filers, see page H-4	11			
12	Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?	12			

**Next:** If you checked the "Yes" box on all the lines above, complete Section A.  
If you checked the "No" box on any of the lines above, skip Section A and complete Section B.

**Section A**

13	Name of the state where you paid unemployment contributions ▶				
14	State reporting number as shown on state unemployment tax return ▶				
15	Contributions paid to your state unemployment fund (see page H-4).	15	T27682		
16	Total cash wages subject to FUTA tax (see page H-4)	16		T27702	
17	FUTA tax. Multiply line 16 by .008. Enter the result here, skip Section B, and go to line 26.	17			T27742

**Section B**

18 Complete all columns below that apply (if you need more space, see page H-4):

(a) Name of state	(b) State reporting number as shown on state unemployment tax return	(c) Taxable wages (as defined in state act)	(d) State experience rate period		(e) State experience rate	(f) Multiply col. (c) by .054	(g) Multiply col. (c) by col. (e)	(h) Subtract col. (g) from col. (f). If zero or less, enter -0-.	(i) Contributions paid to state unemployment fund
			From	To					

19	Totals	19							T27682
20	Add columns (h) and (i) of line 19	20	T27692						
21	Total cash wages subject to FUTA tax (see the line 16 instructions on page H-4)	21						T27702	
22	Multiply line 21 by 6.2% (.062)	22						S27712	
23	Multiply line 21 by 5.4% (.054)	23	S27722						
24	Enter the smaller of line 20 or line 23.	24						S27732	
25	FUTA tax. Subtract line 24 from line 22. Enter the result here and go to line 26.	25							T27742

**Part III Total Household Employment Taxes**

26	Enter the amount from line 8	26		T27672	
27	Add line 17 (or line 25) and line 26	27			S27752
28	Are you required to file Form 1040? <input type="checkbox"/> Yes. Stop. Enter the amount from line 27 above on Form 1040, line 59. Do not complete Part IV below. <input type="checkbox"/> No. You may have to complete Part IV. See page H-4 for details.				

**Part IV Address and Signature—Complete this part only if required. See the line 28 instructions on page H-4.**

Address (number and street) or P.O. box if mail is not delivered to street address \_\_\_\_\_ Apt., room, or suite no. \_\_\_\_\_

City, town or post office, state, and ZIP code \_\_\_\_\_

Under penalties of perjury, I declare that I have examined this schedule, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete. No part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments to employees.

Employer's signature \_\_\_\_\_ Date \_\_\_\_\_



**SCHEDULE H  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Household Employment Taxes**

(For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes)

▶ **Attach to Form 1040, 1040NR, 1040-SS, or 1041.**

▶ **See separate instructions.**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **44**

Name of employer

Social security number

**PRIMARY TAXPAYER**

Employer identification number

**A** Did you pay **any one** household employee cash wages of \$1,400 or more in 2003? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions on page H-3 before you answer this question.)

- Yes.** Skip lines B and C and go to line 1.
- No.** Go to line B.

**B** Did you withhold Federal income tax during 2003 for any household employee?

- Yes.** Skip line C and go to line 5.
- No.** Go to line C.

**C** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2002 or 2003 to **all** household employees? (Do not count cash wages paid in 2002 or 2003 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Do not file this schedule.
- Yes.** Skip lines 1-9 and go to line 10 on the back. (Calendar year taxpayers having no household employees in 2003 do not have to complete this form for 2003.)

**Part I Social Security, Medicare, and Income Taxes**

		T27600		
<b>1</b>	Total cash wages subject to social security taxes (see page H-3)	<b>1</b>		
<b>2</b>	Social security taxes. Multiply line 1 by 12.4% (.124)		<b>2</b>	S27610
<b>3</b>	Total cash wages subject to Medicare taxes (see page H-3)	T27620	<b>3</b>	
<b>4</b>	Medicare taxes. Multiply line 3 by 2.9% (.029)		<b>4</b>	S27630
<b>5</b>	Federal income tax withheld, if any		<b>5</b>	T27640
<b>6</b>	<b>Total social security, Medicare, and income taxes</b> (add lines 2, 4, and 5)		<b>6</b>	T27650
<b>7</b>	Advance earned income credit (EIC) payments, if any		<b>7</b>	T27660
<b>8</b>	<b>Net taxes</b> (subtract line 7 from line 6)		<b>8</b>	T27670

**9** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2002 or 2003 to household employees? (Do not count cash wages paid in 2002 or 2003 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Enter the amount from line 8 above on Form 1040, line 59. If you are not required to file Form 1040, see the line 9 instructions on page H-3.
- Yes.** Go to line 10 on the back.

**Part II Federal Unemployment (FUTA) Tax**

FUTA1

	Yes	No
10		
11		
12		

- 10 Did you pay unemployment contributions to only one state?
- 11 Did you pay all state unemployment contributions for 2003 by April 15, 2004? Fiscal year filers, see page H-4
- 12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?

**Next:** If you checked the "Yes" box on **all** the lines above, complete Section A.  
 If you checked the "No" box on **any** of the lines above, skip Section A and complete Section B.

**Section A**

13	Name of the state where you paid unemployment contributions ▶		
14	State reporting number as shown on state unemployment tax return ▶		
15	Contributions paid to your state unemployment fund (see page H-4).	15	T27680
16	Total cash wages subject to FUTA tax (see page H-4)	16	T27700
17	FUTA tax. Multiply line 16 by .008. Enter the result here, skip Section B, and go to line 26 . . .	17	T27740

**Section B**

18 Complete all columns below that apply (if you need more space, see page H-4):

(a) Name of state	(b) State reporting number as shown on state unemployment tax return	(c) Taxable wages (as defined in state act)	(d) State experience rate period		(e) State experience rate	(f) Multiply col. (c) by .054	(g) Multiply col. (c) by col. (e)	(h) Subtract col. (g) from col. (f). If zero or less, enter -0-.	(i) Contributions paid to state unemployment fund
			From	To					

19	Totals . . . . .	19	T27680
20	Add columns (h) and (i) of line 19 . . . . .	20	T27690
21	Total cash wages subject to FUTA tax (see the line 16 instructions on page H-4) . . . . .	21	T27700
22	Multiply line 21 by 6.2% (.062) . . . . .	22	S27710
23	Multiply line 21 by 5.4% (.054) . . . . .	23	S27720
24	Enter the <b>smaller</b> of line 20 or line 23 . . . . .	24	S27730
25	FUTA tax. Subtract line 24 from line 22. Enter the result here and go to line 26 . . . . .	25	T27740

**Part III Total Household Employment Taxes**

26	Enter the amount from line 8 . . . . .	26	T27670
27	Add line 17 (or line 25) and line 26 . . . . .	27	S27750
28	Are you required to file Form 1040? <input type="checkbox"/> <b>Yes.</b> Stop. Enter the amount from line 27 above on Form 1040, line 59. <b>Do not</b> complete Part IV below. <input type="checkbox"/> <b>No.</b> You may have to complete Part IV. See page H-4 for details.		

**Part IV Address and Signature—Complete this part only if required. See the line 28 instructions on page H-4.**

Address (number and street) or P.O. box if mail is not delivered to street address	Apt., room, or suite no.
City, town or post office, state, and ZIP code	

Under penalties of perjury, I declare that I have examined this schedule, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete. No part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments to employees.

Employer's signature	Date
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**SCHEDULE H  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Household Employment Taxes**

(For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes)

▶ **Attach to Form 1040, 1040NR, 1040-SS, or 1041.**

▶ **See separate instructions.**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **44**

Name of employer

Social security number

**SECOND TAXPAYER**

Employer identification number

**A** Did you pay **any one** household employee cash wages of \$1,400 or more in 2003? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions on page H-3 before you answer this question.)

- Yes.** Skip lines B and C and go to line 1.
- No.** Go to line B.

**B** Did you withhold Federal income tax during 2003 for any household employee?

- Yes.** Skip line C and go to line 5.
- No.** Go to line C.

**C** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2002 or 2003 to **all** household employees? (Do not count cash wages paid in 2002 or 2003 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Do not file this schedule.
- Yes.** Skip lines 1-9 and go to line 10 on the back. (Calendar year taxpayers having no household employees in 2003 do not have to complete this form for 2003.)

**Part I Social Security, Medicare, and Income Taxes**

	T27601		
<b>1</b> Total cash wages subject to social security taxes (see page H-3)	1		S27611
<b>2</b> Social security taxes. Multiply line 1 by 12.4% (.124)		2	
	T27621		
<b>3</b> Total cash wages subject to Medicare taxes (see page H-3)	3		S27631
<b>4</b> Medicare taxes. Multiply line 3 by 2.9% (.029)		4	T27641
<b>5</b> Federal income tax withheld, if any		5	T27651
<b>6 Total social security, Medicare, and income taxes</b> (add lines 2, 4, and 5)		6	T27661
<b>7</b> Advance earned income credit (EIC) payments, if any		7	T27671
<b>8 Net taxes</b> (subtract line 7 from line 6)		8	

**9** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2002 or 2003 to household employees? (Do not count cash wages paid in 2002 or 2003 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Enter the amount from line 8 above on Form 1040, line 59. If you are not required to file Form 1040, see the line 9 instructions on page H-3.
- Yes.** Go to line 10 on the back.

**Part II Federal Unemployment (FUTA) Tax**

FUTA2

	Yes	No
10		
11		
12		

- 10 Did you pay unemployment contributions to only one state?
- 11 Did you pay all state unemployment contributions for 2003 by April 15, 2004? Fiscal year filers, see page H-4
- 12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?

**Next:** If you checked the "Yes" box on all the lines above, complete Section A.  
 If you checked the "No" box on any of the lines above, skip Section A and complete Section B.

**Section A**

13	Name of the state where you paid unemployment contributions ▶			
14	State reporting number as shown on state unemployment tax return ▶			
15	Contributions paid to your state unemployment fund (see page H-4).	15	T27681	
16	Total cash wages subject to FUTA tax (see page H-4)	16	T27701	
17	<b>FUTA tax.</b> Multiply line 16 by .008. Enter the result here, skip Section B, and go to line 26 .	17	T27741	

**Section B**

18 Complete all columns below that apply (if you need more space, see page H-4):

(a) Name of state	(b) State reporting number as shown on state unemployment tax return	(c) Taxable wages (as defined in state act)	(d) State experience rate period		(e) State experience rate	(f) Multiply col. (c) by .054	(g) Multiply col. (c) by col. (e)	(h) Subtract col. (g) from col. (f). If zero or less, enter -0-.	(i) Contributions paid to state unemployment fund
			From	To					

19	Totals	19			T27681
20	Add columns (h) and (i) of line 19	20	T27691		
21	Total cash wages subject to FUTA tax (see the line 16 instructions on page H-4)	21	T27701		
22	Multiply line 21 by 6.2% (.062)	22	S27711		
23	Multiply line 21 by 5.4% (.054)	23	S27721		
24	Enter the smaller of line 20 or line 23.	24	S27731		
25	<b>FUTA tax.</b> Subtract line 24 from line 22. Enter the result here and go to line 26 .	25	T27741		

**Part III Total Household Employment Taxes**

26	Enter the amount from line 8 .	26	T27671	
27	Add line 17 (or line 25) and line 26 .	27	S27751	

- 28 Are you required to file Form 1040?
  - Yes. **Stop.** Enter the amount from line 27 above on Form 1040, line 59. **Do not** complete Part IV below.
  - No. You may have to complete Part IV. See page H-4 for details.

**Part IV Address and Signature—Complete this part only if required. See the line 28 instructions on page H-4.**

Address (number and street) or P.O. box if mail is not delivered to street address		Apt., room, or suite no.
City, town or post office, state, and ZIP code		

Under penalties of perjury, I declare that I have examined this schedule, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete. No part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments to employees.

Employer's signature	Date
----------------------	------



**SCHEDULE J  
(Form 1040)**

SCHJ

**Farm Income Averaging**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. **20**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040.

▶ See Instructions for Schedule J (Form 1040).

Name(s) shown on Form 1040

Social security number (SSN)

1	Enter the taxable income from your 2003 Form 1040, line 40	1	
2	Enter your <b>elected farm income</b> (see page J-1). <b>Do not</b> enter more than the amount on line 1	2	T27800
3	Subtract line 2 from line 1	3	S27810
4	Figure the tax on the amount on line 3. Use the <b>2003</b> Tax Table, Tax Rate Schedules, Qualified Dividends and Capital Gain Tax Worksheet, or Schedule D, whichever applies	4	S27820
5	If you used Schedule J to figure your tax for 2002, enter the amount from line 11 of your 2002 Schedule J. If you used Schedule J for 2001 but not 2002, enter the amount from line 15 of your 2001 Schedule J. If you used Schedule J for 2000 but not 2001 nor 2002, enter the amount from line 3 of your 2000 Schedule J. Otherwise, enter the taxable income from your <b>2000</b> Form 1040, line 39; Form 1040A, line 25; or Form 1040EZ, line 6. If zero or less, see page J-2	5	
6	Divide the amount on <b>line 2</b> by 3.0	6	
7	Combine lines 5 and 6. If zero or less, enter -0-	7	
8	Figure the tax on the amount on line 7 using <b>2000</b> tax rates (see page J-3)	8	T27830
9	If you used Schedule J to figure your tax for 2002, enter the amount from line 15 of your 2002 Schedule J. If you used Schedule J for 2001 but not 2002, enter the amount from line 3 of your 2001 Schedule J. Otherwise, enter the taxable income from your <b>2001</b> Form 1040, line 39; Form 1040A, line 25; or Form 1040EZ, line 6. If zero or less, see page J-4	9	
10	Enter the amount from line 6	10	
11	Combine lines 9 and 10. If less than zero, enter as a negative amount	11	
12	Figure the tax on the amount on line 11 using <b>2001</b> tax rates (see page J-5)	12	T27840
13	If you used Schedule J to figure your tax for 2002, enter the amount from line 3 of your 2002 Schedule J. Otherwise, enter the taxable income from your <b>2002</b> Form 1040, line 41; Form 1040A, line 27; or Form 1040EZ, line 6. If zero or less, see page J-7	13	
14	Enter the amount from line 6	14	
15	Combine lines 13 and 14. If less than zero, enter as a negative amount	15	
16	Figure the tax on the amount on line 15 using <b>2002</b> tax rates (see page J-8)	16	T27850
17	Add lines 4, 8, 12, and 16	17	S27860
18	If you used Schedule J to figure your tax for 2002, enter the amount from line 12 of your 2002 Schedule J. If you used Schedule J for 2001 but not 2002, enter the amount from line 16 of your 2001 Schedule J. If you used Schedule J for 2000 but not 2001 nor 2002, enter the amount from line 4 of your 2000 Schedule J. Otherwise, enter the tax from your <b>2000</b> Form 1040, line 40*; Form 1040A, line 26*; or Form 1040EZ, line 10	18	T27870
19	If you used Schedule J to figure your tax for 2002, enter the amount from line 16 of your 2002 Schedule J. If you used Schedule J for 2001 but not 2002, enter the amount from line 4 of your 2001 Schedule J. Otherwise, enter the tax from your <b>2001</b> Form 1040, line 40*; Form 1040A, line 26*; or Form 1040EZ, line 11	19	T27880
20	If you used Schedule J to figure your tax for 2002, enter the amount from line 4 of your 2002 Schedule J. Otherwise, enter the tax from your <b>2002</b> Form 1040, line 42*; Form 1040A, line 28*; or Form 1040EZ, line 10	20	T27890
*Do not include tax from Form 4972 or 8814 or from recapture of an education credit. Also, do not include alternative minimum tax from Form 1040A.			
21	Add lines 18 through 20	21	
22	Subtract line 21 from line 17. Also include this amount on Form 1040, line 41. <b>Caution.</b> Your tax may be less if you figure it using the 2003 Tax Table, Tax Rate Schedules, Qualified Dividends and Capital Gain Tax Worksheet, or Schedule D. Attach Schedule J only if you are using it to figure your tax.	22	S27900



**Schedule R  
(Form 1040)**

FLGSTR

**Credit for the Elderly or the Disabled**

OMB No. 1545-0074

**2003**

Attachment  
Sequence No. 16

Department of the Treasury  
Internal Revenue Service (99)

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedule R (Form 1040).**

Name(s) shown on Form 1040

Your social security number

You may be able to take this credit and reduce your tax if by the end of 2003:

- You were age 65 or older **or**
- You were under age 65, you retired on **permanent and total** disability, and you received taxable disability income.

But you must also meet other tests. See page R-1.

**TIP** In most cases, the IRS can figure the credit for you. See page R-1.

**Part I Check the Box for Your Filing Status and Age**

FLGSTR

**If your filing status is:** **And by the end of 2003:** **Check only one box:**

Single,  
Head of household, or  
Qualifying widow(er)

1 You were 65 or older . . . . . 1

2 You were under 65 and you retired on permanent and total disability 2

3 Both spouses were 65 or older . . . . . 3

4 Both spouses were under 65, but only one spouse retired on  
permanent and total disability . . . . . 4

Married filing  
jointly

5 Both spouses were under 65, and both retired on permanent and total  
disability . . . . . 5

6 One spouse was 65 or older, and the other spouse was under 65 and  
retired on permanent and total disability . . . . . 6

7 One spouse was 65 or older, and the other spouse was under 65 and  
**not** retired on permanent and total disability . . . . . 7

Married filing  
separately

8 You were 65 or older and you lived apart from your spouse for all of  
2003 . . . . . 8

9 You were under 65, you retired on permanent and total disability, and  
you lived apart from your spouse for all of 2003 . . . . . 9

**Did you check  
box 1, 3, 7,  
or 8?**

**Yes** —▶ Skip Part II and complete Part III on back.

**No** —▶ Complete Parts II and III.

**Part II Statement of Permanent and Total Disability** (Complete **only** if you checked box 2, 4, 5, 6, or 9 above.)

**If: 1** You filed a physician's statement for this disability for 1983 or an earlier year, or you filed or got a statement for tax years after 1983 and your physician signed line B on the statement, **and**

**2** Due to your continued disabled condition, you were unable to engage in any substantial gainful activity in 2003, check this box . . . . . ▶

- If you checked this box, you do not have to get another statement for 2003.
- If you **did not** check this box, have your physician complete the statement on page R-4. You **must** keep the statement for your records.

Department of the Treasury  
Internal Revenue Service (99)

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

Name of person with self-employment income (as shown on Form 1040) COMBINED FORMS	Social security number of person with self-employment income ▶
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**Who Must File Schedule SE**

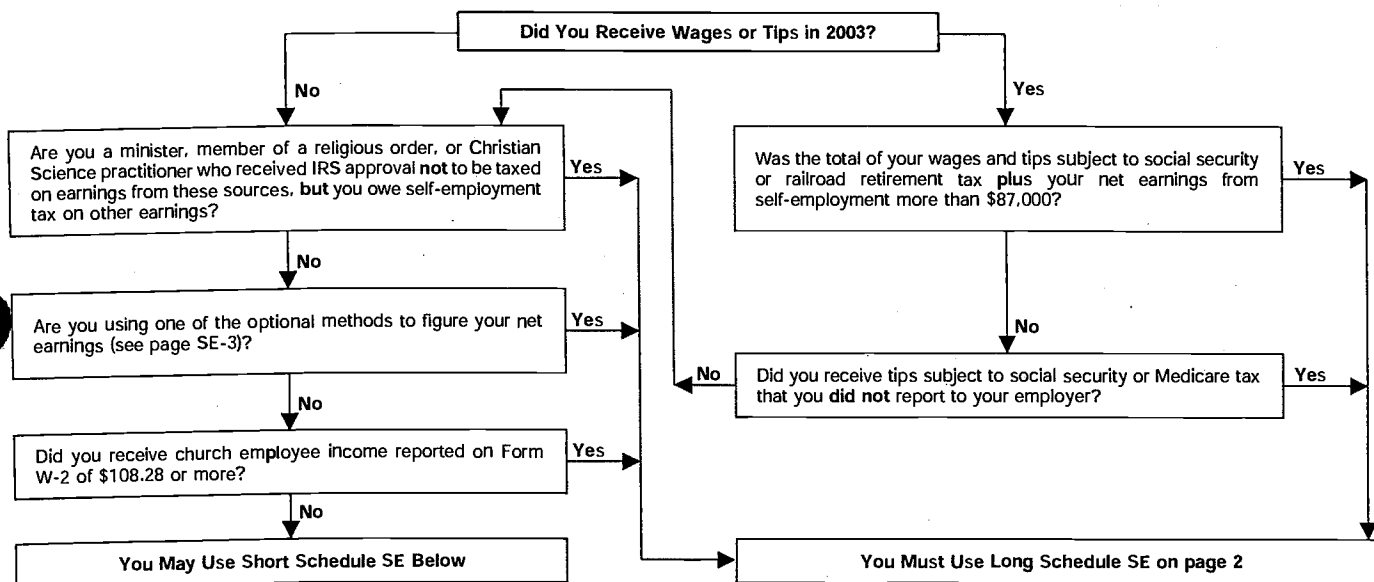
You must file Schedule SE if:

- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order is **not** church employee income (see page SE-1).

**Note.** Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (see page SE-3).

**Exception.** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 55.

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



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

1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a	1	E29000 +/-	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report	2	E29070 +/-	3
3 Combine lines 1 and 2	3		
4 Net earnings from self-employment. Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax E29190 E29275 ▶	4	E29130 +/-	
5 Self-employment tax. If the amount on line 4 is: • \$87,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 55. • More than \$87,000, multiply line 4 by 2.9% (.029). Then, add \$10,788.00 to the result. Enter the total here and on Form 1040, line 55.	5	E30600	
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.5). Enter the result here and on Form 1040, line 28	6		

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

Social Security number of person with self-employment income

**Section B—Long Schedule SE**

**Part I Self-Employment Tax**

**Note.** If your only income subject to self-employment tax is church employee income, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a. Income from services you performed as a minister or a member of a religious order is not church employee income. See page SE-1.

**A** If you are a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361, but you had \$400 or more of other net earnings from self-employment, check here and continue with Part I.

1	Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a. <b>Note.</b> Skip this line if you use the farm optional method (see page SE-4)	1	E29000 +/-	
2	Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report. <b>Note.</b> Skip this line if you use the nonfarm optional method (see page SE-4)	2	E29070 +/-	
3	Combine lines 1 and 2	3		
4a	If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3	4a	E29130 +/-	
4b	If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	4b		
4c	Combine lines 4a and 4b. If less than \$400, <b>do not</b> file this schedule; you do not owe self-employment tax. <b>Exception.</b> If less than \$400 and you had church employee income, enter -0- and continue	4c	E29190	
5a	Enter your church employee income from Form W-2. See page SE-1 for definition of church employee income.	5a	E30100	
5b	Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	5b		
6	<b>Net earnings from self-employment.</b> Add lines 4c and 5b	6	E29275	
7	Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2003	7	87,000	00
8a	Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$87,000 or more, skip lines 8b through 10, and go to line 11	8a	E29335	
8b	Unreported tips subject to social security tax (from Form 4137, line 9)	8b	E29355	
8c	Add lines 8a and 8b	8c	E29375	
9	Subtract line 8c from line 7. If zero or less, enter -0- here and on line 10 and go to line 11	9		
10	Multiply the smaller of line 6 or line 9 by 12.4% (.124)	10	E29500	
11	Multiply line 6 by 2.9% (.029)	11	E29975	
12	<b>Self-employment tax.</b> Add lines 10 and 11. Enter here and on Form 1040, line 55	12	E30600	
13	<b>Deduction for one-half of self-employment tax.</b> Multiply line 12 by 50% (.5). Enter the result here and on Form 1040, line 28	13		

**Part II Optional Methods To Figure Net Earnings** (see page SE-3)

<p><b>Farm Optional Method.</b> You may use this method <b>only</b> if:</p> <ul style="list-style-type: none"> <li>Your gross farm income<sup>1</sup> was not more than \$2,400 or</li> <li>Your net farm profits<sup>2</sup> were less than \$1,733.</li> </ul>				
14	Maximum income for optional methods	14	1,600	00
15	Enter the smaller of: two-thirds (2/3) of gross farm income <sup>1</sup> (not less than zero) or \$1,600. Also include this amount on line 4b above	15	E31150	
<p><b>Nonfarm Optional Method.</b> You may use this method <b>only</b> if:</p> <ul style="list-style-type: none"> <li>Your net nonfarm profits<sup>3</sup> were less than \$1,733 and also less than 72.189% of your gross nonfarm income<sup>4</sup> and</li> <li>You had net earnings from self-employment of at least \$400 in 2 of the prior 3 years.</li> </ul> <p><b>Caution.</b> You may use this method no more than five times.</p>				
16	Subtract line 15 from line 14	16		
17	Enter the smaller of: two-thirds (2/3) of gross nonfarm income <sup>4</sup> (not less than zero) or the amount on line 16. Also include this amount on line 4b above	17	E31220	

<sup>1</sup>From Sch. F, line 11, and Sch. K-1 (Form 1065), line 15b.

<sup>2</sup>From Sch. F, line 36, and Sch. K-1 (Form 1065), line 15a.

<sup>3</sup>From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), line 15a; and Sch. K-1 (Form 1065-B), box 9.

<sup>4</sup>From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), line 15c; and Sch. K-1 (Form 1065-B), box 9.



Department of the Treasury  
Internal Revenue Service (99)

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

Name of person with self-employment income (as shown on Form 1040) <b>PRIMARY TAXPAYER</b>	Social security number of person with self-employment income ▶
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**Who Must File Schedule SE**

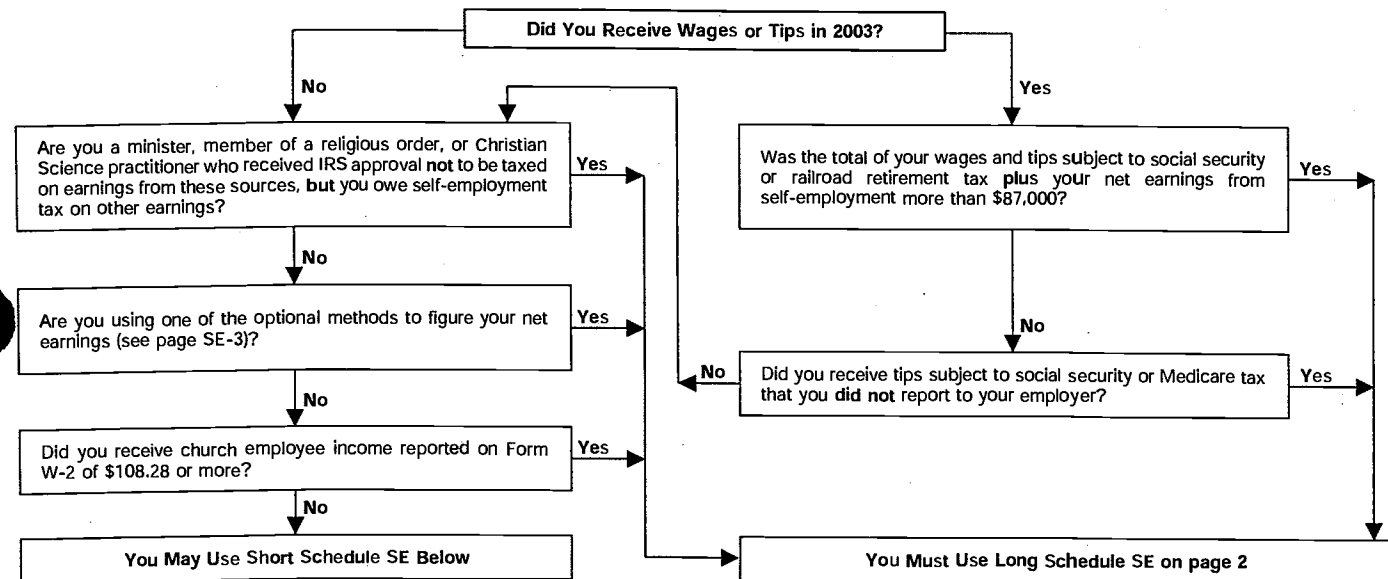
You must file Schedule SE if:

- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order is **not** church employee income (see page SE-1).

**Note.** Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (see page SE-3).

**Exception.** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 55.

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



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

- 1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a . . . . .
- 2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report . . . . .
- 3 Combine lines 1 and 2 . . . . .
- 4 **Net earnings from self-employment.** Multiply line 3 by 92.35% (.9235). If less than \$400, **do not** file this schedule; you do not owe self-employment tax . . . . . ▶
- 5 **Self-employment tax.** If the amount on line 4 is:
  - \$87,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on **Form 1040, line 55.**
  - More than \$87,000, multiply line 4 by 2.9% (.029). Then, add \$10,788.00 to the result. Enter the total here and on **Form 1040, line 55.**
- 6 **Deduction for one-half of self-employment tax.** Multiply line 5 by 50% (.5). Enter the result here and on **Form 1040, line 28** . . . . .

1	E29020 +/-	
2	E29100 +/-	
3		
4	E29150 +/-	
5	E30700	
6		

Name of person with self-employment income (as shown on Form 1040)	Social security number of person with self-employment income ▶
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**Section B—Long Schedule SE**

**Part I Self-Employment Tax**

**Note.** If your only income subject to self-employment tax is **church employee income**, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a. Income from services you performed as a minister or a member of a religious order is **not** church employee income. See page SE-1.

**A** If you are a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361, but you had \$400 or more of **other** net earnings from self-employment, check here and continue with Part I.

<b>1</b> Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a. <b>Note.</b> Skip this line if you use the farm optional method (see page SE-4)	<b>1</b>	E29020 +/-	
<b>2</b> Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report. <b>Note.</b> Skip this line if you use the nonfarm optional method (see page SE-4)	<b>2</b>	E29100 +/-	
<b>3</b> Combine lines 1 and 2	<b>3</b>		
<b>4a</b> If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3	<b>4a</b>	E29150 +/-	
<b>b</b> If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	<b>4b</b>		
<b>c</b> Combine lines 4a and 4b. If less than \$400, <b>do not</b> file this schedule; you do not owe self-employment tax. <b>Exception.</b> If less than \$400 and you had <b>church employee income</b> , enter -0- and continue ▶	<b>4c</b>	E29200	
<b>5a</b> Enter your <b>church employee income</b> from Form W-2. See page SE-1 for definition of church employee income.	<b>5a</b>	E30200	
<b>b</b> Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	<b>5b</b>		
<b>6</b> <b>Net earnings from self-employment.</b> Add lines 4c and 5b	<b>6</b>	E29300	
<b>7</b> Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2003	<b>7</b>	87,000	00
<b>8a</b> Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$87,000 or more, skip lines 8b through 10, and go to line 11	<b>8a</b>	E29335	
<b>b</b> Unreported tips subject to social security tax (from Form 4137, line 9)	<b>8b</b>	E29355	
<b>c</b> Add lines 8a and 8b	<b>8c</b>	E29400	
<b>9</b> Subtract line 8c from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 ▶	<b>9</b>		
<b>10</b> Multiply the <b>smaller</b> of line 6 or line 9 by 12.4% (.124)	<b>10</b>	E29550	
<b>11</b> Multiply line 6 by 2.9% (.029)	<b>11</b>	E30000	
<b>12</b> <b>Self-employment tax.</b> Add lines 10 and 11. Enter here and on <b>Form 1040, line 55</b>	<b>12</b>	E30700	
<b>13</b> <b>Deduction for one-half of self-employment tax.</b> Multiply line 12 by 50% (.5). Enter the result here and on <b>Form 1040, line 28</b>	<b>13</b>		

**Part II Optional Methods To Figure Net Earnings** (see page SE-3)

FRMCD1

**Farm Optional Method.** You may use this method **only** if:

- Your gross farm income<sup>1</sup> was not more than \$2,400 or
- Your net farm profits<sup>2</sup> were less than \$1,733.

<b>14</b> Maximum income for optional methods	<b>14</b>	1,600	00
<b>15</b> Enter the <b>smaller</b> of: two-thirds (2/3) of gross farm income <sup>1</sup> (not less than zero) or \$1,600. Also include this amount on line 4b above	<b>15</b>	E31170	

**Nonfarm Optional Method.** You may use this method **only** if:

- Your net nonfarm profits<sup>3</sup> were less than \$1,733 and also less than 72.189% of your gross nonfarm income<sup>4</sup> **and**
- You had net earnings from self-employment of at least \$400 in 2 of the prior 3 years.

**Caution.** You may use this method no more than five times.

<b>16</b> Subtract line 15 from line 14	<b>16</b>		
<b>17</b> Enter the <b>smaller</b> of: two-thirds (2/3) of gross nonfarm income <sup>4</sup> (not less than zero) or the amount on line 16. Also include this amount on line 4b above	<b>17</b>	E31250	

<sup>1</sup>From Sch. F, line 11, and Sch. K-1 (Form 1065), line 15b.

<sup>2</sup>From Sch. F, line 36, and Sch. K-1 (Form 1065), line 15a.

<sup>3</sup>From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), line 15a; and Sch. K-1 (Form 1065-B), box 9.

<sup>4</sup>From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), line 15c; and Sch. K-1 (Form 1065-B), box 9.





Department of the Treasury  
Internal Revenue Service (99)

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

Name of person with self-employment income (as shown on Form 1040) <b>SECOND TAXPAYER</b>	Social security number of person with self-employment income ▶
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**Who Must File Schedule SE**

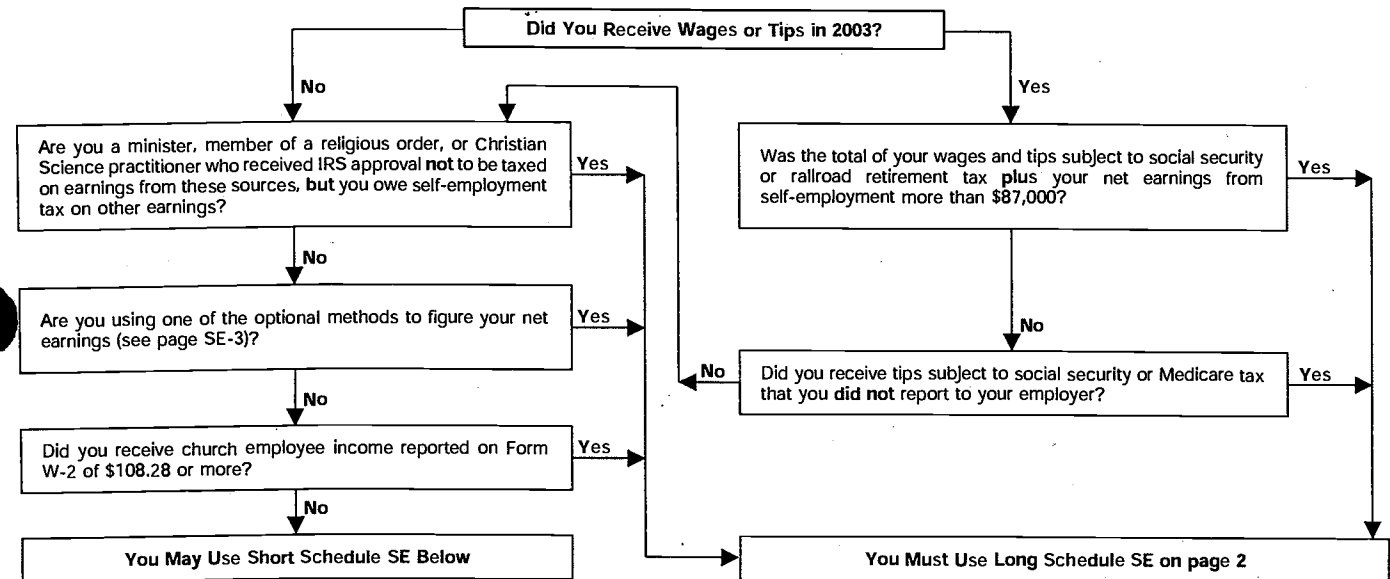
You must file Schedule SE if:

- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order is **not** church employee income (see page SE-1).

**Note.** Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (see page SE-3).

**Exception.** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 55.

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



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

1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a . . . . .	1	E29050 +/-	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report . . . . .	2	E29120 +/-	
3 Combine lines 1 and 2 . . . . .	3		
4 <b>Net earnings from self-employment.</b> Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax . E29250 . . . E29325 ▶	4	E29170 +/-	
5 <b>Self-employment tax.</b> If the amount on line 4 is: • \$87,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on <b>Form 1040, line 55.</b> • More than \$87,000, multiply line 4 by 2.9% (.029). Then, add \$10,788.00 to the result. Enter the total here and on <b>Form 1040, line 55.</b>	5	E30800	
6 <b>Deduction for one-half of self-employment tax.</b> Multiply line 5 by 50% (.5). Enter the result here and on <b>Form 1040, line 28</b> . . . . .	6		

Name of person With self-employment income (as shown on Form 1040)	Social security number of person with self-employment income ▶
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**Section B—Long Schedule SE**

**Part I Self-Employment Tax**

**Note.** If your only income subject to self-employment tax is **church employee income**, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a. Income from services you performed as a minister or a member of a religious order is **not** church employee income. See page SE-1.

**A** If you are a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361, but you had \$400 or more of **other** net earnings from self-employment, check here and continue with Part I.

<b>1</b> Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a. <b>Note.</b> Skip this line if you use the farm optional method (see page SE-4)	<b>1</b>	E29050 +/-	
<b>2</b> Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9: Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report. <b>Note.</b> Skip this line if you use the nonfarm optional method (see page SE-4)	<b>2</b>	E29120 +/-	
<b>3</b> Combine lines 1 and 2	<b>3</b>		
<b>4a</b> If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3	<b>4a</b>	E29170 +/-	
<b>b</b> If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	<b>4b</b>		
<b>c</b> Combine lines 4a and 4b. If less than \$400, <b>do not</b> file this schedule; you do not owe self-employment tax. <b>Exception.</b> If less than \$400 and you had <b>church employee income</b> , enter -0- and continue ▶	<b>4c</b>	E29250	
<b>5a</b> Enter your <b>church employee income</b> from Form W-2. See page SE-1 for definition of church employee income.	<b>5a</b>	E30300	
<b>b</b> Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	<b>5b</b>		
<b>6</b> <b>Net earnings from self-employment.</b> Add lines 4c and 5b	<b>6</b>	E29325	
<b>7</b> Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2003	<b>7</b>	87,000	00
<b>8a</b> Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$87,000 or more, skip lines 8b through 10, and go to line 11	<b>8a</b>	E29345	
<b>b</b> Unreported tips subject to social security tax (from Form 4137, line 9)	<b>8b</b>	E29365	
<b>c</b> Add lines 8a and 8b	<b>8c</b>	E29450	
<b>9</b> Subtract line 8c from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 ▶	<b>9</b>		
<b>10</b> Multiply the <b>smaller</b> of line 6 or line 9 by 12.4% (.124)	<b>10</b>	E29600	
<b>11</b> Multiply line 6 by 2.9% (.029)	<b>11</b>	E30050	
<b>12</b> <b>Self-employment tax.</b> Add lines 10 and 11. Enter here and on <b>Form 1040, line 55</b>	<b>12</b>	E30800	
<b>13</b> <b>Deduction for one-half of self-employment tax.</b> Multiply line 12 by 50% (.5). Enter the result here and on <b>Form 1040, line 28</b>	<b>13</b>		

**Part II Optional Methods To Figure Net Earnings** (see page SE-3)

<b>Farm Optional Method.</b> You may use this method <b>only</b> if:			
• Your gross farm income <sup>1</sup> was not more than \$2,400 or			
• Your net farm profits <sup>2</sup> were less than \$1,733.			
<b>14</b> Maximum income for optional methods	<b>14</b>	1,600	00
<b>15</b> Enter the <b>smaller</b> of: two-thirds (2/3) of gross farm income <sup>1</sup> (not less than zero) or \$1,600. Also include this amount on line 4b above	<b>15</b>	E31200	
<b>Nonfarm Optional Method.</b> You may use this method <b>only</b> if:			
• Your net nonfarm profits <sup>3</sup> were less than \$1,733 and also less than 72.189% of your gross nonfarm income <sup>4</sup> and			
• You had net earnings from self-employment of at least \$400 in 2 of the prior 3 years.			
<b>Caution.</b> You may use this method no more than five times.			
<b>16</b> Subtract line 15 from line 14	<b>16</b>		
<b>17</b> Enter the <b>smaller</b> of: two-thirds (2/3) of gross nonfarm income <sup>4</sup> (not less than zero) or the amount on line 16. Also include this amount on line 4b above	<b>17</b>	E31300	

<sup>1</sup>From Sch. F, line 11, and Sch. K-1 (Form 1065), line 15b. <sup>3</sup>From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), line 15a; and Sch. K-1 (Form 1065-B), box 9.  
<sup>2</sup>From Sch. F, line 36, and Sch. K-1 (Form 1065), line 15a. <sup>4</sup>From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), line 15c; and Sch. K-1 (Form 1065-B), box 9.

Foreign Tax Credit

(Individual, Estate, or Trust)

Attach to Form 1040, 1040NR, 1041, or 990-T.

See separate instructions.

Department of the Treasury Internal Revenue Service (99)

Name Identifying number as shown on page 1 of your tax return

Use a separate Form 1116 for each category of income listed below. See Categories of Income on page 3 of the instructions. Check only one box on each Form 1116. Report all amounts in U.S. dollars except where specified in Part II below.

- a Passive income, b High withholding tax interest, c Financial services income, d Shipping income, e Dividends from a DISC or former DISC, f Certain distributions from a foreign sales corporation (FSC) or former FSC, g Lump-sum distributions, h Section 901(j) income, i Certain income re-sourced by treaty, j General limitation income

k Resident of (name of country)

Note: If you paid taxes to only one foreign country or U.S. possession, use column A in Part I and line A in Part II. If you paid taxes to more than one foreign country or U.S. possession, use a separate column and line for each country or possession.

Part I Taxable Income or Loss From Sources Outside the United States (for Category Checked Above)

Table with columns: Foreign Country or U.S. Possession (A, B, C), Total (Add cols. A, B, and C). Rows include: 1 Enter the name of the foreign country or U.S. possession, 1 Gross income from sources within country shown above and of the type checked above, Deductions and losses (Caution: See pages 9, 11, and 12 of the instructions), 2 Expenses definitely related to the income on line 1, 3 Pro rata share of other deductions not definitely related, 4 Pro rata share of interest expense, 5 Losses from foreign sources, 6 Add lines 2, 3g, 4a, 4b, and 5, 7 Subtract line 6 from line 1. Enter the result here and on line 14, page 2.

Part II Foreign Taxes Paid or Accrued (see page 12 of the instructions)

Table with columns: Country, Credit is claimed for taxes (you must check one), Foreign taxes paid or accrued (In foreign currency, In U.S. dollars), (o) Date paid or accrued, (p) Dividends, (q) Rents and royalties, (r) Interest, (s) Other foreign taxes paid or accrued, (t) Dividends, (u) Rents and royalties, (v) Interest, (w) Other foreign taxes paid or accrued, (x) Total foreign taxes paid or accrued (add cols. (t) through (w)).

8 Add lines A through C, column (x). Enter the total here and on line 9, page 2

**Part III Figuring the Credit**

9	Enter the amount from line 8. These are your total foreign taxes paid or accrued for the category of income checked above Part I . . . . .	9		
10	Carryback or carryover (attach detailed computation) . . . . .	10		
11	Add lines 9 and 10 . . . . .	11		
12	Reduction in foreign taxes (see page 13 of the instructions) . . . . .	12		
13	Subtract line 12 from line 11. This is the total amount of foreign taxes available for credit . . . . .	13		
14	Enter the amount from line 7. This is your taxable income or (loss) from sources outside the United States (before adjustments) for the category of income checked above Part I (see page 14 of the instructions) . . . . .	14		
15	Adjustments to line 14 (see page 14 of the instructions) . . . . .	15		
16	Combine the amounts on lines 14 and 15. This is your net foreign source taxable income. (If the result is zero or less, you have no foreign tax credit for the category of income you checked above Part I. Skip lines 17 through 21. However, if you are filing more than one Form 1116, you must complete line 19.) . . . . .	16		
17	<b>Individuals:</b> Enter the amount from Form 1040, line 38. If you are a nonresident alien, enter the amount from Form 1040NR, line 36. <b>Estates and trusts:</b> Enter your taxable income without the deduction for your exemption . . . . . <i>Caution: If you figured your tax using the lower rates on qualified dividends or capital gains, see page 15 of the instructions.</i>	17		
18	Divide line 16 by line 17. If line 16 is more than line 17, enter "1" . . . . .	18		
19	<b>Individuals:</b> Enter the amount from Form 1040, line 41. If you are a nonresident alien, enter the amount from Form 1040NR, line 39. <b>Estates and trusts:</b> Enter the amount from Form 1041, Schedule G, line 1a, or the total of Form 990-T, lines 36 and 37. . . . . <i>Caution: If you are completing line 19 for separate category g (lump-sum distributions), see page 16 of the instructions.</i>	19		
20	Multiply line 19 by line 18 (maximum amount of credit) . . . . .	20		
21	Enter the <b>smaller</b> of line 13 or line 20. If this is the only Form 1116 you are filing, skip lines 22 through 30 and enter this amount on line 31. Otherwise, complete the appropriate line in Part IV (see page 16 of the instructions) . . . . . ▶	21		

**Part IV Summary of Credits From Separate Parts III (see page 16 of the instructions)**

22	Credit for taxes on passive income . . . . .	22		
23	Credit for taxes on high withholding tax interest . . . . .	23		
24	Credit for taxes on financial services income . . . . .	24		
25	Credit for taxes on shipping income . . . . .	25		
26	Credit for taxes on dividends from a DISC or former DISC and certain distributions from a FSC or former FSC . . . . .	26		
27	Credit for taxes on lump-sum distributions . . . . .	27		
28	Credit for taxes on certain income re-sourced by treaty . . . . .	28		
29	Credit for taxes on general limitation income . . . . .	29		
30	Add lines 22 through 29 . . . . .	30		
31	Enter the <b>smaller</b> of line 19 or line 30 . . . . .	31		
32	Reduction of credit for international boycott operations. See instructions for line 12 on page 14 . . . . .	32		
33	Subtract line 32 from line 31. This is your <b>foreign tax credit</b> . Enter here and on Form 1040, line 44; Form 1040NR, line 42; Form 1041, Schedule G, line 2a; or Form 990-T, line 40a . . . . . ▶	33		



**Employee Business Expenses**

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to Form 1040.

Your name  <b>COMBINED TOTAL</b>	Occupation in which you incurred expenses	Social security number
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**Part I Employee Business Expenses and Reimbursements**

	Column A Other Than Meals and Entertainment		Column B Meals and Entertainment	
<b>1</b> Vehicle expense from line 22 or line 29. (Rural mail carriers: See instructions.)	1	E31720		
<b>2</b> Parking fees, tolls, and transportation, including train, bus, etc., that <b>did not</b> involve overnight travel or commuting to and from work	2	E31740		
<b>3</b> Travel expense while away from home overnight, including lodging, airplane, car rental, etc. <b>Do not</b> include meals and entertainment.	3	E31760		
<b>4</b> Business expenses not included on lines 1 through 3. <b>Do not</b> include meals and entertainment	4	E31780		
<b>5</b> Meals and entertainment expenses (see instructions)			E31800	
<b>6</b> <b>Total expenses.</b> In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6	E31820		

**Note:** If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.

**Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1**

<b>7</b> Enter reimbursements received from your employer that were <b>not</b> reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions)	7	E31840		E31860	
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**Step 3 Figure Expenses To Deduct on Schedule A (Form 1040)**

<b>8</b> Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7  <b>Note:</b> If <b>both columns</b> of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.	8	E31960		E31980	
<b>9</b> In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses by 65% (.65) instead of 50%. For details, see instructions.)				E32020	
<b>10</b> Add the amounts on line 9 of both columns and enter the total here. <b>Also, enter the total on Schedule A (Form 1040), line 20.</b> (Fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules on where to enter the total.) ▶	10			E32040	

**Part II Vehicle Expenses**

**Section A—General Information** (You must complete this section if you are claiming vehicle expenses.)

	(a) Vehicle 1	(b) Vehicle 2
11 Enter the date the vehicle was placed in service . . . . .	11 / /	/ /
12 Total miles the vehicle was driven during 2002 . . . . .	12 miles	miles
13 Business miles included on line 12 . . . . .	13 miles	miles
14 Percent of business use. Divide line 13 by line 12 . . . . .	14 %	%
15 Average daily roundtrip commuting distance . . . . .	15 miles	miles
16 Commuting miles included on line 12 . . . . .	16 miles	miles
17 Other miles. Add lines 13 and 16 and subtract the total from line 12 . . . . .	17 miles	miles
18 Do you (or your spouse) have another vehicle available for personal use? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
19 Was your vehicle available for personal use during off-duty hours? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
20 Do you have evidence to support your deduction? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
21 If "Yes," is the evidence written? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Section B—Standard Mileage Rate** (See the instructions for Part II to find out whether to complete this section or Section C.)

22 Multiply line 13 by 36 1/2¢ (.365) . . . . .	22
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**Section C—Actual Expenses**

	(a) Vehicle 1	(b) Vehicle 2
23 Gasoline, oil, repairs, vehicle insurance, etc. . . . .	23	
24a Vehicle rentals . . . . .	24a	
b Inclusion amount (see instructions)	24b	
c Subtract line 24b from line 24a	24c	
25 Value of employer-provided vehicle (applies only if 100% of annual lease value was included on Form W-2—see instructions)	25	
26 Add lines 23, 24c, and 25 . . . . .	26	
27 Multiply line 26 by the percentage on line 14 . . . . .	27	
28 Depreciation. Enter amount from line 38 below . . . . .	28	
29 Add lines 27 and 28. Enter total here and on line 1 . . . . .	29	

**Section D—Depreciation of Vehicles** (Use this section only if you owned the vehicle and are completing Section C for the vehicle.)

	(a) Vehicle 1	(b) Vehicle 2
30 Enter cost or other basis (see instructions) . . . . .	30	
31 Enter section 179 deduction and special allowance (see instructions) . . . . .	31	
32 Multiply line 30 by line 14 (see instructions if you claimed the section 179 deduction or special allowance) . . . . .	32	
33 Enter depreciation method and percentage (see instructions) . . . . .	33	
34 Multiply line 32 by the percentage on line 33 (see instructions) . . . . .	34	
35 Add lines 31 and 34 . . . . .	35	
36 Enter the limit from the table in the line 36 instructions . . . . .	36	
37 Multiply line 36 by the percentage on line 14 . . . . .	37	
38 Enter the <b>smaller</b> of line 35 or line 37. Also enter this amount on line 28 above . . . . .	38	



**Employee Business Expenses**

▶ See separate instructions.

▶ Attach to Form 1040.

Department of the Treasury  
Internal Revenue Service (99)

Your name <b>Secondary</b>	Occupation in which you incurred expenses	Social security number
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**Part I Employee Business Expenses and Reimbursements**

**Step 1 Enter Your Expenses**

	Column A Other Than Meals and Entertainment	Column B Meals and Entertainment
1 Vehicle expense from line 22 or line 29. (Rural mail carriers: See instructions.)	E31720	
2 Parking fees, tolls, and transportation, including train, bus, etc., that <b>did not</b> involve overnight travel or commuting to and from work	E31740	
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. <b>Do not</b> include meals and entertainment.	E31760	
4 Business expenses not included on lines 1 through 3. <b>Do not</b> include meals and entertainment	E31780	
5 Meals and entertainment expenses (see instructions)		E31800
6 <b>Total expenses.</b> In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	E31820	

**Note:** If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.

**Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1**

7 Enter reimbursements received from your employer that were <b>not</b> reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions)	E31840	E31860
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**Step 3 Figure Expenses To Deduct on Schedule A (Form 1040)**

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7	E31960	E31980
<b>Note:</b> If <b>both columns</b> of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.		
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses by 65% (.65) instead of 50%. For details, see instructions.)		E32020
10 Add the amounts on line 9 of both columns and enter the total here. <b>Also, enter the total on Schedule A (Form 1040), line 20.</b> (Fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules on where to enter the total.) ▶		E32040

**Part II Vehicle Expenses**

**Section A—General Information** (You must complete this section if you are claiming vehicle expenses.)

		(a) Vehicle 1	(b) Vehicle 2
11	Enter the date the vehicle was placed in service . . . . .	11 / /	/ /
12	Total miles the vehicle was driven during 2002 . . . . .	12 miles	miles
13	Business miles included on line 12 . . . . .	13 miles	miles
14	Percent of business use. Divide line 13 by line 12 . . . . .	14 %	%
15	Average daily roundtrip commuting distance . . . . .	15 miles	miles
16	Commuting miles included on line 12 . . . . .	16 miles	miles
17	Other miles. Add lines 13 and 16 and subtract the total from line 12 . . . . .	17 miles	miles
18	Do you (or your spouse) have another vehicle available for personal use? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
19	Was your vehicle available for personal use during off-duty hours? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
20	Do you have evidence to support your deduction? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
21	If "Yes," is the evidence written? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Section B—Standard Mileage Rate** (See the instructions for Part II to find out whether to complete this section or Section C.)

22	Multiply line 13 by 36 1/2 ¢ (.365) . . . . .	22	
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**Section C—Actual Expenses**

		(a) Vehicle 1		(b) Vehicle 2	
23	Gasoline, oil, repairs, vehicle insurance, etc. . . . .	23			
24a	Vehicle rentals . . . . .	24a			
b	Inclusion amount (see instructions)	24b			
c	Subtract line 24b from line 24a	24c			
25	Value of employer-provided vehicle (applies only if 100% of annual lease value was included on Form W-2—see instructions)	25			
26	Add lines 23, 24c, and 25 . . . . .	26			
27	Multiply line 26 by the percentage on line 14 . . . . .	27			
28	Depreciation. Enter amount from line 38 below . . . . .	28			
29	Add lines 27 and 28. Enter total here and on line 1 . . . . .	29			

**Section D—Depreciation of Vehicles** (Use this section only if you owned the vehicle and are completing Section C for the vehicle.)

		(a) Vehicle 1		(b) Vehicle 2	
30	Enter cost or other basis (see instructions) . . . . .	30			
31	Enter section 179 deduction and special allowance (see instructions) . . . . .	31			
32	Multiply line 30 by line 14 (see instructions if you claimed the section 179 deduction or special allowance) . . . . .	32			
33	Enter depreciation method and percentage (see instructions) . . . . .	33			
34	Multiply line 32 by the percentage on line 33 (see instructions) . . . . .	34			
35	Add lines 31 and 34 . . . . .	35			
36	Enter the limit from the table in the line 36 instructions . . . . .	36			
37	Multiply line 36 by the percentage on line 14 . . . . .	37			
38	Enter the smaller of line 35 or line 37. Also enter this amount on line 28 above . . . . .	38			





**Employee Business Expenses**

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to Form 1040.

Your name <b>Combined</b>	Occupation in which you incurred expenses	Social security number
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**Part I Employee Business Expenses and Reimbursements**

Step 1 Enter Your Expenses	Column A Other Than Meals and Entertainment	Column B Meals and Entertainment
1 Vehicle expense from line 22 or line 29. (Rural mail carriers: See instructions.) . . . . .	1 E31720	
2 Parking fees, tolls, and transportation, including train, bus, etc., that <b>did not</b> involve overnight travel or commuting to and from work . . . . .	2 E31740	
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. <b>Do not</b> include meals and entertainment. . . . .	3 E31760	
4 Business expenses not included on lines 1 through 3. <b>Do not</b> include meals and entertainment . . . . .	4 E31780	
5 Meals and entertainment expenses (see instructions) . . . . .		E31800
6 <b>Total expenses.</b> In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5 . . . . .	6 E31820	

**Note:** If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.

**Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1**

7 Enter reimbursements received from your employer that were <b>not</b> reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions) . . . . .	7 E31840	E31860
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**Step 3 Figure Expenses To Deduct on Schedule A (Form 1040)**

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7 . . . . .	8 E31960	E31980
<b>Note:</b> If <b>both columns</b> of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.		
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses by 65% (.65) instead of 50%. For details, see instructions.) . . . . .		E32020
10 Add the amounts on line 9 of both columns and enter the total here. <b>Also, enter the total on Schedule A (Form 1040), line 20.</b> (Fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules on where to enter the total.) . . . . . ▶		10 E32040

**Part II Vehicle Expenses**

**Section A—General Information** (You must complete this section if you are claiming vehicle expenses.)

		(a) Vehicle 1	(b) Vehicle 2
11	Enter the date the vehicle was placed in service . . . . .	11 / /	/ /
12	Total miles the vehicle was driven during 2002 . . . . .	12 miles	miles
13	Business miles included on line 12 . . . . .	13 miles	miles
14	Percent of business use. Divide line 13 by line 12 . . . . .	14 %	%
15	Average daily roundtrip commuting distance . . . . .	15 miles	miles
16	Commuting miles included on line 12 . . . . .	16 miles	miles
17	Other miles. Add lines 13 and 16 and subtract the total from line 12 . . . . .	17 miles	miles
18	Do you (or your spouse) have another vehicle available for personal use? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
19	Was your vehicle available for personal use during off-duty hours? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
20	Do you have evidence to support your deduction? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
21	If "Yes," is the evidence written? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Section B—Standard Mileage Rate** (See the instructions for Part II to find out whether to complete this section or Section C.)

22	Multiply line 13 by 36 1/2¢ (.365) . . . . .	22	
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**Section C—Actual Expenses**

		(a) Vehicle 1		(b) Vehicle 2	
23	Gasoline, oil, repairs, vehicle insurance, etc. . . . .	23			
24a	Vehicle rentals . . . . .	24a			
b	Inclusion amount (see instructions)	24b			
c	Subtract line 24b from line 24a	24c			
25	Value of employer-provided vehicle (applies only if 100% of annual lease value was included on Form W-2—see instructions)	25			
26	Add lines 23, 24c, and 25 . . . . .	26			
27	Multiply line 26 by the percentage on line 14 . . . . .	27			
28	Depreciation. Enter amount from line 38 below . . . . .	28			
29	Add lines 27 and 28. Enter total here and on line 1. . . . .	29			

**Section D—Depreciation of Vehicles** (Use this section only if you owned the vehicle and are completing Section C for the vehicle.)

		(a) Vehicle 1		(b) Vehicle 2	
30	Enter cost or other basis (see instructions) . . . . .	30			
31	Enter section 179 deduction and special allowance (see instructions) . . . . .	31			
32	Multiply line 30 by line 14 (see instructions if you claimed the section 179 deduction or special allowance) . . . . .	32			
33	Enter depreciation method and percentage (see instructions) . . . . .	33			
34	Multiply line 32 by the percentage on line 33 (see instructions) . . . . .	34			
35	Add lines 31 and 34 . . . . .	35			
36	Enter the limit from the table in the line 36 instructions . . . . .	36			
37	Multiply line 36 by the percentage on line 14 . . . . .	37			
38	Enter the <b>smaller</b> of line 35 or line 37. Also enter this amount on line 28 above . . . . .	38			



# Unreimbursed Employee Business Expenses

# 2003

Attachment  
Sequence No. **54A**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040.

Your name	Occupation in which you incurred expenses	Social security number
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### You May Use This Form Only if All of the Following Apply.

- You are an employee deducting ordinary and necessary expenses attributable to your job. An ordinary expense is one that is common and accepted in your field of trade, business, or profession. A necessary expense is one that is helpful and appropriate for your business. An expense does not have to be required to be considered necessary.
- You **do not** get reimbursed by your employer for any expenses (amounts your employer included in box 1 of your Form W-2 are not considered reimbursements).
- If you are claiming vehicle expense, you are using the standard mileage rate for 2003.

**Caution:** You can use the standard mileage rate for 2003 **only if:** (a) you owned the vehicle and used the standard mileage rate for the first year you placed the vehicle in service or (b) you leased the vehicle and used the standard mileage rate for the portion of the lease period after 1997.

### Part I Figure Your Expenses

1 Vehicle expense using the standard mileage rate. Complete Part II and multiply line 8a by 36¢ (.36)	1	
2 Parking fees, tolls, and transportation, including train, bus, etc., that <b>did not</b> involve overnight travel or commuting to and from work	2	
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. <b>Do not</b> include meals and entertainment	3	
4 Business expenses not included on lines 1 through 3. <b>Do not</b> include meals and entertainment	4	
5 Meals and entertainment expenses: \$ _____ x 50% (.50) (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses by 65% (.65) instead of 50%. For details, see instructions.)	5	
6 <b>Total expenses.</b> Add lines 1 through 5. Enter here and on line 20 of Schedule A (Form 1040). (Fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules on where to enter this amount.)	6	N3

### Part II Information on Your Vehicle. Complete this part **only** if you are claiming vehicle expense on line 1.

- 7 When did you place your vehicle in service for business use? (month, day, year) ▶ \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_
- 8 Of the total number of miles you drove your vehicle during 2003, enter the number of miles you used your vehicle for:
- a Business \_\_\_\_\_ b Commuting \_\_\_\_\_ c Other \_\_\_\_\_
- 9 Do you (or your spouse) have another vehicle available for personal use?  Yes  No
- 10 Was your vehicle available for personal use during off-duty hours?  Yes  No
- 11a Do you have evidence to support your deduction?  Yes  No
- b If "Yes," is the evidence written?  Yes  No

### General Instructions

Section references are to the Internal Revenue Code.

#### A Change To Note

**Standard mileage rate.** The standard mileage rate is 36 cents for each mile of business use in 2003.

#### Purpose of Form

You may use Form 2106-EZ instead of Form 2106 to claim your unreimbursed employee business expenses if you meet all the requirements listed above Part I.

#### Recordkeeping

You cannot deduct expenses for travel (including meals, unless you used the standard meal allowance), entertainment, gifts, or use of a car or other listed property, unless you keep records to prove the time, place, business purpose, business relationship (for entertainment and gifts), and amounts of these expenses. Generally, you must also have receipts for all lodging expenses (regardless of the amount) and any other expense of \$75 or more.

### Additional Information

For more details about employee business expenses, see:

**Pub. 463,** Travel, Entertainment, Gift, and Car Expenses

**Pub. 529,** Miscellaneous Deductions

**Pub. 587,** Business Use of Your Home (Including Use by Daycare Providers)

**Pub. 946,** How To Depreciate Property

### Specific Instructions

#### Part I—Figure Your Expenses

**Line 2.** See the line 8b instructions for the definition of commuting.

**Line 3.** Enter lodging and transportation expenses connected with overnight travel away from your tax home (defined on this page). You cannot deduct expenses for travel away from your tax home for any period of temporary employment of more than 1 year. **Do not** include expenses for meals and entertainment. For more details, including limits, see Pub. 463.

Instead of keeping records of your actual incidental expenses, you can use an **optional method for deducting incidental expenses only** if you did not pay or incur meal expenses on a day you were traveling away

from your tax home. The amount of the deduction is \$2 a day for the period from January 1 through October 31, 2003, and \$3 a day for the period from November 1 through December 31, 2003. Incidental expenses include fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses and others on ships, and hotel servants in foreign countries. They do **not** include expenses for laundry, cleaning and pressing of clothing, lodging taxes, or the costs of telegrams or telephone calls. You cannot use this method on any day that you use the standard meal allowance (as explained in the instructions for line 5).

Generally, your **tax home** is your main place of business or post of duty regardless of where you maintain your family home. If you do not have a regular or main place of business because of the nature of your work, then your tax home is the place where you regularly live. If you do not fit in either of these categories, you are considered an itinerant and your tax home is wherever you work. As an itinerant, you are never away from home and cannot claim a travel expense deduction. For more details on your tax home, see Pub. 463.

**Line 4.** Enter other job-related expenses not listed on any other line of this form. Include

expenses for business gifts, education (tuition and books), home office, trade publications, etc. For details, including limits, see Pub. 463 and Pub. 529. Do not include on line 4 any tuition and fees you deducted on Form 1040, line 26, or any educator expenses you deducted on Form 1040, line 23. If you are deducting home office expenses, see Pub. 587 for special instructions on how to report these expenses. If you are deducting depreciation or claiming a section 179 deduction on a cellular telephone or other similar telecommunications equipment, a home computer, etc., see Form 4562, Depreciation and Amortization, to figure the depreciation and section 179 deduction to enter on line 4.



You may be able to take a credit for your educational expenses instead of a deduction. See Form 8863, Education Credits (Hope and Lifetime Learning Credits), for details.

Do not include expenses for meals and entertainment, taxes, or interest on line 4. Deductible taxes are entered on lines 5 through 9 of Schedule A (Form 1040). Employees cannot deduct car loan interest.

**Note:** If line 4 is your only entry, do not complete Form 2106-EZ unless you are claiming:

- Expenses for performing your job as a fee-basis state or local government official,
- Performing-arts-related business expenses as a qualified performing artist, or
- Impairment-related work expenses as an individual with a disability.

See the line 6 instructions for definitions. If you are not required to file Form 2106-EZ, enter your expenses directly on Schedule A (Form 1040), line 20.

**Line 5.** Generally, you may deduct only 50% of your business meal and entertainment expenses, including meals incurred while away from home on business. If you were an employee subject to the Department of Transportation (DOT) hours of service limits, that percentage is increased to 65% for business meals consumed during, or incident to, any period of duty for which those limits are in effect.

Employees subject to the DOT hours of service limits include certain air transportation employees, such as pilots, crew, dispatchers, mechanics, and control tower operators; interstate truck operators and interstate bus drivers; certain railroad employees, such as engineers, conductors, train crews, dispatchers, and control operations personnel; and certain merchant mariners.

Instead of actual cost, you may be able to claim the **standard meal allowance** for your daily meals and incidental expenses while away from your tax home overnight. Under this method, you deduct a specified amount, depending on where you travel, instead of keeping records of your actual meal expenses. However, you must still keep records to prove the time, place, and business purpose of your travel.

The standard meal allowance is the Federal M&IE rate. For most small localities in the United States, this rate is \$30 a day for the period from January 1 through September 30, 2003, and \$31 a day for the period from October 1 through December 31, 2003. Localities in the United States are designated as high-cost areas and qualify for higher rates. You can find these rates on the Internet at [www.policyworks.gov/perdiem](http://www.policyworks.gov/perdiem). Click on "2003 Domestic Per Diem Rates" for the

period January 1, 2003 – September 30, 2003 and on "2004 Domestic Per Diem Rates" for the period October 1, 2003 – December 31, 2003. However, you may apply the rates in effect before October 1, 2003, for expenses of all travel within the United States for 2003 instead of the updated rates. You must consistently use either the rates for the first 9 months of 2003 or the updated rates for the period of October 1, 2003, through December 31, 2003. For locations outside the continental United States, the applicable rates are published monthly. You can find these rates on the Internet at [www.state.gov/m/a/ais/prdm/2003](http://www.state.gov/m/a/ais/prdm/2003).

See Pub. 463 for details on how to figure your deduction using the standard meal allowance, including special rules for partial days of travel, transportation workers, and taxpayers related to their employer.

**Line 6.** If you were a **fee-basis state or local government official** (defined below), include the expenses you incurred for services performed in that job in the total on Form 1040, line 33. Write "FBO" and the amount in the space to the left of line 33. Your employee business expenses are deductible whether or not you itemize deductions. A fee-basis state or local government official is an official who is an employee of a state or political subdivision of a state and is compensated, in whole or in part, on a fee basis.

If you were a **qualified performing artist** (defined below), include your performing-arts-related expenses in the total on Form 1040, line 33. Write "QPA" and the amount in the space to the left of line 33. Your performing-arts-related business expenses are deductible whether or not you itemize deductions. The expenses are not subject to the 2% limit that applies to most other employee business expenses.

A qualified performing artist is an individual who:

1. Performed services in the performing arts as an employee for at least two employers during the tax year,
2. Received from at least two of those employers wages of \$200 or more per employer,
3. Had allowable business expenses attributable to the performing arts of more than 10% of gross income from the performing arts, and
4. Had adjusted gross income of \$16,000 or less before deducting expenses as a performing artist.

To be treated as a qualified performing artist, a married individual must also file a joint return, unless the individual and his or her spouse lived apart for all of 2003. On a joint return, requirements 1, 2, and 3 must be figured separately for each spouse. However, requirement 4 applies to the combined adjusted gross income of both spouses.

If you were an **individual with a disability** and are claiming impairment-related work expenses (defined below), enter the part of the line 6 amount attributable to those expenses on Schedule A (Form 1040), line 27, instead of on Schedule A (Form 1040), line 20. Your impairment-related work expenses are not subject to the 2% limit that applies to most other employee business expenses. Impairment-related work expenses are the allowable expenses of an individual with physical or mental disabilities for attendant care at his or her place of employment. They also include other expenses in connection

with the place of employment that enable the employee to work. See Pub. 463 for details.

## Part II—Information on Your Vehicle

If you claim vehicle expense, you must provide certain information on the use of your vehicle by completing Part II. Include an attachment listing the information requested in Part II for any additional vehicles you used for business during the year.

**Line 7.** Date placed in service is generally the date you first start using your vehicle. However, if you first start using your vehicle for personal use and later convert it to business use, the vehicle is treated as placed in service on the date you started using it for business.

**Line 8a.** Do not include commuting miles on this line; commuting miles are not considered business miles. See below for the definition of commuting.

**Line 8b.** If you do not know the total actual miles you used your vehicle for commuting during the year, figure the amount to enter on line 8b by multiplying the number of days during the year that you used your vehicle for commuting by the average daily roundtrip commuting distance in miles.

Generally, **commuting** is travel between your home and a work location. However, travel that meets any of the following conditions is not commuting.

1. You have at least one regular work location away from your home and the travel is to a temporary work location in the same trade or business, regardless of the distance. Generally, a temporary work location is one where your employment is expected to last 1 year or less. See Pub. 463 for details.
2. The travel is to a temporary work location outside the metropolitan area where you live and normally work.
3. Your home is your principal place of business under section 280A(c)(1)(A) (for purposes of deducting expenses for business use of your home) and the travel is to another work location in the same trade or business, regardless of whether that location is regular or temporary and regardless of distance.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 39 min.; **Learning about the law or the form**, 12 min.; **Preparing the form**, 24 min.; **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the Instructions for Form 1040.



Name, address, and ZIP code of RIC or REIT	OMB No. 1545-0145  <b>2003</b>  Form <b>2439</b>	<p align="center"><b>Notice to Shareholder of Undistributed Long-Term Capital Gains</b></p> <p align="center">For calendar year 2003, or other tax year of the regulated investment company (RIC) or the real estate investment trust (REIT) beginning ....., 2003, and ending ....., 20 .....</p>	
Identification number of RIC or REIT	<b>1a</b> Total undistributed long-term capital gains E32670	<b>1b</b> Post-May 5, 2003, gain E32675	<p align="center"><b>Copy A</b></p> <p align="center">Attach to Form 1120-RIC or Form 1120-REIT</p>
Shareholder's identifying number	<b>1c</b> Qualified 5-year gain E32685	<b>1d</b> Unrecaptured sec. 1250 gain E32690	
Shareholder's name, address, and ZIP code	<b>1e</b> Section 1202 gain E32695	<b>1f</b> Collectibles (28%) gain E32680	<p align="center"><b>For Instructions and Paperwork Reduction Act Notice, see back of Copies A and D.</b></p>
	<b>2</b> Tax paid by the RIC or REIT on the box 1a gains \$		

# Child and Dependent Care Expenses

▶ Attach to Form 1040.  
 ▶ See separate instructions.

**Before you begin:** You need to understand the following terms. See **Definitions** on page 1 of the instructions.

- Dependent Care Benefits
- Qualifying Person(s)
- Qualified Expenses
- Earned Income

**Part I** **Persons or Organizations Who Provided the Care—You must complete this part.**  
 (If you need more space, use the bottom of page 2.)

1	(a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid (see instructions)

Did you receive dependent care benefits?

No → Complete only Part II below.  
Yes → Complete Part III on the back next.

**Caution.** If the care was provided in your home, you may owe employment taxes. See the instructions for Form 1040, line 59.

**Part II** **Credit for Child and Dependent Care Expenses**

**2** Information about your **qualifying person(s)**. If you have more than two qualifying persons, see the instructions.

(a) Qualifying person's name		(b) Qualifying person's social security number	(c) Qualified expenses you incurred and paid in 2003 for the person listed in column (a)
First	Last		
N3			
Child-Care-Cr-Depd-Dob1			
PARENTS			

<b>3</b> Add the amounts in column (c) of line 2. <b>Do not</b> enter more than \$3,000 for one qualifying person or \$6,000 for two or more persons. If you completed Part III, enter the amount from line 26	3																																																													
<b>4</b> Enter your <b>earned income</b>	4	OTHER DEPENDENTS																																																												
<b>5</b> If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions); <b>all others</b> , enter the amount from line 4	5																																																													
<b>6</b> Enter the <b>smallest</b> of line 3, 4, or 5	6	IN TS																																																												
<b>7</b> Enter the amount from Form 1040, line 35	7																																																													
<b>8</b> Enter on line 8 the decimal amount shown below that applies to the amount on line 7	8	X .																																																												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3">If line 7 is:</th> <th colspan="3">If line 7 is:</th> </tr> <tr> <th>Over</th> <th>But not over</th> <th>Decimal amount is</th> <th>Over</th> <th>But not over</th> <th>Decimal amount is</th> </tr> </thead> <tbody> <tr> <td>\$0—15,000</td> <td></td> <td>.35</td> <td>\$29,000—31,000</td> <td></td> <td>.27</td> </tr> <tr> <td>15,000—17,000</td> <td></td> <td>.34</td> <td>31,000—33,000</td> <td></td> <td>.26</td> </tr> <tr> <td>17,000—19,000</td> <td></td> <td>.33</td> <td>33,000—35,000</td> <td></td> <td>.25</td> </tr> <tr> <td>19,000—21,000</td> <td></td> <td>.32</td> <td>35,000—37,000</td> <td></td> <td>.24</td> </tr> <tr> <td>21,000—23,000</td> <td></td> <td>.31</td> <td>37,000—39,000</td> <td></td> <td>.23</td> </tr> <tr> <td>23,000—25,000</td> <td></td> <td>.30</td> <td>39,000—41,000</td> <td></td> <td>.22</td> </tr> <tr> <td>25,000—27,000</td> <td></td> <td>.29</td> <td>41,000—43,000</td> <td></td> <td>.21</td> </tr> <tr> <td>27,000—29,000</td> <td></td> <td>.28</td> <td>43,000—No limit</td> <td></td> <td>.20</td> </tr> </tbody> </table>	If line 7 is:			If line 7 is:			Over	But not over	Decimal amount is	Over	But not over	Decimal amount is	\$0—15,000		.35	\$29,000—31,000		.27	15,000—17,000		.34	31,000—33,000		.26	17,000—19,000		.33	33,000—35,000		.25	19,000—21,000		.32	35,000—37,000		.24	21,000—23,000		.31	37,000—39,000		.23	23,000—25,000		.30	39,000—41,000		.22	25,000—27,000		.29	41,000—43,000		.21	27,000—29,000		.28	43,000—No limit		.20	8	
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<b>9</b> Multiply line 6 by the decimal amount on line 8. If you paid 2002 expenses in 2003, see the instructions	9	E33300 Prior Yr																																																												
<b>10</b> Enter the amount from Form 1040, line 43, minus any amount on Form 1040, line 44	10																																																													
<b>11</b> <b>Credit for child and dependent care expenses.</b> Enter the <b>smaller</b> of line 9 or line 10 here and on Form 1040, line 45	11	EINERR																																																												

**Part III** Dependent Care Benefits

12 Enter the total amount of <b>dependent care benefits</b> you received for 2003. This amount should be shown in box 10 of your W-2 form(s). <b>Do not</b> include amounts that were reported to you as wages in box 1 of Form(s) W-2 . . . . .	12			
13 Enter the amount forfeited, if any (see the instructions) . . . . .	13			
14 Subtract line 13 from line 12 . . . . .	14			
15 Enter the total amount of <b>qualified expenses</b> incurred in 2003 for the care of the <b>qualifying person(s)</b> . . . . .	15			
16 Enter the <b>smaller</b> of line 14 or 15 . . . . .	16			
17 Enter your <b>earned income</b> . . . . .	17			
18 Enter the amount shown below that applies to you. <ul style="list-style-type: none"> <li>• If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions for line 5).</li> <li>• If married filing separately, see the instructions for the amount to enter.</li> <li>• All others, enter the amount from line 17.</li> </ul>	18			
19 Enter the <b>smallest</b> of line 16, 17, or 18 . . . . .	19			
20 <b>Excluded benefits.</b> Enter here the <b>smaller</b> of the following: <ul style="list-style-type: none"> <li>• The amount from line 19 or</li> <li>• \$5,000 (\$2,500 if married filing separately <b>and</b> you were required to enter your spouse's earned income on line 18).</li> </ul>	20			
21 <b>Taxable benefits.</b> Subtract line 20 from line 14. Also, include this amount on Form 1040, line 7. On the dotted line next to line 7, enter "DCB" . . . . .	21			

To claim the child and dependent care credit, complete lines 22–26 below.

22 Enter \$3,000 (\$6,000 if two or more qualifying persons) . . . . .	22			
23 Enter the amount from line 20 . . . . .	23			
24 Subtract line 23 from line 22. If zero or less, <b>stop</b> . You cannot take the credit. <b>Exception.</b> If you paid 2002 expenses in 2003, see the instructions for line 9 . . . . .	24			
25 Complete line 2 on the front of this form. <b>Do not</b> include in column (c) any benefits shown on line 20 above. Then, add the amounts in column (c) and enter the total here . . . . .	25			
26 Enter the <b>smaller</b> of line 24 or 25. Also, enter this amount on line 3 on the front of this form and complete lines 4–11 . . . . .	26			



**Foreign Earned Income**

**2003**

Attachment  
 Sequence No. **34**

▶ See separate instructions. ▶ Attach to Form 1040.

**For Use by U.S. Citizens and Resident Aliens Only**

Name shown on Form 1040

Your social security number

**Part I General Information**

PRIMARY TAXPAYER

- 1** Your foreign address (including country) PODP **2** Your occupation
- 3** Employer's name ▶
- 4a** Employer's U.S. address ▶
- b** Employer's foreign address ▶
- 5** Employer is (check any that apply): **a**  A foreign entity **b**  A U.S. company **c**  Self  
**d**  A foreign affiliate of a U.S. company **e**  Other (specify) ▶
- 6a** If, after 1981, you filed Form 2555 to claim either of the exclusions or Form 2555-EZ to claim the foreign earned income exclusion, enter the last year you filed the form. ▶
- b** If you did not file Form 2555 or 2555-EZ after 1981 to claim either of the exclusions, check here  and go to line 7.
- c** Have you ever revoked either of the exclusions?  Yes  No
- d** If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective. ▶
- 7** Of what country are you a citizen/national? ▶
- 8a** Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See **Second foreign household** on page 3 of the instructions  Yes  No
- b** If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address. ▶
- 9** List your tax home(s) during your tax year and date(s) established. ▶

**Next, complete either Part II or Part III. If an item does not apply, enter "NA." If you do not give the information asked for, any exclusion or deduction you claim may be disallowed.**

**Part II Taxpayers Qualifying Under Bona Fide Residence Test (See page 2 of the instructions.)**

- 10** Date bona fide residence began ▶, and ended ▶
- 11** Kind of living quarters in foreign country ▶ **a**  Purchased house **b**  Rented house or apartment **c**  Rented room  
**d**  Quarters furnished by employer
- 12a** Did any of your family live with you abroad during any part of the tax year?  Yes  No
- b** If "Yes," who and for what period? ▶
- 13a** Have you submitted a statement to the authorities of the foreign country where you claim bona fide residence that you are not a resident of that country? (See instructions.)  Yes  No
- b** Are you required to pay income tax to the country where you claim bona fide residence? (See instructions.)  Yes  No
- If you answered "Yes" to 13a and "No" to 13b, you do not qualify as a bona fide resident. Do not complete the rest of this part.**
- 14** If you were present in the United States or its possessions during the tax year, complete columns (a)-(d) below. **Do not** include the income from column (d) in Part IV, but report it on Form 1040.

(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business	(d) Income earned in U.S. on business (attach computation)	(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business	(d) Income earned in U.S. on business (attach computation)

- 15a** List any contractual terms or other conditions relating to the length of your employment abroad. ▶
- b** Enter the type of visa under which you entered the foreign country. ▶
- c** Did your visa limit the length of your stay or employment in a foreign country? If "Yes," attach explanation  Yes  No
- d** Did you maintain a home in the United States while living abroad?  Yes  No
- e** If "Yes," enter address of your home, whether it was rented, the names of the occupants, and their relationship to you. ▶



**Part III Taxpayers Qualifying Under Physical Presence Test** (See page 2 of the instructions.)

- 6 The physical presence test is based on the 12-month period from  through
- 7 Enter your principal country of employment during your tax year.
- 18 If you traveled abroad during the 12-month period entered on line 16, complete columns (a)-(f) below. Exclude travel between foreign countries that did not involve travel on or over international waters, or in or over the United States, for 24 hours or more. If you have no travel to report during the period, enter "Physically present in a foreign country or countries for the entire 12-month period." **Do not** include the income from column (f) below in Part IV, but report it on Form 1040.

(a) Name of country (including U.S.)	(b) Date arrived	(c) Date left	(d) Full days present in country	(e) Number of days in U.S. on business	(f) Income earned in U.S. on business (attach computation)

**Part IV All Taxpayers**

**Note:** Enter on lines 19 through 23 all income, including noncash income, you earned and actually or constructively received during your 2003 tax year for services you performed in a foreign country. If any of the foreign earned income received this tax year was earned in a prior tax year, or will be earned in a later tax year (such as a bonus), see the instructions. **Do not** include income from line 14, column (d), or line 18, column (f). Report amounts in U.S. dollars, using the exchange rates in effect when you actually or constructively received the income.

If you are a cash basis taxpayer, report on Form 1040 all income you received in 2003, no matter when you performed the service.

2003 Foreign Earned Income		Amount (in U.S. dollars)	
19	Total wages, salaries, bonuses, commissions, etc. . . . .	19	T34100
20	Allowable share of income for personal services performed (see instructions):		
a	In a business (including farming) or profession . . . . .	20a	
b	In a partnership. List partnership's name and address and type of income. <input type="text"/>	20b	
21	Noncash income (market value of property or facilities furnished by employer—attach statement showing how it was determined):		
a	Home (lodging) . . . . .	21a	
b	Meals . . . . .	21b	
c	Car . . . . .	21c	
d	Other property or facilities. List type and amount. <input type="text"/>	21d	
22	Allowances, reimbursements, or expenses paid on your behalf for services you performed:		
a	Cost of living and overseas differential . . . . .	22a	
b	Family . . . . .	22b	
c	Education . . . . .	22c	
d	Home leave . . . . .	22d	
e	Quarters . . . . .	22e	
f	For any other purpose. List type and amount. <input type="text"/>	22f	
g	Add lines 22a through 22f. . . . .	22g	T34400 (+/-)
23	Other foreign earned income. List type and amount. <input type="text"/>	23	
24	Add lines 19 through 21d, line 22g, and line 23 . . . . .	24	
25	Total amount of meals and lodging included on line 24 that is excludable (see instructions) . . . . .	25	T34700
26	Subtract line 25 from line 24. Enter the result here and on line 27 on page 3. This is your 2003 foreign earned income <input type="text"/>	26	

**Part V All Taxpayers**

27	Enter the amount from line 26 . . . . .	27		
	Are you claiming the housing exclusion or housing deduction?			
	<input type="checkbox"/> Yes. Complete Part VI.			
	<input type="checkbox"/> No. Go to Part VII.			

**Part VI Taxpayers Claiming the Housing Exclusion and/or Deduction**

28	Qualified housing expenses for the tax year (see instructions) . . . . .	28		
29	Number of days in your qualifying period that fall within your 2003 tax year (see instructions) . . . . .	29		days
30	Multiply \$30.77 by the number of days on line 29. If 365 is entered on line 29, enter \$11,233.00 here . . . . .	30		
31	Subtract line 30 from line 28. If the result is zero or less, do not complete the rest of this part or any of Part IX . . . . .	31		
32	Enter employer-provided amounts (see instructions) . . . . .	32		
33	Divide line 32 by line 27. Enter the result as a decimal (rounded to at least three places), but do not enter more than "1.000" . . . . .	33		x .
34	<b>Housing exclusion.</b> Multiply line 31 by line 33. Enter the result but do not enter more than the amount on line 32. Also, complete Part VIII . . . . .	34	T35000	

*Note: The housing deduction is figured in Part IX. If you choose to claim the foreign earned income exclusion, complete Parts VII and VIII before Part IX.*

**Part VII Taxpayers Claiming the Foreign Earned Income Exclusion**

35	Maximum foreign earned income exclusion . . . . .	35	\$80,000	00
36	<ul style="list-style-type: none"> <li>If you completed Part VI, enter the number from line 29.</li> <li>All others, enter the number of days in your qualifying period that fall within your 2003 tax year (see the instructions for line 29).</li> </ul>	36		days
37	<ul style="list-style-type: none"> <li>If line 36 and the number of days in your 2003 tax year (usually 365) are the same, enter "1.000."</li> <li>Otherwise, divide line 36 by the number of days in your 2003 tax year and enter the result as a decimal (rounded to at least three places).</li> </ul>	37		x .
38	Multiply line 35 by line 37 . . . . .	38		
39	Subtract line 34 from line 27 . . . . .	39		
40	<b>Foreign earned income exclusion.</b> Enter the smaller of line 38 or line 39. Also, complete Part VIII . . . . .	40	T35300	

**Part VIII Taxpayers Claiming the Housing Exclusion, Foreign Earned Income Exclusion, or Both**

41	Add lines 34 and 40 . . . . .	41		
42	Deductions allowed in figuring your adjusted gross income (Form 1040, line 34) that are allocable to the excluded income. See instructions and attach computation . . . . .	42	T35900	
43	Subtract line 42 from line 41. Enter the result here and in parentheses on Form 1040, line 21. Next to the amount enter "Form 2555." On Form 1040, subtract this amount from your income to arrive at total income on Form 1040, line 22. . . . .	43		

**Part IX Taxpayers Claiming the Housing Deduction—Complete this part only if (a) line 31 is more than line 34 and (b) line 27 is more than line 41.**

44	Subtract line 34 from line 31 . . . . .	44		
45	Subtract line 41 from line 27 . . . . .	45		
46	Enter the smaller of line 44 or line 45 . . . . .	46		
	<i>Note: If line 45 is more than line 46 and you could not deduct all of your 2002 housing deduction because of the 2002 limit, use the worksheet on page 4 of the instructions to figure the amount to enter on line 47. Otherwise, go to line 48.</i>			
47	Housing deduction carryover from 2002 (from worksheet on page 4 of the instructions) . . . . .	47		
48	<b>Housing deduction.</b> Add lines 46 and 47. Enter the total here and on Form 1040 to the left of line 33. Next to the amount on Form 1040, enter "Form 2555." Add it to the total adjustments reported on that line . . . . .	48	T35600	



**Foreign Earned Income**

**2003**

Attachment Sequence No. **34**

Department of the Treasury Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to Form 1040.

**For Use by U.S. Citizens and Resident Aliens Only**

Name shown on Form 1040

Your social security number

**Part I General Information**

**SECOND TAXPAYER**

**1** Your foreign address (including country)

PODS

**2** Your occupation

**3** Employer's name ▶

**4a** Employer's U.S. address ▶

**b** Employer's foreign address ▶

**5** Employer is (check ▶) **a**  A foreign entity **b**  A U.S. company **c**  Self any that apply: **d**  A foreign affiliate of a U.S. company **e**  Other (specify) ▶

**6a** If, after 1981, you filed Form 2555 to claim either of the exclusions or Form 2555-EZ to claim the foreign earned income exclusion, enter the last year you filed the form. ▶

**b** If you did not file Form 2555 or 2555-EZ after 1981 to claim either of the exclusions, check here  and go to line 7.

**c** Have you ever revoked either of the exclusions?  Yes  No

**d** If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective. ▶

**7** Of what country are you a citizen/national? ▶

**8a** Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See **Second foreign household** on page 3 of the instructions  Yes  No

**b** If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address. ▶

**9** List your tax home(s) during your tax year and date(s) established. ▶

**Next, complete either Part II or Part III. If an item does not apply, enter "NA." If you do not give the information asked for, any exclusion or deduction you claim may be disallowed.**

**Part II Taxpayers Qualifying Under Bona Fide Residence Test** (See page 2 of the instructions.)

**10** Date bona fide residence began ▶, and ended ▶

**11** Kind of living quarters in foreign country ▶ **a**  Purchased house **b**  Rented house or apartment **c**  Rented room **d**  Quarters furnished by employer

**12a** Did any of your family live with you abroad during any part of the tax year?  Yes  No

**b** If "Yes," who and for what period? ▶

**13a** Have you submitted a statement to the authorities of the foreign country where you claim bona fide residence that you are not a resident of that country? (See instructions.)  Yes  No

**b** Are you required to pay income tax to the country where you claim bona fide residence? (See instructions.)  Yes  No **If you answered "Yes" to 13a and "No" to 13b, you do not qualify as a bona fide resident. Do not complete the rest of this part.**

**14** If you were present in the United States or its possessions during the tax year, complete columns (a)-(d) below. Do not include the income from column (d) in Part IV, but report it on Form 1040.

(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business	(d) Income earned in U.S. on business (attach computation)	(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business	(d) Income earned in U.S. on business (attach computation)

**15a** List any contractual terms or other conditions relating to the length of your employment abroad. ▶

**b** Enter the type of visa under which you entered the foreign country. ▶

**c** Did your visa limit the length of your stay or employment in a foreign country? If "Yes," attach explanation  Yes  No

**d** Did you maintain a home in the United States while living abroad?  Yes  No

**e** If "Yes," enter address of your home, whether it was rented, the names of the occupants, and their relationship to you. ▶

**Part III Taxpayers Qualifying Under Physical Presence Test** (See page 2 of the instructions.)

- 16 The physical presence test is based on the 12-month period from  through
- 17 Enter your principal country of employment during your tax year.
- 18 If you traveled abroad during the 12-month period entered on line 16, complete columns (a)-(f) below. Exclude travel between foreign countries that did not involve travel on or over international waters, or in or over the United States, for 24 hours or more. If you have no travel to report during the period, enter "Physically present in a foreign country or countries for the entire 12-month period." **Do not** include the income from column (f) below in Part IV, but report it on Form 1040.

(a) Name of country (including U.S.)	(b) Date arrived	(c) Date left	(d) Full days present in country	(e) Number of days in U.S. on business	(f) Income earned in U.S. on business (attach computation)

**Part IV All Taxpayers**

**Note:** Enter on lines 19 through 23 all income, including noncash income, you earned and actually or constructively received during your 2003 tax year for services you performed in a foreign country. If any of the foreign earned income received this tax year was earned in a prior tax year, or will be earned in a later tax year (such as a bonus), see the instructions. **Do not** include income from line 14, column (d), or line 18, column (f). Report amounts in U.S. dollars, using the exchange rates in effect when you actually or constructively received the income.

If you are a cash basis taxpayer, report on Form 1040 all income you received in 2003, no matter when you performed the service.

2003 Foreign Earned Income		Amount (in U.S. dollars)	
19	Total wages, salaries, bonuses, commissions, etc. . . . .	19	T34200
20	Allowable share of income for personal services performed (see instructions):		
a	In a business (including farming) or profession . . . . .	20a	
b	In a partnership. List partnership's name and address and type of income. <input type="text"/>	20b	
21	Noncash income (market value of property or facilities furnished by employer—attach statement showing how it was determined):		
a	Home (lodging) . . . . .	21a	
b	Meals . . . . .	21b	
c	Car . . . . .	21c	
d	Other property or facilities. List type and amount. <input type="text"/>	21d	
22	Allowances, reimbursements, or expenses paid on your behalf for services you performed:		
a	Cost of living and overseas differential . . . . .	22a	
b	Family . . . . .	22b	
c	Education . . . . .	22c	
d	Home leave . . . . .	22d	
e	Quarters. . . . .	22e	
f	For any other purpose. List type and amount. <input type="text"/>	22f	
g	Add lines 22a through 22f. . . . .	22g	T34500 (+/-)
23	Other foreign earned income. List type and amount. <input type="text"/>	23	
24	Add lines 19 through 21d, line 22g, and line 23 . . . . .	24	
25	Total amount of meals and lodging included on line 24 that is excludable (see instructions) . . . . .	25	T34800
26	Subtract line 25 from line 24. Enter the result here and on line 27 on page 3. This is your 2003 foreign earned income <input type="text"/>	26	

**Part V All Taxpayers**

27	Enter the amount from line 26 . . . . .	27		
	Are you claiming the housing exclusion or housing deduction?			
	<input type="checkbox"/> Yes. Complete Part VI.			
	<input type="checkbox"/> No. Go to Part VII.			

**Part VI Taxpayers Claiming the Housing Exclusion and/or Deduction**

28	Qualified housing expenses for the tax year (see instructions) . . . . .	28		
29	Number of days in your qualifying period that fall within your 2003 tax year (see instructions) . . . . .	29		days
30	Multiply \$30.77 by the number of days on line 29. If 365 is entered on line 29, enter \$11,233.00 here . . . . .	30		
31	Subtract line 30 from line 28. If the result is zero or less, do not complete the rest of this part or any of Part IX . . . . .	31		
32	Enter employer-provided amounts (see instructions) . . . . .	32		
33	Divide line 32 by line 27. Enter the result as a decimal (rounded to at least three places), but do not enter more than "1.000" . . . . .	33		x .
34	<b>Housing exclusion.</b> Multiply line 31 by line 33. Enter the result but do not enter more than the amount on line 32. Also, complete Part VIII . . . . .	34	T35100	

*Note: The housing deduction is figured in Part IX. If you choose to claim the foreign earned income exclusion, complete Parts VII and VIII before Part IX.*

**Part VII Taxpayers Claiming the Foreign Earned Income Exclusion**

35	Maximum foreign earned income exclusion . . . . .	35	\$80,000	00
36	<ul style="list-style-type: none"> <li>If you completed Part VI, enter the number from line 29.</li> <li>All others, enter the number of days in your qualifying period that fall within your 2003 tax year (see the instructions for line 29).</li> </ul>	36		days
37	<ul style="list-style-type: none"> <li>If line 36 and the number of days in your 2003 tax year (usually 365) are the same, enter "1.000."</li> <li>Otherwise, divide line 36 by the number of days in your 2003 tax year and enter the result as a decimal (rounded to at least three places).</li> </ul>	37		x .
38	Multiply line 35 by line 37 . . . . .	38		
39	Subtract line 34 from line 27 . . . . .	39		
40	<b>Foreign earned income exclusion.</b> Enter the smaller of line 38 or line 39. Also, complete Part VIII . . . . .	40	T35400	

**Part VIII Taxpayers Claiming the Housing Exclusion, Foreign Earned Income Exclusion, or Both**

41	Add lines 34 and 40 . . . . .	41		
42	Deductions allowed in figuring your adjusted gross income (Form 1040, line 34) that are allocable to the excluded income. See instructions and attach computation . . . . .	42	T36000	
43	Subtract line 42 from line 41. Enter the result here and in parentheses on Form 1040, line 21. Next to the amount enter "Form 2555." On Form 1040, subtract this amount from your income to arrive at total income on Form 1040, line 22. . . . .	43		

**Part IX Taxpayers Claiming the Housing Deduction—Complete this part only if (a) line 31 is more than line 34 and (b) line 27 is more than line 41.**

44	Subtract line 34 from line 31 . . . . .	44		
45	Subtract line 41 from line 27 . . . . .	45		
46	Enter the smaller of line 44 or line 45 . . . . .	46		
	<i>Note: If line 45 is more than line 46 and you could not deduct all of your 2002 housing deduction because of the 2002 limit, use the worksheet on page 4 of the instructions to figure the amount to enter on line 47. Otherwise, go to line 48.</i>			
47	Housing deduction carryover from 2002 (from worksheet on page 4 of the instructions) . . . . .	47		
48	<b>Housing deduction.</b> Add lines 46 and 47. Enter the total here and on Form 1040 to the left of line 33. Next to the amount on Form 1040, enter "Form 2555." Add it to the total adjustments reported on that line . . . . .	48	T35700	



**Foreign Earned Income**

Department of the Treasury Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to Form 1040.

**For Use by U.S. Citizens and Resident Aliens Only**

Name shown on Form 1040

Your social security number

**Part I General Information**

**COMBINED FORM TOTALS**

- 1 Your foreign address (including country)
- 2 Your occupation
- 3 Employer's name ▶
- 4a Employer's U.S. address ▶
- b Employer's foreign address ▶
- 5 Employer is (check ▶):
  - a  A foreign entity
  - b  A U.S. company
  - c  Self
  - d  A foreign affiliate of a U.S. company
  - e  Other (specify) ▶
- 6a If, after 1981, you filed Form 2555 to claim either of the exclusions or Form 2555-EZ to claim the foreign earned income exclusion, enter the last year you filed the form. ▶
- b If you did not file Form 2555 or 2555-EZ after 1981 to claim either of the exclusions, check here  and go to line 7.
- c Have you ever revoked either of the exclusions?  Yes  No
- d If you answered "Yes," enter the type of exclusion and the tax year for which the revocation was effective. ▶
- 7 Of what country are you a citizen/national? ▶
- 8a Did you maintain a separate foreign residence for your family because of adverse living conditions at your tax home? See **Second foreign household** on page 3 of the instructions  Yes  No
- b If "Yes," enter city and country of the separate foreign residence. Also, enter the number of days during your tax year that you maintained a second household at that address. ▶
- 9 List your tax home(s) during your tax year and date(s) established. ▶

**Next, complete either Part II or Part III. If an item does not apply, enter "NA." If you do not give the information asked for, any exclusion or deduction you claim may be disallowed.**

**Part II Taxpayers Qualifying Under Bona Fide Residence Test (See page 2 of the instructions.)**

- 10 Date bona fide residence began ▶, and ended ▶
- 11 Kind of living quarters in foreign country ▶
  - a  Purchased house
  - b  Rented house or apartment
  - c  Rented room
  - d  Quarters furnished by employer
- 12a Did any of your family live with you abroad during any part of the tax year?  Yes  No
- b If "Yes," who and for what period? ▶
- 13a Have you submitted a statement to the authorities of the foreign country where you claim bona fide residence that you are not a resident of that country? (See instructions.)  Yes  No
- b Are you required to pay income tax to the country where you claim bona fide residence? (See instructions.)  Yes  No
- If you answered "Yes" to 13a and "No" to 13b, you do not qualify as a bona fide resident. Do not complete the rest of this part.**
- 14 If you were present in the United States or its possessions during the tax year, complete columns (a)-(d) below. Do not include the income from column (d) in Part IV, but report it on Form 1040.

(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business	(d) Income earned in U.S. on business (attach computation)	(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business	(d) Income earned in U.S. on business (attach computation)

- 15a List any contractual terms or other conditions relating to the length of your employment abroad. ▶
- b Enter the type of visa under which you entered the foreign country. ▶
- c Did your visa limit the length of your stay or employment in a foreign country? If "Yes," attach explanation  Yes  No
- d Did you maintain a home in the United States while living abroad?  Yes  No
- e If "Yes," enter address of your home, whether it was rented, the names of the occupants, and their relationship to you. ▶

**Part III Taxpayers Qualifying Under Physical Presence Test** (See page 2 of the instructions.)

- 16 The physical presence test is based on the 12-month period from  through
- 17 Enter your principal country of employment during your tax year.
- 18 If you traveled abroad during the 12-month period entered on line 16, complete columns (a)–(f) below. Exclude travel between foreign countries that did not involve travel on or over international waters, or in or over the United States, for 24 hours or more. If you have no travel to report during the period, enter "Physically present in a foreign country or countries for the entire 12-month period." **Do not** include the income from column (f) below in Part IV, but report it on Form 1040.

(a) Name of country (including U.S.)	(b) Date arrived	(c) Date left	(d) Full days present in country	(e) Number of days in U.S. on business	(f) Income earned in U.S. on business (attach computation)

**Part IV All Taxpayers**

**Note:** Enter on lines 19 through 23 all income, including noncash income, you earned and actually or constructively received during your 2003 tax year for services you performed in a foreign country. If any of the foreign earned income received this tax year was earned in a prior tax year, or will be earned in a later tax year (such as a bonus), see the instructions. **Do not** include income from line 14, column (d), or line 18, column (f). Report amounts in U.S. dollars, using the exchange rates in effect when you actually or constructively received the income.

If you are a cash basis taxpayer, report on Form 1040 all income you received in 2003, no matter when you performed the service.

2003 Foreign Earned Income		Amount (in U.S. dollars)	
19	Total wages, salaries, bonuses, commissions, etc. . . . .	19	T34000
20	Allowable share of income for personal services performed (see instructions):		
a	In a business (including farming) or profession . . . . .	20a	
b	In a partnership. List partnership's name and address and type of income. <input type="text"/>	20b	
21	Noncash income (market value of property or facilities furnished by employer—attach statement showing how it was determined):		
a	Home (lodging) . . . . .	21a	
b	Meals . . . . .	21b	
c	Car . . . . .	21c	
d	Other property or facilities. List type and amount. <input type="text"/>	21d	
22	Allowances, reimbursements, or expenses paid on your behalf for services you performed:		
a	Cost of living and overseas differential . . . . .	22a	
b	Family . . . . .	22b	
c	Education . . . . .	22c	
d	Home leave . . . . .	22d	
e	Quarters. . . . .	22e	
f	For any other purpose. List type and amount. <input type="text"/>	22f	
g	Add lines 22a through 22f. . . . .	22g	T34400 (+/-)
23	Other foreign earned income. List type and amount. <input type="text"/>	23	
24	Add lines 19 through 21d, line 22g, and line 23 . . . . .	24	
25	Total amount of meals and lodging included on line 24 that is excludable (see instructions) . . . . .	25	T34600
26	Subtract line 25 from line 24. Enter the result here and on line 27 on page 3. This is your 2003 foreign earned income <input type="text"/>	26	

**Part V All Taxpayers**

27	Enter the amount from line 26	27		
	Are you claiming the housing exclusion or housing deduction?			
	<input type="checkbox"/> Yes. Complete Part VI.			
	<input type="checkbox"/> No. Go to Part VII.			

**Part VI Taxpayers Claiming the Housing Exclusion and/or Deduction**

28	Qualified housing expenses for the tax year (see instructions)	28		
29	Number of days in your qualifying period that fall within your 2003 tax year (see instructions)	29		days
30	Multiply \$30.77 by the number of days on line 29. If 365 is entered on line 29, enter \$11,233.00 here	30		
31	Subtract line 30 from line 28. If the result is zero or less, do not complete the rest of this part or any of Part IX	31		
32	Enter employer-provided amounts (see instructions)	32		
33	Divide line 32 by line 27. Enter the result as a decimal (rounded to at least three places), but do not enter more than "1.000"	33		x .
34	<b>Housing exclusion.</b> Multiply line 31 by line 33. Enter the result but do not enter more than the amount on line 32. Also, complete Part VIII	34	T34900	

**Note:** The housing deduction is figured in Part IX. If you choose to claim the foreign earned income exclusion, complete Parts VII and VIII before Part IX.

**Part VII Taxpayers Claiming the Foreign Earned Income Exclusion**

35	Maximum foreign earned income exclusion	35	\$80,000	00
36	<ul style="list-style-type: none"> <li>If you completed Part VI, enter the number from line 29.</li> <li>All others, enter the number of days in your qualifying period that fall within your 2003 tax year (see the instructions for line 29).</li> </ul>	36		days
37	<ul style="list-style-type: none"> <li>If line 36 and the number of days in your 2003 tax year (usually 365) are the same, enter "1.000."</li> <li>Otherwise, divide line 36 by the number of days in your 2003 tax year and enter the result as a decimal (rounded to at least three places).</li> </ul>	37		x .
38	Multiply line 35 by line 37	38		
39	Subtract line 34 from line 27	39		
40	<b>Foreign earned income exclusion.</b> Enter the smaller of line 38 or line 39. Also, complete Part VIII	40	T35200	

**Part VIII Taxpayers Claiming the Housing Exclusion, Foreign Earned Income Exclusion, or Both**

41	Add lines 34 and 40	41		
42	Deductions allowed in figuring your adjusted gross income (Form 1040, line 34) that are allocable to the excluded income. See instructions and attach computation	42	T35800	
43	Subtract line 42 from line 41. Enter the result here and in parentheses on Form 1040, line 21. Next to the amount enter "Form 2555." On Form 1040, subtract this amount from your income to arrive at total income on Form 1040, line 22.	43		

**Part IX Taxpayers Claiming the Housing Deduction—Complete this part only if (a) line 31 is more than line 34 and (b) line 27 is more than line 41.**

44	Subtract line 34 from line 31	44		
45	Subtract line 41 from line 27	45		
46	Enter the smaller of line 44 or line 45	46		
	<b>Note:</b> If line 45 is more than line 46 and you could not deduct all of your 2002 housing deduction because of the 2002 limit, use the worksheet on page 4 of the instructions to figure the amount to enter on line 47. Otherwise, go to line 48.			
47	Housing deduction carryover from 2002 (from worksheet on page 4 of the instructions)	47		
48	<b>Housing deduction.</b> Add lines 46 and 47. Enter the total here and on Form 1040 to the left of line 33. Next to the amount on Form 1040, enter "Form 2555." Add it to the total adjustments reported on that line	48	T35500	





# Foreign Earned Income Exclusion

## 2003

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to Form 1040.

Attachment  
Sequence No. **34A**

Name shown on Form 1040

PRIMARY TAXPAYER

Your social security number

### You May Use This Form If You:

- Are a U.S. citizen or a resident alien.
- Earned wages/salaries in a foreign country.
- Had total foreign earned income of \$80,000 or less.
- Are filing a calendar year return that covers a 12-month period.

### And You:

- Do not have self-employment income.
- Do not have business/moving expenses.
- Do not claim the foreign housing exclusion or deduction.

## Part I Tests To See If You Can Take the Foreign Earned Income Exclusion

### 1 Bona Fide Residence Test

- a Were you a bona fide resident of a foreign country or countries for a period that includes an entire tax year (see page 2 of the instructions)?  Yes  No
- If you answered "Yes," you meet this test. Fill in line 1b and then go to line 3.
  - If you answered "No," you **do not** meet this test. Go to line 2 to see if you meet the Physical Presence Test.
- b Enter the date your bona fide residence began ▶ \_\_\_\_\_, and ended (see instructions) ▶ \_\_\_\_\_.

### 2 Physical Presence Test

- a Were you physically present in a foreign country or countries for at least 330 full days during—  
 { 2003 or any other period of 12 months in a row starting or ending in 2003? }  Yes  No
- If you answered "Yes," you meet this test. Fill in line 2b and then go to line 3.
  - If you answered "No," you **do not** meet this test. You **cannot** take the exclusion unless you meet the Bona Fide Residence Test above.
- b The physical presence test is based on the 12-month period from ▶ \_\_\_\_\_ through ▶ \_\_\_\_\_.

### 3 Tax Home Test. Was your tax home in a foreign country or countries throughout your period of bona fide residence or physical presence, whichever applies?

- Yes  No
- If you answered "Yes," you can take the exclusion. Complete Part II below and then go to page 2.
  - If you answered "No," you **cannot** take the exclusion. **Do not** file this form.

## Part II General Information

4 Your foreign address (including country)

PODP

5 Your occupation

6 Employer's name

7 Employer's U.S. address (including ZIP code)

8 Employer's foreign address

9 Employer is (check any that apply):

- a A U.S. business.
- b A foreign business.
- c Other (specify) ▶ \_\_\_\_\_

10a If you filed Form 2555 or 2555-EZ after 1981, enter the last year you filed the form. ▶ \_\_\_\_\_

b If you did not file Form 2555 or 2555-EZ after 1981, check here  and go to line 11a now.

c Have you ever revoked the foreign earned income exclusion?  Yes  No

d If you answered "Yes," enter the tax year for which the revocation was effective. ▶ \_\_\_\_\_

11a List your tax home(s) during 2003 and date(s) established. ▶ \_\_\_\_\_

b Of what country are you a citizen/national? ▶ \_\_\_\_\_



# Foreign Earned Income Exclusion

## 2003

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to Form 1040.

Attachment  
Sequence No. **34A**

Name shown on Form 1040

SECOND TAXPAYER

Your social security number

### You May Use This Form If You:

- Are a U.S. citizen or a resident alien.
- Earned wages/salaries in a foreign country.
- Had total foreign earned income of \$80,000 or less.
- Are filing a calendar year return that covers a 12-month period.

### And You:

- Do not have self-employment income.
- Do not have business/moving expenses.
- Do not claim the foreign housing exclusion or deduction.

## Part I Tests To See If You Can Take the Foreign Earned Income Exclusion

### 1 Bona Fide Residence Test

- a Were you a bona fide resident of a foreign country or countries for a period that includes an entire tax year (see page 2 of the instructions)?  Yes  No
- If you answered "Yes," you meet this test. Fill in line 1b and then go to line 3.
  - If you answered "No," you **do not** meet this test. Go to line 2 to see if you meet the Physical Presence Test.
- b Enter the date your bona fide residence began ▶ \_\_\_\_\_, and ended (see instructions) ▶ \_\_\_\_\_.

### 2 Physical Presence Test

- a Were you physically present in a foreign country or countries for at least 330 full days during—  
 { 2003 or any other period of 12 months in a row starting or ending in 2003? }  Yes  No
- If you answered "Yes," you meet this test. Fill in line 2b and then go to line 3.
  - If you answered "No," you **do not** meet this test. You **cannot** take the exclusion unless you meet the Bona Fide Residence Test above.
- b The physical presence test is based on the 12-month period from ▶ \_\_\_\_\_ through ▶ \_\_\_\_\_.

### 3 Tax Home Test. Was your tax home in a foreign country or countries throughout your period of bona fide residence or physical presence, whichever applies?

- Yes  No
- If you answered "Yes," you can take the exclusion. Complete Part II below and then go to page 2.
  - If you answered "No," you **cannot** take the exclusion. **Do not** file this form.

## Part II General Information

4 Your foreign address (including country)

PODS

5 Your occupation

6 Employer's name

7 Employer's U.S. address (including ZIP code)

8 Employer's foreign address

9 Employer is (check any that apply):

- a A U.S. business
- b A foreign business
- c Other (specify) ▶ \_\_\_\_\_

10a If you filed Form 2555 or 2555-EZ after 1981, enter the last year you filed the form. ▶ \_\_\_\_\_

b If you did not file Form 2555 or 2555-EZ after 1981, check here  and go to line 11a now.

c Have you ever revoked the foreign earned income exclusion?  Yes  No

d If you answered "Yes," enter the tax year for which the revocation was effective. ▶ \_\_\_\_\_

11a List your tax home(s) during 2003 and date(s) established. ▶ \_\_\_\_\_

b Of what country are you a citizen/national? ▶ \_\_\_\_\_

**Part III Days Present in the United States**—Complete this part if you were in the United States or its possessions during 2003.

12	(a) Date arrived in U.S.	(b) Date left U.S.	(c) Number of days in U.S. on business	(d) Income earned in U.S. on business (attach computation)

**Part IV Figure Your Foreign Earned Income Exclusion**

13	Maximum foreign earned income exclusion . . . . .	13	\$80,000	00
14	Enter the number of days in your qualifying period that fall within 2003 . . . . .	14		days
15	Did you enter 365 on line 14? <input type="checkbox"/> Yes. Enter "1.000." <input type="checkbox"/> No. Divide line 14 by 365 and enter the result as a decimal (rounded to at least three places).	15	x	
16	Multiply line 13 by line 15 . . . . .	16		
17	Enter, in U.S. dollars, the total foreign earned income you earned and received in 2003 (see instructions). Be sure to include this amount on Form 1040, line 7 . . . . .	17		
18	<b>Foreign earned income exclusion.</b> Enter the <b>smaller</b> of line 16 or line 17 here and in parentheses on <b>Form 1040, line 21</b> . Next to the amount enter "2555-EZ." On Form 1040, subtract this amount from your income to arrive at total income on Form 1040, line 22 . . . . . ▶	18	T35400	



# Foreign Earned Income Exclusion

## 2003

Attachment Sequence No. **34A**

Department of the Treasury  
Internal Revenue Service (99)  
Name shown on Form 1040

▶ See separate instructions. ▶ Attach to Form 1040.

Your social security number

### COMBINED TOTALS

### You May Use This Form If You:

- Are a U.S. citizen or a resident alien.
- Earned wages/salaries in a foreign country.
- Had total foreign earned income of \$80,000 or less.
- Are filing a calendar year return that covers a 12-month period.

### And You:

- Do not have self-employment income.
- Do not have business/moving expenses.
- Do not claim the foreign housing exclusion or deduction.

## Part I Tests To See If You Can Take the Foreign Earned Income Exclusion

### 1 Bona Fide Residence Test

- a Were you a bona fide resident of a foreign country or countries for a period that includes an entire tax year (see page 2 of the instructions)?  Yes  No
- If you answered "Yes," you meet this test. Fill in line 1b and then go to line 3.
  - If you answered "No," you **do not** meet this test. Go to line 2 to see if you meet the Physical Presence Test.
- b Enter the date your bona fide residence began ▶ \_\_\_\_\_, and ended (see instructions) ▶ \_\_\_\_\_.

### 2 Physical Presence Test

- a Were you physically present in a foreign country or countries for at least 330 full days during—  
 { 2003 or any other period of 12 months in a row starting or ending in 2003? }  Yes  No
- If you answered "Yes," you meet this test. Fill in line 2b and then go to line 3.
  - If you answered "No," you **do not** meet this test. You **cannot** take the exclusion unless you meet the Bona Fide Residence Test above.
- b The physical presence test is based on the 12-month period from ▶ \_\_\_\_\_ through ▶ \_\_\_\_\_.

- 3 **Tax Home Test.** Was your tax home in a foreign country or countries throughout your period of bona fide residence or physical presence, whichever applies?  Yes  No
- If you answered "Yes," you can take the exclusion. Complete Part II below and then go to page 2.
  - If you answered "No," you **cannot** take the exclusion. **Do not** file this form.

## Part II General Information

4 Your foreign address (including country)		5 Your occupation
6 Employer's name	7 Employer's U.S. address (including ZIP code)	8 Employer's foreign address
9 Employer is (check any that apply):		
a A U.S. business . . . . .		<input type="checkbox"/>
b A foreign business . . . . .		<input type="checkbox"/>
c Other (specify) ▶ _____		<input type="checkbox"/>
10a If you filed Form 2555 or 2555-EZ after 1981, enter the last year you filed the form. ▶ _____		
b If you did not file Form 2555 or 2555-EZ after 1981, check here <input type="checkbox"/> and go to line 11a now.		
c Have you ever revoked the foreign earned income exclusion? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No
d If you answered "Yes," enter the tax year for which the revocation was effective. ▶ _____		
11a List your tax home(s) during 2003 and date(s) established. ▶ _____		
b Of what country are you a citizen/national? ▶ _____		



**Investment Credit**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.

Name(s) shown on return

Identifying number

**Part I Current Year Credit**

<b>1</b> Rehabilitation credit (see instructions for requirements that must be met):			
<b>a</b> Check this box if you are electing under section 47(d)(5) to take your qualified rehabilitation expenditures into account for the tax year in which paid (or, for self-rehabilitated property, when capitalized). See instructions. <b>Note:</b> <i>This election applies to the current tax year and to all later tax years. You may not revoke this election without IRS consent.</i> <input type="checkbox"/>			
Enter the amount of qualified rehabilitation expenditures and multiply by the percentage shown:			
<b>b</b> Pre-1936 buildings	\$..... × 10% (.10)	<b>1b</b>	E49100
<b>c</b> Certified historic structures	\$..... × 20% (.20)	<b>1c</b>	E49200
<b>(1)</b> Enter the assigned NPS project number or the pass-through entity's employer identification number (see instructions) .....			
<b>(2)</b> Enter the date that the NPS approved the Request for Certification of Completed Work (see instructions) .....			
<b>d (1)</b> Enter the date on which the 24- or 60-month measuring period begins ..... and ends .....			
<b>(2)</b> Enter the adjusted basis of the building as of the beginning date above (or the first day of your holding period, if later) .....			
<b>(3)</b> Enter the amount of the qualified rehabilitation expenditures incurred, or treated as incurred, during the period on line 1d(1) above .....			
<b>e</b> Rehabilitation credit from an electing large partnership (Schedule K-1 (Form 1065-B), box 9)		<b>1e</b>	E49250
<b>2</b> Energy credit. Enter the basis of energy property placed in service during the tax year (see instructions) .....	\$..... × 10% (.10)	<b>2</b>	E50100
<b>3</b> Reforestation credit. Enter the amortizable basis of qualified timber property acquired during the tax year (see instructions) .....	\$..... × 10% (.10)	<b>3</b>	E48650
<b>4</b> Credit from cooperatives. Enter the unused investment credit from cooperatives		<b>4</b>	E49300
<b>5</b> Current year credit. Add lines 1b through 4	5a - E50250    5b - E50300	<b>5</b>	E50200

**Part II Allowable Credit (See Who must file Form 3800 to find out if you complete Part II or file Form 3800.)**

<b>6</b> Regular tax before credits (see instructions) .....		<b>6</b>	
<b>7</b> Alternative minimum tax (see instructions) .....		<b>7</b>	
<b>8</b> Add lines 6 and 7 .....		<b>8</b>	
<b>9a</b> Foreign tax credit .....	<b>9a</b>		
<b>b</b> Credit for child and dependent care expenses (Form 2441, line 11) .....	<b>9b</b>		
<b>c</b> Credit for the elderly or the disabled (Schedule R (Form 1040), line 24) .....	<b>9c</b>		
<b>d</b> Education credits (Form 8863, line 18) .....	<b>9d</b>		
<b>e</b> Credit for qualified retirement savings contributions (Form 8880, line 14) .....	<b>9e</b>		
<b>f</b> Child tax credit (Form 1040, line 49) .....	<b>9f</b>		
<b>g</b> Mortgage interest credit (Form 8396, line 11) .....	<b>9g</b>		
<b>h</b> Adoption credit (Form 8839, line 18) .....	<b>9h</b>		
<b>i</b> District of Columbia first-time homebuyer credit (Form 8859, line 11) .....	<b>9i</b>		
<b>j</b> Possessions tax credit (Form 5735, line 17 or 27) .....	<b>9j</b>		
<b>k</b> Credit for fuel from a nonconventional source .....	<b>9k</b>		
<b>l</b> Qualified electric vehicle credit (Form 8834, line 20) .....	<b>9l</b>		
<b>m</b> Add lines 9a through 9l .....		<b>9m</b>	
<b>10</b> Net income tax. Subtract line 9m from line 8. If zero, skip lines 11 through 14 and enter -0- on line 15 .....		<b>10</b>	
<b>11</b> Net regular tax. Subtract line 9m from line 6. If zero or less, enter -0- .....	<b>11</b>		
<b>12</b> Enter 25% (.25) of the excess, if any, of line 11 over \$25,000 (see instructions) .....	<b>12</b>		
<b>13</b> Tentative minimum tax (see instructions) .....	<b>13</b>		
<b>14</b> Enter the greater of line 12 or line 13 .....		<b>14</b>	
<b>15</b> Subtract line 14 from line 10. If zero or less, enter -0- .....		<b>15</b>	
<b>16</b> Credit allowed for the current year. Enter the smaller of line 5 or line 15 here and on Form 1040, line 52; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2a; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 15 is smaller than line 5, see instructions.		<b>16</b>	

**General Business Credit**

Department of the Treasury  
Internal Revenue Service (99)  
Name(s) shown on return

▶ See instructions on pages 3 and 4.

▶ Attach to your tax return.

**2003**

Attachment  
Sequence No. 22

Identifying number

**Part I Current Year Credit**

1a	Current year investment credit (Form 3468)	1a	E53220
b	Current year work opportunity credit (Form 5884)	1b	E53240
c	Current year welfare-to-work credit (Form 8861)	1c	E53250
d	Current year credit for alcohol used as fuel (Form 6478)	1d	E53260
e	Current year credit for increasing research activities (Form 6765)	1e	E53280
f	Current year low-income housing credit (Form 8586)	1f	E53300
g	Current year enhanced oil recovery credit (Form 8830)	1g	E53305
h	Current year disabled access credit (Form 8826)	1h	E53310
i	Current year renewable electricity production credit (Form 8835)	1i	E53315
j	Current year Indian employment credit (Form 8845)	1j	E53316
k	Current year credit for employer social security and Medicare taxes paid on certain employee tips (Form 8846)	1k	E53317
l	Current year orphan drug credit (Form 8820)	1l	E53318
m	Current year new markets credit (Form 8874)	1m	E53312
n	Current year credit for small employer pension plan startup costs (Form 8881)	1n	E53306
o	Current year credit for employer-provided child care facilities and services (Form 8882)	1o	E53307
p	Current year credit for contributions to selected community development corporations (Form 8847)	1p	E53319
q	Current year trans-Alaska pipeline liability fund credit (see instructions)	1q	E53314
r	Current year general credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1r	E53313
2	<b>Current year credit.</b> Add lines 1a through 1r	2	E53320
3	Passive activity credits included on line 2 (see instructions)	3	E53340
4	Subtract line 3 from line 2	4	E53350
5	Passive activity credits allowed for 2003 (see instructions)	5	E53380
6	Carryforward of general business credit to 2003. See instructions for the schedule to attach	6	E53400
7	Carryback of general business credit from 2004 (see instructions)	7	
8	<b>Current year credit.</b> Add lines 4 through 7	8	E53410

**Part II Allowable Credit**

9	Regular tax before credits (see instructions)	9	
10	Alternative minimum tax (see instructions)	10	E53485
11	Add lines 9 and 10	11	
12a	Foreign tax credit	12a	
b	Credit for child and dependent care expenses (Form 2441, line 11)	12b	
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 24)	12c	
d	Education credits (Form 8863, line 18)	12d	
e	Credit for qualified retirement savings contributions (Form 8880, line 14)	12e	
f	Child tax credit (Form 1040, line 49)	12f	
g	Mortgage interest credit (Form 8396, line 11)	12g	
h	Adoption credit (Form 8839, line 18)	12h	
i	District of Columbia first-time homebuyer credit (Form 8859, line 11)	12i	
j	Possessions tax credit (Form 5735, line 17 or 27)	12j	
k	Credit for fuel from a nonconventional source	12k	
l	Qualified electric vehicle credit (Form 8834, line 20)	12l	
m	Add lines 12a through 12l	12m	
13	Net income tax. Subtract line 12m from line 11. If zero, skip lines 14 through 17 and enter -0- on line 18	13	E53500
14	Net regular tax. Subtract line 12m from line 9. If zero or less, enter -0-	14	E53470
15	Enter 25% (.25) of the excess, if any, of line 14 over \$25,000 (see instructions)	15	E53480
16	Tentative minimum tax (see instructions)	16	E53475
17	Enter the greater of line 15 or line 16	17	
18	Subtract line 17 from line 13. If zero or less, enter -0-	18	
19	<b>Credit allowed for the current year.</b> Enter the <b>smaller</b> of line 8 or line 18 here and on Form 1040, line 52; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2a; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 19 is smaller than line 8, see instructions. <b>Individuals, estates, and trusts:</b> See instructions if claiming the research credit. <b>C corporations:</b> See Schedule A if claiming any regular investment credit carryforward and the line 19 instructions if there has been an ownership change, acquisition, or reorganization	19	E53490



**Credit for Federal Tax Paid on Fuels**

▶ See the Instructions on page 3.  
▶ Attach this form to your income tax return.

Department of the Treasury  
Internal Revenue Service

Name (as shown on your income tax return)

Taxpayer identification number

**Caution:** • You cannot claim any amounts on Form 4136 that you claimed on Form 8849 or Schedule C (Form 720).  
• Sales by gasoline wholesale distributors cannot be claimed on Form 4136. Instead, use Schedule 4 (Form 8849) or Schedule C, line 11 (Form 720) to make these claims.

**1 Nontaxable Use of Gasoline and Gasohol**

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Off-highway business use of gasoline	\$ .184	}	\$ E53620	362
b	Use of gasoline on a farm for farming purposes	.184			
c	Other nontaxable use of gasoline	.184			
d	10% gasohol	.132		\$ E53625	359
e	7.7% gasohol	.14396		E53630	375
f	5.7% gasohol	.15436		E53635	376

**2 Nontaxable Use of Aviation Gasoline**

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade)	\$ .15	}	\$ E53690	354
b	Other nontaxable use	.194			
		.194		E53695	324

**3 Nontaxable Use of Undyed Diesel Fuel**

Claimant has the name and address of the person(s) who sold the diesel fuel to the claimant and the date(s) of the purchase(s) and if exported, the required proof of export.

Claimant certifies that the diesel fuel did not contain visible evidence of dye.

**Exception.** If any of the diesel fuel included in this claim **did** contain visible evidence of dye, attach a detailed explanation and check here

**Caution:** Claims cannot be made on line 3 for diesel fuel used on a farm for farming purposes. Only registered ultimate vendors may make those claims (see line 6).

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use	\$ .244	}	\$ E53660	360
		.244			
b	Use in trains	.20		E53760	353
c	Use in certain intercity and local buses	.17		E53766	350

**4 Nontaxable Use of Undyed Kerosene**

Claimant has the name and address of the person(s) who sold the kerosene to the claimant and the date(s) of the purchase(s) and if exported, the required proof of export.

Claimant certifies that the kerosene did not contain visible evidence of dye.

**Exception.** If any of the kerosene included in this claim **did** contain visible evidence of dye, attach a detailed explanation and check here

**Caution:** Claims cannot be made on line 4 for kerosene used on a farm for farming purposes or for kerosene sold from a blocked pump. Only registered ultimate vendors may make those claims (see line 7).

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
	Nontaxable use	\$ .244	}	\$ E53662	346
		.244			

**5 Nontaxable Use of Aviation Fuel**

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use in commercial aviation (other than foreign trade)		\$ .175		\$ E53705	355
b Other nontaxable use		.219		E53710	369
c Other nontaxable uses		.044		E53715	377

**6 Sales by Registered Ultimate Vendors of Undyed Diesel Fuel** UV Registration No. ▶

Claimant sold the diesel fuel at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained written consent of the buyer to take the claim; and obtained the required certificate from the buyer and has no reason to believe any information in the certificate is false. See the instructions for additional information to be submitted.

Claimant certifies that the diesel fuel did not contain visible evidence of dye.

Exception. If any of the diesel fuel included in this claim did contain visible evidence of dye, attach a detailed explanation and check here

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use on a farm for farming purposes		\$ .244	}	\$ E53670	360
b Use by a state or local government		.244			

**7 Sales by Registered Ultimate Vendors of Undyed Kerosene** UV Registration No. ▶  
UP Registration No. ▶

Claimant sold the kerosene at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained written consent of the buyer to take the claim; and obtained the required certificate (for lines 7a and 7b) from the buyer and has no reason to believe any information in the certificate is false, or has the Regulations section 48.6427-10(e)(4) statement, if required, for line 7c. See the instructions for additional information to be submitted.

Claimant certifies that the kerosene did not contain visible evidence of dye.

Exception. If any of the kerosene included in this claim did contain visible evidence of dye, attach a detailed explanation and check here

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use on a farm for farming purposes		\$ .244	}	\$ E53780	346
b Use by a state or local government		.244			
c Sales from a blocked pump		.244			

**8 Nontaxable Use of Liquefied Petroleum Gas (LPG) in Certain Buses**

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use in certain intercity and local buses		\$ .062		\$ E53676	352
b Use in qualified local buses or school buses		.136		E53678	361

**9 Gasohol Blending**

Claimant bought gasoline taxed at the full rate and blended it with alcohol to make gasohol. The gasohol was sold or used in claimant's trade or business. For each batch of gasohol, claimant has the required information relating to the purchase of the gasoline and alcohol used to make the gasohol and to support the amount claimed.

	(a) Rate	Gallons of		(d) Amount of credit (col. (a) × col. (b))	(e) CRN
		(b) Gasoline	(c) Alcohol		
a 10% gasohol	\$ .03734			\$ E53725	356
b 7.7% gasohol	.02804			E53730	357
c 5.7% gasohol	.02031			E53735	363

<b>10 Total income tax credit claimed.</b> Add lines 1 through 9, column (d). Enter here and on Form 1040, line 67 (also check box b on line 67); Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23c; Form 1041, line 24g; or the proper line of other returns. ▶		<b>10</b>	\$ E53860	
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Form **4137**

### Social Security and Medicare Tax on Unreported Tip Income

OMB No. 1545-0059

**2003**

Department of the Treasury  
Internal Revenue Service

▶ See instructions on back.  
▶ Attach to Form 1040.

Attachment  
Sequence No. 24

Name of person who received tips (as shown on Form 1040). If married, complete a separate Form 4137 for each spouse with unreported tips.

Social security number

Name(s) of employer(s) to whom you were required to, but did not, report your tips:

COMBINED TOTALS

1	Total cash and charge tips you <b>received</b> in 2003 (see instructions)	1	T53902
2	Total cash and charge tips you <b>reported</b> to your employer in 2003	2	T53907
3	Subtract line 2 from line 1. This amount is income you <b>must</b> include in the total on Form 1040, line 7	3	S53912
4	Cash and charge tips you received but did not report to your employer because the total was less than \$20 in a calendar month (see instructions)	4	T53917
5	Unreported tips subject to Medicare tax. Subtract line 4 from line 3. Enter here and on line 2 of Schedule U below	5	S53922
6	Maximum amount of wages (including tips) subject to social security tax	6	87,000 00
7	Total social security wages and social security tips (total of boxes 3 and 7 on Form(s) W-2) or railroad retirement (tier 1) compensation	7	T53927
8	Subtract line 7 from line 6. If line 7 is more than line 6, enter -0- here and on line 9 and go to line 11	8	T53932
9	Unreported tips subject to social security tax. Enter the <b>smaller</b> of line 5 or line 8 here and on line 1 of Schedule U below. If you received tips as a Federal, state, or local government employee, see instructions	9	S53937
10	Multiply line 9 by .062	10	S53942
11	Multiply line 5 by .0145	11	S53947
12	Add lines 10 and 11. Enter the result here and on Form 1040, line 56	12	S53952

For Paperwork Reduction Act Notice, see instructions on back.

Form **4137** (2003)

Do Not Detach

#### SCHEDULE U (Form 1040)

Department of the Treasury  
Internal Revenue Service

### U.S. Schedule of Unreported Tip Income

For crediting to your social security record

**2003**

**Note:** The amounts you report below are for your social security record. This record is used to figure any benefits, based on your earnings, payable to you and your dependents or your survivors. Fill in each item accurately and completely.

Print or type name of person who received tip income (as shown on Form 1040)

Social security number

Address (number, street, and apt. no., or P.O. box if mail is not delivered to your home)

Occupation

City, town or post office, state, and ZIP code

- 1 Unreported tips subject to social security tax. Enter the amount from line 9 (Form 4137) above ▶
- 2 Unreported tips subject to Medicare tax. Enter the amount from line 5 (Form 4137) above ▶

Please do not write in this space

DLN—

**Social Security and Medicare Tax on Unreported Tip Income**

Department of the Treasury Internal Revenue Service

▶ See instructions on back.  
▶ Attach to Form 1040.

Name of person who received tips (as shown on Form 1040). If married, complete a separate Form 4137 for each spouse with unreported tips.

Social security number

Name(s) of employer(s) to whom you were required to, but did not, report your tips:

FIRST

1	Total cash and charge tips you <b>received</b> in 2003 (see instructions)	1	T53902
2	Total cash and charge tips you <b>reported</b> to your employer in 2003	2	T53907
3	Subtract line 2 from line 1. This amount is income you <b>must</b> include in the total on Form 1040, line 7	3	S53912
4	Cash and charge tips you received but did not report to your employer because the total was less than \$20 in a calendar month (see instructions)	4	T53917
5	Unreported tips subject to Medicare tax. Subtract line 4 from line 3. Enter here and on line 2 of Schedule U below	5	S53922
6	Maximum amount of wages (including tips) subject to social security tax	6	87,000 00
7	Total social security wages and social security tips (total of boxes 3 and 7 on Form(s) W-2) or railroad retirement (tier 1) compensation	7	T53927
8	Subtract line 7 from line 6. If line 7 is more than line 6, enter -0- here and on line 9 and go to line 11	8	T53932
9	Unreported tips subject to social security tax. Enter the <b>smaller</b> of line 5 or line 8 here and on line 1 of Schedule U below. If you received tips as a Federal, state, or local government employee, see instructions	9	S53937
10	Multiply line 9 by .062	10	S53942
11	Multiply line 5 by .0145	11	S53947
12	Add lines 10 and 11. Enter the result here and on Form 1040, line 56 ▶	12	S53952

For Paperwork Reduction Act Notice, see instructions on back.

Form **4137** (2003)

Do Not Detach

**SCHEDULE U (Form 1040)**

Department of the Treasury Internal Revenue Service

**U.S. Schedule of Unreported Tip Income**

For crediting to your social security record

**2003**

**Note:** The amounts you report below are for your social security record. This record is used to figure any benefits, based on your earnings, payable to you and your dependents or your survivors. Fill in each item accurately and completely.

Print or type name of person who received tip income (as shown on Form 1040) Social security number

Address (number, street, and apt. no., or P.O. box if mail is not delivered to your home) Occupation

City, town or post office, state, and ZIP code

1	Unreported tips subject to social security tax. Enter the amount from line 9 (Form 4137) above ▶	1	
2	Unreported tips subject to Medicare tax. Enter the amount from line 5 (Form 4137) above ▶	2	

Please do not write in this space

DLN—

**Social Security and Medicare Tax  
 on Unreported Tip Income**  
 ▶ See instructions on back.  
 ▶ Attach to Form 1040.

Name of person who received tips (as shown on Form 1040). If married, complete a separate Form 4137 for each spouse with unreported tips. **Social security number**

Name(s) of employer(s) to whom you were required to, but did not, report your tips:

SECOND TAXPAYER

1	Total cash and charge tips you <b>received</b> in 2003 (see instructions)	1	T53902	
2	Total cash and charge tips you <b>reported</b> to your employer in 2003	2	T53907	
3	Subtract line 2 from line 1. This amount is income you <b>must</b> include in the total on Form 1040, line 7	3	S53912	
4	Cash and charge tips you received but did not report to your employer because the total was less than \$20 in a calendar month (see instructions)	4	T53917	
5	Unreported tips subject to Medicare tax. Subtract line 4 from line 3. Enter here and on line 2 of Schedule U below	5	S53922	
6	Maximum amount of wages (including tips) subject to social security tax	6	87,000	00
7	Total social security wages and social security tips (total of boxes 3 and 7 on Form(s) W-2) or railroad retirement (tier 1) compensation	7	T53927	
8	Subtract line 7 from line 6. If line 7 is more than line 6, enter -0- here and on line 9 and go to line 11	8	T53932	
9	Unreported tips subject to social security tax. Enter the <b>smaller</b> of line 5 or line 8 here and on line 1 of Schedule U below. If you received tips as a Federal, state, or local government employee, see instructions	9	S53937	
10	Multiply line 9 by .062	10	S53942	
11	Multiply line 5 by .0145	11	S53947	
12	Add lines 10 and 11. Enter the result here and on Form 1040, line 56 ▶	12	S53952	

For Paperwork Reduction Act Notice, see instructions on back. Form **4137** (2003)

Do Not Detach

**U.S. Schedule of Unreported Tip Income**  
 For crediting to your social security record

**Note:** The amounts you report below are for your social security record. This record is used to figure any benefits, based on your earnings, payable to you and your dependents or your survivors. Fill in each item accurately and completely.

Print or type name of person who received tip income (as shown on Form 1040) **Social security number**

Address (number, street, and apt. no., or P.O. box if mail is not delivered to your home) Occupation

City, town or post office, state, and ZIP code

1	Unreported tips subject to social security tax. Enter the amount from line 9 (Form 4137) above ▶	1		
2	Unreported tips subject to Medicare tax. Enter the amount from line 5 (Form 4137) above ▶	2		

*Please do not write in this space*

DLN—

**Depreciation and Amortization**  
**(Including Information on Listed Property)**

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

**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.

EPZONE

1	Maximum amount. See page 2 of the instructions for a higher limit for certain businesses . . . . .	1	\$100,000
2	Total cost of section 179 property placed in service (see page 2 of the instructions) . . . . .	2	E54005
3	Threshold cost of section 179 property before reduction in limitation . . . . .	3	\$400,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 2 of the instructions . . . . .	5	E54000
<b>6</b>			
(a) Description of property		(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29 . . . . .		7	E54010
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . . .		8	E54015
9 Tentative deduction. Enter the smaller of line 5 or line 8 . . . . .		9	E54020
10 Carryover of disallowed deduction from line 13 of your 2002 Form 4562. . . . .		10	E54060
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)		11	E54040
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 . . . . .		12	E54100
13 Carryover of disallowed deduction to 2004. Add lines 9 and 10, less line 12 ▶		13	

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see page 3 of the instructions) . . . . .	14	E58110
15	Property subject to section 168(f)(1) election (see page 4 of the instructions) . . . . .	15	E58120
16	Other depreciation (including ACRS) (see page 4 of the instructions) . . . . .	16	E58140

**Part III MACRS Depreciation (Do not include listed property.) (See page 4 of the instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2003 . . . . .	17	E58100
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here . . . . . GAACD ▶ <input type="checkbox"/>		

**Section B—Assets Placed in Service During 2003 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		E54200			MTH3YR	E54400
b 5-year property		E54500			MTH5YR	E54700
c 7-year property		E54720			MTH7YR	E54760
d 10-year property		E54800			MTH10Y	E55000
e 15-year property		E55200			MTH15Y	E55300
f 20-year property		E55800			MTH20Y	E56000
g 25-year property		E56020	25 yrs.		S/L	E56040
h Residential rental property		E56100	27.5 yrs.	MM	S/L	E56300
			27.5 yrs.	MM	S/L	
i Nonresidential real property		E56400	39 yrs.	MM	S/L	E56500
				MM	S/L	

**Section C—Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System**

20a Class life		E57910			S/L	E57930
b 12-year		E57950	12 yrs.		S/L	E57960
c 40-year		E57980	40 yrs.	MM	S/L	E58000

**Part IV Summary (see page 6 of the instructions)**

21	Listed property. Enter amount from line 28 . . . . .	21	E58080
22	<b>Total.</b> 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 instr.	22	E58160
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	E58180

**Part V Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A—Depreciation and Other Information** (Caution: See page 7 of the instructions for limits for passenger automobiles.)

**24a** Do you have evidence to support the business/investment use claimed?  Yes  No **24b** If "Yes," is the evidence written?  Yes  No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
<b>25</b> Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see page 6 of the instructions)							<b>25</b>		
<b>26</b> Property used more than 50% in a qualified business use (see page 6 of the instructions):									
		%							
		%							
		%							
<b>27</b> Property used 50% or less in a qualified business use (see page 6 of the instructions):									
		%				S/L -			
		%		total 26e + 27e		S/L -			
		%		E58060		S/L -			
<b>28</b> Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.							<b>28</b>	E58080	
<b>29</b> Add amounts in column (i), line 26. Enter here and on line 7, page 1.								<b>29</b>	E54010

**Section B—Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
<b>30</b> Total business/investment miles driven during the year (do not include commuting miles—see page 2 of the instructions)												
<b>31</b> Total commuting miles driven during the year												
<b>32</b> Total other personal (noncommuting) miles driven												
<b>33</b> Total miles driven during the year. Add lines 30 through 32.												
<b>34</b> Was the vehicle available for personal use during off-duty hours?												
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person?												
<b>36</b> Is another vehicle available for personal use?												

**Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see page 8 of the instructions).

	Yes	No
<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 8 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
<b>39</b> Do you treat all use of vehicles by employees as personal use?		
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use? (See page 9 of the instructions.)		
<b>Note:</b> If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.		

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
<b>42</b> Amortization of costs that begins during your 2003 tax year (see page 9 of the instructions):					
		E58200			
<b>43</b> Amortization of costs that began before your 2003 tax year.				<b>43</b>	E58250
<b>44</b> Total. Add amounts in column (f). See page 9 of the instructions for where to report				<b>44</b>	E58300



**Casualties and Thefts**

Department of the Treasury  
Internal Revenue Service

- ▶ See separate instructions.
- ▶ Attach to your tax return.

**2003**

Attachment  
Sequence No. **26**

▶ Use a separate Form 4684 for each casualty or theft.

Name(s) shown on tax return

Identifying number

**SECTION A—Personal Use Property** (Use this section to report casualties and thefts of property **not** used in a trade or business or for income-producing purposes.)

**1** Description of properties (show type, location, and date acquired for each property). Use a separate line for each property lost or damaged from the same casualty or theft.

- Property **A** \_\_\_\_\_
- Property **B** \_\_\_\_\_
- Property **C** \_\_\_\_\_
- Property **D** \_\_\_\_\_

	Properties			
	A	B	C	D
<b>2</b> Cost or other basis of each property . . . . .				
<b>3</b> Insurance or other reimbursement (whether or not you filed a claim) (see instructions) . . . . .				
<b>Note:</b> If line 2 is <b>more</b> than line 3, skip line 4.				
<b>4</b> Gain from casualty or theft. If line 3 is <b>more</b> than line 2, enter the difference here and skip lines 5 through 9 for that column. See instructions if line 3 includes insurance or other reimbursement you did not claim, or you received payment for your loss in a later tax year . . . . .				
<b>5</b> Fair market value <b>before</b> casualty or theft . . . . .				
<b>6</b> Fair market value <b>after</b> casualty or theft . . . . .				
<b>7</b> Subtract line 6 from line 5 . . . . .				
<b>8</b> Enter the <b>smaller</b> of line 2 or line 7 . . . . .				
<b>9</b> Subtract line 3 from line 8. If zero or less, enter -0- . . . . .				
<b>10</b> Casualty or theft loss. Add the amounts on line 9 in columns A through D . . . . .				<b>10</b>
<b>11</b> Enter the <b>smaller</b> of line 10 or \$100 . . . . .				<b>11</b>
<b>12</b> Subtract line 11 from line 10 . . . . .				<b>12</b>
<b>Caution:</b> Use only one Form 4684 for lines 13 through 18.				
<b>13</b> Add the amounts on line 12 of all Forms 4684 . . . . .				<b>13</b>
<b>14</b> Add the amounts on line 4 of all Forms 4684 . . . . .				<b>14</b>
<b>15</b> • If line 14 is <b>more</b> than line 13, enter the difference here and on Schedule D. <b>Do not</b> complete the rest of this section (see instructions). • If line 14 is <b>less</b> than line 13, enter -0- here and go to line 16. • If line 14 is <b>equal</b> to line 13, enter -0- here. <b>Do not</b> complete the rest of this section.				<b>15</b> E37700
<b>16</b> If line 14 is <b>less</b> than line 13, enter the difference . . . . .				<b>16</b> E37703 +/-
<b>17</b> Enter 10% of your adjusted gross income from Form 1040, line 35. Estates and trusts, see instructions. . . . .				<b>17</b>
<b>18</b> Subtract line 17 from line 16. If zero or less, enter -0-. Also enter the result on Schedule A (Form 1040), line 19. Estates and trusts, enter the result on the "Other deductions" line of your tax return . . . . .				<b>18</b>



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

Identifying number

**SECTION B—Business and Income-Producing Property**

**Part I Casualty or Theft Gain or Loss (Use a separate Part I for each casualty or theft.)**

19 Description of properties (show type, location, and date acquired for each property). Use a separate line for each property lost or damaged from the same casualty or theft.

Property A \_\_\_\_\_  
 Property B \_\_\_\_\_  
 Property C \_\_\_\_\_  
 Property D \_\_\_\_\_

	Properties			
	A	B	C	D
20 Cost or adjusted basis of each property . . . . .	20			
21 Insurance or other reimbursement (whether or not you filed a claim). See the instructions for line 3. <b>Note:</b> If line 20 is more than line 21, skip line 22.	21			
22 Gain from casualty or theft. If line 21 is more than line 20, enter the difference here and on line 29 or line 34, column (c), except as provided in the instructions for line 33. Also, skip lines 23 through 27 for that column. See the instructions for line 4 if line 21 includes insurance or other reimbursement you did not claim, or you received payment for your loss in a later tax year.	22			
23 Fair market value before casualty or theft . . . . .	23			
24 Fair market value after casualty or theft . . . . .	24			
25 Subtract line 24 from line 23 . . . . .	25			
26 Enter the smaller of line 20 or line 25. <b>Note:</b> If the property was totally destroyed by casualty or lost from theft, enter on line 26 the amount from line 20.	26			
27 Subtract line 21 from line 26. If zero or less, enter -0-	27			
28 Casualty or theft loss. Add the amounts on line 27. Enter the total here and on line 29 or line 34 (see instructions).	28			

**Part II Summary of Gains and Losses (from separate Parts I)**

(a) Identify casualty or theft

(b) Losses from casualties or thefts

(i) Trade, business, rental or royalty property

(ii) Income-producing and employee property

(c) Gains from casualties or thefts includible in income

**Casualty or Theft of Property Held One Year or Less**

29	( )	( )	( )	
30 Totals. Add the amounts on line 29 . . . . .	30	( )	( )	
31 Combine line 30, columns (b)(i) and (c). Enter the net gain or (loss) here and on Form 4797, line 14. If Form 4797 is not otherwise required, see instructions . . . . .	31	E37705	+/-	
32 Enter the amount from line 30, column (b)(ii) here. Individuals, enter the amount from income-producing property on Schedule A (Form 1040), line 27, and enter the amount from property used as an employee on Schedule A (Form 1040), line 22. Estates and trusts, partnerships, and S corporations, see instructions . . . . .	32			

**Casualty or Theft of Property Held More Than One Year**

33 Casualty or theft gains from Form 4797, line 32 . . . . .	33	E37710	+/-	
34	( )	( )	( )	
35 Total losses. Add amounts on line 34, columns (b)(i) and (b)(ii) . . . . .	35	E37715		
36 Total gains. Add lines 33 and 34, column (c) . . . . .	36	E37720		
37 Add amounts on line 35, columns (b)(i) and (b)(ii) . . . . .	37	E37725		
38 If the loss on line 37 is more than the gain on line 36:				
a Combine line 35, column (b)(i) and line 36, and enter the net gain or (loss) here. Partnerships (except electing large partnerships) and S corporations, see the note below. All others, enter this amount on Form 4797, line 14. If Form 4797 is not otherwise required, see instruction:	38a	E37730	+/-	
b Enter the amount from line 35, column (b)(ii) here. Individuals, enter the amount from income-producing property on Schedule A (Form 1040), line 27, and enter the amount from property used as an employee on Schedule A (Form 1040), line 22. Estates and trusts, enter on the "Other deductions" line of your tax return. Partnerships (except electing large partnerships) and S corporations, see the note below. Electing large partnerships, enter on Form 1065-B, Part II, line 11.	38b	E37733	+/-	
39 If the loss on line 37 is less than or equal to the gain on line 36, combine lines 36 and 37 and enter here. Partnerships (except electing large partnerships), see the note below. All others, enter this amount on Form 4797, line 3, column (g) and the net post-May 5 gain or (loss), if applicable, in column (h) . . . . .	39	E37735	+/-	

**Note:** Partnerships, enter the amount from line 38a, 38b, or line 39 on Form 1065, Schedule K, line 7. S corporations, enter the amount from line 38a or 38b on Form 1120S, Schedule K, line 6.



**Sales of Business Property**  
 (Also Involuntary Conversions and Recapture Amounts  
 Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

Name(s) shown on return	Identifying number
-------------------------	--------------------

**1** Enter the gross proceeds from sales or exchanges reported to you for 2003 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) 1

**Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (See instructions.)**

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) for entire year. Subtract (f) from the sum of (d) and (e)	(h) Post-May 5, 2003, gain or (loss)* (see below)
<b>2</b>						<b>N3</b>	
<b>PARENTS</b>							<b>E40173+/-</b>
<b>3</b> Gain, if any, from Form 4684, line 39							<b>E40183</b>
<b>4</b> Section 1231 gain from installment sales from Form 6252, line 26 or 37							<b>E40193</b>
<b>5</b> Section 1231 gain or (loss) from like-kind exchanges from Form 8824							<b>E40203+/-</b>
<b>6</b> Gain, if any, from line 32, from other than casualty or theft							<b>E40213</b>
<b>7</b> Combine lines 2 through 6 in columns (g) and (h). Enter the gain or (loss) here and on the appropriate line as follows:							<b>E40223+/-</b>
<p><b>Partnerships (except electing large partnerships) and S corporations.</b> Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 6, or Form 1120S, Schedule K, line 5. Skip lines 8, 9, 11, and 12 below.</p> <p><b>All others.</b> If line 7, column (g), is zero or a loss, enter that amount on line 11 below and skip lines 8, 9, and 12. If line 7, column (g), is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain or (loss) in each column as a long-term capital gain or (loss) on Schedule D and skip lines 8, 9, 11, and 12 below.</p>							
<b>8</b> Nonrecaptured net section 1231 losses from prior years (see instructions)							<b>E40233</b>
<b>9</b> Subtract line 8 from line 7. If line 9, column (g), is zero or less, enter -0- in column (g). If line 9, column (g), is more than zero, enter the amount from line 8, column (g), on line 12 below and include the gain or (loss) in each column of line 9 as a long-term capital gain or (loss) on Schedule D (see instructions)							<b>E40243</b>

\*Corporations (other than S corporations) should not complete column (h). Partnerships and S corporations must complete column (h). All others must complete column (h) only if line 7, column (g), is a gain and the amount, if any, on line 8, column (g), does not equal or exceed the gain on line 7, column (g). Include in column (h) all gains and losses from column (g) from sales, exchanges, or conversions (including installment payments received) after May 5, 2003. However, do not include gain attributable to unrecaptured section 1250 gain.

**Part II Ordinary Gains and Losses**

**10** Ordinary gains and losses not included on lines 11 through 17 (include property held 1 year or less):

	align="right"> <b>E21090</b>
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<b>11</b> Loss, if any, from line 7, column (g)	<b>11</b> ( )	
<b>12</b> Gain, if any, from line 7, column (g), or amount from line 8, column (g), if applicable	<b>12</b>	
<b>13</b> Gain, if any, from line 31	<b>13</b>	
<b>14</b> Net gain or (loss) from Form 4684, lines 31 and 38a	<b>14</b>	
<b>15</b> Ordinary gain from installment sales from Form 6252, line 25 or 36	<b>15</b>	
<b>16</b> Ordinary gain or (loss) from like-kind exchanges from Form 8824	<b>16</b>	
<b>17</b> Recapture of section 179 expense deduction for partners and S corporation shareholders for property dispositions from 2002-2003 fiscal year partnerships and S corporations (see instructions)	<b>17</b>	
<b>18</b> Combine lines 10 through 17. Enter the gain or (loss) here and on the appropriate line as follows:	<b>18</b>	
<p><b>a For all except individual returns.</b> Enter the gain or (loss) from line 18 on the return being filed.</p> <p><b>b For individual returns:</b></p> <p>(1) If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 27, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 22. Identify as from "Form 4797, line 18b(1)." See instructions</p> <p>(2) Redetermine the gain or (loss) on line 18 excluding the loss, if any, on line 18b(1). Enter here and on Form 1040, line 14</p>		
	<b>18b(1)</b>	
	<b>18b(2)</b>	

**Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255**

(a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
				A	B
A					
B					
C					
D					
These columns relate to the properties on lines 19A through 19D. ▶		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20			
21	Cost or other basis plus expense of sale	21			
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis. Subtract line 22 from line 21	23			
24	Total gain. Subtract line 23 from line 20	24			
<b>25 If section 1245 property:</b>					
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
<b>26 If section 1250 property:</b> If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975 (see instructions)	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f	26g			
<b>27 If section 1252 property:</b> Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).					
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage (see instructions)	27b			
c	Enter the smaller of line 24 or 27b	27c			AUTHCD
<b>28 If section 1254 property:</b>					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	28a			
b	Enter the smaller of line 24 or 28a	28b			
<b>29 If section 1255 property:</b>					
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a			
b	Enter the smaller of line 24 or 29a (see instructions)	29b			

**Summary of Part III Gains.** Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6, column (g), and if applicable, column (h)	32	

**Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less (See instructions.)**

		(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33	
34	Recomputed depreciation. See instructions	34	
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	



**Farm Rental Income and Expenses**  
 (Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor))  
 (Income not subject to self-employment tax)  
 ▶ Attach to Form 1040. ▶ See instructions on back.

Department of the Treasury  
Internal Revenue Service

Name(s) shown on Form 1040

Your social security number

Employer ID number (EIN), if any

Line D- F4835 (number attached)

**A** Did you actively participate in the operation of this farm during 2003 (see instructions)?  MPARFR  Yes  No

**Part I Gross Farm Rental Income—Based on Production.** Include amounts converted to cash or the equivalent.

<b>1</b> Income from production of livestock, produce, grains, and other crops	<b>1</b>	<b>E58360</b>	
<b>2a</b> Cooperative distributions (Form(s) 1099-PATR)	<b>2a</b>	<b>E58330</b>	<b>N3</b>
<b>2b</b> Taxable amount	<b>2b</b>		
<b>3a</b> Agricultural program payments (see instructions)	<b>3a</b>	<b>E58340</b>	
<b>3b</b> Taxable amount	<b>3b</b>	<b>E58345</b>	
<b>4</b> Commodity Credit Corporation (CCC) loans (see instructions):			
<b>a</b> CCC loans reported under election	<b>4a</b>	<b>E58370</b>	
<b>b</b> CCC loans forfeited	<b>4b</b>	<b>E58350</b>	
<b>4c</b> Taxable amount	<b>4c</b>	<b>PARENTS</b>	
<b>5</b> Crop insurance proceeds and certain disaster payments (see instructions):			
<b>a</b> Amount received in 2003	<b>5a</b>	<b>E58380</b>	
<b>5b</b> Taxable amount	<b>5b</b>	<b>E58385</b>	<b>NTS</b>
<b>c</b> If election to defer to 2004 is attached, check here <input type="checkbox"/> <b>5d</b> Amount deferred from 2002	<b>5d</b>		
<b>6</b> Other income, including Federal and state gasoline or fuel tax credit or refund (see instructions)	<b>6</b>	<b>E58390</b>	
<b>7</b> <b>Gross farm rental income.</b> Add amounts in the right column for lines 1 through 6. Enter the total here and on Schedule E (Form 1040), line 42.	<b>7</b>	<b>E58400</b>	

**Part II Expenses—Farm Rental Property.** Do not include personal or living expenses.

<b>8</b> Car and truck expenses (see Schedule F instructions). Also attach <b>Form 4562</b>	<b>8</b>			<b>21</b> Pension and profit-sharing plans	<b>21</b>	<b>E58475</b>	
<b>9</b> Chemicals	<b>9</b>			<b>22</b> Rent or lease:			
<b>10</b> Conservation expenses (see instructions)	<b>10</b>			<b>a</b> Vehicles, machinery, and equipment (see instructions)	<b>22a</b>		
<b>11</b> Custom hire (machine work)	<b>11</b>	<b>E58410</b>		<b>b</b> Other (land, animals, etc.)	<b>22b</b>		
<b>12</b> Depreciation and section 179 expense deduction not claimed elsewhere	<b>12</b>	<b>E58420</b>		<b>23</b> Repairs and maintenance	<b>23</b>	<b>E58455</b>	
<b>13</b> Employee benefit programs other than on line 21 (see Schedule F instructions)	<b>13</b>	<b>E58425</b>	<b>1090</b>	<b>24</b> Seeds and plants purchased	<b>24</b>	<b>E58450</b>	
<b>14</b> Feed purchased	<b>14</b>			<b>25</b> Storage and warehousing	<b>25</b>		
<b>15</b> Fertilizers and lime	<b>15</b>			<b>26</b> Supplies purchased	<b>26</b>	<b>E58490</b>	
<b>16</b> Freight and trucking	<b>16</b>			<b>27</b> Taxes	<b>27</b>	<b>E58495</b>	
<b>17</b> Gasoline, fuel, and oil	<b>17</b>	<b>E58430</b>		<b>28</b> Utilities	<b>28</b>		
<b>18</b> Insurance (other than health)	<b>18</b>			<b>29</b> Veterinary, breeding, and medicine	<b>29</b>		
<b>19</b> Interest:				<b>30</b> Other expenses (specify):			
<b>a</b> Mortgage (paid to banks, etc.)	<b>19a</b>	<b>E58440</b>		<b>a</b> .....	<b>30a</b>		
<b>b</b> Other	<b>19b</b>	<b>E58460</b>		<b>b</b> .....	<b>30b</b>		
<b>20</b> Labor hired (less employment credits) (see Schedule F instructions)	<b>20</b>	<b>E58465</b>		<b>c</b> .....	<b>30c</b>		
				<b>d</b> .....	<b>30d</b>		
				<b>e</b> .....	<b>30e</b>		
				<b>f</b> .....	<b>30f</b>		
				<b>g</b> .....	<b>30g</b>		
<b>31</b> <b>Total expenses.</b> Add lines 8 through 30g	<b>31</b>				<b>31</b>	<b>E58480</b>	
<b>32</b> <b>Net farm rental income or (loss).</b> Subtract line 31 from line 7. If the result is income, enter it here and on Schedule E, line 40. If the result is a loss, you <b>must</b> go on to line 33	<b>32</b>				<b>32</b>	<b>E58500</b>	
<b>33</b> If line 32 is a loss, you <b>must</b> check the box that describes your investment in this activity (see instructions)					<b>33a</b>	<input type="checkbox"/> All investment is at risk.	
					<b>33b</b>	<input type="checkbox"/> Some investment is not at risk.	
You may need to complete <b>Form 8582</b> to determine your deductible loss, regardless of which box you check (see instructions). However, if you checked 33b, you <b>must</b> complete <b>Form 6198</b> before going to Form 8582. In either case, enter the deductible loss here and on Schedule E, line 40					<b>33c</b>	<b>E58520</b>	
<b>nondeductible loss (+)/suspended loss carryover(-) E58540</b>							

**Investment Interest Expense Deduction**

Department of the Treasury  
Internal Revenue Service

▶ Attach to your tax return.

Name(s) shown on return

Identifying number

**Part I Total Investment Interest Expense**

<b>1</b>	Investment interest expense paid or accrued in 2003 (see instructions)	<b>1</b>	<b>E58900</b>
<b>2</b>	Disallowed investment interest expense from 2002 Form 4952, line 7	<b>2</b>	<b>E59200</b>
<b>3</b>	<b>Total investment interest expense.</b> Add lines 1 and 2	<b>3</b>	<b>E58950</b>

**Part II Net Investment Income**

<b>4a</b>	Gross income from property held for investment (excluding any net gain from the disposition of property held for investment)	<b>4a</b>	<b>E58970 +/</b>
<b>4b</b>	Qualified dividends included on line 4a	<b>4b</b>	<b>E58972</b>
<b>4c</b>	Subtract line 4b from line 4a	<b>4c</b>	<b>E58974 +/-</b>
<b>4d</b>	Net gain from the disposition of property held for investment	<b>4d</b>	<b>E58975</b>
<b>4e</b>	Enter the <b>smaller</b> of line 4d or your net capital gain from the disposition of property held for investment (see instructions)	<b>4e</b>	<b>E58980</b>
<b>4f</b>	Subtract line 4e from line 4d	<b>4f</b>	<b>E58985</b>
<b>4g</b>	Enter the amount from lines 4b and 4e that you elect to include in investment income (see instructions)	<b>4g</b>	<b>E58990</b>
<b>4h</b>	Investment income. Add lines 4c, 4f, and 4g	<b>4h</b>	<b>E58995 +/-</b>
<b>5</b>	Investment expenses (see instructions)	<b>5</b>	<b>E59100</b>
<b>6</b>	<b>Net investment income.</b> Subtract line 5 from line 4h. If zero or less, enter -0-	<b>6</b>	<b>E58960</b>

**Part III Investment Interest Expense Deduction**

<b>7</b>	Disallowed investment interest expense to be carried forward to 2004. Subtract line 6 from line 3. If zero or less, enter -0-	<b>7</b>	<b>E59260</b>
<b>8</b>	<b>Investment interest expense deduction.</b> Enter the <b>smaller</b> of line 3 or 6. See instructions.	<b>8</b>	<b>E59280</b>

Section references are to the Internal Revenue Code unless otherwise noted.

**General Instructions**

**A Change To Note**

In general, qualified dividends shown on Form 1040, line 9b (or Form 1041, line 2b(2)), are excluded from investment income. But you can elect on Form 4952, line 4g, to include part or all of your qualified dividends in investment income. See the instructions for line 4g for details.

**Purpose of Form**

Use Form 4952 to figure the amount of investment interest expense you can deduct for 2003 and the amount you can carry forward to future years. Your investment interest expense deduction is limited to your net investment income.

For more information, see **Pub. 550**, Investment Income and Expenses.

**Who Must File**

If you are an individual, estate, or a trust, you must file Form 4952 to claim a deduction for your investment interest expense.

**Exception.** You do not have to file Form 4952 if **all** of the following apply.

- Your investment interest expense is not more than your investment income from interest and ordinary dividends minus any qualified dividends.
- You have no other deductible investment expenses.

- You have no disallowed investment interest expense from 2002.

**Allocation of Interest Expense**

If you paid or accrued interest on a loan and used the loan proceeds for more than one purpose, you may have to allocate the interest. This is necessary because different rules apply to investment interest, personal interest, trade or business interest, home mortgage interest, and passive activity interest. See **Pub. 535**, Business Expenses.

**Specific Instructions**

**Part I—Total Investment Interest Expense Line 1**

Enter the investment interest expense paid or accrued during the tax year, regardless of when you incurred the indebtedness. **Investment interest expense** is interest paid or accrued on a loan or part of a loan that is allocable to property held for investment (as defined on this page).

Include investment interest expense reported to you on Schedule K-1 from a partnership or an S corporation. Include amortization of bond premium on taxable bonds purchased after October 22, 1986, but before January 1, 1988, unless you elected to offset amortizable bond premium against the interest payments on the bond. A taxable bond is a bond on which the interest is includible in gross income.

Investment interest expense **does not** include any of the following:

- Home mortgage interest.
- Interest expense that is properly allocable to a passive activity. Generally, a passive activity is any business activity in which you **do not** materially participate and any rental activity. See the Instructions for **Form 8582**, Passive Activity Loss Limitations, for details.
- Any interest expense that is capitalized, such as construction interest subject to section 263A.
- Interest expense related to tax-exempt interest income under section 265.
- Interest expense, disallowed under section 264, on indebtedness with respect to life insurance, endowment, or annuity contracts issued after June 8, 1997, even if the proceeds were used to purchase any property held for investment.

**Property held for investment.** Property held for investment includes property that produces income, **not** derived in the ordinary course of a trade or business, from interest, dividends, annuities, or royalties. It also includes property that produces gain or loss, **not** derived in the ordinary course of a trade or business, from the disposition of property that produces these types of income or is held for investment. However, it does not include an interest in a passive activity.

**Exception.** A working interest in an oil or gas property that you held directly or through an entity that did **not** limit your liability is property held for investment, but only if you did not materially participate in the activity.

**Tax on Accumulation Distribution of Trusts**

Department of the Treasury  
Internal Revenue Service

▶ Attach to beneficiary's tax return.

**2003**

Attachment  
Sequence No. **73**

▶ See instructions on back.

A Name(s) as shown on return		B Social security number	
C Name and address of trust		D Employer identification number	
E Type of trust (see instructions) <input type="checkbox"/> Domestic <input type="checkbox"/> Foreign	F Beneficiary's date of birth	G Enter number of trusts from which you received accumulation distributions in this tax year ▶	

**Part I Average Income and Determination of Computation Years**

1 Amount of current distribution that is considered distributed in earlier tax years (from Schedule J (Form 1041), line 37, column (a))	1				
2 Distributions of income accumulated before you were born or reached age 21	2				
3 Subtract line 2 from line 1	3				
4 Taxes imposed on the trust on amounts from line 3 (from Schedule J (Form 1041), line 37, column (b))	4				
5 Total (add lines 3 and 4)	5				
6 Tax-exempt interest included on line 5 (from Schedule J (Form 1041), line 37, column (c))	6				
7 Taxable part of line 5 (subtract line 6 from line 5)	7				
8 Number of trust's earlier tax years in which amounts on line 7 are considered distributed	8	N3			
9 Average annual amount considered distributed (divide line 3 by line 8)	9				
10 Multiply line 9 by .25	10				
11 Number of earlier tax years to be taken into account (see instructions)	11				
12 Average amount for recomputing tax (divide line 7 by line 11). Enter here and in each column on line 15	12				
13 Enter your taxable income before this distribution for the 5 immediately preceding tax years	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) 1998

**Part II Tax Attributable to the Accumulation Distribution**

	(a) .....	(b) ARENT	(c) .....
14 Enter the amounts from line 13, eliminating the highest and lowest taxable income years	14		
15 Enter amount from line 12 in each column	15	R DEPENDENTS	
16 Recomputed taxable income (add lines 14 and 15)	16		L DEPENDENTS
17 Income tax on amounts on line 16	17		
18 Income tax before credits on line 14 income	18		
19 Additional tax before credits (subtract line 18 from line 17)	19		
20 Tax credit adjustment	20		
21 Subtract line 20 from line 19	21	E21090	
22 Alternative minimum tax adjustments	22		
23 Combine lines 21 and 22	23		
24 Add columns (a), (b), and (c), line 23			24
25 Divide the line 24 amount by 3			25
26 Multiply the amount on line 25 by the number of years on line 11			26
27 Enter the amount from line 4			27
28 Partial tax attributable to the accumulation distribution (subtract line 27 from 26) (If zero or less, enter -0-).			28

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

A beneficiary of certain domestic trusts (see **Who Must File** below) uses Form 4970 to figure the partial tax on accumulation distributions under section 667. The fiduciary notifies the beneficiary of an "accumulation distribution" by completing Part IV of Schedule J (Form 1041).

Thus, if you received a distribution for this tax year from a trust that accumulated its income instead of distributing it each year (and the trust paid taxes on that income), you must complete Form 4970 to compute any additional tax liability. The trustee must give you a completed Part IV of Schedule J (Form 1041) so you can complete this form.

If you received accumulation distributions from more than one trust during the current tax year, prepare a separate Form 4970 for each trust from which you received an accumulation distribution. You can arrange the distributions in any order you want them considered to have been made.

### Who Must File

Beneficiaries who received an accumulation distribution from certain domestic trusts that were created before March 1, 1984, must file Form 4970. For details, see section 665(c).

**Foreign trust beneficiaries.** If you received an accumulation distribution from a foreign trust, you must report the distribution and the partial tax on a **2003 Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts.**

**Do not** file Form 4970 for distributions from any foreign trusts, except to attach it as a worksheet to Form 3520 if those instructions direct you to.

**Note:** If the accumulation distributions are from a domestic trust that used to be a foreign trust, see Rev. Rul. 91-6, 1991-1 C.B. 89.

### Definitions

#### Undistributed net income (UNI).

Undistributed net income is the distributable net income (DNI) of the trust for any tax year less (1) the amount of income required to be distributed currently and any other amounts properly paid or credited or required to be distributed to beneficiaries in the tax year and (2) the taxes imposed on the trust attributable to such DNI.

**Accumulation distribution.** An accumulation distribution is the excess of amounts properly paid, credited, or required to be distributed (other than income required to be distributed currently) over the DNI of the trust reduced by income required to be distributed currently.

Generally, except for tax-exempt interest, the distribution loses its character upon distribution to the beneficiary. See section 667(d) for special rules for foreign trusts.

### Specific Instructions

**Item E—Type of trust.** If you received an accumulation distribution from a foreign trust, see **Foreign trust beneficiaries** above. Do not file this form other than as an attachment to Form 3520.

**Line 1.** For a nonresident alien or foreign corporation, include only the part of the accumulation distribution that is attributable

to U.S. sources or is effectively connected with a trade or business carried on in the United States.

**Line 2.** Enter any amount from line 1 that represents UNI of a domestic trust accumulated before you were born or reached age 21. However, if the multiple trust rule applies, see the instructions for line 4.

**Line 4—Multiple trust rule.** If you received accumulation distributions from two or more other trusts that were considered to have been made in any of the earlier tax years in which the current accumulation distribution is considered to have been made, do not include on line 4 the taxes attributable to the current accumulation distribution considered to have been distributed in the same earlier tax year(s).

For this special rule, only count as trusts those trusts for which the sum of this accumulation distribution and any earlier accumulation distributions from the trust, which are considered under section 666(a) to have been distributed in the same earlier tax year, is \$1,000 or more.

**Foreign trust.** If the trust is a foreign trust, see section 665(d)(2).

**Line 8.** You can determine the number of years in which the UNI is deemed to have been distributed by counting the "throwback years" for which there are entries on lines 32 through 36 of Part IV of Schedule J (Form 1041). These throwback rules apply even if you would not have been entitled to receive a distribution in the earlier tax year if the distribution had actually been made then. **There can be more than 5 "throwback years."**

**Line 11.** From the number of years entered on line 8, subtract any year in which the distribution from column (a), Part IV of Schedule J (Form 1041) is less than the amount on line 10 of Form 4970. If the distribution for each throwback year is more than line 10, then enter the same number on line 11 as you entered on line 8.

**Line 13.** Enter your taxable incomes for years 1998–2002, even if less than 5 years of the trust had accumulated income after you became 21. Use the taxable income as reported by you or as changed by the IRS. Include in the taxable income amounts considered distributed in that year as a result of prior accumulation distributions, whether from the same or another trust, and whether made in an earlier year or the current year.

If your taxable income as adjusted is less than zero, enter zero.

**Line 17.** Figure the income tax (not including any alternative minimum tax (AMT)) on the income on line 16 using the tax rates in effect for your particular earlier tax year shown in each of the three columns. Use the Tax Rate Schedules, etc., as applicable. You can get the Tax Rate Schedules and prior year forms from many IRS offices or by calling 1-800-TAX-FORM (1-800-829-3676).

**Line 18.** Enter your income tax (not including any AMT) as originally reported, corrected, or amended, before reduction for any credits for your particular earlier year shown in each of the three columns.

**Line 20.** Nonrefundable credits that are limited to tax liability, such as the general business credit, may be changed because of an accumulation distribution. If the total allowable credits for any of the 3 computation years increases, enter the **increase** on line 20. However, do not treat as an increase the part of the credit that was allowable as a

carryback or carryforward credit in the current or any preceding year other than the computation year.

To refigure these credits, you must consider changes to the tax before credits for each of the 3 computation years due to previous accumulation distributions.

If the accumulation distribution is from a domestic trust that paid foreign income taxes, the limitation on the foreign tax credit under section 904 is applied separately to the accumulation distribution. If the distribution is from a foreign trust, see sections 667(d) and 904(f)(4) for special rules.

Attach the proper form for any credit you refigure. The amount determined for items on this line is limited to tax law provisions in effect for those years involved.

**Line 22.** Use and attach a separate **Form 4626, Form 6251**, or the AMT schedule for **Form 1041** to recompute the AMT for each earlier year and show any change in those taxes in the bottom margin of the forms or schedules. Enter the adjustments on this line.

**Line 28.** If estate taxes or generation-skipping transfer taxes apply to the accumulation distribution, reduce the partial tax proportionately for those taxes. See section 667(b)(6) for the computation.

**Individuals.** Include the amount from this line on line 60, Form 1040. Write "ADT" to the left of the line 60 entry space.

**Trusts and decedents' estates.** Include the amount on line 7, Schedule G, Form 1041. Write "From Form 4970" and the amount of the tax to the left of the line 7 entry space.

**Other filers.** Add the result to the total tax liability before the refundable credits on your income tax return for the year of the accumulation distribution. Attach this form to that return.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

<b>Recordkeeping</b> . . . . .	1 hr., 12 min.
<b>Learning about the law or the form</b> . . . . .	15 min.
<b>Preparing the form</b> . . . . .	1 hr., 26 min.
<b>Copying, assembling, and sending the form to the IRS</b> . . . . .	20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.



**Tax on Lump-Sum Distributions**  
(From Qualified Plans of Participants Born Before January 2, 1936)

▶ Attach to Form 1040 or Form 1041.

Name of recipient of distribution

Identifying number

**Part I Complete this part to see if you can use Form 4972**

	Yes	No
1 Was this a distribution of a plan participant's entire balance (excluding deductible voluntary employee contributions and certain forfeited amounts) from all of an employer's qualified plans of one kind (pension, profit-sharing, or stock bonus)? If "No," <b>do not</b> use this form . . . . .	1	LSDQPI
2 Did you roll over any part of the distribution? If "Yes," <b>do not</b> use this form . . . . .	2	LSDROI
3 Was this distribution paid to you as a beneficiary of a plan participant who was born before January 2, 1936? . . . . .	3	LSDEBI
4 Were you (a) a plan participant who received this distribution, (b) born before January 2, 1936, and (c) a participant in the plan for at least 5 years before the year of the distribution? If you answered "No" to both questions 3 and 4, <b>do not</b> use this form. . . . .	4	LSD5YM
5a Did you use Form 4972 after 1986 for a previous distribution from your own plan? If "Yes," <b>do not</b> use this form for a 2003 distribution from your own plan . . . . .	5a	LSDPYD
b If you are receiving this distribution as a beneficiary of a plan participant who died, did you use Form 4972 for a previous distribution received for that participant after 1986? If "Yes," <b>do not</b> use the form for this distribution . . . . .	5b	LSDDBI

**Part II Complete this part to choose the 20% capital gain election (see instructions)**

6 Capital gain part from Form 1099-R, box 3 . . . . .	6	E59400
7 Multiply line 6 by 20% (.20) . . . . . ▶	7	
If you also choose to use Part III, go to line 8. Otherwise, include the amount from line 7 in the total on Form 1040, line 41; or Form 1041, Schedule G, line 1b, whichever applies.		

**Part III Complete this part to choose the 10-year tax option (see instructions)**

8 Ordinary income from Form 1099-R, box 2a minus box 3. If you did not complete Part II, enter the taxable amount from Form 1099-R, box 2a. . . . .	8	E59410
9 Death benefit exclusion for a beneficiary of a plan participant who died before August 21, 1996 . . . . .	9	E59420
10 Total taxable amount. Subtract line 9 from line 8 . . . . .	10	E59430
11 Current actuarial value of annuity from Form 1099-R, box 8. If none, enter -0- . . . . .	11	E59440
12 Adjusted total taxable amount. Add lines 10 and 11. If this amount is \$70,000 or more, <b>skip</b> lines 13 through 16, enter this amount on line 17, and go to line 18 . . . . .	12	E59450
13 Multiply line 12 by 50% (.50), but <b>do not</b> enter more than \$10,000 . . . . .	13	
14 Subtract \$20,000 from line 12. If line 12 is \$20,000 or less, enter -0- . . . . .	14	
15 Multiply line 14 by 20% (.20) . . . . .	15	
16 Minimum distribution allowance. Subtract line 15 from line 13 . . . . .	16	E59460
17 Subtract line 16 from line 12 . . . . .	17	
18 Federal estate tax attributable to lump-sum distribution . . . . .	18	E59470
19 Subtract line 18 from line 17. If line 11 is zero, <b>skip</b> lines 20 through 22 and go to line 23 . . . . .	19	
20 Divide line 11 by line 12 and enter the result as a decimal (rounded to at least three places). . . . .	20	
21 Multiply line 16 by the decimal on line 20 . . . . .	21	
22 Subtract line 21 from line 11 . . . . .	22	
23 Multiply line 19 by 10% (.10) . . . . .	23	
24 Tax on amount on line 23. Use the Tax Rate Schedule in the instructions . . . . .	24	E59475
25 Multiply line 24 by ten (10). If line 11 is zero, <b>skip</b> lines 26 through 28, enter this amount on line 29, and go to line 30 . . . . .	25	
26 Multiply line 22 by 10% (.10) . . . . .	26	
27 Tax on amount on line 26. Use the Tax Rate Schedule in the instructions . . . . .	27	E59480
28 Multiply line 27 by ten (10) . . . . .	28	
29 Subtract line 28 from line 25. Multiple recipients, see instructions . . . . . <b>MRC</b> ▶	29	E59485
30 <b>Tax on lump-sum distribution.</b> Add lines 7 and 29. Also include this amount in the total on Form 1040, line 41, or Form 1041, Schedule G, line 1b, whichever applies . . . . . ▶	30	E59490



**Additional Taxes on Qualified Plans  
(Including IRAs) and Other Tax-Favored Accounts**

**2003**

Attachment  
Sequence No. **29**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1040.

▶ See separate instructions.

Name of individual subject to additional tax. If married filing jointly, see instructions.		Your social security number : : :
<b>FIRST FORM</b>		
<b>Fill in Your Address Only If You Are Filing This Form by Itself and Not With Your Tax Return</b>	Home address (number and street), or P.O. box if mail is not delivered to your home	Apt. no.
	City, town or post office, state, and ZIP code	If this is an amended return, check here <input type="checkbox"/>

If you **only** owe the additional 10% tax on early distributions, you may be able to report this tax directly on Form 1040, line 57, without filing Form 5329. See the instructions for Form 1040, line 57.

**Part I Additional Tax on Early Distributions**

Complete this part if you took a taxable distribution, before you reached age 59½, from a qualified retirement plan (including an IRA) or modified endowment contract (unless you are reporting this tax directly on Form 1040—see above). You also may have to complete this part if you received a Form 1099-R that incorrectly indicates an early distribution or you received a Roth IRA distribution (see instructions).

1 Early distributions included in income. For Roth IRA distributions, see instructions . . . . .	<b>1</b>		
2 Early distributions included on line 1 that are not subject to the additional tax (see instructions). Enter the appropriate exception number from the instructions: _____ . . . . .	<b>2</b>		
3 Amount subject to additional tax. Subtract line 2 from line 1 . . . . .	<b>3</b>	E59880	
4 <b>Additional tax.</b> Enter 10% (.10) of line 3. Include this amount on Form 1040, line 57 . . . . . <i>Caution: If any part of the amount on line 3 was a distribution from a SIMPLE IRA, you may have to include 25% of that amount on line 4 instead of 10% (see instructions).</i>	<b>4</b>	E59890	

**Part II Additional Tax on Certain Distributions From Education Accounts**

Complete this part if you included an amount in income, on Form 1040, line 21, from a Coverdell education savings account (ESA) or a qualified tuition program (QTP).

5 Distributions included in income from Coverdell ESAs and QTPs . . . . .	<b>5</b>		
6 Distributions included on line 5 that are not subject to the additional tax (see instructions) . . . . .	<b>6</b>		
7 Amount subject to additional tax. Subtract line 6 from line 5 . . . . .	<b>7</b>	E59895	
8 <b>Additional tax.</b> Enter 10% (.10) of line 7. Include this amount on Form 1040, line 57 . . . . .	<b>8</b>	E59900	

**Part III Additional Tax on Excess Contributions to Traditional IRAs**

Complete this part if you contributed more to your traditional IRAs for 2003 than is allowable or you had an amount on line 17 of your 2002 Form 5329.

9 Enter your excess contributions from line 16 of your 2002 Form 5329 (see instructions). If zero, go to line 15 . . . . .	<b>9</b>		
10 If your traditional IRA contributions for 2003 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0- . . . . .	<b>10</b>		
11 2003 traditional IRA distributions included in income (see instructions) . . . . .	<b>11</b>		
12 2003 distributions of prior year excess contributions (see instructions) . . . . .	<b>12</b>		
13 Add lines 10, 11, and 12 . . . . .	<b>13</b>		
14 Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0- . . . . .	<b>14</b>		
15 Excess contributions for 2003 (see instructions) . . . . .	<b>15</b>		
16 Total excess contributions. Add lines 14 and 15 . . . . .	<b>16</b>	E59905	
17 <b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 16 or the value of your traditional IRAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57 . . . . .	<b>17</b>	E59910	

**Part IV Additional Tax on Excess Contributions to Roth IRAs**

Complete this part if you contributed more to your Roth IRAs for 2003 than is allowable or you had an amount on line 25 of your 2002 Form 5329.

18	Enter your excess contributions from line 24 of your 2002 Form 5329 (see instructions). If zero, go to line 23			18	
19	If your Roth IRA contributions for 2003 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19			
20	2003 distributions from your Roth IRAs (see instructions)	20			
21	Add lines 19 and 20			21	
22	Prior year excess contributions. Subtract line 21 from line 18. If zero or less, enter -0-			22	
23	Excess contributions for 2003 (see instructions)			23	
24	Total excess contributions. Add lines 22 and 23			24	E59915
25	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 24 or the value of your Roth IRAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57			25	E59920

**Part V Additional Tax on Excess Contributions to Coverdell ESAs**

Complete this part if the contributions to your Coverdell ESAs for 2003 were more than is allowable or you had an amount on line 33 of your 2002 Form 5329.

26	Enter the excess contributions from line 32 of your 2002 Form 5329 (see instructions). If zero, go to line 31			26	
27	If the contributions to your Coverdell ESAs for 2003 were less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	27			
28	2003 distributions from your Coverdell ESAs (see instructions)	28			
29	Add lines 27 and 28			29	
30	Prior year excess contributions. Subtract line 29 from line 26. If zero or less, enter -0-			30	
31	Excess contributions for 2003 (see instructions)			31	
32	Total excess contributions. Add lines 30 and 31			32	E59925
33	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 32 or the value of your Coverdell ESAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57			33	E59930

**Part VI Additional Tax on Excess Contributions to Archer MSAs**

Complete this part if you or your employer contributed more to your Archer MSAs for 2003 than is allowable or you had an amount on line 41 of your 2002 Form 5329.

34	Enter the excess contributions from line 40 of your 2002 Form 5329 (see instructions). If zero, go to line 39			34	
35	If the contributions to your Archer MSAs for 2003 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	35			
36	2003 distributions from your Archer MSAs from Form 8853, line 10	36			
37	Add lines 35 and 36			37	
38	Prior year excess contributions. Subtract line 37 from line 34. If zero or less, enter -0-			38	
39	Excess contributions for 2003 (see instructions)			39	
40	Total excess contributions. Add lines 38 and 39			40	E59935
41	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 40 or the value of your Archer MSAs on December 31, 2003. Include this amount on Form 1040, line 57			41	E59940

**Part VII Additional Tax on Excess Accumulation in Qualified Retirement Plans (Including IRAs)**

Complete this part if you did not receive the minimum required distribution from your qualified retirement plan.

42	Minimum required distribution for 2003 (see instructions)	42	
43	Amount actually distributed to you in 2003	43	
44	Subtract line 43 from line 42. If zero or less, enter -0-	44	E59945
45	<b>Additional tax.</b> Enter 50% (.50) of line 44. Include this amount on Form 1040, line 57	45	E59950

**Signature.** Complete **only** if you are filing this form by itself and not with your tax return.

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

Please Sign Here	Your signature		Date	
	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Paid Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP code		EIN	Phone no. ( )



## Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts

2003

Attachment  
Sequence No. **29**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1040.  
▶ See separate instructions.

Name of individual subject to additional tax. If married filing jointly, see instructions.		Your social security number
<b>SECOND FORM</b>		
<b>Fill in Your Address Only If You Are Filing This Form by Itself and Not With Your Tax Return</b>	Home address (number and street), or P.O. box if mail is not delivered to your home	Apt. no.
	City, town or post office, state, and ZIP code	If this is an amended return, check here <input type="checkbox"/>

If you **only** owe the additional 10% tax on early distributions, you may be able to report this tax directly on Form 1040, line 57, without filing Form 5329. See the instructions for Form 1040, line 57.

### Part I Additional Tax on Early Distributions

Complete this part if you took a taxable distribution, before you reached age 59½, from a qualified retirement plan (including an IRA) or modified endowment contract (unless you are reporting this tax directly on Form 1040—see above). You also may have to complete this part if you received a Form 1099-R that incorrectly indicates an early distribution or you received a Roth IRA distribution (see instructions).

1 Early distributions included in income. For Roth IRA distributions, see instructions . . . . .	<b>1</b>		
2 Early distributions included on line 1 that are not subject to the additional tax (see instructions). Enter the appropriate exception number from the instructions: _____ . . . . .	<b>2</b>		
3 Amount subject to additional tax. Subtract line 2 from line 1 . . . . .	<b>3</b>	E59881	
4 <b>Additional tax.</b> Enter 10% (.10) of line 3. Include this amount on Form 1040, line 57 . . . . .	<b>4</b>	E59891	
<i>Caution: If any part of the amount on line 3 was a distribution from a SIMPLE IRA, you may have to include 25% of that amount on line 4 instead of 10% (see instructions).</i>			

### Part II Additional Tax on Certain Distributions From Education Accounts

Complete this part if you included an amount in income, on Form 1040, line 21, from a Coverdell education savings account (ESA) or a qualified tuition program (QTP).

5 Distributions included in income from Coverdell ESAs and QTPs . . . . .	<b>5</b>		
6 Distributions included on line 5 that are not subject to the additional tax (see instructions) . . . . .	<b>6</b>		
7 Amount subject to additional tax. Subtract line 6 from line 5 . . . . .	<b>7</b>	E59896	
8 <b>Additional tax.</b> Enter 10% (.10) of line 7. Include this amount on Form 1040, line 57 . . . . .	<b>8</b>	E59901	

### Part III Additional Tax on Excess Contributions to Traditional IRAs

Complete this part if you contributed more to your traditional IRAs for 2003 than is allowable or you had an amount on line 17 of your 2002 Form 5329.

9 Enter your excess contributions from line 16 of your 2002 Form 5329 (see instructions). If zero, go to line 15 . . . . .			
10 If your traditional IRA contributions for 2003 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	<b>10</b>		
11 2003 traditional IRA distributions included in income (see instructions)	<b>11</b>		
12 2003 distributions of prior year excess contributions (see instructions)	<b>12</b>		
13 Add lines 10, 11, and 12 . . . . .	<b>13</b>		
14 Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0- . . . . .	<b>14</b>		
15 Excess contributions for 2003 (see instructions) . . . . .	<b>15</b>		
16 Total excess contributions. Add lines 14 and 15 . . . . .	<b>16</b>	E59906	
17 <b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 16 or the value of your traditional IRAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57 . . . . .	<b>17</b>	E59911	

**Part IV Additional Tax on Excess Contributions to Roth IRAs**

Complete this part if you contributed more to your Roth IRAs for 2003 than is allowable or you had an amount on line 25 of your 2002 Form 5329.

18	Enter your excess contributions from line 24 of your 2002 Form 5329 (see instructions). If zero, go to line 23			18	
19	If your Roth IRA contributions for 2003 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19			
20	2003 distributions from your Roth IRAs (see instructions)	20			
21	Add lines 19 and 20			21	
22	Prior year excess contributions. Subtract line 21 from line 18. If zero or less, enter -0-			22	
23	Excess contributions for 2003 (see instructions)			23	
24	Total excess contributions. Add lines 22 and 23			24	E59916
25	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 24 or the value of your Roth IRAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57			25	E59921

**Part V Additional Tax on Excess Contributions to Coverdell ESAs**

Complete this part if the contributions to your Coverdell ESAs for 2003 were more than is allowable or you had an amount on line 33 of your 2002 Form 5329.

26	Enter the excess contributions from line 32 of your 2002 Form 5329 (see instructions). If zero, go to line 31			26	
27	If the contributions to your Coverdell ESAs for 2003 were less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	27			
28	2003 distributions from your Coverdell ESAs (see instructions)	28			
29	Add lines 27 and 28			29	
30	Prior year excess contributions. Subtract line 29 from line 26. If zero or less, enter -0-			30	
31	Excess contributions for 2003 (see instructions)			31	
32	Total excess contributions. Add lines 30 and 31			32	E 59926 ■
33	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 32 or the value of your Coverdell ESAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57			33	E59931

**Part VI Additional Tax on Excess Contributions to Archer MSAs**

Complete this part if you or your employer contributed more to your Archer MSAs for 2003 than is allowable or you had an amount on line 41 of your 2002 Form 5329.

34	Enter the excess contributions from line 40 of your 2002 Form 5329 (see instructions). If zero, go to line 39			34	
35	If the contributions to your Archer MSAs for 2003 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	35			
36	2003 distributions from your Archer MSAs from Form 8853, line 10	36			
37	Add lines 35 and 36			37	
38	Prior year excess contributions. Subtract line 37 from line 34. If zero or less, enter -0-			38	
39	Excess contributions for 2003 (see instructions)			39	
40	Total excess contributions. Add lines 38 and 39			40	E59936
41	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 40 or the value of your Archer MSAs on December 31, 2003. Include this amount on Form 1040, line 57			41	E59941

**Part VII Additional Tax on Excess Accumulation in Qualified Retirement Plans (Including IRAs)**

Complete this part if you did not receive the minimum required distribution from your qualified retirement plan.

42	Minimum required distribution for 2003 (see instructions)	42	
43	Amount actually distributed to you in 2003	43	
44	Subtract line 43 from line 42. If zero or less, enter -0-	44	E59946
45	<b>Additional tax.</b> Enter 50% (.50) of line 44. Include this amount on Form 1040, line 57	45	E59951

**Signature.** Complete **only** if you are filing this form by itself and not with your tax return.

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

<b>Please Sign Here</b>	Your signature		Date	
	Preparer's signature		Date	Check if self-employed <input type="checkbox"/>
<b>Paid Preparer's Use Only</b>	Firm's name (or yours if self-employed), address, and ZIP code		EIN	Preparer's SSN or PTIN
			Phone no. ( )	



**Additional Taxes on Qualified Plans  
(Including IRAs) and Other Tax-Favored Accounts**

**2003**

Attachment  
Sequence No. **29**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1040.

▶ See separate instructions.

Name of individual subject to additional tax. If married filing jointly, see instructions.		Your social security number
<b>COMBINED FORM TOTALS</b>		
<b>Fill in Your Address Only If You Are Filing This Form by Itself and Not With Your Tax Return</b>	Home address (number and street), or P.O. box if mail is not delivered to your home	Apt. no.
	City, town or post office, state, and ZIP code	If this is an amended return, check here <input type="checkbox"/>

If you **only** owe the additional 10% tax on early distributions, you may be able to report this tax directly on Form 1040, line 57, without filing Form 5329. See the instructions for Form 1040, line 57.

**Part I Additional Tax on Early Distributions**

Complete this part if you took a taxable distribution, before you reached age 59½, from a qualified retirement plan (including an IRA) or modified endowment contract (unless you are reporting this tax directly on Form 1040—see above). You also may have to complete this part if you received a Form 1099-R that incorrectly indicates an early distribution or you received a Roth IRA distribution (see instructions).

1 Early distributions included in income. For Roth IRA distributions, see instructions . . . . .	<b>1</b>		
2 Early distributions included on line 1 that are not subject to the additional tax (see instructions). Enter the appropriate exception number from the instructions: _____ . . . . .	<b>2</b>		
3 Amount subject to additional tax. Subtract line 2 from line 1 . . . . .	<b>3</b>	E59882	
4 <b>Additional tax.</b> Enter 10% (.10) of line 3. Include this amount on Form 1040, line 57 . . . . . <i>Caution: If any part of the amount on line 3 was a distribution from a SIMPLE IRA, you may have to include 25% of that amount on line 4 instead of 10% (see instructions).</i>	<b>4</b>	E59892	

**Part II Additional Tax on Certain Distributions From Education Accounts**

Complete this part if you included an amount in income, on Form 1040, line 21, from a Coverdell education savings account (ESA) or a qualified tuition program (QTP).

5 Distributions included in income from Coverdell ESAs and QTPs . . . . .	<b>5</b>		
6 Distributions included on line 5 that are not subject to the additional tax (see instructions) . . . . .	<b>6</b>		
7 Amount subject to additional tax. Subtract line 6 from line 5 . . . . .	<b>7</b>	E59897	
8 <b>Additional tax.</b> Enter 10% (.10) of line 7. Include this amount on Form 1040, line 57 . . . . .	<b>8</b>	E59902	

**Part III Additional Tax on Excess Contributions to Traditional IRAs**

Complete this part if you contributed more to your traditional IRAs for 2003 than is allowable or you had an amount on line 17 of your 2002 Form 5329.

9 Enter your excess contributions from line 16 of your 2002 Form 5329 (see instructions). If zero, go to line 15 . . . . .	<b>9</b>		
10 If your traditional IRA contributions for 2003 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0- . . . . .	<b>10</b>		
11 2003 traditional IRA distributions included in income (see instructions) . . . . .	<b>11</b>		
12 2003 distributions of prior year excess contributions (see instructions) . . . . .	<b>12</b>		
13 Add lines 10, 11, and 12 . . . . .	<b>13</b>		
14 Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0- . . . . .	<b>14</b>		
15 Excess contributions for 2003 (see instructions) . . . . .	<b>15</b>		
16 Total excess contributions. Add lines 14 and 15 . . . . .	<b>16</b>	E59907	
17 <b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 16 or the value of your traditional IRAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57 . . . . .	<b>17</b>	E59912	

**Part IV Additional Tax on Excess Contributions to Roth IRAs**

Complete this part if you contributed more to your Roth IRAs for 2003 than is allowable or you had an amount on line 25 of your 2002 Form 5329.

<b>18</b>	Enter your excess contributions from line 24 of your 2002 Form 5329 (see instructions). If zero, go to line 23	<b>18</b>	
<b>19</b>	If your Roth IRA contributions for 2003 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	<b>19</b>	
<b>20</b>	2003 distributions from your Roth IRAs (see instructions)	<b>20</b>	
<b>21</b>	Add lines 19 and 20	<b>21</b>	
<b>22</b>	Prior year excess contributions. Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>	
<b>23</b>	Excess contributions for 2003 (see instructions)	<b>23</b>	
<b>24</b>	Total excess contributions. Add lines 22 and 23	<b>24</b>	E59917
<b>25</b>	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 24 or the value of your Roth IRAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57	<b>25</b>	E59922

**Part V Additional Tax on Excess Contributions to Coverdell ESAs**

Complete this part if the contributions to your Coverdell ESAs for 2003 were more than is allowable or you had an amount on line 33 of your 2002 Form 5329.

<b>26</b>	Enter the excess contributions from line 32 of your 2002 Form 5329 (see instructions). If zero, go to line 31	<b>26</b>	
<b>27</b>	If the contributions to your Coverdell ESAs for 2003 were less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	<b>27</b>	
<b>28</b>	2003 distributions from your Coverdell ESAs (see instructions)	<b>28</b>	
<b>29</b>	Add lines 27 and 28	<b>29</b>	
<b>30</b>	Prior year excess contributions. Subtract line 29 from line 26. If zero or less, enter -0-	<b>30</b>	
<b>31</b>	Excess contributions for 2003 (see instructions)	<b>31</b>	
<b>32</b>	Total excess contributions. Add lines 30 and 31	<b>32</b>	E59927
<b>33</b>	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 32 or the value of your Coverdell ESAs on December 31, 2003 (including 2003 contributions made in 2004). Include this amount on Form 1040, line 57	<b>33</b>	E59932

**Part VI Additional Tax on Excess Contributions to Archer MSAs**

Complete this part if you or your employer contributed more to your Archer MSAs for 2003 than is allowable or you had an amount on line 41 of your 2002 Form 5329.

<b>34</b>	Enter the excess contributions from line 40 of your 2002 Form 5329 (see instructions). If zero, go to line 39	<b>34</b>	
<b>35</b>	If the contributions to your Archer MSAs for 2003 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	<b>35</b>	
<b>36</b>	2003 distributions from your Archer MSAs from Form 8853, line 10	<b>36</b>	
<b>37</b>	Add lines 35 and 36	<b>37</b>	
<b>38</b>	Prior year excess contributions. Subtract line 37 from line 34. If zero or less, enter -0-	<b>38</b>	
<b>39</b>	Excess contributions for 2003 (see instructions)	<b>39</b>	
<b>40</b>	Total excess contributions. Add lines 38 and 39	<b>40</b>	E59937
<b>41</b>	<b>Additional tax.</b> Enter 6% (.06) of the <b>smaller</b> of line 40 or the value of your Archer MSAs on December 31, 2003. Include this amount on Form 1040, line 57	<b>41</b>	E59942

**Part VII Additional Tax on Excess Accumulation in Qualified Retirement Plans (Including IRAs)**

Complete this part if you did not receive the minimum required distribution from your qualified retirement plan.

<b>42</b>	Minimum required distribution for 2003 (see instructions)	<b>42</b>	
<b>43</b>	Amount actually distributed to you in 2003	<b>43</b>	
<b>44</b>	Subtract line 43 from line 42. If zero or less, enter -0-	<b>44</b>	E59947
<b>45</b>	<b>Additional tax.</b> Enter 50% (.50) of line 44. Include this amount on Form 1040, line 57	<b>45</b>	E59952

**Signature.** Complete **only** if you are filing this form by itself and not with your tax return.

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

<b>Please Sign Here</b>	Your signature		Date	
	Preparer's signature		Date	Check if self-employed <input type="checkbox"/>
<b>Paid Preparer's Use Only</b>	Firm's name (or yours if self-employed), address, and ZIP code		EIN	Preparer's SSN or PTIN
			Phone no. ( )	



Department of the Treasury  
Internal Revenue Service

▶ Attach to your tax return.

Name(s) shown on return

Identifying number

**Part I Current Year Credit** (Members of a controlled group, see instructions.)

1 Enter the total qualified first-year wages paid or incurred during the tax year, and multiply by the percentage shown, for services of employees who began work for you before January 1, 2004, are certified as members of a targeted group; and:													
a	Worked for you at least 120 hours but fewer than 400 hours . . . \$ . . . . . × 25% (.25)	1a	E59770										
b	Worked for you at least 400 hours . . . . . \$ . . . . . × 40% (.40)	1b	E59775										
2 Add lines 1a and 1b. You <b>must</b> subtract this amount from your deduction for salaries and wages		2	E59780										
3 Work opportunity credits from pass-through entities:													
	<table border="1"> <tr> <th>If you are a—</th> <th>Then enter the total of the current year credits from—</th> </tr> <tr> <td>a Shareholder . . . . .</td> <td>Schedule K-1 (Form 1120S), lines 12d, 12e, or 13 . . . . .</td> </tr> <tr> <td>b Partner . . . . .</td> <td>Schedule K-1 (Form 1065), lines 12c, 12d, or 13 . . . . .</td> </tr> <tr> <td>c Beneficiary . . . . .</td> <td>Schedule K-1 (Form 1041), line 14 . . . . .</td> </tr> <tr> <td>d Patron . . . . .</td> <td>Written statement from cooperative . . . . .</td> </tr> </table>	If you are a—	Then enter the total of the current year credits from—	a Shareholder . . . . .	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13 . . . . .	b Partner . . . . .	Schedule K-1 (Form 1065), lines 12c, 12d, or 13 . . . . .	c Beneficiary . . . . .	Schedule K-1 (Form 1041), line 14 . . . . .	d Patron . . . . .	Written statement from cooperative . . . . .	3	E59785
If you are a—	Then enter the total of the current year credits from—												
a Shareholder . . . . .	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13 . . . . .												
b Partner . . . . .	Schedule K-1 (Form 1065), lines 12c, 12d, or 13 . . . . .												
c Beneficiary . . . . .	Schedule K-1 (Form 1041), line 14 . . . . .												
d Patron . . . . .	Written statement from cooperative . . . . .												
4 <b>Current year credit.</b> Add lines 2 and 3. (S corporations, partnerships, estates, trusts, cooperatives, regulated investment companies, and real estate investment trusts, see instructions.)		4	E59790										
			<b>Nondeductible credit E59795</b>										

**Part II Allowable Credit** (See **Who must file Form 3800** to find out if you complete Part II or file Form 3800.)

5 Regular tax before credits:			
• Individuals. Enter the amount from Form 1040, line 41 . . . . .		}	5
• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return . . . . .			
• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the amount from the applicable line of your return . . . . .			
6 Alternative minimum tax:			
• Individuals. Enter the amount from Form 6251, line 35 . . . . .		}	6
• Corporations. Enter the amount from Form 4626, line 14 . . . . .			
• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 56 . . . . .			
7 Add lines 5 and 6 . . . . .		7	
8a	Foreign tax credit	8a	
b	Credit for child and dependent care expenses (Form 2441, line 11) . . . . .	8b	
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 24) . . . . .	8c	
d	Education credits (Form 8863, line 18) . . . . .	8d	
e	Credit for qualified retirement savings contributions (Form 8880, line 14) . . . . .	8e	
f	Child tax credit (Form 1040, line 49) . . . . .	8f	
g	Mortgage interest credit (Form 8396, line 11) . . . . .	8g	
h	Adoption credit (Form 8839, line 18) . . . . .	8h	
i	District of Columbia first-time homebuyer credit (Form 8859, line 11) . . . . .	8i	
j	Possessions tax credit (Form 5735, line 17 or 27) . . . . .	8j	
k	Credit for fuel from a nonconventional source . . . . .	8k	
l	Qualified electric vehicle credit (Form 8834, line 20) . . . . .	8l	
m	Add lines 8a through 8l . . . . .	8m	
9 Net income tax. Subtract line 8m from line 7. If zero, skip lines 10 through 13 and enter -0- on line 14		9	
10	Net regular tax. Subtract line 8m from line 5. If zero or less, enter -0-	10	
11	Enter 25% (.25) of the excess, if any, of line 10 over \$25,000 (see instructions)	11	
12	Tentative minimum tax (see instructions) . . . . .	12	
13	Enter the greater of line 11 or line 12 . . . . .	13	
14	Subtract line 13 from line 9. If zero or less, enter -0-	14	
15 <b>Credit allowed for the current year.</b> Enter the <b>smaller</b> of line 4 or line 14 here and on Form 1040, line 52; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2a; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 14 is smaller than line 4, see instructions		15	

**At-Risk Limitations**

Department of the Treasury  
Internal Revenue Service

- ▶ Attach to your tax return.
- ▶ See separate instructions.

Name(s) shown on return

Identifying number

Description of activity (see page 2 of the instructions)

**Part I Current Year Profit (Loss) From the Activity, Including Prior Year Nondeductible Amounts**  
(see page 2 of the instructions).

1	Ordinary income (loss) from the activity (see page 2 of the instructions)	1	
2	Gain (loss) from the sale or other disposition of assets used in the activity (or of your interest in the activity) that you are reporting on:		
a	Schedule D	2a	
b	Form 4797	2b	
c	Other form or schedule	2c	
3	Other income and gains from the activity, from Schedule K-1 of Form 1065, Form 1065-B, or Form 1120S, that were not included on lines 1 through 2c	3	
4	Other deductions and losses from the activity, including investment interest expense allowed from Form 4952, that were not included on lines 1 through 2c	4	( )
5	Current year profit (loss) from the activity. Combine lines 1 through 4. See page 3 of the instructions before completing the rest of this form	5	T59800 +/-

**Part II Simplified Computation of Amount At Risk.** See page 3 of the instructions before completing this part.

6	Adjusted basis (as defined in section 1011) in the activity (or in your interest in the activity) on the first day of the tax year. <b>Do not</b> enter less than zero	6	
7	Increases for the tax year (see page 4 of the instructions)	7	
8	Add lines 6 and 7	8	
9	Decreases for the tax year (see page 4 of the instructions)	9	
10a	Subtract line 9 from line 8. ▶ 10a		
b	If line 10a is <b>more</b> than zero, enter that amount here and go to line 20 (or complete Part III). Otherwise, enter -0- and see <b>Pub. 925</b> for information on the recapture rules	10b	

**Part III Detailed Computation of Amount At Risk.** If you completed Part III of Form 6198 for 2002, see page 4 of the instructions.

11	Investment in the activity (or in your interest in the activity) at the effective date. <b>Do not</b> enter less than zero	11	
12	Increases at effective date	12	
13	Add lines 11 and 12	13	
14	Decreases at effective date	14	
15	Amount at risk (check box that applies):	15	
a	<input type="checkbox"/> At effective date. Subtract line 14 from line 13. <b>Do not</b> enter less than zero.		
b	<input type="checkbox"/> From 2002 Form 6198, line 19b. <b>Do not</b> enter the amount from line 10b of the 2002 form.		
16	Increases since (check box that applies):	16	
a	<input type="checkbox"/> Effective date		
b	<input type="checkbox"/> The end of your 2002 tax year	17	
17	Add lines 15 and 16	17	
18	Decreases since (check box that applies):	18	
a	<input type="checkbox"/> Effective date		
b	<input type="checkbox"/> The end of your 2002 tax year		
19a	Subtract line 18 from line 17. ▶ 19a		
b	If line 19a is <b>more</b> than zero, enter that amount here and go to line 20. Otherwise, enter -0- and see <b>Pub. 925</b> for information on the recapture rules	19b	

**Part IV Deductible Loss**

20	<b>Amount at risk.</b> Enter the <b>larger</b> of line 10b or line 19b	20	T59820
21	<b>Deductible loss.</b> Enter the <b>smaller</b> of the line 5 loss (treated as a positive number) or line 20. See page 8 of the instructions to find out how to report any deductible loss and any carryover.	21	( T59840 )

**Note:** If the loss is from a passive activity, see the Instructions for **Form 8582, Passive Activity Loss Limitations**, or the Instructions for **Form 8810, Corporate Passive Activity Loss and Credit Limitations**, to find out if the loss is allowed under the passive activity rules. If only part of the loss is subject to the passive activity loss rules, report only that part on Form 8582 or Form 8810, whichever applies.





**Alternative Minimum Tax— Individuals**

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions.

**2003**

Attachment  
Sequence No. **32**

▶ Attach to Form 1040 or Form 1040NR.

Name(s) shown on Form 1040

Your social security number

**Part I Alternative Minimum Taxable Income** (See instructions for how to complete each line.)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
<b>1</b> If filing Schedule A (Form 1040), enter the amount from Form 1040, line 38, and go to line 2. Otherwise, enter the amount from Form 1040, line 35, and go to line 7. (If zero or less, enter as a negative amount.)																												
<b>2</b> Medical and dental. Enter the <b>smaller</b> of Schedule A (Form 1040), line 4, or 2½% of Form 1040, line 35																												
<b>3</b> Taxes from Schedule A (Form 1040), line 9																												
<b>4</b> Certain interest on a home mortgage <b>not</b> used to buy, build, or improve your home																												
<b>5</b> Miscellaneous deductions from Schedule A (Form 1040), line 26																												
<b>6</b> If Form 1040, line 35, is over \$139,500 (over \$69,750 if married filing separately), enter the amount from line 9 of the worksheet for Schedule A (Form 1040), line 28						(																						)
<b>7</b> Tax refund from Form 1040, line 10 or line 21						(	<b>N3</b>																					)
<b>8</b> Investment interest expense (difference between regular tax and AMT)																												
<b>9</b> Depletion (difference between regular tax and AMT)																												
<b>10</b> Net operating loss deduction from Form 1040, line 21. Enter as a positive amount																												
<b>11</b> Interest from specified private activity bonds exempt from the regular tax																												
<b>12</b> Qualified small business stock (see instructions)																												NTS
<b>13</b> Exercise of incentive stock options (excess of AMT income over regular tax income)																												
<b>14</b> Estates and trusts (amount from Schedule K-1 (Form 1041), line 9)																												
<b>15</b> Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)																												ER DEPEND
<b>16</b> Disposition of property (difference between AMT and regular tax gain or loss)																												
<b>17</b> Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)																												TOT.
<b>18</b> Passive activities (difference between AMT and regular tax income or loss)																												
<b>19</b> Loss limitations (difference between AMT and regular tax income or loss)																												
<b>20</b> Circulation costs (difference between regular tax and AMT)																												
<b>21</b> Long-term contracts (difference between AMT and regular tax income)																												
<b>22</b> Mining costs (difference between regular tax and AMT)																												
<b>23</b> Research and experimental costs (difference between regular tax and AMT)																												
<b>24</b> Income from certain installment sales before January 1, 1987						(	E21090																					)
<b>25</b> Intangible drilling costs preference																												
<b>26</b> Other adjustments, including income-based related adjustments																												
<b>27</b> Alternative tax net operating loss deduction						(																						)
<b>28</b> <b>Alternative minimum taxable income.</b> Combine lines 1 through 27. (If married filing separately and line 28 is more than \$191,000, see page 7 of the instructions.)																												

**Part II Alternative Minimum Tax**

<b>29</b> Exemption. (If this form is for a child under age 14, see page 7 of the instructions.)	Annualized Return				KID14
					SHRTYR
	<b>AND line 28 is not over . . .</b>	<b>THEN enter on line 29 . . .</b>			
<b>IF your filing status is . . .</b>					
Single or head of household . . . . .	\$112,500 . . . . .	\$40,250 . . . . .			
Married filing jointly or qualifying widow(er) . . . . .	150,000 . . . . .	58,000 . . . . .			
Married filing separately . . . . .	75,000 . . . . .	29,000 . . . . .			
If line 28 is <b>over</b> the amount shown above for your filing status, see page 7 of the instructions.					
<b>30</b> Subtract line 29 from line 28. If zero or less, enter -0- here and on lines 33 and 35 and stop here					
<b>31</b> • If you reported capital gain distributions directly on Form 1040, line 13a; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 16 and 17a of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 65 here.					
• <b>All others:</b> If line 30 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 30 by 26% (.26). Otherwise, multiply line 30 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result.					
<b>32</b> Alternative minimum tax foreign tax credit (see page 7 of the instructions)					
<b>33</b> Tentative minimum tax. Subtract line 32 from line 31					
<b>34</b> Tax from Form 1040, line 41 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 44)					
<b>35</b> <b>Alternative minimum tax.</b> Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 42					

**Part III Tax Computation Using Maximum Capital Gains Rates** F6251D

**Caution:** If you *did not* complete Part IV of Schedule D (Form 1040), see page 8 of the instructions before you complete this part.

36	Enter the amount from Form 6251, line 30 . . . . .				36
37	Enter the amount from Schedule D (Form 1040), line 26, or line 13 of the Schedule D Tax Worksheet on page D-11 of the instructions for Schedule D (Form 1040), whichever applies (as figured for the AMT, if necessary) (see page 8 of the instructions) . . . . .	37			
38	Enter the amount from Schedule D (Form 1040); line 19 (as figured for the AMT, if necessary) (see page 8 of the instructions) . . . . .	38			
39	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 37. Otherwise, add lines 37 and 38, and enter the <b>smaller</b> of that result or the amount from line 10 of the Schedule D Tax Worksheet (as figured for the AMT, if necessary). . . . .	39			
40	Enter the <b>smaller</b> of line 36 or line 39 . . . . .				40
41	Subtract line 40 from line 36 . . . . .				41
42	If line 41 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 41 by 26% (.26). Otherwise, multiply line 41 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result . . . . . ▶				42
43	Enter the amount from Schedule D (Form 1040), line 30, or line 19 of the Schedule D Tax Worksheet on page D-11 of the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax) (see page 8 of the instructions) . . . . .	43			
44	Enter the <b>smaller</b> of line 36 or line 37 . . . . .	44			
45	Enter the <b>smaller</b> of line 43 or line 44 . . . . .	45			
46	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from Schedule D (Form 1040), line 43 (or if that line is blank, the amount from Schedule D (Form 1040), line 31). Otherwise, enter the amount from line 32 of the Schedule D Tax Worksheet on page D-11 of the instructions for Schedule D (Form 1040) (or if that line is blank, the amount from line 20 of that worksheet). Refigure all amounts for the AMT, if necessary (see page 8 of the instructions) . . . . .	46			
47	Enter the <b>smaller</b> of line 45 or line 46. If line 45 is zero, go to line 55 . . . . .	47			
48	Multiply line 47 by 5% (.05) . . . . . ▶				48
49	Subtract line 47 from line 45. If zero or less, enter -0- and go to line 55 . . . . .	49			
50	Enter your qualified 5-year gain, if any, from Schedule D (Form 1040), line 35 (as figured for the AMT, if necessary) (see page 8 of the instructions) . . . . .	50			
51	Enter the <b>smaller</b> of line 49 or line 50 . . . . .	51			
52	Multiply line 51 by 8% (.08) . . . . . ▶				52
53	Subtract line 51 from line 49 . . . . .	53			
54	Multiply line 53 by 10% (.10) . . . . . ▶				54
55	Subtract line 47 from line 46 . . . . .	55			
56	Subtract line 45 from line 44 . . . . .	56			
57	Enter the <b>smaller</b> of line 55 or line 56 . . . . .	57			
58	Multiply line 57 by 15% (.15) . . . . . ▶				58
59	Subtract line 57 from line 56 . . . . .	59			
60	Multiply line 59 by 20% (.20) . . . . . ▶				60
If line 38 is zero or blank, skip lines 61 and 62 and go to line 63. Otherwise, go to line 61.					
61	Subtract line 44 from line 40 . . . . .	61			
62	Multiply line 61 by 25% (.25) . . . . . ▶				62
63	Add lines 42, 48, 52, 54, 58, 60, and 62 . . . . .				63
64	If line 36 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 36 by 26% (.26). Otherwise, multiply line 36 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result . . . . .				64
65	Enter the <b>smaller</b> of line 63 or line 64 here and on line 31 . . . . .				65



# Installment Sale Income

Department of the Treasury  
Internal Revenue Service

▶ Attach to your tax return.  
▶ Use a separate form for each sale or other disposition of  
property on the installment method.

## 2003

Attachment  
Sequence No. **79**

Name(s) shown on return

Identifying number

- 1** Description of property ▶ .....
- 2a** Date acquired (month, day, year) ▶  /  /  **b** Date sold (month, day, year) ▶  /  /
- 3** Was the property sold to a related party (see instructions) after May 14, 1980? If "No," skip line 4 . . . .  Yes  No
- 4** Was the property you sold to a related party a marketable security? If "Yes," complete Part III. If "No," complete Part III for the year of sale and the 2 years after the year of sale . . . .  Yes  No

**Part I Gross Profit and Contract Price.** Complete this part for the year of sale only.

<b>5</b> Selling price including mortgages and other debts. <b>Do not</b> include interest whether stated or unstated	<b>5</b>		
<b>6</b> Mortgages, debts, and other liabilities the buyer assumed or took the property subject to (see instructions)	<b>6</b>		
<b>7</b> Subtract line 6 from line 5	<b>7</b>		
<b>8</b> Cost or other basis of property sold	<b>8</b>		
<b>9</b> Depreciation allowed or allowable	<b>9</b>		
<b>10</b> Adjusted basis. Subtract line 9 from line 8	<b>10</b>		
<b>11</b> Commissions and other expenses of sale	<b>11</b>		
<b>12</b> Income recapture from Form 4797, Part III (see instructions)	<b>12</b>		
<b>13</b> Add lines 10, 11, and 12	<b>13</b>		+/-
<b>14</b> Subtract line 13 from line 5. If zero or less, <b>do not</b> complete the rest of this form (see instructions)	<b>14</b>	PARENTS	+/-
<b>15</b> If the property described on line 1 above was your main home, enter the amount of your excluded gain (see instructions). Otherwise, enter -0-	<b>15</b>		
<b>16</b> <b>Gross profit.</b> Subtract line 15 from line 14	<b>16</b>		+/-
<b>17</b> Subtract line 13 from line 6. If zero or less, enter -0-	<b>17</b>		
<b>18</b> <b>Contract price.</b> Add line 7 and line 17	<b>18</b>		+/-

**Part II Installment Sale Income.** Complete this part for the year of sale **and** any year you receive a payment or have certain debts you must treat as a payment on installment obligations.

<b>19</b> Gross profit percentage. Divide line 16 by line 18. For years after the year of sale, see instructions	<b>19</b>		
<b>20</b> If this is the year of sale, enter the amount from line 17. Otherwise, enter -0-	<b>20</b>		
<b>21</b> Payments received during year (see instructions). <b>Do not</b> include interest, whether stated or unstated	<b>21</b>		
<b>22</b> Add lines 20 and 21	<b>22</b>		
<b>23</b> Payments received in prior years (see instructions): <b>Do not</b> include interest, whether stated or unstated	<b>23</b>		
<b>24</b> <b>Installment sale income.</b> Multiply line 22 by line 19	<b>24</b>		
<b>25</b> Enter the part of line 24 that is ordinary income under the recapture rules (see instructions)	<b>25</b>		
<b>26</b> Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797 (see instructions)	<b>26</b>	E21090	

**Part III Related Party Installment Sale Income.** **Do not** complete if you received the final payment this tax year.

- 27** Name, address, and taxpayer identifying number of related party .....
- 28** Did the related party resell or dispose of the property ("second disposition") during this tax year? . . .  Yes  No
- 29** If the answer to question 28 is "Yes," complete lines 30 through 37 below unless one of the following conditions is met. Check the box that applies.
- a**  The second disposition was more than 2 years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of disposition (month, day, year) ▶  /  /
- b**  The first disposition was a sale or exchange of stock to the issuing corporation.
- c**  The second disposition was an involuntary conversion and the threat of conversion occurred after the first disposition.
- d**  The second disposition occurred after the death of the original seller or buyer.
- e**  It can be established to the satisfaction of the Internal Revenue Service that tax avoidance was not a principal purpose for either of the dispositions. If this box is checked, attach an explanation (see instructions).
- |  |           |  |  |
|--|-----------|--|--|
| <b>30</b> Selling price of property sold by related party  | <b>30</b> |  |  |
| <b>31</b> Enter contract price from line 18 for year of first sale                                       | <b>31</b> |  |  |
| <b>32</b> Enter the <b>smaller</b> of line 30 or line 31   | <b>32</b> |  |  |
| <b>33</b> Total payments received by the end of your 2003 tax year (see instructions)                    | <b>33</b> |  |  |
| <b>34</b> Subtract line 33 from line 32. If zero or less, enter -0-                                      | <b>34</b> |  |  |
| <b>35</b> Multiply line 34 by the gross profit percentage on line 19 for year of first sale              | <b>35</b> |  |  |
| <b>36</b> Enter the part of line 35 that is ordinary income under the recapture rules (see instructions) | <b>36</b> |  |  |
| <b>37</b> Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797 (see instructions)    | <b>37</b> |  |  |

**Gains and Losses From Section 1256 Contracts and Straddles**

Department of the Treasury  
Internal Revenue Service

▶ Attach to your tax return.

**2003**  
Attachment  
Sequence No. 82

Name(s) shown on tax return

Identifying number

Check all applicable boxes (see instructions). **A**  Mixed straddle election **C**  Mixed straddle account election  
**B**  Straddle-by-straddle identification election **D**  Net section 1256 contracts loss election

**Part I Section 1256 Contracts Marked to Market**

(a) Identification of account	(b) Gain or (loss) for entire year	(c) Post-May 5 gain or (loss)
1		
2 Net gain or (loss). Add the amounts on line 1 in columns (b) and (c)	2 E40340+/-	E40346+/-
3 Form 1099-B adjustments. See instructions and attach schedule	3 E40350+/-	E40356+/-
4 Combine lines 2 and 3, column (b)	4 E40360+/-	
5 Combine lines 2 and 3, column (c)		E40366+/-
<i>Note: If line 4 shows a net gain, skip line 6 and enter the line 4 and 5 amounts on line 7. Partnerships and S corporations, see instructions.</i>		
6 If you have a net section 1256 contracts loss and you checked box D above, enter the amount of that loss to be carried back, as a positive number. Do not enter in column (c) more than any loss on line 5	6 E40380	E40386
7 Combine lines 4 and 6, column (b), and combine lines 5 and 6, column (c)	7 E40390+/-	E40396+/-
8 Short-term capital gain or (loss). Multiply line 7, columns (b) and (c), by 40% (.40). Enter here and include on the appropriate line of Schedule D (see instructions)	8 E40400+/-	E40406+/-
9 Long-term capital gain or (loss). Multiply line 7, columns (b) and (c), by 60% (.60). Enter here and include on the appropriate line of Schedule D (see instructions)	9 E40410+/-	E40416+/-

**Part II Gains and Losses From Straddles. Attach a separate schedule listing each straddle and its components.**

**Section A—Losses From Straddles**

(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Loss. If column (e) is more than (d), enter difference. Otherwise, enter -0-	(g) Unrecognized gain on offsetting positions	(h) Recognized loss for entire year. If column (f) is more than (g), enter difference. Otherwise, enter -0-	(i) 28% rate loss (see instr. below)	(j) Post-May 5 loss (see instructions)
10									
11a Enter the short-term portion of losses from line 10, columns (h) and (j), here and include on the appropriate line of Schedule D (see instructions)						11a (E40420 )			E40426 )
b Enter the long-term portion of losses from line 10, columns (h), (i), and (j), here and include on the appropriate line of Schedule D (see instructions)						11b (E40430 )	E40435 )		E40436 )

**Section B—Gains From Straddles**

(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Gain for entire year. If column (d) is more than (e), enter difference. Otherwise, enter -0-	(g) 28% rate gain (see Instr. below)	(h) Post-May 5 gain (see instructions)	
12								
13a Enter the short-term portion of gains from line 12, columns (f) and (h), here and include on the appropriate line of Schedule D (see instructions)						13a E40440		E40446
b Enter the long-term portion of gains from line 12, columns (f), (g), and (h), here and include on the appropriate line of Schedule D (see instructions)						13b E40450	E40455	E40456

**Part III Unrecognized Gains From Positions Held on Last Day of Tax Year. Memo Entry Only (see instructions)**

(a) Description of property	(b) Date acquired	(c) Fair market value on last business day of tax year	(d) Cost or other basis as adjusted	(e) Unrecognized gain. If column (c) is more than (d), enter difference. Otherwise, enter -0-
14				

\*28% rate gain or loss includes all "collectibles gains and losses" and up to 50% of the eligible gain on qualified small business stock. See Instructions for Schedule D (Form 1040).

# Noncash Charitable Contributions

▶ Attach to your tax return if you claimed a total deduction of over \$500 for all contributed property.

▶ See separate instructions.

OMB No. 1545-0908

Attachment  
Sequence No. **55**

Name(s) shown on your income tax return

Identifying number

**Note:** Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

**Section A**—List in this section **only** items (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also, list certain publicly traded securities even if the deduction is over \$5,000 (see instructions).

**Part I Information on Donated Property**—If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) Description of donated property
A		
B		
C		
D		
E		

**Note:** If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (d), (e), and (f).

	(c) Date of the contribution	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) Fair market value	(h) Method used to determine the fair market value
A				N3		
B						PARENTS
C				ITS		
D		TAL DEPENDEN				
E					090	

**Part II Other Information**—Complete line 2 if you gave less than an entire interest in property listed in Part I. Complete line 3 if conditions were attached to a contribution listed in Part I.

- 2 If, during the year, you contributed less than the entire interest in the property, complete lines a–e.
- a Enter the letter from Part I that identifies the property ▶ \_\_\_\_\_. If Part II applies to more than one property, attach a separate statement.
  - b Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year ▶ \_\_\_\_\_  
(2) For any prior tax years ▶ \_\_\_\_\_
  - c Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):

Name of charitable organization (donee)

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

- d For tangible property, enter the place where the property is located or kept ▶ \_\_\_\_\_
- e Name of any person, other than the donee organization, having actual possession of the property ▶ \_\_\_\_\_

3 If conditions were attached to any contribution listed in Part I, answer questions a – c and attach the required statement (see instructions).

- a Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property? . . . . .
- b Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire? . . . . .
- c Is there a restriction limiting the donated property for a particular use? . . . . .

Yes	No

Name(s) shown on your income tax return

Identifying number

**Section B—Appraisal Summary**—List in this section only items (or groups of similar items) for which you claimed a deduction of more than \$5,000 per item or group. **Exception.** Report contributions of certain publicly traded securities only in Section A.

If you donated art, you may have to attach the complete appraisal. See the **Note** in Part I below.

**Part I Information on Donated Property**—To be completed by the taxpayer and/or appraiser.

- 4 Check type of property: E16680
- Art\* (contribution of \$20,000 or more)     Real Estate     Gems/Jewelry     Stamp Collections
- Art\* (contribution of less than \$20,000)     Coin Collections     Books     Other

\*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antique furniture, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

**Note:** If your total art contribution deduction was \$20,000 or more, you must attach a complete copy of the signed appraisal. See instructions.

5 (a) Description of donated property (If you need more space, attach a separate statement)		(b) If tangible property was donated, give a brief summary of the overall physical condition at the time of the gift		(c) Appraised fair market value	
A					
B					
C					
D					

(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) For bargain sales, enter amount received	See instructions	
				(h) Amount claimed as a deduction	(i) Average trading price of securities
A					
B					
C					
D					

**Part II Taxpayer (Donor) Statement**—List each item included in Part I above that the appraisal identifies as having a value of \$500 or less. See instructions.

I declare that the following item(s) included in Part I above has to the best of my knowledge and belief an appraised value of not more than \$500 (per item). Enter identifying letter from Part I and describe the specific item. See instructions. ▶

Signature of taxpayer (donor) ▶

Date ▶

**Part III Declaration of Appraiser**

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons.

Also, I declare that I hold myself out to the public as an appraiser or perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this appraisal summary may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). I affirm that I have not been barred from presenting evidence or testimony by the Director of Practice.

Sign

Here

Signature ▶

Title ▶

Date of appraisal ▶

Business address (including room or suite no.)

Identifying number

City or town, state, and ZIP code

**Part IV Donee Acknowledgment**—To be completed by the charitable organization.

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on ▶ (Date)

Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 2 years after the date of receipt, it will file **Form 8282**, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use? ▶  Yes  No

Name of charitable organization (donee)	Employer identification number	
Address (number, street, and room or suite no.)	City or town, state, and ZIP code	
Authorized signature	Title	Date



**Mortgage Interest Credit**

(For Holders of Qualified Mortgage Credit Certificates Issued by State or Local Governmental Units or Agencies.)

▶ Attach to Form 1040. ▶ See instructions on back.

Name(s) shown on Form 1040

Your social security number

Enter the address of your main home to which the qualified mortgage certificate relates if it is different from the address shown on Form 1040.

**Part I Current Year Mortgage Interest Credit**

1	Interest paid on the certified indebtedness amount. If someone else (other than your spouse if filing jointly) also held an interest in the home, enter only your share of the interest paid	1		
2	Enter the certificate credit rate shown on your mortgage credit certificate. Do not enter the interest rate on your home mortgage	2		%
3	If line 2 is 20% or less, multiply line 1 by line 2. If line 2 is more than 20%, or you refinanced your mortgage and received a reissued certificate, see the instructions for the amount to enter. You must reduce your deduction for home mortgage interest on Schedule A (Form 1040) by the amount on line 3.	3	E64000	
4	Enter any 2000 credit carryforward from line 18 of your 2002 Form 8396	4		
5	Enter any 2001 credit carryforward from line 16 of your 2002 Form 8396	5	E64040	
6	Enter any 2002 credit carryforward from line 19 of your 2002 Form 8396	6	E64060	
7	Add lines 3 through 6	7	E64080	
8	Enter the amount from Form 1040, line 43	8		
9	Enter the total of the amounts from Form 1040, lines 44 through 49	9		
10	Subtract line 9 from line 8. If zero or less, enter -0- here and on line 11 and go to Part II	10		
11	<b>Current year mortgage interest credit.</b> Enter the smaller of line 7 or line 10. Also include this amount in the total on Form 1040, line 51, and check box a on that line	11	E64200	

**Part II Mortgage Interest Credit Carryforward to 2004.** (Complete **only** if line 11 is less than line 7.)

12	Add lines 3 and 4	12		
13	Enter the amount from line 7	13		
14	Enter the larger of line 11 or line 12	14		
15	Subtract line 14 from line 13	15		
16	<b>2002 credit carryforward to 2004.</b> Enter the smaller of line 6 or line 15	16		
17	Subtract line 16 from line 15	17		
18	<b>2001 credit carryforward to 2004.</b> Enter the smaller of line 5 or line 17	18		
19	<b>2003 credit carryforward to 2004.</b> Subtract line 11 from line 3. If zero or less, enter -0-	19		

## Passive Activity Loss Limitations

▶ See separate instructions.  
 ▶ Attach to Form 1040 or Form 1041.

### Part I 2003 Passive Activity Loss

**Caution:** See the instructions for Worksheets 1, 2, and 3 on pages 7 and 8 before completing Part I.

**Rental Real Estate Activities With Active Participation** (For the definition of active participation see **Special Allowance for Rental Real Estate Activities** on page 3 of the instructions.)

<b>1a</b> Activities with net income (enter the amount from Worksheet 1, column (a)). . . . .	<b>1a</b>	E65300			
<b>b</b> Activities with net loss (enter the amount from Worksheet 1, column (b)). . . . .	<b>1b</b>	( E65400 )			
<b>c</b> Prior years unallowed losses (enter the amount from Worksheet 1, column (c)). . . . .	<b>1c</b>	( E65570 )			
<b>d</b> Combine lines 1a, 1b, and 1c . . . . .	<b>1d</b>	E65600 +/-			

**Commercial Revitalization Deductions From Rental Real Estate Activities**

<b>2a</b> Commercial revitalization deductions from Worksheet 2, column (a)	<b>2a</b>	( E65700 )			
<b>b</b> Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b) . . . . .	<b>2b</b>	( E65870 )			
<b>c</b> Add lines 2a and 2b . . . . .	<b>2c</b>	( E65900 )			

**All Other Passive Activities**

<b>3a</b> Activities with net income (enter the amount from Worksheet 3, column (a)). . . . .	<b>3a</b>	E66000			
<b>b</b> Activities with net loss (enter the amount from Worksheet 3, column (b)). . . . .	<b>3b</b>	( E66100 )			
<b>c</b> Prior years unallowed losses (enter the amount from Worksheet 3, column (c)). . . . .	<b>3c</b>	( E66270 )			
<b>d</b> Combine lines 3a, 3b, and 3c . . . . .	<b>3d</b>	E66300 +/-			

<b>4</b> Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. <b>Do not</b> complete Form 8582. Report the losses on the forms and schedules normally used . . . . .	<b>4</b>	E66400 +/-			
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- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
  - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
  - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

**Caution:** If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.

### Part II Special Allowance for Rental Real Estate With Active Participation

**Note:** Enter all numbers in Part II as positive amounts. See page 8 for an example.

<b>5</b> Enter the smaller of the loss on line 1d or the loss on line 4 . . . . .				<b>5</b>	E66500
<b>6</b> Enter \$150,000. If married filing separately, see page 8 . . . . .	<b>6</b>	E66600			
<b>7</b> Enter modified adjusted gross income, but not less than zero (see page 8) <b>Note:</b> If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.	<b>7</b>	E66700			
<b>8</b> Subtract line 7 from line 6 . . . . .	<b>8</b>	E66800			
<b>9</b> Multiply line 8 by 50% (.5). <b>Do not</b> enter more than \$25,000. If married filing separately, see page 8	<b>9</b>	E66900			
<b>10</b> Enter the <b>smaller</b> of line 5 or line 9 If line 2c is a loss, go to Part III. Otherwise, go to line 15.	<b>10</b>	E67000			

### Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

**Note:** Enter all numbers in Part III as positive amounts. See the example for Part II on page 8.

<b>11</b> Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions				<b>11</b>	E67300
<b>12</b> Enter the loss from line 4 . . . . .	<b>12</b>				
<b>13</b> Reduce line 12 by the amount on line 10	<b>13</b>	E67500			
<b>14</b> Enter the <b>smallest</b> of line 2c (treated as a positive amount), line 11, or line 13 . . . . .	<b>14</b>	E67600			

### Part IV Total Losses Allowed

<b>15</b> Add the income, if any, on lines 1a and 3a and enter the total . . . . .				<b>15</b>	E67900
<b>16</b> <b>Total losses allowed from all passive activities for 2003.</b> Add lines 10, 14, and 15. See page 11 of the instructions to find out how to report the losses on your tax return. . . . .	<b>16</b>	E68000			



Department of the Treasury  
Internal Revenue Service (99)

▶ See instructions on back.  
▶ Attach to your tax return.

Name(s) shown on return

Identifying number

**Part I Current Year Credit**

1	Number of Forms 8609 attached	N19		
2	Eligible basis of buildings (total from attached Schedules A (Form 8609), line 1)		2	E68060
3a	Qualified basis of low-income buildings (total from attached Schedules A (Form 8609), line 3)		3a	E66UUU
b	Has there been a decrease in the qualified basis of any buildings since the close of the preceding tax year? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," enter the building identification numbers (BINs) of the buildings that had a decreased basis. If you need more space, attach a schedule.			
(i)	(ii)	(iii)	(iv)	
4	Current year credit from attached Schedules A (Form 8609) (see instructions)		4	E664UU +/-
5	Low-income housing credits from pass-through entities (if more than one entity, see instructions):			
	If you are a—	Then enter the total of the current year credits from—		
a	Shareholder	Schedule K-1 (Form 1120S), lines 12b(1) and (2)	}	E665UU
b	Partner	Schedule K-1 (Form 1065), lines 12a(1) and (2), or Schedule K-1 (Form 1065-B), box 8		
c	Beneficiary	Schedule K-1 (Form 1041), line 14		
		EIN of pass-through entity	5	
6	Add lines 4 and 5. See instructions to find out if you complete lines 7 through 18 or file Form 3800		6	
7	Current year credit or passive activity credit (see instructions)		7	E66/UU

**Part II Allowable Credit**

			<b>E68160</b>	
8	Regular tax before credits:			
	• Individuals. Enter the amount from Form 1040, line 41	}	8	
	• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return.			
	• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the amount from the applicable line of your return			
9	Alternative minimum tax:			
	• Individuals. Enter the amount from Form 6251, line 35	}	9	
	• Corporations. Enter the amount from Form 4626, line 14			
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 56			
10	Add lines 8 and 9		10	
11a	Foreign tax credit	11a		
b	Credit for child and dependent care expenses (Form 2441, line 11)	11b		
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 24)	11c		
d	Education credits (Form 8863, line 18)	11d		
e	Credit for qualified retirement savings contributions (Form 8880, line 14)	11e		
f	Child tax credit (Form 1040, line 49)	11f		
g	Mortgage interest credit (Form 8396, line 11)	11g		
h	Adoption credit (Form 8839, line 18)	11h		
i	District of Columbia first-time homebuyer credit (Form 8859, line 11)	11i		
j	Possessions tax credit (Form 5735, line 17 or 27)	11j		
k	Credit for fuel from a nonconventional source	11k		
l	Qualified electric vehicle credit (Form 8834, line 20)	11l		
m	Add lines 11a through 11l		11m	
12	Net income tax. Subtract line 11m from line 10. If zero, skip lines 13 through 16 and enter -0- on line 17		12	
13	Net regular tax. Subtract line 11m from line 8. If zero or less, enter -0-	13		
14	Enter 25% (.25) of the excess, if any, of line 13 over \$25,000 (see instructions)	14		
15	Tentative minimum tax (see instructions)	15		
16	Enter the greater of line 14 or line 15.		16	
17	Subtract line 16 from line 12. If zero or less, enter -0-		17	
18	Credit allowed for the current year. Enter the smaller of line 7 or line 17 here and on Form 1040, line 52; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2a; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 17 is smaller than line 7, see instructions		18	

**Nondeductible IRAs**

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions.

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

Name. If married, file a separate form for each spouse required to file Form 8606. See page 5 of the instructions.

Your social security number

**PRIMARY TAXPAYER**

**Fill in Your Address Only if You Are Filing This Form by Itself and Not With Your Tax Return**

Home address (number and street, or P.O. box if mail is not delivered to your home)

Apt. no.

City, town or post office, state, and ZIP code

**Part I Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs**

Complete this part only if:

- You made nondeductible contributions to a traditional IRA for 2003,
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2003 (other than a rollover, conversion, recharacterization, or return of certain contributions) and you made nondeductible contributions to a traditional IRA in 2003 or an earlier year, or
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003 (excluding any portion you recharacterized) and you made nondeductible contributions to a traditional IRA in 2003 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2003, including those made for 2003 from January 1, 2004, through April 15, 2004 (see page 5 of the instructions)	1	E68500	
2	Enter your total basis in traditional IRAs (see page 6 of the instructions)	2	E68300	
3	Add lines 1 and 2	3	E68550	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p><b>In 2003, did you take a distribution from traditional, SEP, or SIMPLE IRAs or make a Roth IRA conversion?</b></p> </div> <p style="margin-left: 20px;"> <input type="checkbox"/> <b>No</b> → Enter the amount from line 3 on line 14. Do not complete the rest of Part I.  <input type="checkbox"/> <b>Yes</b> → Go to line 4.         </p>				
4	Enter those contributions included on line 1 that were made from January 1, 2004, through April 15, 2004	4	E68600	
5	Subtract line 4 from line 3	5	E68700	
6	Enter the value of all your traditional, SEP, and SIMPLE IRAs as of December 31, 2003, plus any outstanding rollovers (see page 6 of the instructions)	6	E69000	
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2003. Do not include rollovers, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see page 6 of the instructions)	7	E69100	
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003. Do not include amounts converted that you later recharacterized (see page 6 of the instructions). Also enter this amount on line 16	8	E69125	
9	Add lines 6, 7, and 8	9	E69200	
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10	PCTPRI x	
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11	E69150	
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12	E69400	
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions	13	E69175	
14	Subtract line 13 from line 3. This is your total basis in traditional IRAs for 2003 and earlier years.	14	E69550	
15	<b>Taxable amount.</b> Subtract line 12 from line 7. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15	E69555	

**Note:** You may be subject to an additional 10% tax on the amount on line 15 if you were under age 59½ at the time of the distribution (see page 7 of the instructions).

**Part II 2003 Conversions From Traditional, SEP, or SIMPLE IRAs to Roth IRAs**

Complete this part if you converted part or all of your traditional, SEP, and SIMPLE IRAs to a Roth IRA in 2003 (excluding any portion you recharacterized).

**Caution:** If your modified adjusted gross income is over \$100,000 or you are married filing separately and you lived with your spouse at any time in 2003, you **cannot** convert any amount from traditional, SEP, or SIMPLE IRAs to Roth IRAs for 2003. If you erroneously made a conversion, you must recharacterize (correct) it (see page 7 of the instructions).

16 If you completed Part I, enter the amount from line 8. Otherwise, enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003. <b>Do not</b> include amounts you later recharacterized back to traditional, SEP, or SIMPLE IRAs in 2003 or 2004 (see page 7 of the instructions)	16	E69580
17 If you completed Part I, enter the amount from line 11. Otherwise, enter your basis in the amount on line 16 (see page 7 of the instructions)	17	E69590
18 <b>Taxable amount.</b> Subtract line 17 from line 16. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	18	E69600

**Part III Distributions From Roth IRAs**

Complete this part only if you took a distribution from a Roth IRA in 2003 (other than a rollover, recharacterization, or return of certain contributions—see page 7 of the instructions).

19 Enter your total nonqualified distributions from Roth IRAs in 2003 including any qualified first-time homebuyer distributions (see page 7 of the instructions)	19	E69620
20 Enter your basis in Roth IRA contributions (see page 7 of the instructions)	20	E69635
21 Subtract line 20 from line 19. If zero or less, enter -0- and skip lines 22 through 25. But if you have a qualified first-time homebuyer distribution, complete line 23. If more than zero, you may be subject to an additional tax (see page 8 of the instructions)	21	E69640
22 Enter your basis in Roth IRA conversions (see page 8 of the instructions)	22	E69680
23 Qualified first-time homebuyer expenses (see page 8 of the instructions). Do not enter more than \$10,000	23	E69692
24 Add lines 22 and 23	24	E69695
25 <b>Taxable amount.</b> Subtract line 24 from line 21. If zero or less, enter -0-. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	25	E69700

**Sign Here Only if You Are Filing This Form by Itself and Not With Your Tax Return**

Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete.

▶ Your signature

▶ Date



**Nondeductible IRAs**

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions.

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

Name. If married, file a separate form for each spouse required to file Form 8606. See page 5 of the instructions.

Your social security number

**SECOND TAXPAYER**

**Fill in Your Address Only  
if You Are Filing This  
Form by Itself and Not  
With Your Tax Return**

Home address (number and street, or P.O. box if mail is not delivered to your home)

Apt. no.

City, town or post office, state, and ZIP code

**Part I Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs**

Complete this part only if:

- You made nondeductible contributions to a traditional IRA for 2003,
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2003 (other than a rollover, conversion, recharacterization, or return of certain contributions) and you made nondeductible contributions to a traditional IRA in 2003 or an earlier year, or
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003 (excluding any portion you recharacterized) and you made nondeductible contributions to a traditional IRA in 2003 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2003, including those made for 2003 from January 1, 2004, through April 15, 2004 (see page 5 of the instructions)	1	E68505	
2	Enter your total basis in traditional IRAs (see page 6 of the instructions)	2	E68305	
3	Add lines 1 and 2	3	E68555	
<p><b>In 2003, did you take a distribution from traditional, SEP, or SIMPLE IRAs or make a Roth IRA conversion?</b></p> <p><b>No</b> → Enter the amount from line 3 on line 14. Do not complete the rest of Part I.</p> <p><b>Yes</b> → Go to line 4.</p>				
4	Enter those contributions included on line 1 that were made from January 1, 2004, through April 15, 2004	4	E68605	
5	Subtract line 4 from line 3	5	E68705	
6	Enter the value of all your traditional, SEP, and SIMPLE IRAs as of December 31, 2003, plus any outstanding rollovers (see page 6 of the instructions)	6	E69005	
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2003. Do not include rollovers, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see page 6 of the instructions)	7	E69105	
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003. Do not include amounts converted that you later recharacterized (see page 6 of the instructions). Also enter this amount on line 16	8	E69130	
9	Add lines 6, 7, and 8	9	E69205	
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10	PCTSEC X	
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11	E69155	
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12	E69405	
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions	13	E69180	
14	Subtract line 13 from line 3. This is your total basis in traditional IRAs for 2003 and earlier years.	14	E69551	
15	<b>Taxable amount.</b> Subtract line 12 from line 7. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15	E69556	

**Note:** You may be subject to an additional 10% tax on the amount on line 15 if you were under age 59½ at the time of the distribution (see page 7 of the instructions).

**Part II 2003 Conversions From Traditional, SEP, or SIMPLE IRAs to Roth IRAs**

Complete this part if you converted part or all of your traditional, SEP, and SIMPLE IRAs to a Roth IRA in 2003 (excluding any portion you recharacterized).

**Caution:** If your modified adjusted gross income is over \$100,000 or you are married filing separately and you lived with your spouse at any time in 2003, you **cannot** convert any amount from traditional, SEP, or SIMPLE IRAs to Roth IRAs for 2003. If you erroneously made a conversion, you must recharacterize (correct) it (see page 7 of the instructions).

16 If you completed Part I, enter the amount from line 8. Otherwise, enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003. <b>Do not</b> include amounts you later recharacterized back to traditional, SEP, or SIMPLE IRAs in 2003 or 2004 (see page 7 of the instructions)	16	E69585	
17 If you completed Part I, enter the amount from line 11. Otherwise, enter your basis in the amount on line 16 (see page 7 of the instructions)	17	E69595	
18 <b>Taxable amount.</b> Subtract line 17 from line 16. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	18	E69605	

**Part III Distributions From Roth IRAs**

Complete this part only if you took a distribution from a Roth IRA in 2003 (other than a rollover, recharacterization, or return of certain contributions—see page 7 of the instructions).

19 Enter your total nonqualified distributions from Roth IRAs in 2003 including any qualified first-time homebuyer distributions (see page 7 of the instructions)	19	E69621	
20 Enter your basis in Roth IRA contributions (see page 7 of the instructions)	20	E69636	
21 Subtract line 20 from line 19. If zero or less, enter -0- and skip lines 22 through 25. But if you have a qualified first-time homebuyer distribution, complete line 23. If more than zero, you may be subject to an additional tax (see page 8 of the instructions)	21	E69645	
22 Enter your basis in Roth IRA conversions (see page 8 of the instructions)	22	E69685	
23 Qualified first-time homebuyer expenses (see page 8 of the instructions). Do not enter more than \$10,000	23	E69693	
24 Add lines 22 and 23	24	E69696	
25 <b>Taxable amount.</b> Subtract line 24 from line 21. If zero or less, enter -0-. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	25	E69705	

**Sign Here Only if You Are Filing This Form by Itself and Not With Your Tax Return**

Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete.

▶ \_\_\_\_\_ ▶  
Your signature

▶ \_\_\_\_\_ ▶  
Date



**Nondeductible IRAs**

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions.

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

Attachment  
Sequence No. **48**

Name. If married, file a separate form for each spouse required to file Form 8606. See page 5 of the instructions.

Your social security number

**COMBINED TOTAL**

**Fill in Your Address Only if You Are Filing This Form by Itself and Not With Your Tax Return**

Home address (number and street, or P.O. box if mail is not delivered to your home)

Apt. no.

City, town or post office, state, and ZIP code

**Part I Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs**

Complete this part only if:

- You made nondeductible contributions to a traditional IRA for 2003,
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2003 (other than a rollover, conversion, recharacterization, or return of certain contributions) and you made nondeductible contributions to a traditional IRA in 2003 or an earlier year, or
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003 (excluding any portion you recharacterized) and you made nondeductible contributions to a traditional IRA in 2003 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2003, including those made for 2003 from January 1, 2004, through April 15, 2004 (see page 5 of the instructions)	1	E70500	
2	Enter your total basis in traditional IRAs (see page 6 of the instructions)	2	E70300	
3	Add lines 1 and 2	3	E70550	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p><b>In 2003, did you take a distribution from traditional, SEP, or SIMPLE IRAs or make a Roth IRA conversion?</b></p> </div> <p style="margin-left: 20px;"> <input type="checkbox"/> <b>No</b> → Enter the amount from line 3 on line 14. Do not complete the rest of Part I.  <input type="checkbox"/> <b>Yes</b> → Go to line 4.         </p>				
4	Enter those contributions included on line 1 that were made from January 1, 2004, through April 15, 2004	4	E70600	
5	Subtract line 4 from line 3	5	E70700	
6	Enter the value of all your traditional, SEP, and SIMPLE IRAs as of December 31, 2003, plus any outstanding rollovers (see page 6 of the instructions)	6	E71000	
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2003. Do not include rollovers, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see page 6 of the instructions)	7	E71100	
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003. Do not include amounts converted that you later recharacterized (see page 6 of the instructions). Also enter this amount on line 16	8	E71125	
9	Add lines 6, 7, and 8	9	E71200	
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10	x	
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11	E71150	
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12	E71400	
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions	13	E71175	
14	Subtract line 13 from line 3. This is your total basis in traditional IRAs for 2003 and earlier years.	14	E71550	
15	<b>Taxable amount.</b> Subtract line 12 from line 7. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15	E71555	

**Note:** You may be subject to an additional 10% tax on the amount on line 15 if you were under age 59½ at the time of the distribution (see page 7 of the instructions).

**Part II 2003 Conversions From Traditional, SEP, or SIMPLE IRAs to Roth IRAs**

Complete this part if you converted part or all of your traditional, SEP, and SIMPLE IRAs to a Roth IRA in 2003 (excluding any portion you recharacterized).

**Caution:** If your modified adjusted gross income is over \$100,000 or you are married filing separately and you lived with your spouse at any time in 2003, you **cannot** convert any amount from traditional, SEP, or SIMPLE IRAs to Roth IRAs for 2003. If you erroneously made a conversion, you must recharacterize (correct) it (see page 7 of the instructions).

16 If you completed Part I, enter the amount from line 8. Otherwise, enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2003. <b>Do not</b> include amounts you later recharacterized back to traditional, SEP, or SIMPLE IRAs in 2003 or 2004 (see page 7 of the instructions)	16	E71580	
17 If you completed Part I, enter the amount from line 11. Otherwise, enter your basis in the amount on line 16 (see page 7 of the instructions)	17	E71590	
18 <b>Taxable amount.</b> Subtract line 17 from line 16. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	18	E71600	

**Part III Distributions From Roth IRAs**

Complete this part only if you took a distribution from a Roth IRA in 2003 (other than a rollover, recharacterization, or return of certain contributions—see page 7 of the instructions).

19 Enter your total nonqualified distributions from Roth IRAs in 2003 including any qualified first-time homebuyer distributions (see page 7 of the instructions)	19	E71620	
20 Enter your basis in Roth IRA contributions (see page 7 of the instructions)	20	E71635	
21 Subtract line 20 from line 19. If zero or less, enter -0- and skip lines 22 through 25. But if you have a qualified first-time homebuyer distribution, complete line 23. If more than zero, you may be subject to an additional tax (see page 8 of the instructions)	21	E71640	
22 Enter your basis in Roth IRA conversions (see page 8 of the instructions)	22	E69685	
23 Qualified first-time homebuyer expenses (see page 8 of the instructions). Do not enter more than \$10,000	23	E69693	
24 Add lines 22 and 23	24	E71695	
25 <b>Taxable amount.</b> Subtract line 24 from line 21. If zero or less, enter -0-. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	25	E71700	

**Sign Here Only if You Are Filing This Form by Itself and Not With Your Tax Return**

Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete.

▶ \_\_\_\_\_  
Your signature

▶ \_\_\_\_\_  
Date



**Annual Statement**

▶ **Attach to Form 8609 and file with owner's Federal income tax return.**

<b>A</b> Building owner's name	<b>B</b> Identifying number ▶
	<b>C</b> Building identification number ▶

- D** Do you have in your records the original Form 8609 issued by the housing credit agency (or a copy thereof) for the above building?  **Yes**  **No**. If "No," see instructions.
- E** Did the above building qualify as a part of a qualified low-income housing project and meet the requirements of section 42 as of the end of your tax year?  **Yes**  **No**. If "No," see instructions and stop here.
- F** Was there a decrease in the qualified basis of the above building for this tax year?  **Yes**  **No**. If "Yes," see instructions. If "No" and the entire credit has been claimed in prior tax years, **stop here**.

<b>1</b> Eligible basis of building	<b>1</b>		
<b>2</b> Low-income portion (smaller of unit fraction or floor-space fraction) (if first year of the credit period, see instructions)	<b>2</b>		
<b>3</b> Qualified basis of low-income building. Multiply line 1 by line 2 (see instructions for exceptions)	<b>3</b>		
<b>4</b> Part-year adjustment for disposition or acquisition during the tax year	<b>4</b>		
<b>5</b> Credit percentage	<b>5</b>		
<b>6</b> Multiply line 3 or line 4 by the percentage on line 5	<b>6</b>		
<b>7</b> Additions to qualified basis, if any	<b>7</b>	<b>N3</b>	
<b>8</b> Part-year adjustment for disposition or acquisition during the tax year	<b>8</b>		
<b>9</b> Credit percentage. Enter one-third of the percentage on line 5	<b>9</b>		
<b>10</b> Multiply line 7 or line 8 by the percentage on line 9	<b>10</b>		
<b>11</b> Section 42(f)(3)(B) modification	<b>11</b>		
<b>12</b> Add lines 10 and 11	<b>12</b>		<b>NTS</b>
<b>13</b> Credit for building before line 14 reduction. Subtract line 12 from line 6	<b>13</b>		
<b>14</b> Disallowed credit due to Federal grants (see instructions)	<b>14</b>		
<b>15</b> Credit allowed for building for tax year. Subtract line 14 from line 13, but do not enter more than the amount shown on Form 8609, Part I, line 1b	<b>15</b>	<b>DEPENDENTS</b>	
<b>16</b> Taxpayer's proportionate share of credit for the year (see instructions)	<b>16</b>		
<b>17</b> Adjustments for deferred first-year credit (see instructions)	<b>17</b>		<b>NTS</b>
<b>18</b> Taxpayer's credit. Combine lines 16 and 17. Enter here and in Part I of Form 8586.	<b>18</b>		

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Note:** Some of the line numbers on the November 2003, December 1988, and March 1991 revisions of Form 8609 differ from other revisions. In these cases, the line references are shown in parentheses in these instructions.

**Purpose of Schedule**

Schedule A (Form 8609) must be filed by the building owner each year of the 15-year compliance period.

**Note:** Any building owner claiming credit without receiving a Part I of Form 8609 that is completed, signed, and dated by an authorized official of the housing credit agency may have all credits disallowed.

For a building receiving separate allocations for the existing building and for rehabilitation expenditures, file a separate Schedule A for each credit claimed.

If the owner is a partnership, S corporation, estate, or trust (pass-through entity), the entity will complete and attach Form 8609 and Schedule A to its tax return. If you are a partner, shareholder, or beneficiary in the pass-through entity that owns the building, file only Form 8586, Low-Income Housing Credit, to claim the credit using the information that the entity furnishes you on Schedule K-1.

**Recapture of Credit**

If the qualified basis of the building has decreased from the qualified basis at the close of the previous tax year, you may have to recapture parts of the credits allowed in previous years. See Form 8611, Recapture of Low-Income Housing Credit.

**Specific Instructions**

**Item B.** If you are an individual, enter your social security number. All others, enter your employer identification number.

**Item C.** Enter the building identification number (BIN) from Part I, item E, of Form 8609.

**Item D.** You must have an original, signed Form 8609 (or copy thereof) issued by a housing credit agency assigning a BIN for the building in order to claim the credit, even if no allocation is required (in the case of a building financed with tax-exempt bonds). If filing electronically, you must check "Yes" to certify that you have the required Form 8609 in your records. If filing on paper and attaching a copy of the required Form 8609, please also answer "Yes."

**Item E.** If "No," stop here and see Form 8611 to find out if you have to recapture part of the credit allowed in prior years.

**Item F.** If "Yes," see the instructions for line 2 to figure the reduced qualified basis. Also, see Form 8611 to find out if you have

to recapture part of the credit allowed in prior years.

If "No" and the entire credit has been claimed in prior tax years (generally this can occur after the 11th year for which the credit has been claimed for the building), do not complete lines 1 through 18.

**Line 1.** Generally, the eligible basis of a building for its entire 15-year compliance period is the amount of eligible basis entered on Form 8609, line 7b (Part II, line 1b, on the 1988 and 1991 revisions); line 7 on the 2003 revision.

**Basis increases for buildings in certain high-cost areas.** In order to increase the allocated credit for buildings in certain high-cost areas, the housing credit agency may increase the eligible basis of buildings located in these areas (after adjustments, if any, for Federal subsidies and grants). The agency may make this increase under the high-cost-area provisions of section 42(d)(5)(C).

The agency shows the increased percentage of the eligible basis in Part I, line 3b, of Form 8609. The eligible basis entered on Form 8609 should reflect the percentage increase.

If the agency used an earlier revision of Form 8609 that did not have line 3b in Part I to issue a 1990 credit allocation to which the high-cost-area provisions were applied, it should have notified you of the Part I percentage increase in a separate statement. Based on this statement,



increase the eligible basis of the building reported in Part II of the Form 8609 you file.

**Note:** This increase cannot cause the credit on line 15 of Schedule A to exceed the credit amount allocated on line 1b, Part I, of Form 8609.

**Basis reductions.** The amount of eligible basis entered on Form 8609 does not include the cost of land, the amount of any Federal grant received for the building during the first year of the credit period, or any portion of a building's adjusted basis for which an election was made prior to November 5, 1990, under section 167(k). Do not reduce the eligible basis on line 1 of Schedule A by the amounts of any Federal grants received after the first year of the credit period. The calculation for line 14 of Schedule A will reduce the credit by the amount of any Federal grants received during the compliance period that did not reduce the eligible basis during the first year of the credit period.

For more details on determining eligible basis, see the instructions for Form 8609, line 7b (Part II, line 1b, on the 1988 and 1991 revisions; line 7 on the 2003 revision).

**Line 2.** Only the portion of the basis on line 1 attributable to the low-income rental units in the building at the close of the tax year qualifies for the credit. This is the smaller of (a) the fractional amount of low-income units to all residential rental units (the "unit fraction") or (b) the fractional amount of floor space of the low-income units to the floor space of all residential rental units (the "floor space fraction"). This fraction must be shown on line 2 as a decimal carried out to at least four places (e.g.,  $\frac{9}{100} = .0900$ ). Low-income units are units occupied by qualifying tenants, while residential rental units are all units, whether or not occupied.

Generally, a unit is not treated as a low-income unit unless it is suitable for occupancy and is used other than on a transient basis. Section 42(i)(3) provides for certain exceptions (e.g., units that provide transitional housing for the homeless may qualify as low-income units). See section 42(i)(3) for more details.

If you dispose of the building, or your entire interest in the building, before the close of the tax year, the low-income portion must be determined on the date you disposed of the building. If you dispose of less than your entire interest in the building, the low-income portion must be determined at the close of the tax year.

**First-year modified percentage.** For the first year of the credit period, you must use a modified percentage on line 2 to reflect the average portion of a 12-month period that the units in a building were occupied by low-income individuals. Find the low-income portion as of the end of each full month that the building was in service during the year. Add these percentages together and divide by 12. Enter the result on line 2. For example, if a building was in service for the last 3 full months of your tax year, and was half occupied by low-income tenants as of the end of each of those 3 months, then assuming the smaller fractional amount was the unit

fraction, you would enter .1250 on line 2 (i.e.,  $[\frac{1}{2} + \frac{1}{2} + \frac{1}{2}] \div 12 = .1250$ ).

This first year adjustment does not affect the amount of qualified basis on which the credit is claimed in the next 9 tax years. In general, the credit is claimed in those years by reference to the qualified basis at the close of each tax year.

Because the first year credit is not determined solely by reference to the qualified basis at the close of the year, any reduction in credit resulting from the application of the first year adjustment may be claimed in the 11th year. See the instructions for line 17 on page 4.

**Line 3.** Generally, multiply line 1 by line 2 to figure the portion of the eligible basis of the building attributable to the low-income residential rental units.

**Imputed qualified basis of zero.** However, the qualified basis of the building (line 3) is zero if any of the following conditions apply.

1. The minimum set-aside requirement elected for the project on Form 8609, line 10c (Part II, line 5c, on the earlier revisions), is not met.

2. The deep-rent-skewed test (15-40 Test) elected for the project on Form 8609, line 10d (Part II, line 5c, on the 1988 revision; Part II, line 5d, on the 1991 revision), is violated. The 15-40 Test is not an additional test for satisfying the minimum set-aside requirements of section 42(g). The 15-40 Test is an election that relates to the determination of a low-income tenant's income. If this test is elected, at least 15% of all low-income units in the project must be occupied at all times during the compliance period by tenants whose income is 40% or less of the area median gross income.

3. You disposed of the building or your entire interest therein during the tax year. If you did not post a bond or pledge securities under section 42(j)(6), in addition to using an imputed basis of zero on line 3, you may have to recapture a portion of credits previously taken. File Form 8611 to figure and report the recapture amount. This paragraph affects only those taxpayers who dispose of the building or their entire interest therein. Those acquiring the building (or any interest therein) are not affected and, if the minimum set-aside requirements are otherwise satisfied, they may take a credit for the fraction of the year the building is owned by them, regardless of whether or not the seller posted a bond or pledged securities.

4. This is the 12th or later year of the compliance period, and the entire credit has been claimed in prior years.

**Note:** If the qualified basis of the building is zero, or if the building has an imputed qualified basis of zero, you may not claim a credit for the building for the tax year. You must enter zero on lines 3 and 16, and skip lines 4 through 15, 17, and 18.

**At-risk limitation for individuals and closely held corporations.** The basis of property may be limited if you borrowed against the property and are protected against loss, or if you borrowed money from a person who has other than a

creditor interest in the property. See section 42(k).

**Line 4.** If you disposed of a building or your entire interest therein during the tax year and you posted a bond or pledged securities under section 42(j)(6), you may claim a credit based only on the number of months during the tax year for which you owned the building or an interest therein. Similarly, if you previously had no interest in the building, but you acquired the building or an interest therein during the tax year, you may claim a credit based only on the number of months during the tax year for which you owned the building or an interest therein.

If the building is owned by a pass-through entity, the entity does not need to make any adjustment on line 4, unless the entity either disposes of the building or its entire interest therein, or acquires the building or an interest therein during the tax year (and the entity previously had no interest in the building). Do not make an adjustment on line 4 for changes in the interests of the members of the pass-through entity during the tax year. Instead, the entity must reflect these changes in the amount of credit it passes through to its members.

The owner who has owned the building for the longest period during the month in which the change in ownership occurs is deemed to have owned the building for that month. If the seller and new owner have owned the building for the same amount of time during the month of disposition, the seller is deemed to have owned the building for that month.

If you owned the building, or an interest therein, for the entire year (i.e., the full 12 months in your tax year), enter zero on line 4 and go to line 5. If, for a portion of the tax year, you had no ownership interest in the building, multiply the qualified basis on line 3 by a fraction, the numerator of which is the number of months during the tax year that you owned the building and the denominator of which is 12 (e.g., if line 3 is \$100,000 and the building was owned for 9 months, then line 4 would be \$75,000 ( $\frac{9}{12} \times \$100,000$ )). Enter the result on line 4.

**Note:** Upon a change of ownership, the seller must give the new owner a copy of Form 8609 with Parts I and II completed. The buyer and seller must retain copies of Form 8609 for recordkeeping purposes. The new owner must follow the Schedule A instructions and the instructions for Form 8609 to claim any credits.

**Line 5.** If the agency has made an allocation on Form 8609, enter on line 5 the credit percentage shown on Form 8609, Part I, line 2. This percentage must be shown on line 5 as a decimal carried out to at least four places (e.g., 8.13% would be shown on line 5 as .0813).

**Note:** If you were allocated a 70% present value credit percentage for a building that was not federally subsidized and the building later receives a Federal subsidy, your credit percentage is reduced to the 30% present value credit that was in effect during the month the building was placed in service or for the month elected under

section 42(b)(2)(A)(ii), whichever applies. The 30% present value credit applies to the building for the year the Federal subsidy was received and for the remainder of the compliance period, whether or not the Federal subsidy is repaid. See section 42(i)(2).

**Line 6.** If you owned the building, or had an interest therein, for the entire tax year, multiply line 3 by line 5. If you had no ownership interest in the building for a portion of the tax year, multiply line 4 by line 5.

## Lines 7 Through 12

If you are **not** claiming a credit for additions to qualified basis on line 7, skip lines 7 through 12 and go to line 13.



You may claim a credit for an addition to qualified basis only if credit amounts have been allocated by the housing credit agency to cover these additions.

**Line 7.** An addition to qualified basis results when there is an increase in the number of low-income units or an increase in the floor space of the low-income units over that which existed at the close of the first year of the credit period (before application of the modified percentage calculation). Credits for an addition to qualified basis are claimed at the reduced credit percentage of two-thirds of the credit percentage (expressed as a decimal carried out to at least four places) on line 5 through the end of the 15-year compliance period.

If you are claiming a credit for additions to qualified basis, you must subtract the original qualified basis of the building at the close of the first year of the credit period (see Form 8609, line 8a (Part II, line 2a, on the 1988 and 1991 revisions)) from the building's qualified basis entered on line 3 of Schedule A. Enter the result on line 7. If the result is zero or less, skip lines 8 through 12 and enter the credit from line 6 on line 13.

**Line 8.** Similar to the instructions for line 4, if you disposed of a building or your entire interest therein during the tax year and you posted a bond or pledged securities, your credit for the year is adjusted to reflect the number of months during the tax year that you owned the building or an interest therein. Similarly, if you previously had no interest in the building, but you acquired the building or an interest therein during the tax year, your credit for the year is adjusted to reflect the number of months during the tax year you owned the building or an interest therein.

If the building is owned by a pass-through entity, the entity does not need to make any adjustment on line 8, unless the entity either (a) disposes of the building or its entire interest therein or (b) acquires the building or an interest therein during the tax year (and the entity previously had no interest in the building). Do not make an adjustment on line 8 for changes in the interests of the members of the pass-through entity during the tax year. Instead, the entity must reflect these changes in the amount of credit it passes through to its members.

If you owned the building, or an interest therein, for the entire tax year, enter zero on line 8 and go to line 9. If you had no ownership interest in the building for a portion of the tax year, multiply the additions to qualified basis on line 7 by a fraction, the numerator of which is the number of months during the tax year you owned the building and the denominator of which is 12. Enter the result on line 8.

**Line 9.** The credit for additions to the building's qualified basis is determined using two-thirds of the credit percentage allowable for the building's original qualified basis. Therefore, one-third of the credit percentage (expressed as a decimal carried out to at least four places) on line 5 is not allowed. Enter on line 9 one-third of the amount shown on line 5. This amount must be reported on line 9 as a decimal carried out to at least four places (e.g., if the credit percentage entered on line 5 is .0813, one-third of that percentage would be expressed as .0271). See section 42(f)(3).

**Line 10.** If you owned the building, or had an interest therein, for the entire tax year, multiply line 7 by line 9. If you had no ownership interest in the building for a portion of the tax year, multiply line 8 by line 9.

**Line 11.** Additions to qualified basis must be adjusted to reflect the average portion of the year that the low-income units relating to the increase were occupied. This adjustment is required if there is an increase in the qualified basis of the building from the previous tax year. To determine this adjustment amount, complete the worksheet on page 4.

**Line 14.** The eligible basis must be reduced by the amount of any Federal grant for the building or the operation thereof during the 15-year compliance period. If this reduction does not apply, enter zero on line 14. Otherwise, figure the reduction as follows.

1. Divide the total amount of all Federal grants received for the building during the compliance period that did not already reduce the amount of the eligible basis (reported on line 1 of Schedule A) by the eligible basis on line 1 of this Schedule A. Express the result as a decimal carried out to at least four places.

**Note:** If the eligible basis on line 1 of this Schedule A was increased by a percentage allowable under section 42(d)(5)(C) (and reflected either in Part I, line 3b, of Form 8609 or in a separate statement issued to you by the housing credit agency), then increase the total amount of all Federal grants in 1 by this percentage increase and divide this amount by the eligible basis on line 1 of this Schedule A. For example, if the percentage increase is 130% and all Federal grants total \$11,000, multiply \$11,000 by 1.3000 and divide the result (\$14,300) by the eligible basis on line 1.

2. Multiply the decimal amount determined in 1 by the credit on line 13. Enter this result on line 14.

**Line 16.** To determine the amount to enter on line 16, you must take into account the applicable rules listed in paragraphs 1, 2, 3, and the **Special rules** below.

1. If the building is owned completely by one taxpayer, enter the line 15 credit (after adjustment for any applicable special rule below) on line 16.

2. If the building is owned by more than one taxpayer, and those taxpayers are not members of a pass-through entity, then the line 15 credit (after adjustment for any applicable special rule below) must be distributed according to each taxpayer's respective ownership interest in the building. For example, if a building is owned by individuals A and B (60% by A and 40% by B), each would complete a separate Schedule A as follows. Lines 1 through 15 would be the same for each, assuming no part-year adjustments are necessary. However, A would enter 60% of line 15 on line 16, and B would enter 40% of line 15 on line 16. Therefore, enter on line 16 your share of the line 15 credit for the building that relates to your interest in the building. If your interest increases or decreases during the tax year, the change must be taken into account in determining your share of the line 15 credit.

**Note:** The aggregate credit claimed by the owners of the building cannot exceed the line 15 credit amount for the building.

3. If a pass-through entity is completing Schedule A as the sole owner of the building, enter the line 15 credit (after adjustment for any applicable special rule below) on line 16.

**Special rules.** If a taxpayer is subject to recapture because of failure to post a bond or pledge securities upon the disposition of a building or interest therein (see **De minimis recapture rule** below), no credit is allowed to the taxpayer for that percentage of the interest disposed of by the taxpayer. The credit allowed to the taxpayer for the tax year is determined by reference to the taxpayer's remaining interest in the building at the close of the tax year. For example, assume that a taxpayer owns 100% of a building for 9 months of the tax year and 40% of the building for the last 3 months of the tax year. (The taxpayer disposed of a 60% interest at the close of the ninth month.) If the taxpayer does not post a bond or pledge securities, the taxpayer's credit on line 16 would be based on 40% of the line 15 credit for the building. Similarly, although a taxpayer might not be subject to recapture upon a disposition of a de minimis portion (explained below) of the taxpayer's interest in the building, no credit is allowed to the taxpayer for the percentage of the interest disposed of by the taxpayer. The credit allowed to the taxpayer for the tax year is determined by reference to the taxpayer's remaining interest in the building at the close of the tax year.

If the taxpayer posts a bond or pledges securities upon the disposition of the building or an interest therein, the taxpayer is allowed credit for the year both with respect to the ownership interest disposed of by the taxpayer and the interest retained by the taxpayer. For example, again assume that a taxpayer owns 100% of a building for 9 months of the tax year and 40% of the building for the last 3 months of the tax year. After posting a bond or

pledging securities, the taxpayer's credit on line 16 would be based upon  $\frac{1}{2}$  of 100% (or 75%) of the line 15 credit for the building plus  $\frac{1}{2}$  of 40% (or 10%) of the line 15 credit amount.

If a taxpayer posts a bond or pledges securities upon the disposition of the building or upon a disposition of the taxpayer's entire interest in the building, the taxpayer's line 16 credit amount is determined by multiplying the line 15 credit amount by the percentage interest in the building disposed of by the taxpayer. For example, if a building is owned by individuals A and B (60% by A and 40% by B) and at the close of the fifth month of the tax year, C buys A's 60% interest in the building and A posts a bond or pledges securities, then A would enter 60% of line 15 on line 16. (Lines 4 and 8

have already taken into account the 5 months of the tax year that A held an interest in the building.)

**De minimis recapture rule.** For administrative purposes, the Service has adopted a de minimis rule that applies to partners in partnerships (other than partnerships described in section 42(j)(5)(B)) owning interests in qualified low-income buildings. The rule allows a partner to elect to avoid or defer recapture resulting from a disposition of interest in a partnership without posting bond until the partner has disposed of more than 33 $\frac{1}{3}$ % of the partner's greatest total interest in the qualified low-income building through the partnership. See Rev. Rul. 90-60, 1990-2 C.B. 3, for more information on the de minimis rule.

Upon application by the building owner, the IRS may waive any recapture of the low-income housing credit for any de minimis error in complying with the minimum set-aside requirements.

**Line 17. Deferred first-year credit.** The first-year credit may have been reduced based on the number of full months the building was in service. The deferred balance of the credit for the first year is allowed in the 11th year. Include it on line 17 as a positive amount.

For example, see the example under **First-year modified percentage** on page 2. If this is the 11th year, enter .8750 times the eligible basis of the building (line 1) times the low-income portion (line 2) times the credit percentage (line 5). The factor .8750 is 1.0000 minus .1250, the modified percentage figured for year one in the example.

**Line 11 Worksheet (Keep for Your Records)**

1 Enter the qualified basis of the building from line 3 of this tax year's Schedule A . . . . .	1	
2 Multiply the amount on line 1 of the previous year's Schedule A by the amount on line 2 of that Schedule A . . . . .	2	
3 Increased qualified basis. Subtract line 2 above from line 1 above. But if line 2 above is more than zero but less than the original qualified basis of the building entered on Form 8609, line 8a (Part II, line 2a on the 1988 and 1991 revisions), then enter the amount from line 7 of this Schedule A instead . . . . .	3	
<b>Note:</b> If line 3 above is zero or less, do not complete the rest of this worksheet. Instead, enter -0- on line 11 of Schedule A and go to line 12.		
4 Modified percentage. For each month during the tax year, figure the increase, if any, in the low-income portion of the building for that month over the low-income portion of the building at the close of the previous tax year (the amount on line 2 of the previous tax year's Schedule A). For example, if the previous tax year's low-income portion of .5000 remained at .5000 for the first 9 months of this tax year and then increased to .7500 for October, November, and December, then subtract .5000 from .7500 to get an increase of .2500 for each month. Add these amounts together, divide by 12, and enter the result. (This amount must be shown as a decimal carried out to at least four places (e.g., .2500 + .2500 + .2500 = .7500, divided by 12 = .0625.))	4	
5 Increased qualified basis entitled to reduced credit. Multiply line 4 above by Schedule A, line 1	5	
6 Increased qualified basis not entitled to reduced credit. Subtract line 5 above from line 3 above	6	
7 Line 11 modification. Multiply line 6 above by two-thirds of the amount on line 5 of Schedule A. Enter the result here and on line 11 of Schedule A . . . . .	7	



**Tax for Children Under Age 14  
 With Investment Income of More Than \$1,500**  
 ▶ Attach only to the child's Form 1040, Form 1040A, or Form 1040NR.  
 ▶ See separate instructions.

**Before you begin:** If the child, the parent, or any of the parent's other children under age 14 received capital gains (including capital gain distributions), or qualified dividends, or farm income, see **Pub. 929**, Tax Rules for Children and Dependents. It explains how to figure the child's tax using the **Qualified Dividends and Capital Gain Tax Worksheet** in the Form 1040 or Form 1040A instructions, or **Schedule D or J** (Form 1040).

**A** Parent's name (first, initial, and last). Caution: See instructions before completing. **B** Parent's social security number

**C** Parent's filing status (check one): **PMARS**  
 Single  Married filing jointly  Married filing separately  Head of household  Qualifying widow(er)

**Part I Child's Net Investment Income**

1	Enter the child's investment income (see instructions)		
2	If the child <b>did not</b> itemize deductions on <b>Schedule A</b> (Form 1040 or Form 1040NR), enter \$1,500. Otherwise, see instructions		
3	Subtract line 2 from line 1. If zero or less, <b>stop</b> ; do not complete the rest of this form but do attach it to the child's return		
4	Enter the child's <b>taxable income</b> from Form 1040, line 40; Form 1040A, line 27; or Form 1040NR, line 38		
5	Enter the <b>smaller</b> of line 3 or line 4. If zero, <b>stop</b> ; do not complete the rest of this form but do attach it to the child's return		N3

**Part II Tentative Tax Based on the Tax Rate of the Parent**

6	Enter the parent's <b>taxable income</b> from Form 1040, line 40; Form 1040A, line 27; Form 1040EZ, line 6; TeleFile Tax Record, line K(1); Form 1040NR, line 38; or Form 1040NR-EZ, line 14. If zero or less, enter -0-		
7	Enter the total, if any, from Forms 8615, line 5, of <b>all other</b> children of the parent named above. <b>Do not</b> include the amount from line 5 above		
8	Add lines 5, 6, and 7		
9	Enter the tax on the amount on line 8 based on the <b>parent's</b> filing status above (see instructions). If the Qualified Dividends and Capital Gain Tax Worksheet or Schedule D or J (Form 1040) is used, check here <b>DTAXF</b> ▶ <input type="checkbox"/>		
10	Enter the parent's tax from Form 1040, line 41; Form 1040A, line 28, minus any alternative minimum tax; Form 1040EZ, line 10; TeleFile Tax Record, line K(2); Form 1040NR, line 39; or Form 1040NR-EZ, line 15. <b>Do not</b> include any tax from <b>Form 4972 or 8814</b> . If the Qualified Dividends and Capital Gain Tax Worksheet or Schedule D or J (Form 1040) was used to figure the tax, check here <b>DTAXP</b> ▶ <input type="checkbox"/>		NTS
11	Subtract line 10 from line 9 and enter the result. If line 7 is blank, also enter this amount on line 13 and go to <b>Part III</b>		
12a	Add lines 5 and 7	12a	
b	Divide line 5 by line 12a. Enter the result as a decimal (rounded to at least three places)	12b	x'S.
13	Multiply line 11 by line 12b	13	

**Part III Child's Tax**—If lines 4 and 5 above are the same, enter -0- on line 15 and go to line 16.

14	Subtract line 5 from line 4	14	NTS
15	Enter the tax on the amount on line 14 based on the <b>child's</b> filing status (see instructions). If the Qualified Dividends and Capital Gain Tax Worksheet or Schedule D or J (Form 1040) is used to figure the tax, check here <b>DTAXK</b> ▶ <input type="checkbox"/>	15	
16	Add lines 13 and 15	16	
17	Enter the tax on the amount on line 4 based on the <b>child's</b> filing status (see instructions). If the Qualified Dividends and Capital Gain Tax Worksheet or Schedule D or J (Form 1040) is used to figure the tax, check here <b>DTAXC</b> ▶ <input type="checkbox"/>	17	
18	Enter the <b>larger</b> of line 16 or line 17 here and on the <b>child's</b> Form 1040, line 41; Form 1040A, line 28; or Form 1040NR, line 39	18	

**Credit for Prior Year Minimum Tax—  
Individuals, Estates, and Trusts**

▶ See instructions on pages 3 and 4.  
▶ Attach to Form 1040, 1040NR, or 1041.

Name(s) shown on return

Identifying number

**Part I Net Minimum Tax on Exclusion Items**

1	Combine lines 1, 6, and 10 of your 2002 Form 6251. Estates and trusts, see instructions	1	
2	Enter adjustments and preferences treated as exclusion items (see instructions)	2	
3	Minimum tax credit net operating loss deduction (see instructions)	3	( )
4	Combine lines 1, 2, and 3. If zero or less, enter -0- here and on line 15 and go to Part II. If more than \$173,000 and you were married filing separately for 2002, see instructions	4	
5	Enter: \$49,000 if married filing jointly or qualifying widow(er) for 2002; \$35,750 if single or head of household for 2002; or \$24,500 if married filing separately for 2002. Estates and trusts, enter \$22,500	5	
6	Enter: \$150,000 if married filing jointly or qualifying widow(er) for 2002; \$112,500 if single or head of household for 2002; or \$75,000 if married filing separately for 2002. Estates and trusts, enter \$75,000	6	
7	Subtract line 6 from line 4. If zero or less, enter -0- here and on line 8 and go to line 9	7	
8	Multiply line 7 by 25% (.25)	8	N3
9	Subtract line 8 from line 5. If zero or less, enter -0-. If this form is for a child under age 14, see instructions	9	
10	Subtract line 9 from line 4. If zero or less, enter -0- here and on line 15 and go to Part II. Form 1040NR filers, see instructions	10	
11	<ul style="list-style-type: none"> <li>• If for 2002 you reported capital gain distributions directly on Form 1040, line 13, or had a gain on both lines 16 and 17 of Schedule D (Form 1040) (lines 15a and 16, column (2), of Schedule D (Form 1041)), complete Part III of Form 8801 and enter the amount from line 48 here.</li> <li>• All others: If line 10 is \$175,000 or less (\$87,500 or less if married filing separately for 2002), multiply line 10 by 26% (.26). Otherwise, multiply line 10 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately for 2002) from the result.</li> </ul>	11	* PT3IND
12	Minimum tax foreign tax credit on exclusion items (see instructions)	12	
13	Tentative minimum tax on exclusion items. Subtract line 12 from line 11	13	NTS
14	Enter the amount from your 2002 Form 6251, line 34, or 2002 Form 1041, Schedule I, line 55	14	
15	<b>Net minimum tax on exclusion items.</b> Subtract line 14 from line 13. If zero or less, enter -0-	15	

**Part II Minimum Tax Credit and Carryforward to 2004**

16	Enter the amount from your 2002 Form 6251, line 35, or 2002 Form 1041, Schedule I, line 56	16	OTHER DEPE
17	Enter the amount from line 15 above	17	
18	Subtract line 17 from line 16. If less than zero, enter as a negative amount	18	DEPE
19	<b>2002 minimum tax credit carryforward.</b> Enter the amount from your 2002 Form 8801, line 26	19	
20	Enter the total of your 2002 unallowed nonconventional source fuel credit and 2002 unallowed qualified electric vehicle credit (see instructions)	20	
21	Combine lines 18, 19, and 20. If zero or less, <b>stop here</b> and see instructions	21	
22	Enter your 2003 regular income tax liability minus allowable credits (see instructions)	22	
23	Enter the amount from your 2003 Form 6251, line 33, or 2003 Form 1041, Schedule I, line 54	23	
24	Subtract line 23 from line 22. If zero or less, enter -0-	24	
25	<b>Minimum tax credit.</b> Enter the smaller of line 21 or line 24. Also enter this amount on your 2003 Form 1040, line 52; Form 1040NR, line 48; or Form 1041, Schedule G, line 2d	25	E21090
26	<b>Minimum tax credit carryforward to 2004.</b> Subtract line 25 from line 21. Keep a record of this amount because you may use it in future years	26	

**Part III Tax Computation Using Maximum Capital Gains Rates**

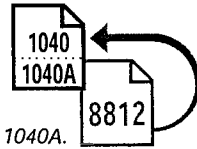
**Caution:** If you did not complete Schedule D (Form 1040) for 2002 because you reported capital gain distributions directly on Form 1040, line 13, or your 2002 taxable income was zero or less, see the instructions before completing this part.

**Caution:** For a fiscal year taxpayer with a prior tax year that ends in 2003, the amount on line 48 cannot exceed the amount figured under section 55(b)(3) (maximum rate of tax on net capital gain) or, if applicable, section 301(c) of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (see instructions).

27	Enter the amount from line 10				27
28	Enter the amount from line 23 of your 2002 Schedule D (Form 1040) (line 21 of the 2002 Schedule D (Form 1041)) or line 9 of your 2002 Schedule D Tax Worksheet*				28
29	Enter the amount from line 19 of your 2002 Schedule D (Form 1040), or line 15d, column (2), of the 2002 Schedule D (Form 1041)				29
30	If you did not complete the 2002 Schedule D Tax Worksheet, enter the amount from line 28. Otherwise, add lines 28 and 29, and enter the <b>smaller</b> of that result or the amount from line 4 of your 2002 Schedule D Tax Worksheet				30
31	Enter the <b>smaller</b> of line 27 or line 30				31
32	Subtract line 31 from line 27				32
33	If line 32 is \$175,000 or less (\$87,500 or less if married filing separately for 2002), multiply line 32 by 26% (.26). Otherwise, multiply line 32 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately for 2002) from the result				33
34	Enter the amount from line 28 of your 2002 Schedule D (Form 1040) (line 26 of the 2002 Schedule D (Form 1041)) or line 16 of your Schedule D Tax Worksheet.* Enter -0- if you did not complete Part IV of your 2002 Schedule D (Form 1040) (Part V of 2002 Schedule D (Form 1041))				34
35	Enter the <b>smaller</b> of line 27 or line 28				35
36	Enter the <b>smaller</b> of line 34 or line 35				36
37	Enter the amount from your 2002 Schedule D (Form 1040), line 29 (or 2002 Schedule D (Form 1041), line 27) (if you did not complete that line, enter -0-)			37	
38	Enter the <b>smaller</b> of line 36 or line 37				38
39	Multiply line 38 by 8% (.08)				39
40	Subtract line 38 from line 36				40
41	Multiply line 40 by 10% (.10)				41
42	Subtract line 36 from line 35				42
43	Multiply line 42 by 20% (.20)				43
44	<b>If line 29 is zero or blank, skip lines 44 and 45 and go to line 46.</b> Subtract line 35 from line 31				44
45	Multiply line 44 by 25% (.25)				45
46	Add lines 33, 39, 41, 43, and 45				46
47	If line 27 is \$175,000 or less (\$87,500 or less if married filing separately for 2002), multiply line 27 by 26% (.26). Otherwise, multiply line 27 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately for 2002) from the result				47
48	Enter the <b>smaller</b> of line 46 or line 47 here and on line 11				48

\* The 2002 Schedule D Tax Worksheet is on page D-9 of the 2002 Instructions for Schedule D (Form 1040) (page 35 of the 2002 Instructions for Form 1041).

**Additional Child Tax Credit**



Department of the Treasury  
Internal Revenue Service

Complete and attach to Form 1040 or Form 1040A.

Name(s) shown on return

Your social security number

**Part I All Filers**

- 1 Enter the amount from line 3 of your Child Tax Credit Worksheet on page 41 of the Form 1040 instructions or page 38 of the Form 1040A instructions. If you used Pub. 972, enter the amount from line 10 of the worksheet on page 4 of the publication
- 2 Enter the amount from Form 1040, line 49, or Form 1040A, line 33
- 3 Subtract line 2 from line 1. If zero, stop; you cannot take this credit
- 4 Enter your total taxable earned income. See the instructions on back
- 5 Is the amount on line 4 more than \$10,500?  
 No. Leave line 5 blank and enter -0- on line 6.  
 Yes. Subtract \$10,500 from the amount on line 4. Enter the result
- 6 Multiply the amount on line 5 by 10% (.10) and enter the result  
 Next. Do you have three or more qualifying children?  
 No. If line 6 is zero, stop; you cannot take this credit. Otherwise, skip Part II and enter the smaller of line 3 or line 6 on line 13.  
 Yes. If line 6 is equal to or more than line 3, skip Part II and enter the amount from line 3 on line 13. Otherwise, go to line 7.

1	E82925	
2	E82930	
3	E82935	
4	E82880	
5	E82885	
6	E82890	

**Part II Certain Filers Who Have Three or More Qualifying Children**

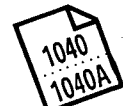
- 7 Enter the total of the withheld social security and Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If you worked for a railroad, see the instructions on back
- 8 **1040 filers:** Enter the total of the amounts from Form 1040, lines 28 and 56, plus any uncollected social security and Medicare or tier 1 RRTA taxes included on line 60.  
**1040A filers:** Enter -0-.
- 9 Add lines 7 and 8
- 10 **1040 filers:** Enter the total of the amounts from Form 1040, lines 63 and 64.  
**1040A filers:** Enter the total of the amount from Form 1040A, line 41, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 43 (see the instructions on back).
- 11 Subtract line 10 from line 9. If zero or less, enter -0-
- 12 Enter the larger of line 6 or line 11 here  
 Next, enter the smaller of line 3 or line 12 on line 13.

7	E82900	
8	E82905	
9	E82910	
10	E82915	
11	E82920	
12	E82937	

**Part III Your Additional Child Tax Credit**

- 13 This is your additional child tax credit

13	E82940	
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Enter this amount on Form 1040, line 65, or Form 1040A, line 42.

**Parents' Election To Report  
Child's Interest and Dividends**

▶ See instructions below and on back.  
▶ Attach to parents' Form 1040 or Form 1040NR.

Name(s) shown on your return \_\_\_\_\_ Your social security number \_\_\_\_\_

**Caution:** The Federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax Benefits You May Not Take on the back.**

A Child's name (first, initial, and last) **FIRST FORM** B Child's social security number **S044**

c If more than one Form 8814 is attached, check here

**Part I Child's Interest and Dividends To Report on Your Return**

1a Enter your child's <b>taxable</b> interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions . . . . .	<b>1a</b>	E83060	
b Enter your child's <b>tax-exempt</b> interest. <b>Do not</b> include this amount on line 1a . . . . .	<b>1b</b>	E83080	
2 Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions . . . . .	<b>2</b>	E83130	
3 Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions . . . . .	<b>3</b>	E83185	
4 Add lines 1a, 2, and 3. If the total is \$1,500 or less, skip lines 5 and 6 and go to line 7. If the total is \$7,500 or more, <b>do not</b> file this form. Your child <b>must</b> file his or her own return to report the income . . . . .	<b>4</b>	E83160	
5 Base amount . . . . .	<b>5</b>	1,500	00
6 Subtract line 5 from line 4. See the instructions for where to report this amount. Go to line 7 below . . . . .	<b>6</b>	E83180	

**Part II Tax on the First \$1,500 of Child's Interest and Dividends**

7 Amount not taxed . . . . .	<b>7</b>	750	00
8 Subtract line 7 from line 4. If the result is zero or less, enter -0- . . . . .	<b>8</b>	E83190	
9 <b>Tax.</b> Is the amount on line 8 less than \$750? <input type="checkbox"/> <b>No.</b> Enter \$75 here and see the <b>Note</b> below. <input type="checkbox"/> <b>Yes.</b> Multiply line 8 by 10% (.10). Enter the result here and see the <b>Note</b> below. } . . . . .	<b>9</b>	E83200	

**Note:** If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 9 in the tax you enter on Form 1040, line 41, or Form 1040NR, line 39. Be sure to check box a on Form 1040, line 41, or Form 1040NR, line 39.

**General Instructions**

**Purpose of Form.** Use this form if you elect to report your child's income on your return. If you do, your child will not have to file a return. You can make this election if your child meets all of the following conditions.

- The child was under age 14 at the end of 2003. A child born on January 1, 1990, is considered to be age 14 at the end of 2003.
- The child's only income was from interest and dividends, including capital gain distributions and Alaska Permanent Fund dividends.
- The child's gross income for 2003 was less than \$7,500.
- The child is required to file a 2003 return.

- There were no estimated tax payments for the child for 2003 (including any overpayment of tax from his or her 2002 return applied to 2003 estimated tax).
- There was no Federal income tax withheld from the child's income.  
You must also qualify. See **Parents Who Qualify To Make the Election** below.  
**How To Make the Election.** To make the election, complete and attach Form(s) 8814 to your tax return and file your return by the due date (including extensions). A separate Form 8814 must be filed for each child whose income you choose to report.  
**Parents Who Qualify To Make the Election.** You qualify to make this election if you file Form 1040 or Form 1040NR and any of the following apply.
  - You are filing a joint return for 2003 with the child's other parent.

- You and the child's other parent were married to each other but file separate returns for 2003 and you had the **higher** taxable income.
- You were unmarried, treated as unmarried for Federal income tax purposes, or separated from the child's other parent by a divorce or separate maintenance decree. You must have had custody of your child for most of the year (you were the custodial parent). If you were the custodial parent and you remarried, you may make the election on a joint return with your new spouse. But if you and your new spouse do not file a joint return, you qualify to make the election only if you had **higher** taxable income than your new spouse.

(continued)



**Parents' Election To Report  
Child's Interest and Dividends**

▶ See instructions below and on back.  
▶ Attach to parents' Form 1040 or Form 1040NR.

Name(s) shown on your return

Your social security number

**Caution:** The Federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax Benefits You May Not Take on the back.**

A Child's name (first, initial, and last)

SECOND FORM

B Child's social security number

S045

c If more than one Form 8814 is attached, check here

**Part I Child's Interest and Dividends To Report on Your Return**

1a	Enter your child's <b>taxable</b> interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	E83060	
b	Enter your child's <b>tax-exempt</b> interest. <b>Do not</b> include this amount on line 1a	1b	E83080	
2	Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions	2	E83130	
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	E83185	
4	Add lines 1a, 2, and 3. If the total is \$1,500 or less, skip lines 5 and 6 and go to line 7. If the total is \$7,500 or more, <b>do not</b> file this form. Your child <b>must</b> file his or her own return to report the income	4	E83160	
5	Base amount	5	1,500	00
6	Subtract line 5 from line 4. See the instructions for where to report this amount. Go to line 7 below	6	E83180	

**Part II Tax on the First \$1,500 of Child's Interest and Dividends**

7	Amount not taxed	7	750	00
8	Subtract line 7 from line 4. If the result is zero or less, enter -0-	8	E83190	
9	Tax. Is the amount on line 8 less than \$750? <input type="checkbox"/> <b>No.</b> Enter \$75 here and see the <b>Note</b> below. <input type="checkbox"/> <b>Yes.</b> Multiply line 8 by 10% (.10). Enter the result here and see the <b>Note</b> below.	9	E83200	

**Note:** If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 9 in the tax you enter on Form 1040, line 41, or Form 1040NR, line 39. Be sure to check box a on Form 1040, line 41, or Form 1040NR, line 39.

**General Instructions**

**Purpose of Form.** Use this form if you elect to report your child's income on your return. If you do, your child will not have to file a return. You can make this election if your child meets all of the following conditions.

- The child was under age 14 at the end of 2003. A child born on January 1, 1990, is considered to be age 14 at the end of 2003.
- The child's only income was from interest and dividends, including capital gain distributions and Alaska Permanent Fund dividends.
- The child's gross income for 2003 was less than \$7,500.
- The child is required to file a 2003 return.

- There were no estimated tax payments for the child for 2003 (including any overpayment of tax from his or her 2002 return applied to 2003 estimated tax).
- There was no Federal income tax withheld from the child's income.

You must also qualify. See **Parents Who Qualify To Make the Election** below.

**How To Make the Election.** To make the election, complete and attach Form(s) 8814 to your tax return and file your return by the due date (including extensions). A separate Form 8814 must be filed for each child whose income you choose to report.

**Parents Who Qualify To Make the Election.** You qualify to make this election if you file Form 1040 or Form 1040NR and any of the following apply.

- You are filing a joint return for 2003 with the child's other parent.

- You and the child's other parent were married to each other but file separate returns for 2003 and you had the **higher** taxable income.

- You were unmarried, treated as unmarried for Federal income tax purposes, or separated from the child's other parent by a divorce or separate maintenance decree. You must have had custody of your child for most of the year (you were the custodial parent). If you were the custodial parent and you remarried, you may make the election on a joint return with your new spouse. But if you and your new spouse do not file a joint return, you qualify to make the election only if you had **higher** taxable income than your new spouse.

(continued)

**Note:** If you and the child's other parent were not married but lived together during the year with the child, you qualify to make the election only if you are the parent with the higher taxable income.

**Tax Benefits You May Not Take.** If you elect to report your child's income on your return, you may not take any of the following deductions that your child could take on his or her own return.

- Standard deduction of \$1,900 for a blind child.
- Penalty on early withdrawal of child's savings.
- Itemized deductions such as child's investment expenses or charitable contributions.

If your child received capital gain distributions that included qualified 5-year gain and had a net capital gain, you may pay up to \$15 more tax if you make this election instead of filing a separate tax return for the child. This is because the tax rate on the child's income between \$750 and \$1,500 is 10% if you make this election. However, if you file a separate return for the child, the tax rate on the qualified 5-year gain may be 8% because of the preferential capital gains tax rates.

If any of the above apply to your child, first figure the tax on your child's income as if he or she is filing a return. Next, figure the tax as if you are electing to report your child's income on your return. Then, compare the methods to determine which results in the lower tax.

**Alternative Minimum Tax.** If your child received tax-exempt interest (or exempt-interest dividends paid by a regulated investment company) from certain private activity bonds, you must take this into account in determining if you owe the alternative minimum tax. See Form 6251, Alternative Minimum Tax—Individuals, and its instructions for details.

**Investment Interest Expense.** Your child's income (other than Alaska Permanent Fund dividends and capital gain distributions) that you report on your return is considered to be your investment income for purposes of figuring your investment interest expense deduction. If your child received Alaska Permanent Fund dividends or capital gain distributions, see Pub. 550, Investment Income and Expenses, to figure the amount you may treat as your investment income.

**Foreign Accounts and Trusts.** Complete Part III of Schedule B (Form 1040) for your child if he or she (a) had a foreign financial account or (b) received a distribution from, or was the grantor of, or transferor to, a foreign trust. If you answer "Yes" to either question, you must file this Schedule B with your return. Enter "Form 8814" next to line 7a or line 8, whichever applies. Also, complete line 7b if applicable.

**Change of Address.** If your child filed a return for a previous year and the address shown on the last return filed is not your child's current address, be sure to notify the IRS, in writing, of the new address. To do this, you may use Form 8822, Change of Address.

**Additional Information.** See Pub. 929, Tax Rules for Children and Dependents, for more details.

## Line Instructions

**Name and Social Security Number.** If filing a joint return, include your spouse's name but enter the social security number of the person whose name is shown first on the return.

**Line 1a.** Enter all taxable interest income received by your child in 2002. If your child received a Form 1099-INT for tax-exempt interest, such as from municipal bonds, enter the amount and "Tax-exempt interest" on the dotted line next to line 1a. Do not include this interest in the total for line 1a but be sure to include it on line 1b.

If your child received, as a nominee, interest that actually belongs to another person, enter the amount and "ND" (for nominee distribution) on the dotted line next to line 1a. Do not include amounts received as a nominee in the total for line 1a.

If your child had accrued interest that was paid to the seller of a bond, amortizable bond premium (ABP) allowed as a reduction to interest income, or if any original issue discount (OID) is less than the amount shown on your child's Form 1099-OID, enter the nontaxable amount on the dotted line next to line 1a and "Accrued interest," "ABP adjustment," or "OID adjustment," whichever applies. Do not include any nontaxable amounts in the total for line 1a.

**Line 1b.** If your child received any tax-exempt interest income, such as from certain state and municipal bonds, report it on line 1b. Also, include any exempt-interest dividends your child received as a shareholder in a mutual fund or other regulated investment company.

**Note:** If line 1b includes tax-exempt interest or exempt-interest dividends paid by a regulated investment company from private activity bonds, see Alternative Minimum Tax on this page.

**Line 2.** Enter the ordinary dividends received by your child in 2002. Ordinary dividends should be shown in box 1 of Form 1099-DIV. Also, include ordinary dividends your child received through a partnership, an S corporation, or an estate or trust.

If your child received, as a nominee, ordinary dividends that actually belong to another person, enter the amount and "ND" on the dotted line next to line 2. Do not include amounts received as a nominee in the total for line 2.

**Line 3.** Enter the capital gain distributions received by your child in 2002. Capital gain distributions should be shown in box 2a of Form 1099-DIV. Also, see the instructions for line 6.

If your child received, as a nominee, capital gain distributions that actually belong to another person, enter the amount and "ND" on the dotted line next to line 3. Do not include amounts received as a nominee in the total for line 3.

**Line 6.** If you checked the box on line C, add the amounts from line 6 of all your Forms 8814. Include the total on line 21 of Form 1040 or Form 1040NR, whichever applies. Be sure to enter "Form 8814" and the total of the line 6 amounts in the space next to line 21.

If your child received capital gain distributions, part or all of those distributions must be reported on your Schedule D (Form 1040) or on Form 1040 or on Form 1040NR instead of on Form 8814, line 6. See Pub. 929 for details.

**Line 9.** If you checked the box on line C, add the amounts from line 9 of all your Forms 8814. Include the total on Form 1040, line 42, or Form 1040NR, line 40. Be sure to check box a on that line.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 26 min.; **Learning about the law or the form**, 9 min.; **Preparing the form**, 24 min.; and **Copying, assembling, and sending the form to the IRS**, 16 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.



## Parents' Election To Report Child's Interest and Dividends

▶ See instructions below and on back.  
▶ Attach to parents' Form 1040 or Form 1040NR.

Name(s) shown on your return	Your social security number
------------------------------	-----------------------------

**Caution:** The Federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax Benefits You May Not Take on the back.**

A Child's name (first, initial, and last) <p style="text-align: center;">THIRD FORM</p>	B Child's social security number S045
--	--

c If more than one Form 8814 is attached, check here

### Part I Child's Interest and Dividends To Report on Your Return

1a Enter your child's <b>taxable</b> interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	E83060	
b Enter your child's <b>tax-exempt</b> interest. <b>Do not</b> include this amount on line 1a	1b	E83080	
2 Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions	2	E83130	
3 Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	E83185	
4 Add lines 1a, 2, and 3. If the total is \$1,500 or less, skip lines 5 and 6 and go to line 7. If the total is \$7,500 or more, <b>do not</b> file this form. Your child <b>must</b> file his or her own return to report the income	4	E83160	
5 Base amount	5	1,500	00
6 Subtract line 5 from line 4. See the instructions for where to report this amount. Go to line 7 below	6	E83180	

### Part II Tax on the First \$1,500 of Child's Interest and Dividends

7 Amount not taxed	7	750	00
8 Subtract line 7 from line 4. If the result is zero or less, enter -0-	8	E83190	
9 <b>Tax.</b> Is the amount on line 8 less than \$750? <input type="checkbox"/> <b>No.</b> Enter \$75 here and see the <b>Note</b> below. <input type="checkbox"/> <b>Yes.</b> Multiply line 8 by 10% (.10). Enter the result here and see the <b>Note</b> below.	9	E83200	

**Note:** If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 9 in the tax you enter on Form 1040, line 41, or Form 1040NR, line 39. Be sure to check box a on Form 1040, line 41, or Form 1040NR, line 39.

## General Instructions

**Purpose of Form.** Use this form if you elect to report your child's income on your return. If you do, your child will not have to file a return. You can make this election if your child meets all of the following conditions.

- The child was under age 14 at the end of 2003. A child born on January 1, 1990, is considered to be age 14 at the end of 2003.
- The child's only income was from interest and dividends, including capital gain distributions and Alaska Permanent Fund dividends.
- The child's gross income for 2003 was less than \$7,500.
- The child is required to file a 2003 return.

- There were no estimated tax payments for the child for 2003 (including any overpayment of tax from his or her 2002 return applied to 2003 estimated tax).
- There was no Federal income tax withheld from the child's income.

You must also qualify. See **Parents Who Qualify To Make the Election** below.

**How To Make the Election.** To make the election, complete and attach Form(s) 8814 to your tax return and file your return by the due date (including extensions). A separate Form 8814 must be filed for each child whose income you choose to report.

**Parents Who Qualify To Make the Election.** You qualify to make this election if you file Form 1040 or Form 1040NR and any of the following apply.

- You are filing a joint return for 2003 with the child's other parent.

- You and the child's other parent were married to each other but file separate returns for 2003 and you had the higher taxable income.

- You were unmarried, treated as unmarried for Federal income tax purposes, or separated from the child's other parent by a divorce or separate maintenance decree. You must have had custody of your child for most of the year (you were the custodial parent). If you were the custodial parent and you remarried, you may make the election on a joint return with your new spouse. But if you and your new spouse do not file a joint return, you qualify to make the election only if you had higher taxable income than your new spouse.

(continued)

**Parents' Election To Report  
Child's Interest and Dividends**

▶ See instructions below and on back.  
▶ Attach to parents' Form 1040 or Form 1040NR.

Name(s) shown on your return: **more than 3 forms**      Your social security number: \_\_\_\_\_

**Caution:** The Federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax Benefits You May Not Take** on the back.

A Child's name (first, initial, and last): \_\_\_\_\_      B Child's social security number: \_\_\_\_\_

F8814A

c If more than one Form 8814 is attached, check here

**Part I Child's Interest and Dividends To Report on Your Return**

1a	Enter your child's <b>taxable</b> interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions		
1b	Enter your child's <b>tax-exempt</b> interest. Do not include this amount on line 1a		
2	Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions		
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions		
4	Add lines 1a, 2, and 3. If the total is \$1,500 or less, skip lines 5 and 6 and go to line 7. If the total is \$7,500 or more, do not file this form. Your child <b>must</b> file his or her own return to report the income		
5	Base amount	1,500	00
6	Subtract line 5 from line 4. See the instructions for where to report this amount. Go to line 7 below	E84210	

**Part II Tax on the First \$1,500 of Child's Interest and Dividends**

7	Amount not taxed	750	00
8	Subtract line 7 from line 4. If the result is zero or less, enter -0-		
9	Tax. Is the amount on line 8 less than \$750? <input type="checkbox"/> <b>No.</b> Enter \$75 here and see the <b>Note</b> below. <input type="checkbox"/> <b>Yes.</b> Multiply line 8 by 10% (.10). Enter the result here and see the <b>Note</b> below.	E84220	

**Note:** If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 9 in the tax you enter on Form 1040, line 41, or Form 1040NR, line 39. Be sure to check box a on Form 1040, line 41, or Form 1040NR, line 39.

**General Instructions**

**Purpose of Form.** Use this form if you elect to report your child's income on your return. If you do, your child will not have to file a return. You can make this election if your child meets all of the following conditions.

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- The child's gross income for 2003 was less than \$7,500.
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- There was no Federal income tax withheld from the child's income.

You must also qualify. See **Parents Who Qualify To Make the Election** below.

**How To Make the Election.** To make the election, complete and attach Form(s) 8814 to your tax return and file your return by the due date (including extensions). A separate Form 8814 must be filed for each child whose income you choose to report.

**Parents Who Qualify To Make the Election.** You qualify to make this election if you file Form 1040 or Form 1040NR and any of the following apply.

- You are filing a joint return for 2003 with the child's other parent.

- You and the child's other parent were married to each other but file separate returns for 2003 and you had the **higher** taxable income.

- You were unmarried, treated as unmarried for Federal income tax purposes, or separated from the child's other parent by a divorce or separate maintenance decree. You must have had custody of your child for most of the year (you were the custodial parent). If you were the custodial parent and you remarried, you may make the election on a joint return with your new spouse. But if you and your new spouse do not file a joint return, you qualify to make the election only if you had **higher** taxable income than your new spouse.

(continued)

**Parents' Election To Report Child's Interest and Dividends**

Department of the Treasury  
Internal Revenue Service

▶ See instructions below and on back.  
▶ Attach to parents' Form 1040 or Form 1040NR.

Name(s) shown on your return

Your social security number

**Caution:** The Federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax Benefits You May Not Take on the back.**

A Child's name (first, initial, and last)

B Child's social security number

Combined Totals for Form 8814

S045

c If more than one Form 8814 is attached, check here

**Part I Child's Interest and Dividends To Report on Your Return**

1a	Enter your child's <b>taxable</b> interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	E83060	
b	Enter your child's <b>tax-exempt</b> interest. <b>Do not</b> include this amount on line 1a	1b	E83080	
2	Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions	2	E83130	
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	E83185	
4	Add lines 1a, 2, and 3. If the total is \$1,500 or less, skip lines 5 and 6 and go to line 7. If the total is \$7,500 or more, <b>do not</b> file this form. Your child <b>must</b> file his or her own return to report the income	4	E83160	
5	Base amount	5		1,500 00
6	Subtract line 5 from line 4. See the instructions for where to report this amount. Go to line 7 below	6	E83180	

**Part II Tax on the First \$1,500 of Child's Interest and Dividends**

7	Amount not taxed	7		750 00
8	Subtract line 7 from line 4. If the result is zero or less, enter -0-	8	E83190	
9	<b>Tax.</b> Is the amount on line 8 less than \$750? <input type="checkbox"/> <b>No.</b> Enter \$75 here and see the <b>Note</b> below. <input type="checkbox"/> <b>Yes.</b> Multiply line 8 by 10% (.10). Enter the result here and see the <b>Note</b> below.	9	E83200	

**Note:** If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 9 in the tax you enter on Form 1040, line 41, or Form 1040NR, line 39. Be sure to check box a on Form 1040, line 41, or Form 1040NR, line 39.

**General Instructions**

**Purpose of Form.** Use this form if you elect to report your child's income on your return. If you do, your child will not have to file a return. You can make this election if your child meets all of the following conditions.

- The child was under age 14 at the end of 2003. A child born on January 1, 1990, is considered to be age 14 at the end of 2003.
- The child's only income was from interest and dividends, including capital gain distributions and Alaska Permanent Fund dividends.
- The child's gross income for 2003 was less than \$7,500.
- The child is required to file a 2003 return.

- There were no estimated tax payments for the child for 2003 (including any overpayment of tax from his or her 2002 return applied to 2003 estimated tax).
- There was no Federal income tax withheld from the child's income.

You must also qualify. See **Parents Who Qualify To Make the Election** below.

**How To Make the Election.** To make the election, complete and attach Form(s) 8814 to your tax return and file your return by the due date (including extensions). A separate Form 8814 must be filed for each child whose income you choose to report.

**Parents Who Qualify To Make the Election.** You qualify to make this election if you file Form 1040 or Form 1040NR and any of the following apply.

- You are filing a joint return for 2003 with the child's other parent.

- You and the child's other parent were married to each other but file separate returns for 2003 and you had the **higher** taxable income.
- You were unmarried, treated as unmarried for Federal income tax purposes, or separated from the child's other parent by a divorce or separate maintenance decree. You must have had custody of your child for most of the year (you were the custodial parent). If you were the custodial parent and you remarried, you may make the election on a joint return with your new spouse. But if you and your new spouse do not file a joint return, you qualify to make the election only if you had **higher** taxable income than your new spouse.

(continued)

**Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989**  
 (For Filers With Qualified Higher Education Expenses)  
 ▶ Attach to Form 1040 or Form 1040A.

Department of the Treasury  
Internal Revenue Service

Name(s) shown on return

Your social security number

1	(a) Name of person (you, your spouse, or your dependent) who was enrolled at or attended an eligible educational institution	(b) Name and address of eligible educational institution

If you need more space, attach a statement.

2	Enter the total qualified higher education expenses you paid in 2003 for the person(s) listed in column (a) of line 1. See the instructions to find out which expenses qualify . . . . .	2	E85000	
3	Enter the total of any nontaxable educational benefits (such as nontaxable scholarship or fellowship grants) received for 2003 for the person(s) listed in column (a) of line 1 (see instructions)	3	E85020	
4	Subtract line 3 from line 2. If zero or less, <b>stop</b> . You <b>cannot</b> take the exclusion . . . . .	4	E85040	
5	Enter the total proceeds (principal and interest) from all series EE and I U.S. savings bonds issued <b>after 1989</b> that you <b>cash</b> ed during 2003 . . . . .	5	E85060	
6	Enter the interest included on line 5 (see instructions) . . . . .	6	E85080	
7	If line 4 is equal to or more than line 5, enter "1.000." If line 4 is less than line 5, divide line 4 by line 5. Enter the result as a decimal (rounded to at least three places) . . . . .	7	E85090	
8	Multiply line 6 by line 7 . . . . .	8	E86000	
9	Enter your modified adjusted gross income (see instructions) . . . . . <i>Note: If line 9 is \$73,500 or more if single or head of household, or \$117,750 or more if married filing jointly or qualifying widow(er), <b>stop</b>. You <b>cannot</b> take the exclusion.</i>	9	E86020+/-	
10	Enter: \$58,500 if single or head of household; \$87,750 if married filing jointly or qualifying widow(er) . . . . .	10	E86025	
11	Subtract line 10 from line 9. If zero or less, skip line 12, enter -0- on line 13, and go to line 14 . . . . .	11	E86030 +/-	
12	Divide line 11 by: \$15,000 if single or head of household; \$30,000 if married filing jointly or qualifying widow(er). Enter the result as a decimal (rounded to at least three places) . . . . .	12	E86035	
13	Multiply line 8 by line 12 . . . . .	13	E86040	
14	<b>Excludable savings bond interest.</b> Subtract line 13 from line 8. Enter the result here and on Schedule B (Form 1040), line 3, or Schedule 1 (Form 1040A), line 3, whichever applies . . . ▶	14	E86060	

**General Instructions**

Section references are to the Internal Revenue Code.

**Purpose of Form**

If you cashed series EE or I U.S. savings bonds in 2003 that were issued after 1989, you may be able to exclude from your income part or all of the interest on those bonds. Use this form to figure the amount of any interest you may exclude.

**Who May Take the Exclusion**

You may take the exclusion if all four of the following apply.

1. You cashed qualified U.S. savings bonds in 2003 that were issued after 1989.
2. You paid qualified higher education expenses in 2003 for yourself, your spouse, or your dependents.
3. Your filing status is any status **except** married filing separately.
4. Your modified AGI (adjusted gross income) is less than: \$73,500 if single or head of household; \$117,750 if married filing jointly or qualifying widow(er). See the instructions for line 9 to figure your modified AGI.

**U.S. Savings Bonds That Qualify for Exclusion**

To qualify for the exclusion, the bonds must be series EE or I U.S. savings bonds issued after 1989 in your name, or, if you are married, they may be issued in your name and your spouse's name. Also, you must have been age 24 or older before the bonds were issued. A bond bought by a parent and issued in the name of his or her child under age 24 does not qualify for the exclusion by the parent or child.

**Recordkeeping Requirements**

Keep the following records to verify interest you exclude.

- Bills, receipts, canceled checks, or other documents showing you paid qualified higher education expenses in 2003.
- A written record of each post-1989 series EE or I bond that you cash. Your record must include the serial number, issue date, face value, and total redemption proceeds (principal and interest) of each bond. You may use **Form 8818, Optional Form To Record Redemption of Series EE and I U.S. Savings Bonds Issued After 1989**.

**Like-Kind Exchanges**  
(and section 1043 conflict-of-interest sales)

Department of the Treasury  
Internal Revenue Service

▶ Attach to your tax return.

Name(s) shown on tax return

Identifying number

**Part I Information on the Like-Kind Exchange**

**Note:** If the property described on line 1 or line 2 is real or personal property located outside the United States, indicate the country.

- 1 Description of like-kind property given up ▶ .....
- 2 Description of like-kind property received ▶ .....
- 3 Date like-kind property given up was originally acquired (month, day, year) . . . . . 

3	/	/	/
---	---	---	---
- 4 Date you actually transferred your property to other party (month, day, year) . . . . . 

4	/	/	/
---	---	---	---
- 5 Date like-kind property you received was identified by written notice to another party (see instructions for 45-day written notice requirement) (month, day, year) . . . . . 

5	/	/	/
---	---	---	---
- 6 Date you actually received the like-kind property from other party (month, day, year) (see instructions) 

6	/	N3	/
---	---	----	---
- 7 Was the exchange of the property given up or received made with a related party, either directly or indirectly (such as through an intermediary) (see instructions)? If "Yes," complete Part II. If "No," go to Part III . . . . .  Yes  No

**Part II Related Party Exchange Information**

- 8 Name of related party . . . . . Relationship to you . . . . . Related party's identifying number . . . . .
- Address (no., street, and apt., room, or suite no., city or town, state, and ZIP code)

- 9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party directly or indirectly (such as through an intermediary) sell or dispose of any part of the like-kind property received from you in the exchange? . . . . .  Yes  No
  - 10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of any part of the like-kind property you received? . . . . .  Yes  No
- If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If both lines 9 and 10 are "No" and this is **not** the year of the exchange, stop here. If either line 9 or line 10 is "Yes," complete Part III and report on this year's tax return the deferred gain or (loss) from line 24 unless one of the exceptions on line 11 applies.
- 11 If one of the exceptions below applies to the disposition, check the applicable box:
    - a  The disposition was after the death of either of the related parties.
    - b  The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.
    - c  You can establish to the satisfaction of the IRS that neither the exchange nor the disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation (see instructions).

**Part III Realized Gain or (Loss), Recognized Gain, and Basis of Like-Kind Property Received**

**Caution:** If you transferred **and** received (a) more than one group of like-kind properties or (b) cash or other (not like-kind) property, see **Reporting of multi-asset exchanges** in the instructions.

**Note:** Complete lines 12 through 14 **only** if you gave up property that was not like-kind. Otherwise, go to line 15.

12 Fair market value (FMV) of other property given up . . . . .	12	E36390		
13 Adjusted basis of other property given up . . . . .	13	E36395		
14 Gain or (loss) recognized on other property given up. Subtract line 13 from line 12. Report the gain or (loss) in the same manner as if the exchange had been a sale . . . . .	14	E36400		
15 Cash received, FMV of other property received, plus net liabilities assumed by other party, reduced (but not below zero) by any exchange expenses you incurred (see instructions) . . . . .	15	E36405		
16 FMV of like-kind property you received . . . . .	16	E36410	DEPE	
17 Add lines 15 and 16 . . . . .	17	E36415		
18 Adjusted basis of like-kind property you gave up, net amounts paid to other party, plus any exchange expenses <b>not</b> used on line 15 (see instructions) . . . . .	18	E36420		
19 <b>Realized gain or (loss).</b> Subtract line 18 from line 17 . . . . .	19	E36425		
20 Enter the smaller of line 15 or line 19, but not less than zero . . . . .	20	E36430		
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 16 (see instructions) . . . . .	21	E36435		
22 Subtract line 21 from line 20. If zero or less, enter -0-. If more than zero, enter here and on Schedule D or Form 4797, unless the installment method applies (see instructions) . . . . .	22	E36440		
23 <b>Recognized gain.</b> Add lines 21 and 22 . . . . .	23	E36445		
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions . . . . .	24	E36450		
25 <b>Basis of like-kind property received.</b> Subtract line 15 from the sum of lines 18 and 23 . . . . .	25	E36455		2109

**Expenses for Business Use of Your Home**

Department of the Treasury  
Internal Revenue Service (99)

▶ File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.

▶ See separate instructions.

Name(s) of proprietor(s)

Your social security number

**SECOND FORM**

**Part I Part of Your Home Used for Business**

1	Area used regularly and exclusively for business, regularly for day care, or for storage of inventory or product samples (see instructions)				1
2	Total area of home				2
3	Divide line 1 by line 2. Enter the result as a percentage				3 %
<p>• For day-care facilities not used exclusively for business, also complete lines 4-6. • All others, skip lines 4-6 and enter the amount from line 3 on line 7.</p>					
4	Multiply days used for day care during year by hours used per day	4		hr.	
5	Total hours available for use during the year (365 days × 24 hours) (see instructions)	5		8,760 hr.	
6	Divide line 4 by line 5. Enter the result as a decimal amount	6			
7	Business percentage. For day-care facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3				7 %

**Part II Figure Your Allowable Deduction**

8	Enter the amount from Schedule C, line 29, plus any net gain or (loss) derived from the business use of your home and shown on Schedule D or Form 4797. If more than one place of business, see instructions. See instructions for columns (a) and (b) before completing lines 9-20.					8
9	Casualty losses (see instructions)					
10	Deductible mortgage interest (see instructions)					
11	Real estate taxes (see instructions)					
12	Add lines 9, 10, and 11					
13	Multiply line 12, column (b) by line 7		13			
14	Add line 12, column (a) and line 13					14
15	Subtract line 14 from line 8. If zero or less, enter -0-					15
16	Excess mortgage interest (see instructions)					
17	Insurance					
18	Repairs and maintenance					
19	Utilities					
20	Other expenses (see instructions)					
21	Add lines 16 through 20					
22	Multiply line 21, column (b) by line 7		22			
23	Carryover of operating expenses from 2002 Form 8829, line 41		23			
24	Add line 21 in column (a), line 22, and line 23					24
25	Allowable operating expenses. Enter the smaller of line 15 or line 24					25
26	Limit on excess casualty losses and depreciation. Subtract line 25 from line 15					26
27	Excess casualty losses (see instructions)		27			
28	Depreciation of your home from Part III below		28	E92445		
29	Carryover of excess casualty losses and depreciation from 2002 Form 8829, line 42		29			
30	Add lines 27 through 29					30
31	Allowable excess casualty losses and depreciation. Enter the smaller of line 26 or line 30					31
32	Add lines 14, 25, and 31					32
33	Casualty loss portion, if any, from lines 14 and 31. Carry amount to Form 4684, Section B					33 E92447
34	Allowable expenses for business use of your home. Subtract line 33 from line 32. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions					34

**Part III Depreciation of Your Home**

35	Enter the smaller of your home's adjusted basis or its fair market value (see instructions)					35
36	Value of land included on line 35					36
37	Basis of building. Subtract line 36 from line 35					37
38	Business basis of building. Multiply line 37 by line 7					38
39	Depreciation percentage (see instructions)					39 %
40	Depreciation allowable (see instructions). Multiply line 38 by line 39. Enter here and on line 28 above					40

**Part IV Carryover of Unallowed Expenses to 2004**

41	Operating expenses. Subtract line 25 from line 24. If less than zero, enter -0-					41
42	Excess casualty losses and depreciation. Subtract line 31 from line 30. If less than zero, enter -0-					42 E92449





**Expenses for Business Use of Your Home**

Department of the Treasury  
Internal Revenue Service (99)

▶ File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.

**2003**

Attachment  
Sequence No. **66**

▶ See separate instructions.

Name(s) of proprietor(s)

Your social security number

**SECOND FORM**

**Part I Part of Your Home Used for Business**

1	Area used regularly and exclusively for business, regularly for day care, or for storage of inventory or product samples (see instructions)	1	
2	Total area of home	2	
3	Divide line 1 by line 2. Enter the result as a percentage	3	%
<ul style="list-style-type: none"> <li>• For day-care facilities not used exclusively for business, also complete lines 4-6.</li> <li>• All others, skip lines 4-6 and enter the amount from line 3 on line 7.</li> </ul>			
4	Multiply days used for day care during year by hours used per day	4	hr.
5	Total hours available for useduring the year (365 days × 24 hours) (see instructions)	5	8,760 hr.
6	Divide line 4 by line 5. Enter the result as a decimal amount	6	
7	Business percentage. For day-care facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3	7	%

**Part II Figure Your Allowable Deduction**

8	Enter the amount from Schedule C, line 29, plus any net gain or (loss) derived from the business use of your home and shown on Schedule D or Form 4797. If more than one place of business, see instructions. See instructions for columns (a) and (b) before completing lines 9-20.	8	
9	Casualty losses (see instructions)	(a) Direct expenses	(b) Indirect expenses
10	Deductible mortgage interest (see instructions)	9	
11	Real estate taxes (see instructions)	10	
12	Add lines 9, 10, and 11	11	
13	Multiply line 12, column (b) by line 7	12	
14	Add line 12, column (a) and line 13	13	
15	Subtract line 14 from line 8. If zero or less, enter -0-	14	
16	Excess mortgage interest (see instructions)	15	
17	Insurance	16	
18	Repairs and maintenance	17	
19	Utilities	18	
20	Other expenses (see instructions)	19	
21	Add lines 16 through 20	20	
22	Multiply line 21, column (b) by line 7	21	
23	Carryover of operating expenses from 2002 Form 8829, line 41	22	
24	Add line 21 in column (a), line 22, and line 23	23	
25	Allowable operating expenses. Enter the smaller of line 15 or line 24	24	
26	Limit on excess casualty losses and depreciation. Subtract line 25 from line 15	25	
27	Excess casualty losses (see instructions)	26	
28	Depreciation of your home from Part III below	27	
29	Carryover of excess casualty losses and depreciation from 2002 Form 8829, line 42	28	E92445
30	Add lines 27 through 29	29	
31	Allowable excess casualty losses and depreciation. Enter the smaller of line 26 or line 30	30	
32	Add lines 14, 25, and 31	31	
33	Casualty loss portion, if any, from lines 14 and 31. Carry amount to Form 4684, Section B	32	E93447
34	Allowable expenses for business use of your home. Subtract line 33 from line 32. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions	33	
		34	

**Part III Depreciation of Your Home**

35	Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	35	
36	Value of land included on line 35	36	
37	Basis of building. Subtract line 36 from line 35	37	
38	Business basis of building. Multiply line 37 by line 7	38	
39	Depreciation percentage (see instructions)	39	%
40	Depreciation allowable (see instructions). Multiply line 38 by line 39. Enter here and on line 28 above	40	

**Part IV Carryover of Unallowed Expenses to 2004**

41	Operating expenses. Subtract line 25 from line 24. If less than zero, enter -0-	41	
42	Excess casualty losses and depreciation. Subtract line 31 from line 30. If less than zero, enter -0-	42	E93449



**Expenses for Business Use of Your Home**

▶ File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.

**2003**

Attachment  
Sequence No. **66**

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions.

Name(s) of proprietor(s)

Your social security number

**SECOND FORM**

**Part I Part of Your Home Used for Business**

1	Area used regularly and exclusively for business, regularly for day care, or for storage of inventory or product samples (see instructions)			<b>1</b>	
2	Total area of home			<b>2</b>	
3	Divide line 1 by line 2. Enter the result as a percentage			<b>3</b>	%
<ul style="list-style-type: none"> <li>• For day-care facilities not used exclusively for business, also complete lines 4-6.</li> <li>• All others, skip lines 4-6 and enter the amount from line 3 on line 7.</li> </ul>					
4	Multiply days used for day care during year by hours used per day	<b>4</b>	hr.		
5	Total hours available for use during the year (365 days × 24 hours) (see instructions)	<b>5</b>	8,760 hr.		
6	Divide line 4 by line 5. Enter the result as a decimal amount	<b>6</b>			
7	Business percentage. For day-care facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3			<b>7</b>	%

**Part II Figure Your Allowable Deduction**

8	Enter the amount from Schedule C, line 29, plus any net gain or (loss) derived from the business use of your home and shown on Schedule D or Form 4797. If more than one place of business, see instructions. See instructions for columns (a) and (b) before completing lines 9-20.				<b>8</b>	
		(a) Direct expenses	(b) Indirect expenses			
9	Casualty losses (see instructions)	<b>9</b>				
10	Deductible mortgage interest (see instructions)	<b>10</b>				
11	Real estate taxes (see instructions)	<b>11</b>				
12	Add lines 9, 10, and 11	<b>12</b>				
13	Multiply line 12, column (b) by line 7		<b>13</b>			
14	Add line 12, column (a) and line 13				<b>14</b>	
15	Subtract line 14 from line 8. If zero or less, enter -0-				<b>15</b>	
16	Excess mortgage interest (see instructions)	<b>16</b>				
17	Insurance	<b>17</b>				
18	Repairs and maintenance	<b>18</b>				
19	Utilities	<b>19</b>				
20	Other expenses (see instructions)	<b>20</b>				
21	Add lines 16 through 20	<b>21</b>				
22	Multiply line 21, column (b) by line 7		<b>22</b>			
23	Carryover of operating expenses from 2002 Form 8829, line 41		<b>23</b>			
24	Add line 21 in column (a), line 22, and line 23				<b>24</b>	
25	Allowable operating expenses. Enter the smaller of line 15 or line 24				<b>25</b>	
26	Limit on excess casualty losses and depreciation. Subtract line 25 from line 15				<b>26</b>	
27	Excess casualty losses (see instructions)	<b>27</b>				
28	Depreciation of your home from Part III below	<b>28</b>	E92445			
29	Carryover of excess casualty losses and depreciation from 2002 Form 8829, line 42	<b>29</b>				
30	Add lines 27 through 29	<b>30</b>				
31	Allowable excess casualty losses and depreciation. Enter the smaller of line 26 or line 30	<b>31</b>				
32	Add lines 14, 25, and 31	<b>32</b>				
33	Casualty loss portion, if any, from lines 14 and 31. Carry amount to Form 4684, Section B	<b>33</b>	E93447			
34	Allowable expenses for business use of your home. Subtract line 33 from line 32. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions	<b>34</b>				

**Part III Depreciation of Your Home**

35	Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	<b>35</b>			
36	Value of land included on line 35	<b>36</b>			
37	Basis of building. Subtract line 36 from line 35	<b>37</b>			
38	Business basis of building. Multiply line 37 by line 7	<b>38</b>			
39	Depreciation percentage (see instructions)	<b>39</b>			%
40	Depreciation allowable (see instructions). Multiply line 38 by line 39. Enter here and on line 28 above	<b>40</b>			

**Part IV Carryover of Unallowed Expenses to 2004**

41	Operating expenses. Subtract line 25 from line 24. If less than zero, enter -0-	<b>41</b>			
42	Excess casualty losses and depreciation. Subtract line 31 from line 30. If less than zero, enter -0-	<b>42</b>	E93449		



Form **8829**

## Expenses for Business Use of Your Home

OMB No. 1545-1266

▶ **File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.**

**2003**

Attachment  
Sequence No. **66**

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions.

Name(s) of proprietor(s)

Your social security number

COMBINED TOTAL

### Part I Part of Your Home Used for Business

1 Area used regularly and exclusively for business, regularly for day care, or for storage of inventory or product samples (see instructions)	1	
2 Total area of home	2	
3 Divide line 1 by line 2. Enter the result as a percentage	3	%
<ul style="list-style-type: none"> <li>• For day-care facilities not used exclusively for business, also complete lines 4-6.</li> <li>• All others, skip lines 4-6 and enter the amount from line 3 on line 7.</li> </ul>		
4 Multiply days used for day care during year by hours used per day	4	hr.
5 Total hours available for use during the year (365 days × 24 hours) (see instructions)	5	8,760 hr.
6 Divide line 4 by line 5. Enter the result as a decimal amount	6	
7 Business percentage. For day-care facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3	7	%

### Part II Figure Your Allowable Deduction

8 Enter the amount from Schedule C, line 29, plus any net gain or (loss) derived from the business use of your home and shown on Schedule D or Form 4797. If more than one place of business, see instructions. See instructions for columns (a) and (b) before completing lines 9-20.	8	
	(a) Direct expenses	(b) Indirect expenses
9 Casualty losses (see instructions)	9	
10 Deductible mortgage interest (see instructions)	10	
11 Real estate taxes (see instructions)	11	
12 Add lines 9, 10, and 11	12	
13 Multiply line 12, column (b) by line 7	13	
14 Add line 12, column (a) and line 13	14	
15 Subtract line 14 from line 8. If zero or less, enter -0-	15	
16 Excess mortgage interest (see instructions)	16	
17 Insurance	17	
18 Repairs and maintenance	18	
19 Utilities	19	
20 Other expenses (see instructions)	20	
21 Add lines 16 through 20	21	
22 Multiply line 21, column (b) by line 7	22	
23 Carryover of operating expenses from 2002 Form 8829, line 41	23	
24 Add line 21 in column (a), line 22, and line 23	24	
25 Allowable operating expenses. Enter the smaller of line 15 or line 24	25	
26 Limit on excess casualty losses and depreciation. Subtract line 25 from line 15	26	
27 Excess casualty losses (see instructions)	27	
28 Depreciation of your home from Part III below	28	E90445
29 Carryover of excess casualty losses and depreciation from 2002 Form 8829, line 42	29	
30 Add lines 27 through 29	30	
31 Allowable excess casualty losses and depreciation. Enter the smaller of line 26 or line 30	31	
32 Add lines 14, 25, and 31	32	
33 Casualty loss portion, if any, from lines 14 and 31. Carry amount to Form 4684, Section B	33	E90447
34 Allowable expenses for business use of your home. Subtract line 33 from line 32. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions	34	

### Part III Depreciation of Your Home

35 Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	35	
36 Value of land included on line 35	36	
37 Basis of building. Subtract line 36 from line 35	37	
38 Business basis of building. Multiply line 37 by line 7	38	
39 Depreciation percentage (see instructions)	39	%
40 Depreciation allowable (see instructions). Multiply line 38 by line 39. Enter here and on line 28 above	40	

### Part IV Carryover of Unallowed Expenses to 2004

41 Operating expenses. Subtract line 25 from line 24. If less than zero, enter -0-	41	
42 Excess casualty losses and depreciation. Subtract line 31 from line 30. If less than zero, enter -0-	42	E90449



**Expenses for Business Use of Your Home**  
 ▶ File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.  
 ▶ See separate instructions.

Name(s) of proprietor(s) \_\_\_\_\_ FIRST FORM  
 Your social security number \_\_\_\_\_

**Part I Part of Your Home Used for Business**

1	Area used regularly and exclusively for business, regularly for day care, or for storage of inventory or product samples (see instructions)				<b>1</b>	
2	Total area of home				<b>2</b>	
3	Divide line 1 by line 2. Enter the result as a percentage				<b>3</b>	%
• For day-care facilities not used exclusively for business, also complete lines 4-6. • All others, skip lines 4-6 and enter the amount from line 3 on line 7.						
4	Multiply days used for day care during year by hours used per day	<b>4</b>		hr.		
5	Total hours available for use during the year (365 days × 24 hours) (see instructions)	<b>5</b>		8,760 hr.		
6	Divide line 4 by line 5. Enter the result as a decimal amount	<b>6</b>				
7	Business percentage. For day-care facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3				<b>7</b>	%

**Part II Figure Your Allowable Deduction**

8	Enter the amount from Schedule C, line 29, plus any net gain or (loss) derived from the business use of your home and shown on Schedule D or Form 4797. If more than one place of business, see instructions. See instructions for columns (a) and (b) before completing lines 9-20.					<b>8</b>	
		(a) Direct expenses		(b) Indirect expenses			
9	Casualty losses (see instructions)	<b>9</b>					
10	Deductible mortgage interest (see instructions)	<b>10</b>					
11	Real estate taxes (see instructions)	<b>11</b>					
12	Add lines 9, 10, and 11	<b>12</b>					
13	Multiply line 12, column (b) by line 7			<b>13</b>			
14	Add line 12, column (a) and line 13					<b>14</b>	
15	Subtract line 14 from line 8. If zero or less, enter -0-					<b>15</b>	
16	Excess mortgage interest (see instructions)	<b>16</b>					
17	Insurance	<b>17</b>					
18	Repairs and maintenance	<b>18</b>					
19	Utilities	<b>19</b>					
20	Other expenses (see instructions)	<b>20</b>					
21	Add lines 16 through 20	<b>21</b>					
22	Multiply line 21, column (b) by line 7			<b>22</b>			
23	Carryover of operating expenses from 2002 Form 8829, line 41			<b>23</b>			
24	Add line 21 in column (a), line 22, and line 23					<b>24</b>	
25	Allowable operating expenses. Enter the smaller of line 15 or line 24					<b>25</b>	
26	Limit on excess casualty losses and depreciation. Subtract line 25 from line 15					<b>26</b>	
27	Excess casualty losses (see instructions)	<b>27</b>					
28	Depreciation of your home from Part III below	<b>28</b>		E91445			
29	Carryover of excess casualty losses and depreciation from 2002 Form 8829, line 42	<b>29</b>					
30	Add lines 27 through 29					<b>30</b>	
31	Allowable excess casualty losses and depreciation. Enter the smaller of line 26 or line 30					<b>31</b>	
32	Add lines 14, 25, and 31					<b>32</b>	
33	Casualty loss portion, if any, from lines 14 and 31. Carry amount to Form 4684, Section B					<b>33</b>	
34	Allowable expenses for business use of your home. Subtract line 33 from line 32. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions					<b>34</b>	

**Part III Depreciation of Your Home**

35	Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	<b>35</b>				
36	Value of land included on line 35	<b>36</b>				
37	Basis of building. Subtract line 36 from line 35	<b>37</b>				
38	Business basis of building. Multiply line 37 by line 7	<b>38</b>				
39	Depreciation percentage (see instructions)	<b>39</b>				%
40	Depreciation allowable (see instructions). Multiply line 38 by line 39. Enter here and on line 28 above	<b>40</b>				

**Part IV Carryover of Unallowed Expenses to 2004**

41	Operating expenses. Subtract line 25 from line 24. If less than zero, enter -0-	<b>41</b>				
42	Excess casualty losses and depreciation. Subtract line 31 from line 30. If less than zero, enter -0-	<b>42</b>				

**Qualified Adoption Expenses**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1040 or 1040A.

▶ See separate instructions.

Name(s) shown on return

Your social security number

*Before you begin:* You need to understand the following terms. See **Definitions** on page 1 of the instructions.

- **Eligible Child**
- **Employer-Provided Adoption Benefits**
- **Qualified Adoption Expenses**

**Part I Information About Your Eligible Child or Children**—You must complete this part. See page 2 of the instructions for details, including what to do if you need more space.

1	(a) Child's name First Last		(b) Child's year of birth	Check if child was—			(f) Child's identifying number
				(c) born before 1986 and was disabled	(d) a child with special needs	(e) a foreign child	
Child 1				DSABC1	SPNDC1	FORNC1	
Child 2				DSABC2	SPNDC2	FORNC2	

**Caution:** If the child was a foreign child, see **Special Rules** in the instructions for line 1, column (e), that begin on page 2, before you complete Part II or Part III. If you received **employer-provided adoption benefits**, complete Part III on the back next.

**Part II Adoption Credit**

*Before you begin:* If you are filing Form 1040 and are claiming the mortgage interest credit (see the instructions for Form 1040, line 51), first complete **Form 8396**, Mortgage Interest Credit.

	Child 1	Child 2	
2 Maximum credit per child	\$10,160	00	\$10,160 00
3 Did you file Form 8839 for a prior year? <input type="checkbox"/> No. Enter -0-. <input type="checkbox"/> Yes. See page 3 of the instructions for the amount to enter.			
4 Subtract line 3 from line 2			
5 Enter your total <b>qualified adoption expenses</b> (see page 3 of the instructions) <i>Caution: Your qualified adoption expenses may not be equal to the adoption expenses you paid in 2003.</i>	T86100		T86110
6 Enter the <b>smaller</b> of line 4 or line 5			
7 Add the amounts on line 6. If zero, skip lines 8 through 11 and enter -0- on line 12			S86115
8 Enter your modified adjusted gross income (see page 4 of the instructions)	8		
9 Is line 8 more than \$152,390? <input type="checkbox"/> No. Skip lines 9 and 10, and enter -0- on line 11. <input type="checkbox"/> Yes. Subtract \$152,390 from line 8			9
10 Divide line 9 by \$40,000. Enter the result as a decimal (rounded to at least three places). Do not enter more than "1.000"			10 X
11 Multiply line 7 by line 10			
12 Subtract line 11 from line 7			
13 Credit carryforward from prior years. Enter the amount, if any, from line 23 of your <b>Credit Carryforward Worksheet</b> on page 4 of the <b>2002</b> Form 8839 instructions.			13 T86120
14 Add lines 12 and 13			
15 Enter the amount from Form 1040, line 43, or Form 1040A, line 28.	15		
16 <b>1040 filers:</b> Enter the total of the amounts from Form 1040, lines 44 through 49, plus any mortgage interest credit from Form 8396, line 11. <b>1040A filers:</b> Enter the total of the amounts from Form 1040A, lines 29 through 33.			16
17 Subtract line 16 from line 15			
18 <b>Adoption credit.</b> Enter the smaller of line 14 or line 17 here and on Form 1040, line 50, or Form 1040A, line 34. If line 17 is smaller than line 14, you may have a credit carryforward (see page 4 of the instructions)			18 S86125 T86160

**Part III Employer-Provided Adoption Benefits**

	Child 1		Child 2				
<b>19</b> Maximum exclusion per child . . . . .	<b>19</b>	\$10,160	00	\$10,160	00		
<b>20</b> Did you receive <b>employer-provided adoption benefits</b> for a prior year?  <input type="checkbox"/> <b>No.</b> Enter -0-. <input type="checkbox"/> <b>Yes.</b> See page 4 of the instructions for the amount to enter.	<b>20</b>						
<b>21</b> Subtract line 20 from line 19. . . . .	<b>21</b>						
<b>22</b> Enter the total amount of employer-provided adoption benefits you received in 2003. This amount should be shown in box 12 of your 2003 Form(s) W-2 with code T . . . . .	<b>22</b>						
<b>23</b> Add the amounts on line 22 . . . . .	<b>23</b>						T86130
<b>24</b> Enter the <b>smaller</b> of line 21 or line 22. But if the child was a child with special needs and the adoption became final in 2003, enter the amount from line 21.	<b>24</b>						
<b>25</b> Add the amounts on line 24. If zero, skip lines 26 through 29, enter -0- on line 30, and go to line 31. . . . .	<b>25</b>						
<b>26</b> Enter your modified adjusted gross income (from the worksheet on page 5 of the instructions) . . . . .	<b>26</b>						
<b>27</b> Is line 26 more than \$152,390? <input type="checkbox"/> <b>No.</b> Skip lines 27 and 28, and enter -0- on line 29. <input type="checkbox"/> <b>Yes.</b> Subtract \$152,390 from line 26 . . . . .	<b>27</b>						
<b>28</b> Divide line 27 by \$40,000. Enter the result as a decimal (rounded to at least three places). Do not enter more than "1.000" . . . . .	<b>28</b>				X		
<b>29</b> Multiply line 25 by line 28 . . . . .	<b>29</b>						
<b>30</b> <b>Excluded benefits.</b> Subtract line 29 from line 25 . . . . .	<b>30</b>						T86140
<b>31</b> <b>Taxable benefits.</b> Is line 30 more than line 23? <input type="checkbox"/> <b>No.</b> Subtract line 30 from line 23. Also, include this amount, if more than zero, on line 7 of Form 1040 or 1040A. On the line next to line 7, enter "AB." <input type="checkbox"/> <b>Yes.</b> Subtract line 23 from line 30. Enter the result as a negative number. Reduce the total you would enter on line 7 of Form 1040 or 1040A by the amount on Form 8839, line 31, and enter the result on line 7 of Form 1040 or 1040A. On the line next to line 7, enter "SNE."	<b>31</b>						T86150



You may be able to claim the adoption credit in Part II on the front of this form if either of the following apply.

- The total adoption expenses you paid in 2003 were not fully reimbursed by your employer and the adoption became final in 2003 or earlier.
- You adopted a child with special needs and the adoption became final in 2003.



**Empowerment Zone and Renewal  
Community Employment Credit**

Department of the Treasury  
Internal Revenue Service

▶ Attach to your tax return.

Name(s) shown on return

Identifying number

**Part I Current Year Credit**

<b>1</b>	Enter the total qualified wages paid or incurred during calendar year 2003 only (see instructions)		
<b>a</b>	Qualified empowerment zone wages . . . . . \$..... X 20% (.20)	<b>1a</b>	E75001
<b>b</b>	Qualified renewal community wages . . . . . \$..... X 15% (.15)	<b>1b</b>	E75002
<b>2</b>	Add lines 1a and 1b. You must subtract this amount from your deduction for salaries and wages	<b>2</b>	
<b>3</b>	Form 8844		
	Credits from		
	pass-through		
	entities:		
	<b>a</b> Shareholder . . . . .	<b>3</b>	
	<b>b</b> Partner . . . . .		
	<b>c</b> Beneficiary . . . . .		
	<b>d</b> Patron . . . . .		
<b>4</b>	Add lines 2 and 3 . . . . .	<b>4</b>	
<b>5</b>	Empowerment zone and renewal community employment credit included on line 4 from passive activities (see instructions) . . . . .	<b>5</b>	
<b>6</b>	Subtract line 5 from line 4 . . . . .	<b>6</b>	
<b>7</b>	Passive activity credit allowed for 2003 (see instructions) . . . . .	<b>7</b>	
<b>8</b>	Carryforward of empowerment zone and renewal community employment credit to 2003 . . . . .	<b>8</b>	
<b>9</b>	Carryback of empowerment zone and renewal community employment credit from 2004 (see instructions) . . . . .	<b>9</b>	
<b>10</b>	<b>Current year credit.</b> Add lines 6 through 9. (S corporations, partnerships, estates, trusts, and cooperatives, see instructions.) . . . . .	<b>10</b>	E75000

**Part II Allowable Credit**

<b>11</b>	Regular tax before credits:		
	• Individuals. Enter the amount from Form 1040, line 41 . . . . .	<b>11</b>	
	• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return . . . . .		
	• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the amount from the applicable line of your return . . . . .		
<b>12</b>	Alternative minimum tax (see instructions) . . . . .	<b>12</b>	E75015
<b>13</b>	Add lines 11 and 12 . . . . .	<b>13</b>	
<b>14a</b>	Foreign tax credit . . . . .	<b>14a</b>	
<b>b</b>	Credit for child and dependent care expenses (Form 2441, line 11) . . . . .	<b>14b</b>	
<b>c</b>	Credit for the elderly or the disabled (Schedule R (Form 1040), line 24) . . . . .	<b>14c</b>	
<b>d</b>	Education credits (Form 8863, line 18) . . . . .	<b>14d</b>	
<b>e</b>	Credit for qualified retirement savings contributions (Form 8880, line 14) . . . . .	<b>14e</b>	
<b>f</b>	Child tax credit (Form 1040, line 49) . . . . .	<b>14f</b>	
<b>g</b>	Mortgage interest credit (Form 8396, line 11) . . . . .	<b>14g</b>	
<b>h</b>	Adoption credit (Form 8839, line 18) . . . . .	<b>14h</b>	
<b>i</b>	District of Columbia first-time homebuyer credit (Form 8859, line 11) . . . . .	<b>14i</b>	
<b>j</b>	Possessions tax credit (Form 5735, line 17 or 27) . . . . .	<b>14j</b>	
<b>k</b>	Credit for fuel from a nonconventional source . . . . .	<b>14k</b>	
<b>l</b>	Qualified electric vehicle credit (Form 8834, line 20) . . . . .	<b>14l</b>	
<b>m</b>	Add lines 14a through 14l . . . . .	<b>14m</b>	
<b>15</b>	Net income tax. Subtract line 14m from line 13. If zero, skip lines 16 through 22 and enter -0- on line 23	<b>15</b>	E75040
<b>16</b>	Net regular tax. Subtract line 14m from line 11. If zero or less, enter -0-	<b>16</b>	E75010
<b>17</b>	Tentative minimum tax (see instructions) . . . . .	<b>17</b>	E75020
<b>18</b>	Enter 25% (.25) of the excess, if any, of line 16 over \$25,000 (see instructions)	<b>18</b>	E75050
<b>19</b>	Multiply line 17 by 75% (.75) . . . . .	<b>19</b>	E75030
<b>20</b>	Enter the greater of line 18 or line 19 . . . . .	<b>20</b>	
<b>21</b>	Subtract line 20 from line 15. If zero or less, enter -0-	<b>21</b>	
<b>22</b>	General business credit (other than the New York Liberty Zone business employee credit) (see instructions)	<b>22</b>	
<b>23</b>	Subtract line 22 from line 21 . . . . .	<b>23</b>	
<b>24</b>	Credit allowed for the current year. Enter the smaller of line 10 or line 23 here and on Form 1040, line 52; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2a; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 23 is smaller than line 10, see instructions . . . . .	<b>24</b>	E75060

**Archer MSAs and Long-Term Care Insurance Contracts**

Department of the Treasury  
Internal Revenue Service

▶ **Attach to Form 1040.**

▶ **See separate instructions.**

Name(s) shown on Form 1040

Social security number of MSA account holder. If both spouses have MSAs, see page 1 of the instructions ▶

**Section A. Archer MSAs.** If you have only a Medicare+Choice MSA, skip Section A and complete Section B.

**Part I General Information.** See page 2 of the instructions.

	Yes	No
<b>1a</b> Did you or your employer make contributions to your Archer MSA for 2003?	<input type="checkbox"/>	<input type="checkbox"/>
<b>1b</b> If "Yes," were you uninsured when the MSA was established (see page 2 of the instructions)?	<input type="checkbox"/>	<input type="checkbox"/>
<b>c</b> If line 1a is "Yes," indicate coverage under high deductible health plan: <input type="checkbox"/> Self-Only or <input type="checkbox"/> Family		
<b>2a</b> If married, did your spouse or spouse's employer make contributions to your spouse's Archer MSA for 2003?	<input type="checkbox"/>	<input type="checkbox"/>
<b>2b</b> If "Yes," was your spouse uninsured when the MSA was established (see page 2 of the instructions)?	<input type="checkbox"/>	<input type="checkbox"/>
<b>c</b> If line 2a is "Yes," indicate coverage under high deductible health plan: <input type="checkbox"/> Self-Only or <input type="checkbox"/> Family		

**Part II Archer MSA Contributions and Deductions.** See page 2 of the instructions before completing this part. If you are filing jointly and both you and your spouse have high deductible health plans with self-only coverage, complete a separate Part II for each spouse (see page 2 of the instructions).

<b>3a</b> Were any employer contributions made to your Archer MSA(s) for 2003? <input type="checkbox"/> Yes <input type="checkbox"/> No	MSAEMP	
<b>3b</b> Total employer contributions to your Archer MSA(s) for 2003	T86200	
<b>4</b> Archer MSA contributions you made for 2003, including those made from January 1, 2004, through April 15, 2004, that were for 2003. Do not include rollovers (see page 4 of the instructions)	E86210	
<b>5</b> Limitation from the worksheet on page 3 of the instructions	E86220	
<b>6</b> Compensation (see page 3 of the instructions) from the employer maintaining the high deductible health plan. (If self-employed, enter your earned income from the trade or business under which the high deductible health plan was established.)	E86230	
<b>7</b> Archer MSA deduction. Enter the <b>smallest</b> of line 4, 5, or 6. Also include this amount in the total on Form 1040, line 33. On the dotted line next to line 33, enter "MSA" and the amount	E86240	

**Caution:** If line 4 is more than line 7, you may have to pay an additional tax (see page 3 of the instructions).

**Part III Archer MSA Distributions**

<b>8a</b> Total distributions you and your spouse received in 2003 from all Archer MSAs (see page 4 of the instructions)	E86250	
<b>8b</b> Distributions included on line 8a that you rolled over to another Archer MSA. Also include any excess contributions (and the earnings on those excess contributions) included on line 8a that were withdrawn by the due date of your return (see page 4 of the instructions)	E86260	
<b>8c</b> Subtract line 8b from line 8a	E86270	
<b>9</b> Unreimbursed qualified medical expenses (see page 4 of the instructions).	E86280	
<b>10</b> Taxable Archer MSA distributions. Subtract line 9 from line 8c. If zero or less, enter -0-. Also include this amount in the total on Form 1040, line 21. On the dotted line next to line 21, enter "MSA" and the amount	E86290	
<b>11a</b> If any of the distributions included on line 10 meet any of the <b>Exceptions to the Additional 15% Tax</b> (see page 4 of the instructions), check here <input type="checkbox"/>	MSAEXC	
<b>b</b> Additional 15% tax (see page 4 of the instructions). Enter 15% (.15) of the distributions included on line 10 that are subject to the additional 15% tax. Also include this amount in the total on Form 1040, line 60. On the dotted line next to line 60, enter "MSA" and the amount	E86300	

**Section B. Medicare+Choice MSA Distributions.** If you are filing jointly and both you and your spouse received distributions in 2003 from a Medicare+Choice MSA, complete a separate Section B for each spouse (see page 4 of the instructions).

<b>12</b> Total distributions you received in 2003 from all Medicare+Choice MSAs (see page 5 of the instructions)	E86375	
<b>13</b> Unreimbursed qualified medical expenses (see page 5 of the instructions)	E86380	
<b>14</b> Taxable Medicare+Choice MSA distributions. Subtract line 13 from line 12. If zero or less, enter -0-. Also include this amount in the total on Form 1040, line 21. On the dotted line next to line 21, enter "Med+MSA" and the amount	E86385	
<b>15a</b> If any of the distributions included on line 14 meet any of the <b>Exceptions to the Additional 50% Tax</b> (see page 5 of the instructions), check here <input type="checkbox"/>	MEEXC	
<b>b</b> Additional 50% tax (see page 5 of the instructions). Also include this amount in the total on Form 1040, line 60. On the dotted line next to line 60, enter "Med+MSA" and the amount	E86390	



Name of policyholder (as shown on Form 1040)

Social security number of policyholder ▶

**Section C. Long-Term Care (LTC) Insurance Contracts.** See Filing Requirements for Section C on page 6 of the instructions before completing this section.

If more than one Section C is attached, check here

16a Name of insured ▶ ..... b Social security number of insured ▶ .....

17 In 2003, did anyone other than you receive payments on a per diem or other periodic basis under a qualified LTC insurance contract covering the insured or receive accelerated death benefits under a life insurance policy covering the insured? MSALTC  Yes  No

18 Was the insured a terminally ill individual? MSATRM  Yes  No

**Note:** If "Yes" and the only payments you received in 2003 were accelerated death benefits that were paid to you because the insured was terminally ill, skip lines 19 through 27 and enter -0- on line 28.

19 Gross LTC payments received on a per diem or other periodic basis. Enter the total of the amounts from box 1 of all Forms 1099-LTC you received with respect to the insured on which the "Per diem" box in box 3 is checked

19	E86310
----	--------

**Caution:** Do not use lines 20 through 28 to figure the taxable amount of benefits paid under an LTC insurance contract that is not a qualified LTC insurance contract. Instead, if the benefits are not excludable from your income (for example, if the benefits are not paid for personal injuries or sickness through accident or health insurance), report the amount not excludable as income on Form 1040, line 21.

20 Enter the part of the amount on line 19 that is from qualified LTC insurance contracts

20	E86315
----	--------

21 Accelerated death benefits received on a per diem or other periodic basis. Do not include any amounts you received because the insured was terminally ill (see page 7 of the instructions)

21	E86320
----	--------

22 Add lines 20 and 21

22	E86330
----	--------

**Note:** If you checked "Yes" on line 17 above, see Multiple Payees on page 7 of the instructions before completing lines 23 through 27.

23 Multiply \$220 by the number of days in the LTC period

23	E86340
----	--------

24 Costs incurred for qualified LTC services provided for the insured during the LTC period (see page 7 of the instructions)

24	E86350
----	--------

25 Enter the larger of line 23 or line 24

25	E86355
----	--------

26 Reimbursements for qualified LTC services provided for the insured during the LTC period

26	E86360
----	--------

**Caution:** If you received any reimbursements from LTC contracts issued before August 1, 1996, see page 7 of the instructions.

27 Per diem limitation. Subtract line 26 from line 25

27	E86365
----	--------

28 Taxable payments. Subtract line 27 from line 22. If zero or less, enter -0-. Also include this amount in the total on Form 1040, line 21. On the dotted line next to line 21, enter "LTC" and the amount.

28	E86370
----	--------



**Education Credits  
(Hope and Lifetime Learning Credits)**

Department of the Treasury  
Internal Revenue Service

▶ See instructions.

▶ Attach to Form 1040 or Form 1040A.

Name(s) shown on return

Your social security number

**Caution:** You cannot take both an education credit and the tuition and fees deduction (Form 1040, line 26, or Form 1040A, line 19) for the same student in the same year.

**Part I Hope Credit. Caution:** You cannot take the Hope credit for more than 2 tax years for the same student.

1	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions). Do not enter more than \$2,000 for each student.	(d) Enter the smaller of the amount in column (c) or \$1,000	(e) Subtract column (d) from column (c)	(f) Enter one-half of the amount in column (e)
	N20 number of qualified students	S058	E87480			
		S059	E87485			
		S060	E87490			
		S061	E87495			
2	Add the amounts in columns (d) and (f)		2	E87500		E87510
3	Tentative Hope credit. Add the amounts on line 2, columns (d) and (f). If you are taking the lifetime learning credit for another student, go to Part II; otherwise, go to Part III ▶				3	E87520

**Part II Lifetime Learning Credit**

4	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions)
		S062	E87526 E87522
	N25 number of lifetime learning credit students	S063	E87528 E87524
		S064	
		S065	
5	Add the amounts on line 4, column (c), and enter the total		5 E87530
6	Enter the smaller of line 5 or \$10,000		6 E87540
7	Tentative lifetime learning credit. Multiply line 6 by 20% (.20) and go to Part III ▶		7 E87550

**Part III Allowable Education Credits**

8	Tentative education credits. Add lines 3 and 7	8	E87560
9	Enter: \$103,000 if married filing jointly; \$51,000 if single, head of household, or qualifying widow(er)	9	E87570
10	Enter the amount from Form 1040, line 35*, or Form 1040A, line 22	10	E87580
11	Subtract line 10 from line 9. If zero or less, stop; you cannot take any education credits	11	E87590
12	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	12	E87600
13	If line 11 is equal to or more than line 12, enter the amount from line 8 on line 14 and go to line 15. If line 11 is less than line 12, divide line 11 by line 12. Enter the result as a decimal (rounded to at least three places)	13	E87610 ×
14	Multiply line 8 by line 13 ▶	14	E87620
15	Enter the amount from Form 1040, line 43, or Form 1040A, line 28	15	E87630
16	Enter the total, if any, of your credits from Form 1040, lines 44 through 46, or Form 1040A, lines 29 and 30	16	E87640
17	Subtract line 16 from line 15. If zero or less, stop; you cannot take any education credits ▶	17	E87650
18	<b>Education credits.</b> Enter the smaller of line 14 or line 17 here and on Form 1040, line 47, or Form 1040A, line 31 ▶	18	E87680

\*See Pub. 970 for the amount to enter if you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico.

**New York Liberty Zone  
Business Employee Credit**

Department of the Treasury  
Internal Revenue Service

▶ Attach to your tax return.

Name(s) shown on return

Identifying number

**Part I Current Year Credit** (Members of a controlled group, see instructions.)

<b>1</b>	Enter the total qualified wages paid or incurred during the tax year to New York (NY) Liberty Zone business employees for work performed <b>during calendar year 2002 or 2003</b> who have:		
<b>a</b>	Worked for you at least 120 hours but fewer than 400 hours . . . \$ . . . . . × 25% (.25) =	<b>1a</b>	E76000
<b>b</b>	Worked for you at least 400 hours . . . . . \$ . . . . . × 40% (.40) =	<b>1b</b>	E76010
<b>2</b>	Add lines 1a and 1b. You must subtract this amount from your deduction for salaries and wages	<b>2</b>	E76020
<b>3</b>	NY Liberty Zone business employee credits from pass-through entities:		
	<b>If you are a—</b>	<b>Then enter the NY Liberty Zone business employee credits from—</b>	
	<b>a</b> Shareholder . . . . .	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13 . . . . .	
	<b>b</b> Partner . . . . .	Schedule K-1 (Form 1065), lines 12c, 12d, or 13 . . . . .	
	<b>c</b> Beneficiary . . . . .	Schedule K-1 (Form 1041), line 14 . . . . .	
	<b>d</b> Patron . . . . .	Written statement from cooperative . . . . .	
<b>4</b>	Add lines 2 and 3 . . . . .	<b>4</b>	E76040
<b>5</b>	NY Liberty Zone business employee credit included on line 4 from passive activities (see instructions)	<b>5</b>	E76050
<b>6</b>	Subtract line 5 from line 4 . . . . .	<b>6</b>	E76060
<b>7</b>	NY Liberty Zone business employee passive activity credit allowed for 2003 (see instructions)	<b>7</b>	E76070
<b>8</b>	Carryforward of NY Liberty Zone business employee credit to 2003 . . . . .	<b>8</b>	E76080
<b>9</b>	Carryback of NY Liberty Zone business employee credit from 2004 (see instructions)	<b>9</b>	
<b>10</b>	<b>Current year credit.</b> Add lines 6 through 9. (S corporations, partnerships, estates, trusts, cooperatives, regulated investment companies, and real estate investment trusts, see instructions.)	<b>10</b>	E76090

**Part II Allowable Credit**

<b>11</b>	Regular tax before credits:		
	• Individuals. Enter the amount from Form 1040, line 41 . . . . .	}	<b>11</b>
	• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return . . . . .		
	• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the amount from the applicable line of your return . . . . .		
<b>12</b>	Alternative minimum tax:		
	• Individuals. Enter the amount from Form 6251, line 35 . . . . .	}	<b>12</b>
	• Corporations. Enter the amount from Form 4626, line 14 . . . . .		
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 56 . . . . .		
<b>13</b>	Add lines 11 and 12 . . . . .	<b>13</b>	
<b>14a</b>	Foreign tax credit . . . . .	<b>14a</b>	
<b>b</b>	Credit for child and dependent care expenses (Form 2441, line 11) . . . . .	<b>14b</b>	
<b>c</b>	Credit for the elderly or the disabled (Schedule R (Form 1040), line 24) . . . . .	<b>14c</b>	
<b>d</b>	Education credits (Form 8863, line 18) . . . . .	<b>14d</b>	
<b>e</b>	Credit for qualified retirement savings contributions (Form 8880, line 14) . . . . .	<b>14e</b>	
<b>f</b>	Child tax credit (Form 1040, line 49) . . . . .	<b>14f</b>	
<b>g</b>	Mortgage interest credit (Form 8396, line 11) . . . . .	<b>14g</b>	
<b>h</b>	Adoption credit (Form 8839, line 18) . . . . .	<b>14h</b>	
<b>i</b>	District of Columbia first-time homebuyer credit (Form 8859, line 11) . . . . .	<b>14i</b>	
<b>j</b>	Possessions tax credit (Form 5735, line 17 or 27) . . . . .	<b>14j</b>	
<b>k</b>	Credit for fuel from a nonconventional source . . . . .	<b>14k</b>	
<b>l</b>	Qualified electric vehicle credit (Form 8834, line 20) . . . . .	<b>14l</b>	
<b>m</b>	Add lines 14a through 14l . . . . .	<b>14m</b>	
<b>15</b>	Net income tax. Subtract line 14m from line 13. If zero, skip lines 16 through 19 and enter -0- on line 20 . . . . .	<b>15</b>	E76110
<b>16</b>	Net regular tax. Subtract line 14m from line 11. If zero or less, enter -0- . . . . .	<b>16</b>	E76120
<b>17</b>	Enter 25% (.25) of the excess, if any, of line 16 over \$25,000 (see instructions) . . . . .	<b>17</b>	E76130
<b>18</b>	Subtract line 17 from line 15. If zero or less, enter -0- . . . . .	<b>18</b>	E76140
<b>19</b>	General business credit (see instructions) . . . . .	<b>19</b>	
<b>20</b>	Subtract line 19 from line 18. If zero or less, enter -0- . . . . .	<b>20</b>	E76150
<b>21</b>	<b>Credit allowed for the current year.</b> Enter the <b>smaller</b> of line 10 or line 20 here and on Form 1040, line 52; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2a; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 20 is smaller than line 10, see instructions	<b>21</b>	E76160

# Health Coverage Tax Credit

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1040 or Form 1040NR.

Attachment  
Sequence No. **134**

Name of recipient (if both spouses are recipients, complete a separate form for each spouse)

Recipient's social security number

**Before you begin:** See **Definitions and Special Rules** that begin on page 2.



Do not complete this form if you can be claimed as a dependent on someone else's 2003 tax return.

## Part I Complete This Part To See if You Are Eligible To Take This Credit

HCMONQ

- 1 Check the boxes below for each month in 2003 that **all** of the following statements were **true** on the **first day** of that month.
- You were an eligible trade adjustment assistance (TAA) recipient, alternative TAA recipient, or Pension Benefit Guaranty Corporation (PBGC) pension recipient.
  - You were covered by a qualified health insurance plan for which you paid the premiums.
  - You were **not** entitled to Medicare Part A or enrolled in Medicare Part B.
  - You were **not** enrolled in Medicaid or State Children's Health Insurance Program (SCHIP).
  - You were **not** enrolled in the Federal Employees Health Benefits Program or eligible to receive benefits under the U.S. military health system (TRICARE).
  - You were **not** imprisoned under Federal, state, or local authority.
  - You were **not** covered by, or eligible for coverage under, any employer-sponsored health insurance plan (see instructions on page 3).

- January     February     March     April     May     June
- July     August     September     October     November     December

## Part II Health Coverage Tax Credit

2 Amount paid for qualified health insurance coverage for all months checked on line 1 (see instructions on page 4). Include advance payments, if any, from Form 1099-H, box 1 . . . . .

**Note.** You **must** attach invoices and proof of payment for any amounts included on line 2 for which you did not receive an advance payment (see instructions on page 4).

3 Enter the total amount of any (a) Archer MSA distributions used to pay amounts included on line 2 and (b) National Emergency Grants you received for health insurance in 2003 . . . . .

4 Subtract line 3 from line 2. If zero or less, **stop**; you cannot take the credit . . . . .

5 Multiply line 4 by 65% (.65) and enter the result . . . . .

6 Advance payments, if any, from Form 1099-H, box 1 . . . . .

7 **Health coverage tax credit.** Subtract line 6 from line 5. If zero or less, enter -0-. Also include on Form 1040, line 67, or Form 1040NR, line 62, and check box c on that line . . . . .

2					
3					
4					
5					
6					
7					

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

Use Form 8885 to figure the amount, if any, of your health coverage tax credit (HCTC).

### Who Can Take This Credit

You can take this credit only if (a) you were an eligible trade adjustment assistance (TAA) recipient, alternative TAA recipient, or Pension Benefit Guaranty Corporation (PBGC) pension recipient in 2003, (b) you cannot be claimed as a dependent on someone else's 2003 tax return, and (c) you met all of the other conditions listed on line 1. If you cannot be claimed as a dependent on someone else's 2003 tax return, complete Part I of Form 8885 to see if you are eligible to take this credit.

### Definitions and Special Rules

#### TAA Recipient

You were an eligible TAA recipient on the first day of the month if, for any day in that month **or the prior month**, you:

- Received a trade readjustment allowance or
- Would have been entitled to receive such an allowance except that you had not exhausted all rights to any unemployment insurance (except additional compensation that is funded by a state and is not reimbursed from any Federal funds) to which you were entitled (or would be entitled if you applied).

**Example:** You received a trade readjustment allowance for January 2003. You were an eligible TAA recipient on the first day of January and February.

#### Alternative TAA Recipient

You were an eligible alternative TAA recipient on the first day of the month if, for that month **or the prior month**, you received benefits under an alternative trade adjustment assistance program for older workers established by the Department of Labor.

**Example:** You received benefits under an alternative trade adjustment assistance program for older workers for October 2003. The program was established by the Department of Labor. You were an eligible alternative TAA recipient on the first day of October and November.

#### PBGC Pension Recipient

You were an eligible PBGC pension recipient on the first day of the month, if **both** of the following apply.

- You were age 55 or older on the first day of the month.
- You received a benefit for that month that was paid by the PBGC under title IV of the Employee Retirement Income Security Act of 1974 (ERISA).

#### Qualified Health Insurance Plan

A qualified health insurance plan is **any** of the following.

1. Coverage under a group health plan available through the employment of your spouse. But see the instructions for line 1 on page 3.

2. Coverage under individual health insurance if you were covered under individual health insurance during the entire 30-day period ending on the date you were separated from your job that qualified you for TAA, alternative TAA, or PBGC pension benefits. Individual health insurance **does not** include any insurance connected with a group health plan or Federal- or state-based health insurance coverage. For example, Medicare supplemental insurance (Medigap) is not a qualified health insurance plan.

3. Coverage under a COBRA continuation provision (as defined in section 9832(d)(1)).

4. State-based continuation coverage provided by the state under a state law that requires such coverage.

5. Coverage offered through a qualified state high risk pool (as defined in section 2744(c)(2) of the Public Health Service Act).

6. Coverage under a health insurance program offered for state employees.

7. Coverage under a state-based health insurance program that is comparable to the health insurance program offered for state employees.

8. Coverage through an arrangement entered into by a state and (a) a group health plan (including such a plan which is a multiemployer plan as defined in section 3(37) of ERISA), (b) an issuer of health insurance coverage, (c) an administrator, or (d) an employer.

9. Coverage offered through a state arrangement with a private sector health care coverage purchasing pool.

10. Coverage under a state-operated health plan that does not receive any Federal financial participation.

A qualified health insurance plan **does not** include any of the following.

- Any state-based coverage listed in 4 through 10 above **unless** it also meets the requirements of section 35(e)(2).
- A flexible spending or similar arrangement.
- Any insurance if substantially all of its coverage is of excepted benefits described in section 9832(c).

If you are not sure whether your health insurance plan is a qualified health insurance plan, go to [www.irs.gov](http://www.irs.gov) and enter IRS Keyword "HCTC."

#### Qualifying Family Member

A qualifying family member is:

- Your spouse (but see **Married Persons Filing Separate Returns** on page 3) or
- Anyone whom you can claim as a dependent (but see **Exception for Children of Divorced or Separated Parents** on page 3).

For any month that you are eligible to claim the HCTC, you can include premiums paid for a qualifying family member for that month if **all** of the following statements were true as of the first day of that month.

- The qualifying family member was covered by a qualified health insurance plan for which you paid the premiums.
- The qualifying family member was **not** entitled to Medicare Part A or enrolled in Medicare Part B.
- The qualifying family member was **not** enrolled in Medicaid or State Children's Health Insurance Program (SCHIP).

- The qualifying family member was **not** enrolled in the Federal Employees Health Benefits Program or eligible to receive benefits under the U.S. military health system (TRICARE).
- The qualifying family member was **not** covered by, or eligible for coverage under, any employer-sponsored health insurance plan (see the instructions for line 1 on this page).

### Married Persons Filing Separate Returns

Your spouse is **not** treated as a qualifying family member if your filing status is married filing separately and **either 1 or 2** next apply.

1. Your spouse also was an eligible TAA recipient, alternative TAA recipient, or PBGC pension recipient in 2003, or

2. All of the following apply:

- You lived apart from your spouse during the last 6 months of 2003.
- A qualifying family member (other than your spouse) lived in your home for more than half of 2003.
- You provided over half of the cost of keeping up your home.

### Exception for Children of Divorced or Separated Parents

If you were divorced, legally separated, or lived apart from the other parent during the last 6 months of 2003, you may be able to take the credit based on amounts paid for qualified health insurance expenses of your child even if your child is not your dependent. If your child is not your dependent, he or she is a qualifying family member only if all of the following apply.

1. You had custody of the child for a longer time in 2003 than the other parent. See **Pub. 501**, Exemptions, Standard Deduction, and Filing Information, for the definition of custody.

2. One or both of the parents provided over half of the child's support in 2003.

3. One or both of the parents had custody of the child for more than half of 2003.

4. The other parent claims the child as a dependent because:

- As the custodial parent, you signed **Form 8332**, Release of Claim to Exemption for Child of Divorced or Separated Parents, or a similar statement agreeing not to claim the child's exemption for 2003 or
- Your divorce decree or written agreement went into effect before 1985 and it states that the other parent can claim the child as a dependent, and the other parent gave at least \$600 for the child's support in 2003. But this rule does not apply if your decree or agreement was changed after 1984 to state that the other parent cannot claim the child as a dependent.

If this exception applies, the other parent cannot treat the child as a qualifying family member for purposes of the HCTC, even though that parent claims the child as a dependent.

If you can treat the child as a qualifying family member for purposes of the HCTC, even though you do not claim the child as your dependent, the child must also meet all of the other conditions of a qualifying family member that begin on page 2.

## Specific Instructions

### Line 1

**Employer-sponsored health insurance plan.** You cannot claim the HCTC for any month that, on the first day of the month, **either 1 or 2** below apply.

1. You were covered under **any** employer-sponsored health insurance plan (except insurance substantially all of the coverage of which is of excepted benefits described in section 9832(c)) and the employer paid 50% or more of the cost of the coverage.

2. You were an **alternative TAA recipient** and **either** of the following apply.

- You were **eligible for coverage** under any **qualified** health insurance plan (**other than** the plans listed under **3, 4, or 8** in the definition of **Qualified Health Insurance Plan** on page 2) where the employer would have paid 50% or more of the cost of the coverage or
- You were **covered** under any **qualified** health insurance plan (**other than** the plans listed under **3, 4, or 8** in the definition of **Qualified Health Insurance Plan** on page 2) and the employer paid **any part** of the cost of the coverage.



Any amounts contributed to the cost of coverage by you or your spouse on a pre-tax basis are considered to have been paid by the employer.

Check the boxes on line 1 for each month that, on the first day of the month, **(a)** both **1 and 2** above **do not** apply and **(b)** you met all of the other conditions listed on line 1.

**Example 1:** On October 1, 2003, your only health insurance coverage was under an employer-sponsored health insurance plan. The plan is not one in which substantially all of the coverage of which is of excepted benefits described in section 9832(c). The employer paid 40% of the cost of the coverage. You paid 20% of the cost of the coverage through pre-tax contributions. You **cannot** claim the HCTC for the month of October because the employer is considered to have paid 60% of the cost of the coverage.

**Example 2:** Assume the same facts as in Example 1 except that the employer paid only 25% of the cost of the coverage. The employer is considered to have paid 45% of the cost of the coverage (25% that was paid by the employer plus 20% that you paid through pre-tax contributions). If you were an eligible TAA recipient or PBGC pension recipient, you can claim the HCTC for the month of October if you met all the other conditions listed on line 1 on October 1, 2003. If you were an alternative TAA recipient, you can claim the HCTC for the month of October only if, on October 1, 2003, **all** of the following apply.

- You were **not eligible for coverage** under any **qualified** health insurance plan (**other than** the plans listed under **3, 4, or 8** in the definition of **Qualified Health Insurance Plan** on page 2) where the employer would have paid 50% or more of the cost of the coverage.
- The plan was a type of plan listed under **3, 4, or 8** in the definition of **Qualified Health Insurance Plan** on page 2.
- You met all of the other conditions listed on line 1.

Line 2

Enter the total amount of insurance premiums paid for coverage for you and all qualifying family members under a qualified health insurance plan for all months checked on line 1. Include advance payments, if any, from Form 1099-H, box 1.



If your qualified health insurance plan covers anyone other than you and your qualifying family members, see Pub. 502, Medical and Dental Expenses (Including the Health Coverage Tax Credit), before completing line 2.

You must attach invoices and proof of payment (for example, canceled checks, bank statements, or credit card statements) for any amounts included on line 2 for which you did not receive an HCTC advance payment.

If your qualified health insurance plan is through your spouse's employer, proof of payment should include: (a) copies of paycheck stubs showing the health coverage deductions for the qualified months and (b) a letter or other statement from your spouse's employer that states the employer contributed less than 50% of the cost of the coverage.

If you received an advance payment, Form 1099-H will show the amount of the advance payment and the month(s) for which you received it. If you received an advance payment, you can use the worksheet below to help figure the total amount of health insurance premiums that should be shown on your attached invoices and proof of payment.

Example 1: You are eligible to claim the HCTC for October and November. You paid \$500 of qualified health insurance premiums in each month for yourself and \$250 for your qualifying family members. The amount on line 2 of Form 8885 is \$1,500 (\$750 for October and \$750 for November). You did not receive any HCTC advance payments during 2003. You must attach invoices and proof of payment for you and your qualifying family members totaling \$1,500. The invoices and proof of payment should be for October and November.

Example 2: Assume the same facts as in Example 1 except that you received an advance payment for the qualified health insurance premiums for you and your qualifying family members for the month of November. Form 1099-H shows a total advance payment in box 1 of \$487.50. Form 1099-H also shows that the total advance payment was paid for November. You would enter \$1,500 on line 1 of the Invoice and Proof of Payment Worksheet below. You would enter \$487.50 on

line 2 (the amount from Form 1099-H, box 1). You would enter \$750 on line 3 (\$487.50 x 1.5385) and \$750 on line 4 (\$1,500 - \$750). You must attach invoices and proof of payment totaling \$750. The invoices and proof of payment should be for October and should be for qualified health insurance premiums paid for you and your qualifying family members.

Example 3: Assume the same facts as in Example 1 except that you received an advance payment for your qualified health insurance premiums for the months of October and November. You did not receive any advance payments for the amounts paid for qualified health insurance coverage for your qualifying family members. Form 1099-H shows a total advance payment in box 1 of \$650. Form 1099-H also shows that the advance payment was made up of \$325 that was paid for October and \$325 that was paid for November. You would enter \$1,500 on line 1 of the Invoice and Proof of Payment Worksheet below. You would enter \$650 on line 2 (the amount from Form 1099-H, box 1). You would enter \$1,000 on line 3 (\$650 x 1.5385) and \$500 on line 4 (\$1,500 - \$1,000). You must attach invoices and proof of payment totaling \$500. The invoices and proof of payment should be for October and November and should be for qualified health insurance premiums paid for your qualifying family members.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: Recordkeeping, 13 min.; Learning about the law or the form, 15 min.; Preparing the form, 16 min.; Copying, assembling, and sending the form to the IRS, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the Instructions for Form 1040 or Form 1040NR.

Invoice and Proof of Payment Worksheet—Line 2

(keep for your records)



- 1. Enter the amount from Form 8885, line 2 . . . . . 1. \_\_\_\_\_
2. Enter the amount from Form 1099-H, box 1 . . . . . 2. \_\_\_\_\_
Multiply line 2 by 1.5385 and enter the result . . . . . 3. \_\_\_\_\_
4. Subtract line 3 from line 1. Attach invoices and proof of payment totaling this amount . . . . . 4. \_\_\_\_\_

