

Label

(See instructions on page 16.) Use the IRS label. Otherwise, please print or type.

LABEL HERE

For the year Jan. 1–Dec. 31, 2006, or other tax year beginning FLPDBG, 2006, ending , 20

OMB No. 1545-0074

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 16. APT. no. ADDRSS

You must enter your SSN(s) above.

City, town or post office, state, and ZIP code. If you have a foreign address, see page 16. CITYST N21 (ZIP CODE)

Checking a box below will not change your tax or refund. N14 =

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund ELECT 1,2 You Spouse 1,2

Filing Status

MARS=1 Single MARS=4 Head of household (with qualifying person). (See page 17.) 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. MFNL MARS=5 Qualifying widow(er) with dependent child (see page 17)

Exemptions

XFPT 6a Yourself. If someone can claim you as a dependent, do not check box 6a DSI Boxes checked on 6a and 6b N3 b Spouse XFST No. of children on 6c who: N7 c Dependents: (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) if qualifying child for child tax credit (see page 19) CHILDREN AT HOME NMDEP1 thru NMDEP10 N7 XOCAH XT XCR1 thru CHILDREN AWAY FROM HOME S025 thru S034 N8 XOCAWH XT XCR10 PARENTS N9 XOPAR OTHER DEPENDENTS N10 XODOEP N24 d Total number of exemptions claimed TOTAL DEPENDENTS. N6 XTOT Add numbers on lines above N2

Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2 ** dep othr ernd inc E00250 +. 7 E00200 8a Taxable interest. Attach Schedule B if required 8a E00300 b Tax-exempt interest. Do not include on line 8a 8b E00400 9a Ordinary dividends. Attach Schedule B if required 9a E00600 b Qualified dividends (see page 23) 9b E00650 10 Taxable refunds, credits, or offsets of state and local income taxes (see page 24) 10 E00700 11 Alimony received 11 E00800 12 Business income or (loss). Attach Schedule C or C-EZ 13* cap gain, distrib E01100 12 E00900 +/- 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here 13 E01000 +/- 14 Other gains or (losses). Attach Form 4797 14 E01200 +/- 15a IRA distributions 15a E01300 b Taxable amount (see page 25) 15b E01400 16a Pensions and annuities 16a E01500 b Taxable amount (see page 26) 16b E01700 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 17 E02000 +/- 18 Farm income or (loss). Attach Schedule F 18 E02100 +/- 19 Unemployment compensation 19 E02300 20a Social security benefits 20a E02400 b Taxable amount (see page 27) 20b E02500 21 Other income. List type and amount (see page 29) 21 E02600 +/- 22 Add the amounts in the far right column for lines 7 through 21. This is your total income 22 E02650 +/-

Adjusted Gross Income

23 Archer MSA deduction. Attach Form 8853 23 E03600 21 NOL E02540 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ 24 E03700 21 Stock options E02605 21 FEI excl E02700 25 Health savings account deduction. Attach Form 8889 25 E03290 21 Gambling inc E02800 26 Moving expenses. Attach Form 3903 26 E03280 23 Educ Exp E03220 27 One-half of self-employment tax. Attach Schedule SE 27 E03260 28 Self-employed SEP, SIMPLE, and qualified plans 28 E03300 29 Self-employed health insurance deduction (see page 29) 29 E03270 30 Penalty on early withdrawal of savings 30 E03400 31a Alimony paid b Recipient's SSN S023 31a E03500 32 IRA deduction (see page 31) 32 E03150 33 Student loan interest deduction (see page 33) 33 E03210 35 Tuition & Fees E03230 34 Jury duty pay you gave to your employer 34 E03200 36 Housing ded E04000 35 Domestic production activities deduction. Attach Form 8903 35 E03240 36 Other adj E03900 36 Add lines 23 through 31a and 32 through 35 36 E02900 37 Subtract line 36 from line 22. This is your adjusted gross income 37 E00100 +/-

Form
1040A

Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return (99) **2006**

FLPD YR/MO

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

Label
(See page 18.)

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

LABEL HERE	Your first name and initial		Last name		OMB No. 1545-0074	
			FNMLN		Your social security number	
	If a joint return, spouse's first name and initial		Last name		S002	
			SNMLN		Spouse's social security number	
		S003		▲ You must enter your SSN(s) above. ▲		
Home address (number and street). If you have a P.O. box, see page 18.				Apt. no.		Checking a box below will not change your tax or refund n14 =
ADDRSS						
City, town or post office, state, and ZIP code. If you have a foreign address, see page 18.				CITYST n21 (zip code) elect = 1,2		<input type="checkbox"/> You <input type="checkbox"/> Spouse 1,2

Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 18) ▶ You Spouse 1,2

Filing status
Check only one box.

MARS 1 Single MARS 6 = spouse not filing MARS 4 Head of household (with qualifying person). (See page 19.)
 MARS 2 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 3 Married filing separately. Enter spouse's SSN above and full name here. ▶ MFNL MARS 5 Qualifying widow(er) with dependent child (see page 20)

Exemptions

6a **Yourself.** If someone can claim you as a dependent, **do not check** XFPT box 6a. DSI

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 21)	
CHILDREN AT HOME		NMDEP1 thru NMDEP10	N7 XOCAH	TXXCR 1	
CHILDREN AWAY FROM HOME		S025 thru S034	N8 XOCAWH	thur	
PARENTS			N9 XOPAR	TXXCR10	
OTHER DEPENDENTS			N10 XODEP	<input type="checkbox"/>	
TOTAL DEPENDENTS			N6	<input type="checkbox"/>	
Total				N24	

d Total number of exemptions claimed. XTOT

If more than six dependents, see page 21.

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 22) **N8**

Dependents on 6c not entered above

Add numbers on lines above ▶ **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	
10 Capital gain distributions (see page 25).	10	E01100	
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, Alaska Permanent Fund dividends, and jury duty pay.	13	E02300	
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 .	15	E02650	
16 Penalty on early withdrawal of savings (see page 28).	16	E03400	
17 IRA deduction (see page 28).	17	E03150	
18 Student loan interest deduction (see page 31).	18	E03210	
19 Jury duty pay you gave your employer (see page 31).	19	E03200	
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	E00100 +/-	

Adjusted gross income

Tax, credits, and payments

Standard Deduction for—
• People who checked any box on line 23a or 23b or who can be claimed as a dependent, see page 32.
• All others: Single or Married filing separately, \$5,150 Married filing jointly or Qualifying widow(er), \$10,300 Head of household, \$7,550

If you have a qualifying child, attach Schedule EIC.

Direct deposit? See page 53 and fill in 45b, 45c, and 45d or Form 8888.

Amount you owe

Third party designee

Sign here

Joint return? See page 18. Keep a copy for your records.

Paid preparer's use only

Form 1040A (2006) main body containing lines 22 through 48, and sections for third party designee, signature, and paid preparer information.

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

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.

Line 3

Did you cash series EE or I U.S. savings bonds in 2006 that were issued after 1989? If you did and you paid qualified higher education expenses in 2006 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. Ordinary dividends should be shown in box 1a of your Forms 1099-DIV or substitute statements. List each payer's name and show the amount.

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) **2006**

OMB No. 1545-0074

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**

Part I

Persons or organizations who provided the care

You must complete this part.

	(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)
1				
				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 2006 for the person listed in column (a)
	First	Last	
		S056	E32750
	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 27.

4 Enter your **earned income**. See the instructions.

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.

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

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 2005 expenses in 2006, see the instructions.

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

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**

12	Enter the total amount of dependent care benefits you received for 2006. This amount should be shown in box 10 of your Form(s) W-2. Do not include amounts that were reported to you as wages in box 1 of Form(s) W-2.	12	E33420
13	Enter the amount, if any, you carried over from 2005 and used in 2006 during the grace period. See the instructions.	13	
14	Enter the amount, if any, you forfeited or carried forward to 2007. See the instructions.	14 (E33450)
15	Combine lines 12 through 14. See the instructions.	15	
16	Enter the total amount of qualified expenses incurred in 2006 for the care of the qualifying person(s).	16	E33460
17	Enter the smaller of line 15 or 16.	17	
18	Enter your earned income . See the instructions.	18	E32880
19	Enter the amount shown below that applies to you. <ul style="list-style-type: none"> • 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). • If married filing separately, see the instructions for the amount to enter. • All others, enter the amount from line 18. 	19	E32890
20	Enter the smallest of line 17, 18, or 19.	20	
21	Excluded benefits. Enter here the smaller of the following: <ul style="list-style-type: none"> • The amount from line 20, or • \$5,000 (\$2,500 if married filing separately and you were required to enter your spouse's earned income on line 19). 	21	E32840
22	Taxable benefits. Subtract line 21 from line 15. Also, include this amount on Form 1040A, line 7. In the space to the left of line 7, enter "DCB."	22	E33480
To claim the child and dependent care credit, complete lines 23-27 below.			
23	Enter \$3,000 (\$6,000 if two or more qualifying persons).	23	
24	Enter the amount from line 21.	24	E32840
25	Subtract line 24 from line 23. If zero or less, stop . You cannot take the credit. Exception. If you paid 2005 expenses in 2006, see the instructions for line 9.	25	
26	Complete line 2 on the front of this schedule. Do not include in column (c) any benefits shown on line 21 above. Then, add the amounts in column (c) and enter the total here.	26	
27	Enter the smaller of line 25 or 26. Also, enter this amount on line 3 on the front of this schedule and complete lines 4-11.	27	E32800

Schedule 3
(Form 1040A)

Department of the Treasury—Internal Revenue Service

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

(99) **2006**

OMB No. 1545-0074

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 2006:

- 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.

TIP 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 2006:	Check only one box:
Check the box for your filing status and age	Single, Head of household, or Qualifying widow(er)	1 You were 65 or older	1 <input type="checkbox"/> FLGSTR
		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"/>
	Married filing jointly	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 not retired on permanent and total disability	7 <input type="checkbox"/>
	Married filing separately	8 You were 65 or older and you lived apart from your spouse for all of 2006	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 2006	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** DISABL
- 2 Due to your continued disabled condition, you were unable to engage in any substantial gainful activity in 2006, check this box
 - If you checked this box, you do not have to get another statement for 2006.
 - 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

10	If you checked (in Part I):	Enter:		
	Box 1, 2, 4, or 7	\$5,000		
	Box 3, 5, or 6	\$7,500		
	Box 8 or 9	\$3,750	10	
<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-right: 10px;"> Did you check box 2, 4, 5, 6, or 9 in Part I? </div> — Yes —> You must complete line 11. — No —> Enter the amount from line 10 on line 12 and go to line 13.				
11	If you checked (in Part I):			
	• Box 6, add \$5,000 to the taxable disability income of the spouse who was under age 65. Enter the total.			
	• Box 2, 4, or 9, enter your taxable disability income.			
	• Box 5, add your taxable disability income to your spouse's taxable disability income. Enter the total.			
	TIP For more details on what to include on line 11, see the instructions.		11	E28200
12	If you completed line 11, enter the smaller of line 10 or line 11; all others , enter the amount from line 10.		12	E28300
13	Enter the following pensions, annuities, or disability income that you (and your spouse if filing a joint return) received in 2006.			
	a Nontaxable part of social security benefits and Nontaxable part of railroad retirement benefits treated as social security (see the instructions).	13a	E28350	
	b Nontaxable veterans' pensions and Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law (see the instructions).	13b	E28375	
	c Add lines 13a and 13b. (Even though these income items are not taxable, they must 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	E28400	
14	Enter the amount from Form 1040A, line 22.	14		
15	If you checked (in Part I):	Enter:		
	Box 1 or 2	\$7,500		
	Box 3, 4, 5, 6, or 7	\$10,000		
	Box 8 or 9	\$5,000	15	
16	Subtract line 15 from line 14. If zero or less, enter -0-.	16	E28500	
17	Enter one-half of line 16.	17	E28600	
18	Add lines 13c and 17.		18	E28700
19	Subtract line 18 from line 12. If zero or less, stop ; you cannot take the credit. Otherwise, go to line 20.		19	E28800
20	Multiply line 19 by 15% (.15).		20	
21	Enter the amount from Form 1040A, line 28, minus any amount on Form 1040A, line 29.		21	
22	Credit for the elderly or the disabled. Enter the smaller of line 20 or line 21 here and on Form 1040A, line 30.		22	E28900

Label (See page 11.) Use the IRS label. Otherwise, please print or type.

Presidential Election Campaign (page 11)

Form fields for personal information: Your first name and initial, Last name, Home address, City, town or post office, state, and ZIP code.

Form fields for social security numbers: Your social security number, Spouse's social security number.

Check here if you, or your spouse if a joint return, want \$3 to go to this fund. ELECT = 1, 2

Income

Attach Form(s) W-2 here.

Enclose, but do not attach, any payment.

Income section lines 1-6: Wages, salaries, and tips; Taxable interest; Unemployment compensation; Adjusted gross income; Dependent status.

Payments and tax

Payments and tax section lines 7-11: Federal income tax withheld; Earned income credit; Credit for federal telephone excise tax; Total payments; Tax.

Refund

Have it directly deposited! See page 18 and fill in 12b, 12c, and 12d or Form 8888.

Refund section lines 12a-12d: Refund calculation, routing number, account number, and type.

Amount you owe

Amount you owe line 13: Calculation of amount owed.

Third party designee

Third party designee fields: Designee's name, Phone no., Personal identification number (PIN).

Sign here

Joint return? See page 11. Keep a copy for your records.

Signatures section: Your signature, Spouse's signature, Date, Occupation, Daytime phone number.

Paid preparer's use only

Paid preparer's use only fields: Preparer's signature, Date, Check if self-employed, Preparer's SSN or PTIN, Firm's name, EIN, Phone no.

Use this form if

- Your filing status is single or married filing jointly. If you are not sure about your filing status, see page 11.
- You (and your spouse if married filing jointly) were under age 65 and not blind at the end of 2006. If you were born on January 1, 1942, you are considered to be age 65 at the end of 2006.
- You do not claim any dependents. For information on dependents, use TeleTax topic 354 (see page 6).
- Your taxable income (line 6) is less than \$100,000.
- You do not claim any adjustments to income. For information on adjustments to income, use TeleTax topics 451-453, 455, and 456 (see page 6).
- The only tax credits you can claim are the earned income credit and the credit for the federal telephone excise tax. For information on credits, use TeleTax topics 601-608 and 610 (see page 6).
- 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 Form W-2, you may not be able to use Form 1040EZ (see page 12). If you are planning to use Form 1040EZ for a child who received Alaska Permanent Fund dividends, see page 13.
- You did not receive any advance earned income credit payments. If you cannot use this form, use TeleTax topic 352 (see page 6).

Filling in your return

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.

For tips on how to avoid common mistakes, see page 20.

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 one or both boxes on line 5

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).

<p>A. Amount, if any, from line 1 on front _____</p> <p style="text-align: right; margin-right: 20px;">+ 300.00 Enter total ►</p> <p>B. Minimum standard deduction _____</p> <p>C. Enter the larger of line A or line B here _____</p> <p>D. Maximum standard deduction. If single, enter \$5,150; if married filing jointly, enter \$10,300 _____</p> <p>E. Enter the smaller of line C or line D here. This is your standard deduction _____</p> <p>F. Exemption amount.</p> <ul style="list-style-type: none"> • If single, enter -0-. • If married filing jointly and— <ul style="list-style-type: none"> —both you and your spouse can be claimed as dependents, enter -0-. —only one of you can be claimed as a dependent, enter \$3,300. <p>G. Add lines E and F. Enter the total here and on line 5 on the front _____</p>	<p>A. _____</p> <p>B. <u>850.00</u></p> <p>C. _____</p> <p>D. _____</p> <p>E. _____</p> <p>F. _____</p> <p>G. _____</p>
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(keep a copy for your records)

If you did not check any boxes on line 5, enter on line 5 the amount shown below that applies to you.

- Single, enter \$8,450. This is the total of your standard deduction (\$5,150) and your exemption (\$3,300).
- Married filing jointly, enter \$16,900. This is the total of your standard deduction (\$10,300), your exemption (\$3,300), and your spouse's exemption (\$3,300).

Mailing return

Mail your return by **April 16, 2007**. If you live in Maine, Maryland, Massachusetts, New Hampshire, New York, Vermont, or the District of Columbia, you have until April 17, 2007. 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

(Schedule B is on back)

OMB No. 1545-0074

2006

Attachment
Sequence No. **07**

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedules A&B (Form 1040).**

Name(s) shown on Form 1040

Your social security number

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.						
	1	Medical and dental expenses (see page A-1)	1	E17500			
	2	Enter amount from Form 1040, line 38 <u>2</u>					
	3	Multiply line 2 by 7.5% (.075)	3	E17750			
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-				4	E17000	
Taxes You Paid (See page A-3.)	5	State and local income taxes STATEX	5	E18400		5 Income Tax E18425	
	6	Real estate taxes (see page A-3)	6	E18500		5 Sales Tax E18450	
	7	Personal property taxes	7	E18800			
	8	Other taxes. List type and amount ▶	8	E18900			
	9	Add lines 5 through 8	9			9	E18300
Interest You Paid (See page A-3.)	10	Home mortgage interest and points reported to you on Form 1098	10	E19400			
	11	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 ▶	11	E19500			
	12	Points not reported to you on Form 1098. See page A-4 for special rules	12	E19530			
	13	Investment interest. Attach Form 4952 if required. (See page A-4.)	13	E19570			
	14	Add lines 10 through 13	14			14	E19200
Gifts to Charity If you made a gift and got a benefit for it, see page A-4.	15	Gifts by cash or check. If you made any gift of \$250 or more, see page A-5	15	E19800			
	16	Other than by cash or check. If any gift of \$250 or more, see page A-5. You must attach Form 8283 if over \$500	16	E20100			
	17	Carryover from prior year	17	E20200			
	18	Add lines 15 through 17 CGDED	18			18	E19700
Casualty and Theft Losses	19	Casualty or theft loss(es). Attach Form 4684. (See page A-6.)	19			19	E20500
Job Expenses and Certain Miscellaneous Deductions (See page A-6.)	20	Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ▶	20	E20550			
	21	Tax preparation fees.	21	E20600			
	22	Other expenses—investment, safe deposit box, etc. List type and amount ▶	22	E20950			
	23	Add lines 20 through 22	23	E20400			
	24	Enter amount from Form 1040, line 38 <u>24</u>	24				
	25	Multiply line 24 by 2% (.02)	25	E20750			
26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-	26			26	E20800	
Other Miscellaneous Deductions	27	Other—from list on page A-7. List type and amount ▶				27	E21020
		E20900 E21000 E21010					
Total Itemized Deductions	28	Is Form 1040, line 38, over \$150,500 (over \$75,250 if married filing separately)? <input type="checkbox"/> No. 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 40. E21040 <input type="checkbox"/> Yes. Your deduction may be limited. See page A-7 for the amount to enter.	28			28	E04470
	IE 29	If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>					

**SCHEDULE C
(Form 1040)**

Profit or Loss From Business
(Sole Proprietorship)

OMB No. 1545-0074

2006

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, 1040NR, or 1041. See Instructions for Schedule C (Form 1040).

Name of proprietor SXPRC1 SXVRF1 FIRST SCHEDULE C			Social security number (SSN)		
A Principal business or profession, including product or service (see page C-2 of the instructions)			B Enter code from pages C-8, 9, & 10 NAIC1		
C Business name. If no separate business name, leave blank. LLC1			D Employer ID number (EIN), if any EINC1		
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) ACMEC1 MPRTC1					
G Did you "materially participate" in the operation of this business during 2006? 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 2006, check here FRSTC1					

Part I Income

1 Gross receipts or sales. Caution. 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 STATM1 <input type="checkbox"/>	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 Gross profit. 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 Gross income. 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		18 Office expense	18	E91280	
9 Car and truck expenses (see page C-4)	9	E91140		19 Pension and profit-sharing plans	19	E91290	
10 Commissions and fees	10	E91160		20 Rent or lease (see page C-5):			
11 Contract labor (see page C-4)	11	E91165		a Vehicles, machinery, and equipment	20a	E91300	
12 Depletion	12	E91170		b Other business property	20b	E91310	
13 Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13	DPEXP1 E91190		21 Repairs and maintenance	21	E91320	
14 Employee benefit programs (other than on line 19)	14	E91200		22 Supplies (not included in Part III)	22	E91325	
15 Insurance (other than health)	15	E91210		23 Taxes and licenses	23	E91330	
16 Interest:				24 Travel, meals, and entertainment:			
a Mortgage (paid to banks, etc.)	16a	E91240		a Travel	24a	E91340	
b Other	16b	E91250		b Deductible meals and entertainment (see page C-6)	24b	E91355	
17 Legal and professional services	17	E91260		25 Utilities	25	E91360	
28 Total expenses 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 Form 8829	30						
31 Net profit or (loss). Subtract line 30 from line 29.	31						
• If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.							
• If a loss, you must go to line 32. nondeductible loss (+)/suspended loss carryover (-)							
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 both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.							
• If you checked 32b, you must attach Form 6198. Your loss may be limited.							

32a All investment is at risk.
32b Some investment is not at risk.

**SCHEDULE C
(Form 1040)**

Profit or Loss From Business

(Sole Proprietorship)

OMB No. 1545-0074

2006

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, 1040NR, or 1041. ▶ See Instructions for Schedule C (Form 1040).

Name of proprietor: **SXPRC2 SXVRF2 SECOND SCHEDULE C** Social security number (SSN):

A Principal business or profession, including product or service (see page C-2 of the instructions) **B** Enter code from pages C-8, 9, & 10
 NAIC2

C Business name. If no separate business name, leave blank. **D** Employer ID number (EIN), if any
LLC2 **EINC2**

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) ▶ **ACMEC2** **MPRTC2**

G Did you "materially participate" in the operation of this business during 2006? If "No," see page C-3 for limit on losses Yes No

H If you started or acquired this business during 2006, check here **FRSTC2**

Part I Income

1 Gross receipts or sales. Caution. 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 STATM2 <input type="checkbox"/>	1	E92020	
2 Returns and allowances	2	E92030	
3 Subtract line 2 from line 1	3	E92040 +/-	
4 Cost of goods sold (from line 42 on page 2)	4	E92050	
5 Gross profit. Subtract line 4 from line 3.	5	E92060 +/-	
6 Other income, including federal and state gasoline or fuel tax credit or refund (see page C-3).	6	E92080 +/-	
7 Gross income. Add lines 5 and 6	7	E92010 +/-	

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

8 Advertising	8	E92110		18 Office expense	18	E92280	
9 Car and truck expenses (see page C-4)	9	E92140		19 Pension and profit-sharing plans	19	E92290	
10 Commissions and fees	10	E92160		20 Rent or lease (see page C-5):			
11 Contract labor (see page C-4)	11	E92165		a Vehicles, machinery, and equipment	20a	E92300	
12 Depletion	12	E92170		b Other business property	20b	E92310	
13 Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13	DPEXP2 E92190		21 Repairs and maintenance	21	E92320	
14 Employee benefit programs (other than on line 19)	14	E92200		22 Supplies (not included in Part III)	22	E92325	
15 Insurance (other than health)	15	E92210		23 Taxes and licenses	23	E92330	
16 Interest:				24 Travel, meals, and entertainment:			
a Mortgage (paid to banks, etc.)	16a	E92240		a Travel	24a	E92340	
b Other	16b	E92250		b Deductible meals and entertainment (see page C-6)	24b	E92355	
17 Legal and professional services	17	E92260		25 Utilities	25	E92360	
28 Total expenses before expenses for business use of home. Add lines 8 through 27 in columns	28	E92100		26 Wages (less employment credits)	26	E92370	
29 Tentative profit (loss). Subtract line 28 from line 7	29	E92435 +/-		27 Other expenses (from line 48 on page 2)	27	E92430	
30 Expenses for business use of your home. Attach Form 8829	30	E92438					
31 Net profit or (loss). Subtract line 30 from line 29.							
• If a profit, enter on both Form 1040, line 12 , and Schedule SE, line 2 , or on Form 1040NR, line 13 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.							
• If a loss, you must go to line 32. nondeductible loss (+)/suspended loss carryover (-)							
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 both Form 1040, line 12 , and Schedule SE, line 2 , or on Form 1040NR, line 13 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.							
• If you checked 32b, you must attach Form 6198 . Your loss may be limited.							
	31	E92440 +/- E92640 +/-					
	32a	<input type="checkbox"/> All investment is at risk.					
	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

2006

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, 1040NR, 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) **B** Enter code from pages C-8, 9, & 10
 NAIC3

C Business name. If no separate business name, leave blank. **D** Employer ID number (EIN), if any
LLC3 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 2006? If "No," see page C-3 for limit on losses Yes No

H If you started or acquired this business during 2006, check here **FRSTC3**

Part I Income

1	Gross receipts or sales. Caution. 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	Gross profit. 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	Gross income. 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	18	Office expense	18	E93280
9	Car and truck expenses (see page C-4)	9	E93140	19	Pension and profit-sharing plans	19	E93290
10	Commissions and fees	10	E93160	20	Rent or lease (see page C-5):	20a	E93300
11	Contract labor (see page C-4)	11	E93165		a Vehicles, machinery, and equipment	20b	E93310
12	Depletion	12	E93170		b Other business property	21	E93320
13	Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13	DPEXP3 E93190	21	Repairs and maintenance	21	E93320
14	Employee benefit programs (other than on line 19)	14	E93200	22	Supplies (not included in Part III)	22	E93325
15	Insurance (other than health)	15	E93210	23	Taxes and licenses	23	E93330
16	Interest:			24	Travel, meals, and entertainment:	24a	E93340
	a Mortgage (paid to banks, etc.)	16a	E93240		a Travel	24b	E93355
	b Other	16b	E93250	25	Utilities	25	E93360
17	Legal and professional services	17	E93260	26	Wages (less employment credits)	26	E93370
				27	Other expenses (from line 48 on page 2)	27	E93430
28	Total expenses 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	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32. nondeductible loss (+)/suspended loss carryover (-)	31	E93440 +/- E93640 +/-				
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 both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited.			32a	<input type="checkbox"/> All investment is at risk.	32b	<input type="checkbox"/> Some investment is not at risk.

**SCHEDULE C
(Form 1040)**

Profit or Loss From Business
(Sole Proprietorship)

OMB No. 1545-0074

2006

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, 1040NR, or 1041. See Instructions for Schedule C (Form 1040).

Name of proprietor SEXPRC SXVRFY COMBINED SCHEDULE C		Social security number (SSN)
A Principal business or profession, including product or service (see page C-2 of the instructions)		B Enter code from pages C-8, 9, & 10 NAIC
C Business name. If no separate business name, leave blank. LLC		D Employer ID number (EIN), if any EINC
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) ACCMC		MPARTC
G Did you "materially participate" in the operation of this business during 2006? 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 2006, check here FIRSTC		<input type="checkbox"/>

Part I Income

1 Gross receipts or sales. Caution. 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 STATEM <input type="checkbox"/>	1	E90020	
2 Returns and allowances	2	E90030	
3 Subtract line 2 from line 1	3	E90040 +/-	
4 Cost of goods sold (from line 42 on page 2)	4	E90050	
5 Gross profit. Subtract line 4 from line 3	5	E90060 +/-	
6 Other income, including federal and state gasoline or fuel tax credit or refund (see page C-3).	6	E90080 +/-	
7 Gross income. Add lines 5 and 6	7	E90010 +/-	

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

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

**SCHEDULE C-EZ
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Net Profit From Business

(Sole Proprietorship)

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

OMB No. 1545-0074

2006

Attachment
Sequence No. **09A**

Name of proprietor

Social security number (SSN)

Part I General Information

FIRST SCHEDULE C - EZ CEZ1

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

- Had business expenses of \$5,000 or less.
- Use the cash method of accounting.
- Did not have an inventory at any time during the year. **INVLC1**
- Did not have a net loss from your business.
- Had only one business as either a sole proprietor or statutory employee.

CMEC1

And You:

- Had no employees during the year.
- Are not required to file **Form 4562**, Depreciation and Amortization, for this business. See the instructions for Schedule C, line 13, on page C-4 to find out if you must file.
- Do not deduct expenses for business use of your home.
- Do not have prior year unallowed passive activity losses from this business.

A Principal business or profession, including product or service

B Enter code from pages C-8, 9, & 10
▶ **NAIC1**

C Business name. If no separate business name, leave blank.

LLC1

D Employer ID number (EIN), if any
▶ **EINC1**

E Business address (including suite or room no.). Address not required if same as on page 1 of your tax return.

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

Part II Figure Your Net Profit

1	Gross receipts. Caution. If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see Statutory Employees in the instructions for Schedule C, line 1, on page C-3 and check here STATM1 ▶ <input type="checkbox"/>	E91010	E91040
		E91020	E91060
2	Total expenses (see instructions). If more than \$5,000, you must use Schedule C.	E91100	
3	Net profit. Subtract line 2 from line 1. If less than zero, you must use Schedule C. Enter on both Form 1040, line 12 , and Schedule SE, line 2 , or on Form 1040NR, line 13 . (Statutory employees do not report this amount on Schedule SE, line 2. Estates and trusts, enter on Form 1041, line 3.)	E91440	

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? (month, day, year) ▶/...../.....
- 5** Of the total number of miles you drove your vehicle during 2006, enter the number of miles you used your vehicle for:
- a** Business **b** Commuting (see instructions) **c** Other
- 6** Do you (or your spouse) have another vehicle available for personal use? **Yes** **No**
- 7** Was your vehicle available for personal use during off-duty hours? **Yes** **No**
- 8a** Do you have evidence to support your deduction? **Yes** **No**
- b** If "Yes," is the evidence written? **Yes** **No**

Instructions

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

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-8 through C-10 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, see the Instructions for Form SS-4. 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 expenses, 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-8. If you wish, you can use the optional worksheet below to record your expenses. Enter on lines **b** through **g** the type and amount of expenses not included on line **a**.

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

Line 5b

Generally, commuting is travel between your home and a work location. If you converted your vehicle during the year from personal to business use (or vice versa), enter your commuting miles only for the period you drove your vehicle for business. For information on certain travel that is considered a business expense rather than commuting, see the Instructions for Form 2106.

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 burden for individual taxpayers filing this form is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is approved under OMB control number 1545-1973 and is shown below.

Recordkeeping	45 min.
Learning about the law or the form	4 min.
Preparing the form.	35 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 the tax return with which this form is filed.

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

a Deductible business meals and entertainment (see pages C-5 and C-6)	a		
b	b		
c	c		
d	d		
e	e		
f	f		
g	g		
h Total. Add lines a through g . Enter here and on line 2	h		

**SCHEDULE D
(Form 1040)**

Capital Gains and Losses

OMB No. 1545-0074

2006

Attachment
Sequence No. **12**

▶ Attach to Form 1040 or Form 1040NR. ▶ See instructions for Schedule D (Form 1040).

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

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return

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-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1					
2 Enter your short-term totals, if any, from Schedule D-1, line 2			2		E21600 +/-
3 Total short-term sales price amounts. Add lines 1 and 2 in column (d)			3	E21550 +/-	
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824			4		E21620 +/-
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1			5		E21775 +/-
6 Short-term capital loss carryover. Enter the amount, if any, from line 10 of your Capital Loss Carryover Worksheet on page D-7 of the instructions			6	(E21800)	
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (f)			7	E22250 +/-	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-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
8					
9 Enter your long-term totals, if any, from Schedule D-1, line 9			9		E22300 +/-
10 Total long-term sales price amounts. 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 15 of your Capital Loss Carryover Worksheet on page D-7 of the instructions			14	(E22390)	
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (f). Then go to Part III on the back			15	E23250 +/-	E23300

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result. If line 16 is a loss, skip lines 17 through 20, and go to line 21. If a gain, enter the gain on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below</p>	16	E23650+/-	
<p>17 Are lines 15 and 16 both gains? . . . E23660+/- <input type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p>			
<p>18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet on page D-8 of the instructions ▶</p>	18	E24518	
<p>19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet on page D-9 of the instructions ▶</p>	19	E24515	
<p>20 Are lines 18 and 19 both zero or blank? <input type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 38 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Schedule D Tax Worksheet on page D-10 of the instructions. Do not complete lines 21 and 22 below.</p>			
<p>21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of:</p> <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) } 	21	()	
<p>Note. When figuring which amount is smaller, treat both amounts as positive numbers.</p>			
<p>22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 38 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.</p>			

Schedule D Tax Worksheet

Keep for Your Records



Complete this worksheet only if line 18 or line 19 of Schedule D is more than zero. Otherwise, complete the Qualified Dividends and Capital Gain Tax Worksheet on page 38 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR) to figure your tax.

Exception: Do not use the Qualified Dividends and Capital Gain Tax Worksheet or this worksheet to figure your tax if:

- Line 15 or line 16 of Schedule D is zero or less and you have no qualified dividends on Form 1040, line 9b (or Form 1040NR, line 10b); or
- Form 1040, line 43 (or Form 1040NR, line 40) is zero or less.

Instead, see the instructions for Form 1040, line 44 (or Form 1040NR, line 41).

1.	Enter your taxable income from Form 1040, line 43 (or Form 1040NR, line 40)	1.	_____
2.	Enter your qualified dividends from Form 1040, line 9b (or Form 1040NR, line 10b)	2.	_____
3.	Enter the amount from Form 4952, line 4g	3.	_____
4.	Enter the amount from Form 4952, line 4e*	4.	_____
5.	Subtract line 4 from line 3. If zero or less, enter -0-	5.	_____
6.	Subtract line 5 from line 2. If zero or less, enter -0-	6.	E24505
7.	Enter the smaller of line 15 or line 16 of Schedule D	7.	E24510
8.	Enter the smaller of line 3 or line 4	8.	_____
9.	Subtract line 8 from line 7. If zero or less, enter -0-	9.	_____
10.	Add lines 6 and 9	10.	E24516
11.	Add lines 18 and 19 of Schedule D	11.	_____
12.	Enter the smaller of line 9 or line 11	12.	_____
13.	Subtract line 12 from line 10	13.	E24517
14.	Subtract line 13 from line 1. If zero or less, enter -0-	14.	E24520
15.	Enter the smaller of:		
	• The amount on line 1 or		
	• \$30,650 if single or married filing separately;		
	\$61,300 if married filing jointly or qualifying widow(er); or	15.	E24530
	\$41,050 if head of household		
16.	Enter the smaller of line 14 or line 15	16.	_____
17.	Subtract line 10 from line 1. If zero or less, enter -0-	17.	_____
18.	Enter the larger of line 16 or line 17	18.	E24540
	If lines 15 and 16 are the same, skip lines 19 and 20 and go to line 21. Otherwise, go to line 19.		
19.	Subtract line 16 from line 15	19.	E24534
20.	Multiply line 19 by 5% (.05)	20.	E24535
	If lines 1 and 15 are the same, skip lines 21 through 33 and go to line 34. Otherwise, go to line 21.		
21.	Enter the smaller of line 1 or line 13	21.	_____
22.	Enter the amount from line 19 (if line 19 is blank, enter -0-)	22.	_____
23.	Subtract line 22 from line 21. If zero or less, enter -0-	23.	E24597
24.	Multiply line 23 by 15% (.15)	24.	E24598
	If Schedule D, line 19, is zero or blank, skip lines 25 through 30 and go to line 31. Otherwise, go to line 25.		
25.	Enter the smaller of line 9 above or Schedule D, line 19	25.	_____
26.	Add lines 10 and 18	26.	_____
27.	Enter the amount from line 1 above	27.	_____
28.	Subtract line 27 from line 26. If zero or less, enter -0-	28.	_____
29.	Subtract line 28 from line 25. If zero or less, enter -0-	29.	E24610
30.	Multiply line 29 by 25% (.25)	30.	E24615
	If Schedule D, line 18, is zero or blank, skip lines 31 through 33 and go to line 34. Otherwise, go to line 31.		
31.	Add lines 18, 19, 23, and 29	31.	_____
32.	Subtract line 31 from line 1	32.	E24550
33.	Multiply line 32 by 28% (.28)	33.	E24570
34.	Figure the tax on the amount on line 18. Use the Tax Table or Tax Computation Worksheet, whichever applies	34.	E24560
35.	Add lines 20, 24, 30, 33, and 34	35.	_____
36.	Figure the tax on the amount on line 1. Use the Tax Table or Tax Computation Worksheet, whichever applies	36.	_____
37.	Tax on all taxable income (including capital gains and qualified dividends). Enter the smaller of line 35 or line 36. Also include this amount on Form 1040, line 44 (or Form 1040NR, line 41)	37.	E24580

*If applicable, enter instead the smaller amount you entered on the dotted line next to line 4e of Form 4952.

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

2006

Attachment
Sequence No. **13**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040NR, 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-3). Report farm rental income or loss from Form 4835 on page 2, line 40.

1 List the type and location of each rental real estate property:	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:	Yes	No
A Number of RENTALS N22	<ul style="list-style-type: none"> • 14 days or • 10% of the total days rented at fair rental value? (See page E-3.)	A PURP	
B Number of ROYALTIES N23		B	
C		C	

Income:	Properties			Totals (Add columns A, B, and C.)
	A	B	C	
3 Rents received	3 RENT			3 E25350
4 Royalties received		4 ROYALTY		4 E25360
Expenses:				
5 Advertising	5			
6 Auto and travel (see page E-4)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9			
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see page E-4)	12			12 E25370
13 Other interest	13		E25380	
14 Repairs	14 T25385	T25390	T25395	
15 Supplies	15			
16 Taxes	16			
17 Utilities	17			
18 Other (list) ▶	18			
19 Add lines 5 through 18	19 E25400	E25430		19
20 Depreciation expense or depletion (see page E-4)	20 E25500	E25470		20
21 Total expenses. Add lines 19 and 20	21			
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-5 to find out if you must file Form 6198	22 E25700 +/-	E25800 +/-		
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-5 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23 (E25820)	nondeductible rental loss suspended loss carryover	E25830 E25840	
24 Income. Add positive amounts shown on line 22. Do not include any losses				24 E25850
25 Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here				25 (E25860)
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2				26 E25870 +/-

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

Your social security number

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

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See page E-1.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? Yes No
If you answered "Yes," see page E-6 before completing this section. SCHELOSS

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	<input type="checkbox"/>		N17
B			<input type="checkbox"/>		<input type="checkbox"/>
C	Number of S-CORPS	N16	N13		N18
D			<input type="checkbox"/>		<input type="checkbox"/>

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
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 E26225
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	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-7)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
			E26600	E26650 +/-	
39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below				39 E27100 +/-

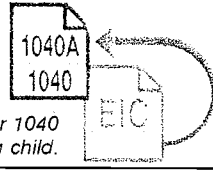
Part V Summary

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, or Form 1040NR, line 18	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), box 14, code B; Schedule K-1 (Form 1120S), box 17, code T; and Schedule K-1 (Form 1041), line 14, code F (see page E-7)	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 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43 E27320 +/-

EIC

SCHEDULE EIC
(Form 1040A or 1040)

Earned Income Credit
Qualifying Child Information



OMB No. 1545-0074

2006

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, lines 40a and 40b, or Form 1040, lines 66a and 66b, 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 2 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
1 Child's name If you have more than two qualifying children, you only have to list two to get the maximum credit.				
2 Child's SSN The child must have an SSN as defined on page 43 of the Form 1040A instructions or page 49 of the Form 1040 instructions unless the child was born and died in 2006. If your child was born and died in 2006 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate.	NOTREQ			
3 Child's year of birth	Year <u>EICYB1</u> <u>EYOB1</u> <i>If born after 1987, skip lines 4a and 4b; go to line 5.</i>		Year <u>EICYB2</u> <u>EYOB2</u> <i>If born after 1987, skip lines 4a and 4b; go to line 5.</i>	
4 If the child was born before 1988—	STDNT1		STDNT2	
a Was the child under age 24 at the end of 2006 and a student?	<input type="checkbox"/> Yes.	<input type="checkbox"/> No. <i>Go to line 5.</i>	<input type="checkbox"/> Yes.	<input type="checkbox"/> No. <i>Go to line 5.</i>
b Was the child permanently and totally disabled during any part of 2006?	<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.
5 Child's relationship to you (for example, son, daughter, grandchild, niece, nephew, foster child, etc.)	RELAT1		RELAT2	
6 Number of months child lived with you in the United States during 2006 • If the child lived with you for more than half of 2006 but less than 7 months, enter "7." • If the child was born or died in 2006 and your home was the child's home for the entire time he or she was alive during 2006, enter "12."	NMNTH1 _____ months <i>Do not enter more than 12 months.</i>		NMNTH2 _____ 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 2006, and (b) is a U.S. citizen or resident alien. For more details, see the instructions for line 41 of Form 1040A or line 68 of Form 1040.

**SCHEDULE F
(Form 1040)**

Profit or Loss From Farming

OMB No. 1545-0074

2006

Attachment
Sequence No. **14**

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

▶ See Instructions for Schedule F (Form 1040).

Department of the Treasury
Internal Revenue Service (99)

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.		B Enter code from Part IV NAIFX1 NAIF1	
C Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual ACMEF1 = 1 ACMEF1 = 2		D Employer ID number (EIN), if any EINF1	
E Did you "materially participate" in the operation of this business during 2006? If "No," see page F-2 for limit on passive losses. <input type="checkbox"/> Yes <input type="checkbox"/> No MPRTF1			

Part I Farm Income—Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 11.)
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	E96070			
2 Cost or other basis of livestock and other items reported on line 1	2	E96080			
3 Subtract line 2 from line 1	3			E96090 +/-	
4 Sales of livestock, produce, grains, and other products you raised	4			E96100	
5a Cooperative distributions (Form(s) 1099-PATR)	5a	E96200		5b Taxable amount	5b E96210
6a Agricultural program payments (see page F-3)	6a	E96220		6b Taxable amount	6b E96230
7 Commodity Credit Corporation (CCC) loans (see page F-3):					
a CCC loans reported under election	7a				E96240
b CCC loans forfeited	7b	E96260		7c Taxable amount	7c E96250
8 Crop insurance proceeds and federal crop disaster payments (see page F-3):					
a Amount received in 2006	8a	E96270		8b Taxable amount	8b E96280
c If election to defer to 2007 is attached, check here ▶ <input type="checkbox"/>	8d		8d Amount deferred from 2005		
9 Custom hire (machine work) income	9			E96290	
10 Other income, including federal and state gasoline or fuel tax credit or refund (see page F-3)	10			E96300 +/-	
11 Gross income. Add amounts in the right column for lines 3 through 10. If you use the accrual method, enter the amount from Part III, line 51 ▶	11			E96310 +/-	

Part II Farm Expenses—Cash and Accrual Method.

Do not include personal or living expenses such as taxes, insurance, or repairs on your home.

12 Car and truck expenses (see page F-4). Also attach Form 4562	12	E96320		25 Pension and profit-sharing plans	25	E96440	
13 Chemicals	13	E96330		26 Rent or lease (see page F-5):			
14 Conservation expenses (see page F-4)	14	E96340		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	28	E96430	
18 Feed	18	E96375		29 Storage and warehousing	29		
19 Fertilizers and lime	19	E96377		30 Supplies	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. If line 34f is negative, see instructions ▶	35	E96540	Total of all unmarked expenses	E96540	
36 Net farm profit or (loss). Subtract line 35 from line 11. Nondeductible Loss (+) / Suspended Carryover (-)	36	E96660 +/-	E96660 +/-		
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. Your loss may be limited.			ARSKF1		
	37a	<input type="checkbox"/>	All investment is at risk.		
	37b	<input type="checkbox"/>	Some investment is not at risk.		

Part III Farm Income—Accrual Method (see page F-7).

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				38	E96100	
39a	Cooperative distributions (Form(s) 1099-PATR)	39a	E96200		39b	Taxable amount	E96210
40a	Agricultural program payments	40a	E96220		40b	Taxable amount	E96230
41	Commodity Credit Corporation (CCC) loans:						
a	CCC loans reported under election				41a		E96240
b	CCC loans forfeited	41b	E96260		41c	Taxable amount	E96250
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		E96300 +/-
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	Gross income. Subtract line 50 from line 45. Enter the result here and on Part I, 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 and on Part I, line 11.

Part IV Principal Agricultural Activity Codes



File Schedule C (Form 1040) or Schedule C-EZ (Form 1040) instead of Schedule F if (a) 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 (b) 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 their primary activity to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select the code that best identifies your primary farming activity 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)**

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Farming

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

▶ See Instructions for Schedule F (Form 1040).

OMB No. 1545-0074

2006

Attachment
Sequence No. 14

Name of proprietor SXPRF2		Social security number (SSN)	
Principal product. Describe in one or two words your principal crop or activity for the current tax year. SECOND SCHEDULE F		B Enter code from Part IV NAIFX2 NAIF2	
C Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual ACMEF2 = 1 ACMEF2 = 2		D Employer ID number (EIN), if any EINF2	
E Did you "materially participate" in the operation of this business during 2006? If "No," see page F-2 for limit on passive losses. <input type="checkbox"/> Yes <input type="checkbox"/> No MPRTF2			

Part I Farm Income—Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 11.)
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	E97070		
2 Cost or other basis of livestock and other items reported on line 1	2	E97080		
3 Subtract line 2 from line 1	3	E97090 +/-		
4 Sales of livestock, produce, grains, and other products you raised	4	E97100		
5a Cooperative distributions (Form(s) 1099-PATR)	5a	E97200	5b Taxable amount	5b E97210
6a Agricultural program payments (see page F-3)	6a	E97220	6b Taxable amount	6b E97230
7 Commodity Credit Corporation (CCC) loans (see page F-3):				
a CCC loans reported under election	7a	E97240	7c Taxable amount	7c E97250
b CCC loans forfeited	7b	E97260		
8 Crop insurance proceeds and federal crop disaster payments (see page F-3):				
a Amount received in 2006	8a	E97270	8b Taxable amount	8b E97280
c If election to defer to 2007 is attached, check here ▶ <input type="checkbox"/>	8d	Amount deferred from 2005		
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	E97300 +/-		
11 Gross income. Add amounts in the right column for lines 3 through 10. If you use the accrual method, enter the amount from Part III, line 51	11	E97310 +/-		

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

12 Car and truck expenses (see page F-4). Also attach Form 4562	12	E97320	25 Pension and profit-sharing plans	25	E97440
13 Chemicals	13	E97330	26 Rent or lease (see page F-5):		
14 Conservation expenses (see page F-4)	14	E97340	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	28	E97430
18 Feed	18	E97375	29 Storage and warehousing	29	
19 Fertilizers and lime	19	E97377	30 Supplies	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	E97390	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	

35 Total expenses. Add lines 12 through 34f. If line 34f is negative, see instructions	35	E97540	35	E97550
36 Net farm profit or (loss). Subtract line 35 from line 11. Nondeductible Loss (+) / Suspended Carryover (-) • If a profit, enter the profit on Form 1040, line 18, and also on Schedule SE, line 1. • If a loss, you must go to line 37. Estates, trusts, and partnerships, see page F-6. If you file Form 1040NR, enter the profit on Form 1040NR, line 19.	36	E97660 +/-	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 file Form 1040NR, enter the loss on Form 1040NR, line 19. • If you checked 37b, you must attach Form 6198. Your loss may be limited.			37a <input type="checkbox"/> All investment is at risk. 37b <input type="checkbox"/> Some investment is not at risk.	

Part III Farm Income—Accrual Method (see page F-7).

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			38	E97100		
39a	Cooperative distributions (Form(s) 1099-PATR)	39a	E97200	39b	Taxable amount	39b	E97210
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	E97240
b	CCC loans forfeited	41b	E97260	41c	Taxable amount	41c	E97250
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	E97300 +/-
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	Gross income. Subtract line 50 from line 45. Enter the result here and on Part I, 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 and on Part I, line 11.

Part IV Principal Agricultural Activity Codes



File Schedule C (Form 1040) or Schedule C-EZ (Form 1040) instead of Schedule F if (a) 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 (b) 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 their primary activity to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select the code that best identifies your primary farming activity 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)**

SCHF

Profit or Loss From Farming

OMB No. 1545-0074

2006

Attachment
Sequence No. **14**

Department of the Treasury
Internal Revenue Service (99)

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

▶ See instructions for Schedule F (Form 1040).

Name of proprietor SEXPRF		Social security number (SSN)	
Principal product. Describe in one or two words your principal crop or activity for the current tax year. COMBINED SCHEDULE F		B Enter code from Part IV NAIFX NAIF	
Accounting method: ACCMEF (1) <input type="checkbox"/> Cash ACMEF = 1 (2) <input type="checkbox"/> Accrual ACMEF = 2		D Employer ID number (EIN), if any EINF	
E Did you "materially participate" in the operation of this business during 2006? If "No," see page F-2 for limit on passive losses. <input type="checkbox"/> Yes <input type="checkbox"/> No MPARTF			

Part I Farm Income—Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 11.)
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	E95080		
3 Subtract line 2 from line 1	3	E95090 +/-		
4 Sales of livestock, produce, grains, and other products you raised	4	E95100		
5a Cooperative distributions (Form(s) 1099-PATR)	5a	E95200	5b Taxable amount	5b E95210
6a Agricultural program payments (see page F-3)	6a	E95220	6b Taxable amount	6b E95230
7 Commodity Credit Corporation (CCC) loans (see page F-3):				
a CCC loans reported under election	7a	E95240	7c Taxable amount	7c E95250
b CCC loans forfeited	7b	E95260	7c Taxable amount	7c E95250
8 Crop insurance proceeds and federal crop disaster payments (see page F-3):				
a Amount received in 2006	8a	E95270	8b Taxable amount	8b E95280
c If election to defer to 2007 is attached, check here ▶ <input type="checkbox"/> 8d Amount deferred from 2005	8d			
9 Custom hire (machine work) income	9	E95290		
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 you use the accrual method, enter the amount from Part III, line 51	11	E95310 +/-		

Part II Farm Expenses—Cash and Accrual Method.

Do not include personal or living expenses such as taxes, insurance, or repairs 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	E95440
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	E95350	b Other (land; animals, etc.)	26b	
16 Depreciation and section 179 expense deduction not claimed elsewhere (see page F-4)	16	E95360	27 Repairs and maintenance	27	E95420
17 Employee benefit programs other than on line 25	17	E95370	28 Seeds and plants	28	E95430
18 Feed	18	E95375	29 Storage and warehousing	29	
19 Fertilizers and lime	19	E95377	30 Supplies	30	E95450
20 Freight and trucking	20		31 Taxes	31	E95460
21 Gasoline, fuel, and oil	21	E95380	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	E95400	a	34a	
b Other	23b	E95410	b	34b	
24 Labor hired (less employment credits)	24	E95415	c	34c	
			d	34d	
			e	34e	
			f	34f	

35 Total expenses. Add lines 12 through 34f. If line 34f is negative, see instructions	35	E95550	Total of all unmarked expenses E95540 ▶	
36 Net farm profit or (loss). Subtract line 35 from line 11. Nondeductible Loss (+) / Suspended Carryover (-)	36	E95640 +/-	E95660 +/-	
• If a profit, enter the profit on Form 1040, line 18, and also on Schedule SE, line 1. If you file Form 1040NR, enter the profit on Form 1040NR, line 19.				
• If a loss, you must go to line 37. Estates, trusts, and partnerships, see page F-6.				
37 If you have a loss, you must check the box that describes your investment in this activity (see page F-6).			ATRSKF	
• If you checked 37a, enter the loss on Form 1040, line 18, and also on Schedule SE, line 1. If you file Form 1040NR, enter the loss on Form 1040NR, line 19.	37a	<input type="checkbox"/>	All investment is at risk.	
• If you checked 37b, you must attach Form 6198. Your loss may be limited.	37b	<input type="checkbox"/>	Some investment is not at risk.	

Part III Farm Income—Accrual Method (see page F-7).

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	38	E95100	
39a	Cooperative distributions (Form(s) 1099-PATR)	39a	E95200	39b Taxable amount
40a	Agricultural program payments	40a	E95220	40b Taxable amount
41	Commodity Credit Corporation (CCC) loans:			
a	CCC loans reported under election	41a	E95240	
b	CCC loans forfeited	41b	E95260	41c Taxable amount
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 Part I, 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 and on Part I, line 11.

Part IV Principal Agricultural Activity Codes



File Schedule C (Form 1040) or Schedule C-EZ (Form 1040) instead of Schedule F if (a) 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 (b) 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 their primary activity to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select the code that best identifies your primary farming activity 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)**

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. 1545-1971

2006

Attachment
Sequence No. **44**

Name of employer

Social security number

Employer identification number

PRIMARY TAXPAYER

A Did you pay **any one** household employee cash wages of \$1,500 or more in 2006? (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 2006 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 2005 or 2006 to **all** household employees? (Do not count cash wages paid in 2005 or 2006 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 2006 do not have to complete this form for 2006.)

Part I Social Security, Medicare, and Income Taxes

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

9 Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2005 or 2006 to household employees? (Do not count cash wages paid in 2005 or 2006 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Enter the amount from line 8 above on Form 1040, line 62. If you are not required to file Form 1040, see the line 9 instructions on page H-4.
- Yes.** Go to line 10 on the back.

Part II Federal Unemployment (FUTA) Tax

FUTA1

	Yes	No
10		
11		
12		

- 10 Are you required to pay unemployment contributions to only one state?
- 11 Did you pay all state unemployment contributions for 2006 by April 16, 2007? 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-5):

(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 smaller 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. If you checked the "Yes" box on line C of page 1, enter -0-	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"/> Yes. Stop. Enter the amount from line 27 above on Form 1040, line 62. Do not complete Part IV below. <input type="checkbox"/> No. You may have to complete Part IV. See page H-5 for details.			

Part IV Address and Signature—Complete this part only if required. See the line 28 instructions on page H-5.

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)

Name of employer

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. 1545-1971

2006

Attachment
Sequence No. **44**

Social security number

Employer identification number

SECONDARY TAXPAYER

A Did you pay **any one** household employee cash wages of \$1,500 or more in 2006? (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 2006 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 2005 or 2006 to **all** household employees? (**Do not** count cash wages paid in 2005 or 2006 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 2006 **do not** have to complete this form for 2006.)

Part I Social Security, Medicare, and Income Taxes

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

9 Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2005 or 2006 to household employees? (**Do not** count cash wages paid in 2005 or 2006 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Enter the amount from line 8 above on Form 1040, line 62. If you are not required to file Form 1040, see the line 9 instructions on page H-4.
- Yes.** Go to line 10 on the back.

Part II Federal Unemployment (FUTA) Tax

FUTA2

	Yes	No
10		
11		
12		

- 10 Are you required to pay unemployment contributions to only one state?
- 11 Did you pay all state unemployment contributions for 2006 by April 16, 2007? 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	FUTA tax. 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-5):

(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								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	FUTA tax. 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. If you checked the "Yes" box on line C of page 1, enter -0-	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 62. Do not complete Part IV below.
 - No.** You may have to complete Part IV. See page H-5 for details.

Part IV Address and Signature—Complete this part only if required. See the line 28 instructions on page H-5.

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. 1545-1971

2006

Attachment
Sequence No. **44**

Name of employer

Social security number

Employer identification number

COMBINED TAXPAYER

- A** Did you pay **any one** household employee cash wages of \$1,500 or more in 2006? (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 2006 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 2005 or 2006 to **all** household employees? (Do not count cash wages paid in 2005 or 2006 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 2006 do not have to complete this form for 2006.)

Part I Social Security, Medicare, and Income Taxes

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

- 9** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2005 or 2006 to household employees? (Do not count cash wages paid in 2005 or 2006 to your spouse, your child under age 21, or your parent.)
- No. Stop.** Enter the amount from line 8 above on Form 1040, line 62. If you are not required to file Form 1040, see the line 9 instructions on page H-4.
- Yes.** Go to line 10 on the back.

Part II Federal Unemployment (FUTA) Tax FUTA

		Yes	No
10 Are you required to pay unemployment contributions to only one state?	10		
11 Did you pay all state unemployment contributions for 2006 by April 16, 2007? 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-5):

(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. If you checked the "Yes" box on line C of page 1, enter -0-	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 62. Do not complete Part IV below. <input type="checkbox"/> No. You may have to complete Part IV. See page H-5 for details.			

Part IV Address and Signature—Complete this part only if required. See the line 28 instructions on page H-5.

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)

Department of the Treasury Internal Revenue Service (99)

Income Averaging for Farmers and Fishermen

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

2006

Attachment Sequence No. 20

Name(s) shown on return

Social security number (SSN)

Table with 22 rows and 3 columns. Row 1: Enter the taxable income from your 2006 Form 1040, line 43, or Form 1040NR, line 40. Row 2: Enter your elected farm income (see page J-1). Do not enter more than the amount on line 1. Row 3: Subtract line 2 from line 1. Row 4: Figure the tax on the amount on line 3 using the 2006 tax rates (see page J-2). Row 5: If you used Schedule J to figure your tax for: 2005, enter the amount from your 2005 Schedule J, line 11. Row 6: Divide the amount on line 2 by 3.0. Row 7: Combine lines 5 and 6. If zero or less, enter -0-. Row 8: Figure the tax on the amount on line 7 using the 2003 tax rates (see page J-3). Row 9: If you used Schedule J to figure your tax for: 2005, enter the amount from your 2005 Schedule J, line 15. Row 10: Enter the amount from line 6. Row 11: Combine lines 9 and 10. If less than zero, enter as a negative amount. Row 12: Figure the tax on the amount on line 11 using the 2004 tax rates (see page J-6). Row 13: If you used Schedule J to figure your tax for 2005, enter the amount from your 2005 Schedule J, line 3. Otherwise, enter the taxable income from your 2005 Form 1040, line 43; Form 1040A, line 27; Form 1040EZ, line 6; or Form 1040NR, line 40. If zero or less, see page J-8. Row 14: Enter the amount from line 6. Row 15: Combine lines 13 and 14. If less than zero, enter as a negative amount. Row 16: Figure the tax on the amount on line 15 using the 2005 tax rates (see page J-8). Row 17: Add lines 4, 8, 12, and 16. Row 18: If you used Schedule J to figure your tax for: 2005, enter the amount from your 2005 Schedule J, line 12. Row 19: If you used Schedule J to figure your tax for: 2005, enter the amount from your 2005 Schedule J, line 16. Row 20: If you used Schedule J to figure your tax for 2005, enter the amount from your 2005 Schedule J, line 4. Otherwise, enter the tax from your 2005 Form 1040, line 44; Form 1040A, line 28; Form 1040EZ, line 10; or Form 1040NR, line 41. Row 21: Add lines 18 through 20. Row 22: Tax. Subtract line 21 from line 17. Also include this amount on Form 1040, line 44 or Form 1040NR, line 41. Caution. Your tax may be less if you figure it using the 2006 Tax Table, Tax Computation Worksheet, Qualified Dividends and Capital Gain Tax Worksheet, Schedule D Tax Worksheet, or Foreign Earned Income Tax Worksheet. Attach Schedule J only if you are using it to figure your tax.



**Schedule R
(Form 1040)**

Credit for the Elderly or the Disabled

OMB No. 1545-0074

2006

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 2006:

- 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 2006: 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 2006 **8**

9 You were under 65, you retired on permanent and total disability, and you lived apart from your spouse for all of 2006 **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 2006, check this box

- If you checked this box, you do not have to get another statement for 2006.
- 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.

Part III Figure Your Credit

<p>10 If you checked (in Part I): Enter:</p> <table style="width:100%; border: none;"> <tr> <td style="width:40%;">Box 1, 2, 4, or 7</td> <td style="width:10%;">\$5,000</td> <td rowspan="3" style="font-size: 3em; vertical-align: middle;">}</td> </tr> <tr> <td>Box 3, 5, or 6</td> <td>\$7,500</td> </tr> <tr> <td>Box 8 or 9</td> <td>\$3,750</td> </tr> </table>	Box 1, 2, 4, or 7	\$5,000	}	Box 3, 5, or 6	\$7,500	Box 8 or 9	\$3,750	10					
Box 1, 2, 4, or 7	\$5,000	}											
Box 3, 5, or 6	\$7,500												
Box 8 or 9	\$3,750												
<table style="width:100%; border: none;"> <tr> <td style="width:20%; border: 1px solid black; padding: 2px;">Did you check box 2, 4, 5, 6, or 9 in Part I?</td> <td style="width:10%; text-align: center;">Yes</td> <td style="width:10%; text-align: center;">No</td> <td style="width:10%; text-align: center;">→</td> <td style="width:50%;">You must complete line 11.</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: center;">→</td> <td>Enter the amount from line 10 on line 12 and go to line 13.</td> </tr> </table>				Did you check box 2, 4, 5, 6, or 9 in Part I?	Yes	No	→	You must complete line 11.				→	Enter the amount from line 10 on line 12 and go to line 13.
Did you check box 2, 4, 5, 6, or 9 in Part I?	Yes	No	→	You must complete line 11.									
			→	Enter the amount from line 10 on line 12 and go to line 13.									
<p>11 If you checked (in Part I):</p> <ul style="list-style-type: none"> • Box 6, add \$5,000 to the taxable disability income of the spouse who was under age 65. Enter the total. • Box 2, 4, or 9, enter your taxable disability income. • Box 5, add your taxable disability income to your spouse's taxable disability income. Enter the total. 	11	E28200											
<p>TIP For more details on what to include on line 11, see page R-3.</p>													
<p>12 If you completed line 11, enter the smaller of line 10 or line 11; all others, enter the amount from line 10</p>	12	E28300											
<p>13 Enter the following pensions, annuities, or disability income that you (and your spouse if filing a joint return) received in 2006.</p> <table style="width:100%; border: none;"> <tr> <td style="width:50%; vertical-align: top;"> <p>a Nontaxable part of social security benefits and Nontaxable part of railroad retirement benefits treated as social security (see page R-3).</p> </td> <td style="width:5%; text-align: center; vertical-align: middle;">13a</td> <td style="width:45%; text-align: center; vertical-align: middle;">E28350</td> </tr> <tr> <td style="vertical-align: top;"> <p>b Nontaxable veterans' pensions and Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law (see page R-3).</p> </td> <td style="text-align: center; vertical-align: middle;">13b</td> <td style="text-align: center; vertical-align: middle;">E28375</td> </tr> <tr> <td style="vertical-align: top;"> <p>c Add lines 13a and 13b. (Even though these income items are not taxable, they must 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</p> </td> <td style="text-align: center; vertical-align: middle;">13c</td> <td style="text-align: center; vertical-align: middle;">E28400</td> </tr> </table>	<p>a Nontaxable part of social security benefits and Nontaxable part of railroad retirement benefits treated as social security (see page R-3).</p>	13a	E28350	<p>b Nontaxable veterans' pensions and Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law (see page R-3).</p>	13b	E28375	<p>c Add lines 13a and 13b. (Even though these income items are not taxable, they must 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</p>	13c	E28400				
<p>a Nontaxable part of social security benefits and Nontaxable part of railroad retirement benefits treated as social security (see page R-3).</p>	13a	E28350											
<p>b Nontaxable veterans' pensions and Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law (see page R-3).</p>	13b	E28375											
<p>c Add lines 13a and 13b. (Even though these income items are not taxable, they must 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</p>	13c	E28400											
<p>14 Enter the amount from Form 1040, line 38</p>	14												
<p>15 If you checked (in Part I): Enter:</p> <table style="width:100%; border: none;"> <tr> <td style="width:40%;">Box 1 or 2</td> <td style="width:10%;">\$7,500</td> <td rowspan="3" style="font-size: 3em; vertical-align: middle;">}</td> </tr> <tr> <td>Box 3, 4, 5, 6, or 7</td> <td>\$10,000</td> </tr> <tr> <td>Box 8 or 9</td> <td>\$5,000</td> </tr> </table>	Box 1 or 2	\$7,500	}	Box 3, 4, 5, 6, or 7	\$10,000	Box 8 or 9	\$5,000	15					
Box 1 or 2	\$7,500	}											
Box 3, 4, 5, 6, or 7	\$10,000												
Box 8 or 9	\$5,000												
<p>16 Subtract line 15 from line 14. If zero or less, enter -0-</p>	16	E28500											
<p>17 Enter one-half of line 16</p>	17	E28600											
<p>18 Add lines 13c and 17</p>	18	E28700											
<p>19 Subtract line 18 from line 12. If zero or less, stop; you cannot take the credit. Otherwise, go to line 20</p>	19	E28800											
<p>20 Multiply line 19 by 15% (.15)</p>	20												
<p>21 Enter the amount from Form 1040, line 46</p>	21												
<p>22 Add the amounts from Form 1040, lines 47 and 48, and enter the total</p>	22												
<p>23 Subtract line 22 from line 21</p>	23												
<p>24 Credit for the elderly or the disabled. Enter the smaller of line 20 or line 23 here and on Form 1040, line 49</p>	24	E28900											

SCHEDULE SE
(Form 1040)

SFCPRI
S020

Self-Employment Tax

OMB No. 1545-0074

2006

Attachment
Sequence No. 17

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)
PRIMARY TAXPAYER

Social security number of person
with self-employment income ▶

Who Must File Schedule SE

You must file Schedule SE if:

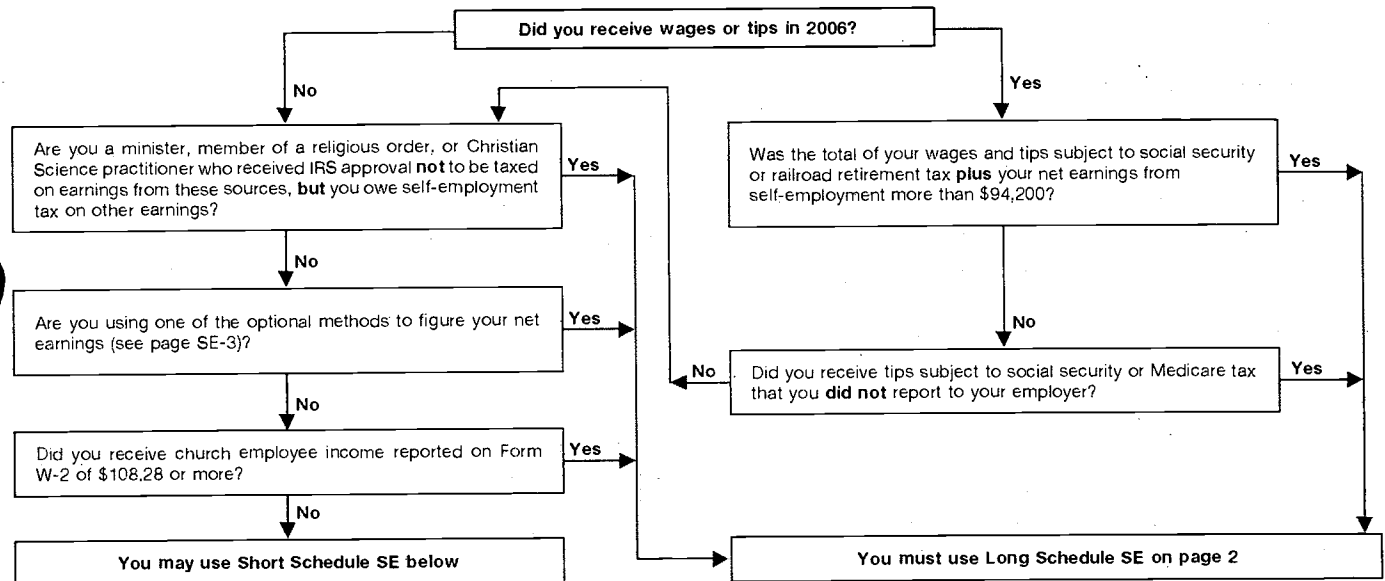
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, or
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order 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 58.

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

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



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), box 14, code A
- 2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-3 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:
 - \$94,200 or less, multiply line 4 by 15.3% (.153). Enter the result here and on **Form 1040, line 58.**
 - More than \$94,200, multiply line 4 by 2.9% (.029). Then, add \$11,680.80 to the result. Enter the total here and on **Form 1040, line 58.**
- 6 **Deduction for one-half of self-employment tax.** Multiply line 5 by 50% (.5). Enter the result here and on **Form 1040, line 27**

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 ▶
---	---

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), box 14, code A. Note. Skip this line if you use the farm optional method (see page SE-4)	1	E29020 +/-	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-3 for other income to report. Note. Skip this line if you use the nonfarm optional method (see page SE-4)	2	E29100 +/-	
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	E29150	
b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	4b		
c Combine lines 4a and 4b. If less than \$400, stop ; you do not owe self-employment tax. Exception. If less than \$400 and you had church employee income , enter -0- and continue.	4c	E29200	
5a Enter your church employee income from Form W-2. See page SE-1 for definition of church employee income	5a	E30200	
b Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	5b		
6 Net earnings from self-employment. Add lines 4c and 5b	6	E29300	
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 2006	7	94,200	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 \$94,200 or more, skip lines 8b through 10, and go to line 11	8a	E29340	
b Unreported tips subject to social security tax (from Form 4137, line 9)	8b	E29360	
c Add lines 8a and 8b	8c	E29400	
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	E29550	
11 Multiply line 6 by 2.9% (.029)	11	E30000	
12 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 58	12	E30700	
13 Deduction for one-half of self-employment tax. Multiply line 12 by 50% (.5). Enter the result here and on Form 1040, line 27	13		

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

FRMCD1

Farm Optional Method. You may use this method only if (a) your gross farm income ¹ was not more than \$2,400, or (b) your net farm profits ² were less than \$1,733.			
14 Maximum income for optional methods	14	1,600	00
15 Enter the smaller of: two-thirds (⅔) of gross farm income ¹ (not less than zero) or \$1,600. Also include this amount on line 4b above	15	E31170	
Nonfarm Optional Method. You may use this method only if (a) your net nonfarm profits ³ were less than \$1,733 and also less than 72.189% of your gross nonfarm income, ⁴ and (b) 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.			
16 Subtract line 15 from line 14	16		
17 Enter the smaller of: two-thirds (⅔) of gross nonfarm income ⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above	17	E31250	

¹From Sch. F, line 11, and Sch. K-1 (Form 1065), box 14, code B.

²From Sch. F, line 36, and Sch. K-1 (Form 1065), box 14, code A.

³From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.

⁴From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.

SCHEDULE SE
(Form 1040)

SFCSEC
S021

Self-Employment Tax

OMB No. 1545-0074

2006

Attachment
Sequence No. 17

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)
SECONDARY TAXPAYER

Social security number of person
with self-employment income ▶

Who Must File Schedule SE

You must file Schedule SE if:

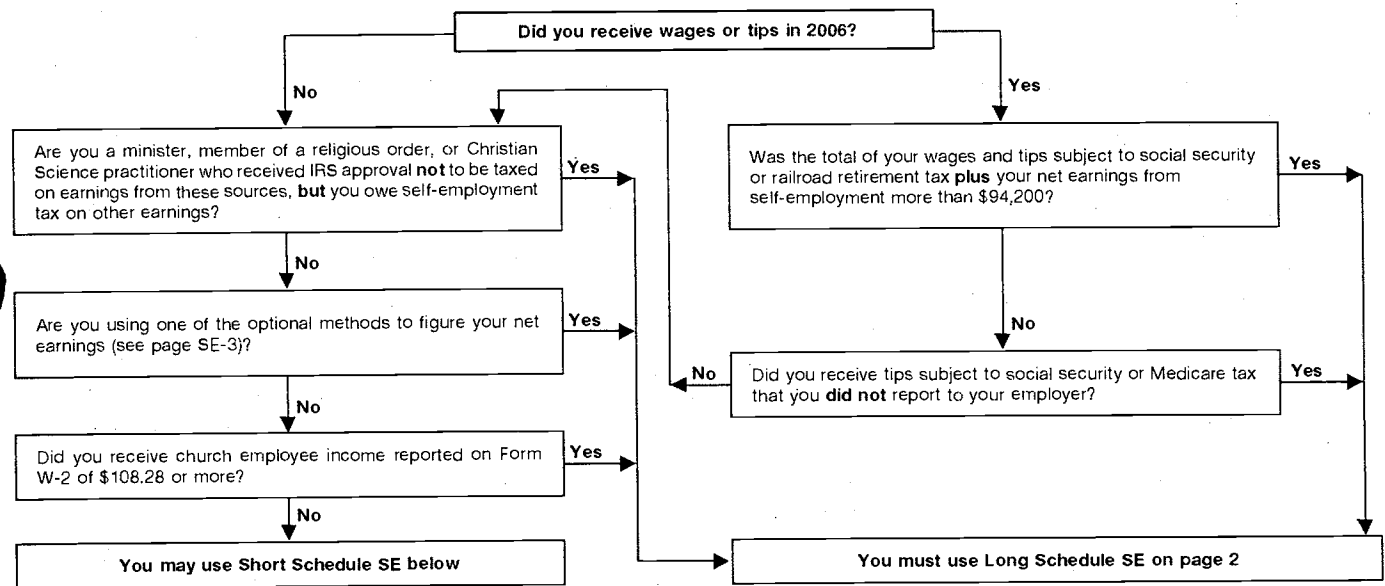
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious 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 58.

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

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



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), box 14, code A	1	E29050 +/-
2	Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-3 for other income to report	2	E29120 +/-
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 . E29250 . . . E29325 ▶	4	E29170
5	Self-employment tax. If the amount on line 4 is: • \$94,200 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 58. • More than \$94,200, multiply line 4 by 2.9% (.029). Then, add \$11,680.80 to the result. Enter the total here and on Form 1040, line 58.	5	E30800
6	Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.5). Enter the result here and on Form 1040, line 27	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), box 14, code A. Note. Skip this line if you use the farm optional method (see page SE-4)	1	E29050 +/-	
2	Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-3 for other income to report. Note. Skip this line if you use the nonfarm optional method (see page SE-4)	2	E29120 +/-	
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	E29170	
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, stop ; you do not owe self-employment tax. Exception. If less than \$400 and you had church employee income , enter -0- and continue. ▶	4c	E29250	
5a	Enter your church employee income from Form W-2. See page SE-1 for definition of church employee income	5a	E30300	
5b	Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	5b		
6	Net earnings from self-employment. Add lines 4c and 5b	6	E29325	
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 2006	7	94,200	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 \$94,200 or more, skip lines 8b through 10, and go to line 11	8a	E29345	
8b	Unreported tips subject to social security tax (from Form 4137, line 9)	8b	E29365	
8c	Add lines 8a and 8b	8c	E29450	
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	E29600	
11	Multiply line 6 by 2.9% (.029)	11	E30050	
12	Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 58	12	E30800	
13	Deduction for one-half of self-employment tax. Multiply line 12 by 50% (.5). Enter the result here and on Form 1040, line 27	13		

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

FRMCD2

Farm Optional Method. You may use this method only if (a) your gross farm income ¹ was not more than \$2,400, or (b) your net farm profits ² were less than \$1,733.				
14	Maximum income for optional methods	14	1,600	00
15	Enter the smaller of: two-thirds (⅔) of gross farm income ¹ (not less than zero) or \$1,600. Also include this amount on line 4b above	15	E31200	
Nonfarm Optional Method. You may use this method only if (a) your net nonfarm profits ³ were less than \$1,733 and also less than 72.189% of your gross nonfarm income, ⁴ and (b) 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.				
16	Subtract line 15 from line 14	16		
17	Enter the smaller of: two-thirds (⅔) of gross nonfarm income ⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above	17	E31300	

¹ From Sch. F, line 11, and Sch. K-1 (Form 1065), box 14, code B.

² From Sch. F, line 36, and Sch. K-1 (Form 1065), box 14, code A.

³ From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.

⁴ From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.

SCHEDULE SE
(Form 1040)

SCHSE
S020, S021

Self-Employment Tax

OMB No. 1545-0074

2006

Attachment
Sequence No. **17**

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 ▶

Who Must File Schedule SE

You must file Schedule SE if:

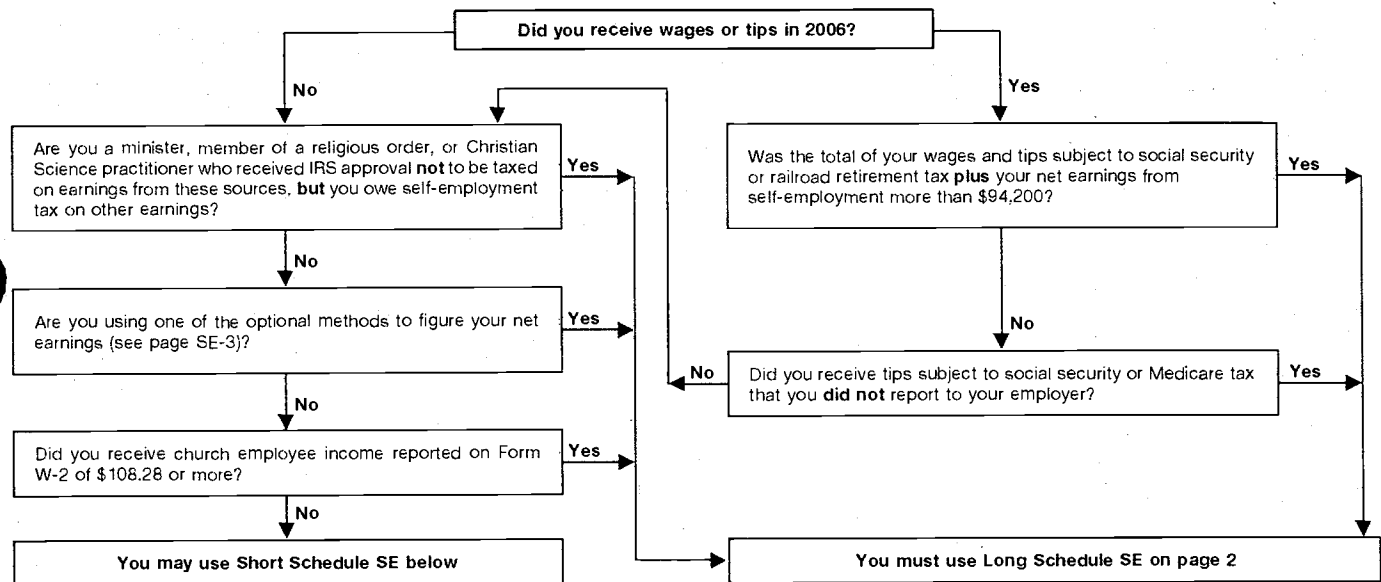
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious 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 58.

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

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



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), box 14, code A
- 2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-3 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:
 - \$94,200 or less, multiply line 4 by 15.3% (.153). Enter the result here and on **Form 1040, line 58.**
 - More than \$94,200, multiply line 4 by 2.9% (.029). Then, add \$11,680.80 to the result. Enter the total here and on **Form 1040, line 58.**
- 6 **Deduction for one-half of self-employment tax.** Multiply line 5 by 50% (.5). Enter the result here and on **Form 1040, line 27**

1	E29000 +/-	
2	E29070 +/-	
3		
4	E29130	
5	E30600	
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.

1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. Note. 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), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-3 for other income to report. Note. 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	
b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	4b		
c Combine lines 4a and 4b. If less than \$400, stop ; you do not owe self-employment tax. Exception. 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	
b Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	5b		
6 Net earnings from self-employment. 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 2006	7	94,200	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 \$94,200 or more, skip lines 8b through 10, and go to line 11	8a	E29335	
b Unreported tips subject to social security tax (from Form 4137, line 9)	8b	E29355	
c 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 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 58	12	E30600	
13 Deduction for one-half of self-employment tax. Multiply line 12 by 50% (.5). Enter the result here and on Form 1040, line 27	13		

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

Farm Optional Method. You may use this method only if (a) your gross farm income ¹ was not more than \$2,400, or (b) your net farm profits ² were less than \$1,733.			
14 Maximum income for optional methods	14	1,600	00
15 Enter the smaller of: two-thirds (2/3) of gross farm income ¹ (not less than zero) or \$1,600. Also include this amount on line 4b above	15	E31150	
Nonfarm Optional Method. You may use this method only if (a) your net nonfarm profits ³ were less than \$1,733 and also less than 72.189% of your gross nonfarm income, ⁴ and (b) 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.			
16 Subtract line 15 from line 14	16		
17 Enter the smaller of: two-thirds (2/3) of gross nonfarm income ⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above	17	E31220	

¹From Sch. F, line 11, and Sch. K-1 (Form 1065), box 14, code B.

³From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.

²From Sch. F, line 36, and Sch. K-1 (Form 1065), box 14, code A.

⁴From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.

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)

	Foreign Country or U.S. Possession			Total (Add cols. A, B, and C.)
	A	B	C	
1 Enter the name of the foreign country or U.S. possession ▶				
1a Gross income from sources within country shown above and of the type checked above (see page 13 of the instructions):				1a E31610
b Check if line 1a is compensation for personal services as an employee, your total compensation from all sources is \$250,000 or more, and you used an alternative basis to determine its source (see instructions) ▶ <input type="checkbox"/>				
Deductions and losses (Caution: See pages 13 and 14 of the instructions):				
2 Expenses definitely related to the income on line 1a (attach statement).				
3 Pro rata share of other deductions not definitely related:				
a Certain itemized deductions or standard deduction (see instructions)				
b Other deductions (attach statement)				
c Add lines 3a and 3b				
d Gross foreign source income (see instructions)				
e Gross income from all sources (see instructions)				
f Divide line 3d by line 3e (see instructions)				
g Multiply line 3c by line 3f				
4 Pro rata share of interest expense (see instructions):				
a Home mortgage interest (use worksheet on page 13 of the instructions)				
b Other interest expense				
5 Losses from foreign sources				
6 Add lines 2, 3g, 4a, 4b, and 5				6 E31615
7 Subtract line 6 from line 1a. Enter the result here and on line 14, page 2 ▶				7 E31620 +/-

Part II Foreign Taxes Paid or Accrued (see page 14 of the instructions)

Country	Credit is claimed for taxes (you must check one) (m) <input type="checkbox"/> Paid (n) <input type="checkbox"/> Accrued	Foreign taxes paid or accrued								
		In foreign currency				In U.S. dollars				
		Taxes withheld at source on:			(s) Other foreign taxes paid or accrued	Taxes withheld at source on:			(w) Other foreign taxes paid or accrued	(x) Total foreign taxes paid or accrued (add cols. (t) through (w))
(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))	
A										
B										
C										
8	Add lines A through C, column (x). Enter the total here and on line 9, page 2 ▶								8	E31400

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	E31400		
10	Carryback or carryover (attach detailed computation)	10			
11	Add lines 9 and 10.	11			
12	Reduction in foreign taxes (see page 15 of the instructions).	12	E31600		
13	Subtract line 12 from line 11. This is the total amount of foreign taxes available for credit	13		E31500	
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 15 of the instructions)	14	E31620 +/-		
15	Adjustments to line 14 (see pages 15 and 16 of the instructions)	15	E31625 +/-		
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	E31630 +/-		
17	Individuals: Enter the amount from Form 1040, line 41 (minus any amount on Form 8914, line 6). If you are a nonresident alien, enter the amount from Form 1040NR, line 38 (minus any amount on Form 8914, line 6). Estates and trusts: 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 16 of the instructions.</i>	17			
18	Divide line 16 by line 17. If line 16 is more than line 17, enter "1"	18			
19	Individuals: Enter the amount from Form 1040, line 44. If you are a nonresident alien, enter the amount from Form 1040NR, line 41. Estates and trusts: 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 18 of the instructions.</i>	19			
20	Multiply line 19 by line 18 (maximum amount of credit)	20		E31635	
21	Enter the smaller 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 18 of the instructions) ▶	21		E31640	

Part IV Summary of Credits From Separate Parts III (see page 18 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 smaller of line 19 or line 30	31			
32	Reduction of credit for international boycott operations. See instructions for line 12 on page 15	32		E31645	
33	Subtract line 32 from line 31. This is your foreign tax credit . Enter here and on Form 1040, line 47; Form 1040NR, line 44; Form 1041, Schedule G, line 2a; or Form 990-T, line 40a ▶	33		E31650	

Employee Business Expenses

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

2006
Attachment
Sequence No. **54**

▶ Attach to Form 1040 or Form 1040NR.

Your name <p style="text-align: center;">COMBINED</p>	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	E31727	
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2	E31747	
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3	E31767	
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment.	4	E31787	
5 Meals and entertainment expenses (see instructions)	5		E31807
6 Total expenses. In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6	E31827	

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 not 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	E31847	E31867
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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 (or on Form 1040NR, line 8) Note: If both columns of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.	8	E31967	E31987
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 incurred while away from home on business by 75% (.75) instead of 50%. For details, see instructions.)	9		E32027
10 Add the amounts on line 9 of both columns and enter the total here. Also, enter the total on Schedule A (Form 1040), line 20 (or on Schedule A (Form 1040NR), line 9). (Reservists, qualified performing artists, fee-basis state or local government officials, and individuals with disabilities: See the instructions for special rules on where to enter the total.) ▶	10		E32047

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 2006	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
19	Was your vehicle available for personal use during off-duty hours?		<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
21	If "Yes," is the evidence written?		<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 44.5¢ (.445)	22	E31737
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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 (see instructions)	28			
29	Add lines 27 and 28. Enter total here and on line 1.	29	E31797		

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 (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 applicable limit explained 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. If you skipped lines 36 and 37, enter the amount from line 35. Also enter this amount on line 28 above	38			

Unreimbursed Employee Business Expenses

2006

Attachment
Sequence No. **54A**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

Your name COMBINED	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 for this purpose).
- If you are claiming vehicle expense, you are using the standard mileage rate for 2006.

Caution: You can use the standard mileage rate for 2006 **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 44.5c (.445)	1	E31727
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2	E31747
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3	E31767
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment	4	E31787
5 Meals and entertainment expenses: \$ <u>E31807</u> × 50% (.50) (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 75% (.75) instead of 50%. For details, see instructions.)	5	E32027
6 Total expenses. Add lines 1 through 5. Enter here and on Schedule A (Form 1040), line 20 (or on Schedule A (Form 1040NR), line 9). (Armed Forces reservists, 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	E32047

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 2006, enter the number of miles you used your vehicle for:
a Business b Commuting (see instructions) 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

Unreimbursed Employee Business Expenses

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

2006

Attachment
Sequence No. **54A**

Your name FIRST	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 for this purpose).
- If you are claiming vehicle expense, you are using the standard mileage rate for 2006.

Caution: You can use the standard mileage rate for 2006 **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 44.5c (.445)	1	E31720
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not 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. Do not include meals and entertainment	3	E31760
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment	4	E31780
5 Meals and entertainment expenses: \$ <u>E31800</u> × 50% (.50) (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 75% (.75) instead of 50%. For details, see instructions.)	5	E32020
6 Total expenses. Add lines 1 through 5. Enter here and on Schedule A (Form 1040), line 20 (or on Schedule A (Form 1040NR), line 9). (Armed Forces reservists, 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	E32040

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 2006, enter the number of miles you used your vehicle for:
a Business b Commuting (see instructions) 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

Unreimbursed Employee Business Expenses

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

Your name SECOND	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 for this purpose).
- If you are claiming vehicle expense, you are using the standard mileage rate for 2006.

Caution: You can use the standard mileage rate for 2006 **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 44.5¢ (.445)	1	E31725
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2	E31745
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3	E31765
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment	4	E31785
5 Meals and entertainment expenses: \$ <u>E31805</u> × 50% (.50) (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 75% (.75) instead of 50%. For details, see instructions.)	5	E32025
6 Total expenses. Add lines 1 through 5. Enter here and on Schedule A (Form 1040), line 20 (or on Schedule A (Form 1040NR), line 9). (Armed Forces reservists, 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	E32045

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 2006, enter the number of miles you used your vehicle for:
a Business b Commuting (see instructions) 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

Unreimbursed Employee Business Expenses

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

2006
Attachment
Sequence No. **54A**

Your name SECOND	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 for this purpose).
- If you are claiming vehicle expense, you are using the standard mileage rate for 2006.

Caution: You can use the standard mileage rate for 2006 **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 44.5¢ (.445)	1	E31725
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2	E31745
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3	E31765
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment	4	E31785
5 Meals and entertainment expenses: \$ <u>E31805</u> × 50% (.50) (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 75% (.75) instead of 50%. For details, see instructions.)	5	E32025
6 Total expenses. Add lines 1 through 5. Enter here and on Schedule A (Form 1040), line 20 (or on Schedule A (Form 1040NR), line 9). (Armed Forces reservists, 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	E32045

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 2006, enter the number of miles you used your vehicle for:
a Business b Commuting (see instructions) 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

Employee Business Expenses

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1040NR.

Your name <p style="text-align: center;">FIRST</p>	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 did not involve overnight travel or commuting to and from work.	E31740	
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	E31760	
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment.	E31780	
5 Meals and entertainment expenses (see instructions)		E31800
6 Total expenses. 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 not 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 (or on Form 1040NR, line 8)	8	E31960		E31980
Note: If both columns 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 incurred while away from home on business by 75% (.75) instead of 50%. For details, see instructions.)	9			E32020
10 Add the amounts on line 9 of both columns and enter the total here. Also, enter the total on Schedule A (Form 1040), line 20 (or on Schedule A (Form 1040NR), line 9). (Reservists, qualified performing artists, fee-basis state or local government officials, 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 2006	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 44.5¢ (.445)	22	E31730
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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 (see instructions)	28			
29	Add lines 27 and 28. Enter total here and on line 1.	29	E31790		

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 (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 applicable limit explained 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. If you skipped lines 36 and 37, enter the amount from line 35. Also enter this amount on line 28 above	38			

Employee Business Expenses

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1040NR.

Your name SECOND	Occupation in which you incurred expenses	Social security number
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Part 1 Employee Business Expenses and Reimbursements

	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.)	E31725		
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	E31745		
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	E31765		
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment.	E31785		
5 Meals and entertainment expenses (see instructions)			E31805
6 Total expenses. In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	E31825		

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 not 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)	E31845		E31865
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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 (or on Form 1040NR, line 8)	E31965		E31985
Note: If both columns 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 incurred while away from home on business by 75% (.75) instead of 50%. For details, see instructions.)			E32025
10 Add the amounts on line 9 of both columns and enter the total here. Also, enter the total on Schedule A (Form 1040), line 20 (or on Schedule A (Form 1040NR), line 9). (Reservists, qualified performing artists, fee-basis state or local government officials, and individuals with disabilities: See the instructions for special rules on where to enter the total.) ▶		10	E32045

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 2006	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 44.5¢ (.445)	22	E31735
----	--	----	--------

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 (see instructions)	28			
29	Add lines 27 and 28. Enter total here and on line 1	29	E31795		

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 (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 applicable limit explained 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. If you skipped lines 36 and 37, enter the amount from line 35. Also enter this amount on line 28 above	38			

F2439

VOID

CORRECTED

(99)

Name, address, and ZIP code of RIC or REIT	OMB No. 1545-0145 2006 Form 2439	<p align="center">Notice to Shareholder of Undistributed Long-Term Capital Gains</p> <p align="center">For calendar year 2006, or other tax year of the regulated investment company (RIC) or the real estate investment trust (REIT) beginning, 2006, and ending, 20</p>	
Identification number of RIC or REIT	1a Total undistributed long-term capital gains <p align="center">E32670</p>		<p align="center">Copy A</p> <p align="center">Attach to Form 1120-RIC or Form 1120-REIT</p>
Shareholder's identifying number	1b Unrecaptured section 1250 gain <p align="center">E32690</p>		
Shareholder's name, address, and ZIP code	1c Section 1202 gain <p align="center">E32695</p>	1d Collectibles (28%) gain <p align="center">E32680</p>	<p align="center">For Instructions and Paperwork Reduction Act Notice, see back of Copies A and D.</p>
	2 Tax paid by the RIC or REIT on the box 1a gains		

Form **2439**

Cat. No. 11858E

Department of the Treasury - Internal Revenue Service

Child and Dependent Care Expenses

▶ Attach to Form 1040 or Form 1040NR.
 ▶ See separate instructions.

Your social security number

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**

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)
				E32700

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 62, or Form 1040NR, line 57.

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 2006 for the person listed in column (a)
First	Last		
F2441		S056	E32750
		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 33	3	E32800																																																												
4 Enter your earned income . See instructions	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 1040, line 38, or Form 1040NR, line 36	7																																																													
8 Enter on line 8 the decimal amount shown below that applies to the amount on line 7	8	AG2441 X .																																																												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: left; padding: 2px;">If line 7 is:</th> <th colspan="3" style="text-align: left; padding: 2px;">If line 7 is:</th> </tr> <tr> <th style="text-align: left; padding: 2px;">Over</th> <th style="text-align: left; padding: 2px;">But not over</th> <th style="text-align: left; padding: 2px;">Decimal amount is</th> <th style="text-align: left; padding: 2px;">Over</th> <th style="text-align: left; padding: 2px;">But not over</th> <th style="text-align: left; padding: 2px;">Decimal amount is</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">\$0—15,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.35</td> <td style="padding: 2px;">\$29,000—31,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.27</td> </tr> <tr> <td style="padding: 2px;">15,000—17,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.34</td> <td style="padding: 2px;">31,000—33,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.26</td> </tr> <tr> <td style="padding: 2px;">17,000—19,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.33</td> <td style="padding: 2px;">33,000—35,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.25</td> </tr> <tr> <td style="padding: 2px;">19,000—21,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.32</td> <td style="padding: 2px;">35,000—37,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.24</td> </tr> <tr> <td style="padding: 2px;">21,000—23,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.31</td> <td style="padding: 2px;">37,000—39,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.23</td> </tr> <tr> <td style="padding: 2px;">23,000—25,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.30</td> <td style="padding: 2px;">39,000—41,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.22</td> </tr> <tr> <td style="padding: 2px;">25,000—27,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.29</td> <td style="padding: 2px;">41,000—43,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.21</td> </tr> <tr> <td style="padding: 2px;">27,000—29,000</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.28</td> <td style="padding: 2px;">43,000—No limit</td> <td style="padding: 2px;"></td> <td style="text-align: center; padding: 2px;">.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	E33200 Current Yr E33300 Prior Yr
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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 2005 expenses in 2006, see the instructions	9																																																													
10 Enter the amount from Form 1040, line 46, minus any amount on Form 1040, line 47, or Form 1040NR, line 43, minus any amount on Form 1040NR, line 44	10																																																													
11 Credit for child and dependent care expenses. Enter the smaller of line 9 or line 10 here and on Form 1040, line 48, or Form 1040NR, line 45	11	E33400																																																												

Part III Dependent Care Benefits

12	Enter the total amount of dependent care benefits you received in 2006. Amounts you received as an employee should be shown in box 10 of your Form(s) W-2. Do not include amounts reported as wages in box 1 of Form(s) W-2. If you were self-employed or a partner, include amounts you received under a dependent care assistance program from your sole proprietorship or partnership	12	E33420
13	Enter the amount, if any, you carried over from 2005 and used in 2006 during the grace period. See instructions	13	E33430
14	Enter the amount, if any, you forfeited or carried forward to 2007. See instructions	14	(E33450)
15	Combine lines 12 through 14. See instructions	15	
16	Enter the total amount of qualified expenses incurred in 2006 for the care of the qualifying person(s)	16	E33460
17	Enter the smaller of line 15 or 16	17	
18	Enter your earned income . See instructions	18	E32880
19	Enter the amount shown below that applies to you. <ul style="list-style-type: none"> • 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). • If married filing separately, see the instructions for the amount to enter. • All others, enter the amount from line 18. 	19	E32890
20	Enter the smallest of line 17, 18, or 19	20	
21	Enter the amount from line 12 that you received from your sole proprietorship or partnership. If you did not receive any such amounts, enter -0-	21	E33465
22	Subtract line 21 from line 15	22	
23	Enter \$5,000 (\$2,500 if married filing separately and you were required to enter your spouse's earned income on line 19)	23	
24	Deductible benefits. Enter the smallest of line 20, 21, or 23. Also, include this amount on the appropriate line(s) of your return. See instructions	24	E33470
25	Enter the smaller of line 20 or 23	25	
26	Enter the amount from line 24	26	
27	Excluded benefits. Subtract line 26 from line 25. If zero or less, enter -0-	27	E33475
28	Taxable benefits. Subtract line 27 from line 22. If zero or less, enter -0-. Also, include this amount on Form 1040, line 7, or Form 1040NR, line 8. On the dotted line next to Form 1040, line 7, or Form 1040NR, line 8, enter "DCB".	28	E33480

To claim the child and dependent care credit, complete lines 29-33 below.

29	Enter \$3,000 (\$6,000 if two or more qualifying persons)	29	
30	Add lines 24 and 27	30	E32840
31	Subtract line 30 from line 29. If zero or less, stop . You cannot take the credit. Exception. If you paid 2005 expenses in 2006, see the instructions for line 9	31	
32	Complete line 2 on the front of this form. Do not include in column (c) any benefits shown on line 30 above. Then, add the amounts in column (c) and enter the total here	32	
33	Enter the smaller of line 31 or 32. Also, enter this amount on line 3 on the front of this form and complete lines 4-11	33	E32800

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

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 or Form 2555-EZ, 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.

Table with 8 columns: (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 2006 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 2006, no matter when you performed the service.

2006 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 2006 foreign earned income.	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		
29a	Enter location where housing expenses incurred (see instructions) ▶			
b	Enter limit on housing expenses (see instructions)	29b		
30	Enter the smaller of line 28 or line 29b	30		
31	Number of days in your qualifying period that fall within your 2006 tax year (see instructions)	31		days
32	Multiply \$36.12 by the number of days on line 31. If 365 is entered on line 31, enter \$13,184.00 here	32		
33	Subtract line 32 from line 30. If the result is zero or less, do not complete the rest of this part or any of Part IX	33	T35030	
34	Enter employer-provided amounts (see instructions)	34		
35	Divide line 34 by line 27. Enter the result as a decimal (rounded to at least three places), but do not enter more than "1.000"	35		×
36	Housing exclusion. Multiply line 33 by line 35. Enter the result but do not enter more than the amount on line 34. Also, complete Part VIII ▶ <i>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.</i>	36	T35000	

Part VII Taxpayers Claiming the Foreign Earned Income Exclusion

37	Maximum foreign earned income exclusion	37	\$82,400	00
38	<ul style="list-style-type: none"> If you completed Part VI, enter the number from line 31. All others, enter the number of days in your qualifying period that fall within your 2006 tax year (see the instructions for line 31). 	38		days
39	<ul style="list-style-type: none"> If line 38 and the number of days in your 2006 tax year (usually 365) are the same, enter "1.000." Otherwise, divide line 38 by the number of days in your 2006 tax year and enter the result as a decimal (rounded to at least three places). 	39		×
40	Multiply line 37 by line 39	40		
41	Subtract line 36 from line 27	41		
42	Foreign earned income exclusion. Enter the smaller of line 40 or line 41. Also, complete Part VIII ▶	42	T35300	

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

43	Add lines 36 and 42	43		
44	Deductions allowed in figuring your adjusted gross income (Form 1040, line 37) that are allocable to the excluded income. See instructions and attach computation	44	T35900	
45	Subtract line 44 from line 43. 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. ▶	45	T35910	

Part IX Taxpayers Claiming the Housing Deduction—Complete this part only if (a) line 33 is more than line 36 and (b) line 27 is more than line 43.

46	Subtract line 36 from line 33	46		
47	Subtract line 43 from line 27	47		
48	Enter the smaller of line 46 or line 47	48		
	<i>Note: If line 47 is more than line 48 and you could not deduct all of your 2005 housing deduction because of the 2005 limit, use the worksheet on page 4 of the instructions to figure the amount to enter on line 49. Otherwise, go to line 50.</i>			
49	Housing deduction carryover from 2005 (from worksheet on page 4 of the instructions)	49		
50	Housing deduction. Add lines 48 and 49. Enter the total here and on Form 1040 to the left of line 36. Next to the amount on Form 1040, enter "Form 2555." Add it to the total adjustments reported on that line ▶	50	T35600	

Form **2555**

Foreign Earned Income

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to Form 1040.

2006

Attachment
Sequence No. **34**

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

Name shown on Form 1040

Your social security number

Part I General Information

SECONDARY 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 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 or Form 2555-EZ, 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 2006 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 2006, no matter when you performed the service.

2006 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 2006 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		
29a	Enter location where housing expenses incurred (see instructions) ▶			
b	Enter limit on housing expenses (see instructions)	29b		
30	Enter the smaller of line 28 or line 29b	30		
31	Number of days in your qualifying period that fall within your 2006 tax year (see instructions)	31		days
32	Multiply \$36.12 by the number of days on line 31. If 365 is entered on line 31, enter \$13,184.00 here	32		
33	Subtract line 32 from line 30. If the result is zero or less, do not complete the rest of this part or any of Part IX	33	T35035	
34	Enter employer-provided amounts (see instructions)	34		
35	Divide line 34 by line 27. Enter the result as a decimal (rounded to at least three places), but do not enter more than "1.000"	35		×
36	Housing exclusion. Multiply line 33 by line 35. Enter the result but do not enter more than the amount on line 34. Also, complete Part VIII ▶ 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.	36	T35001	

Part VII Taxpayers Claiming the Foreign Earned Income Exclusion

37	Maximum foreign earned income exclusion	37	\$82,400	00
38	<ul style="list-style-type: none"> • If you completed Part VI, enter the number from line 31. • All others, enter the number of days in your qualifying period that fall within your 2006 tax year (see the instructions for line 31). 	38		days
39	<ul style="list-style-type: none"> • If line 38 and the number of days in your 2006 tax year (usually 365) are the same, enter "1.000." • Otherwise, divide line 38 by the number of days in your 2006 tax year and enter the result as a decimal (rounded to at least three places). 	39		×
40	Multiply line 37 by line 39	40		
41	Subtract line 36 from line 27	41		
42	Foreign earned income exclusion. Enter the smaller of line 40 or line 41. Also, complete Part VIII ▶	42	T35400	

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

43	Add lines 36 and 42	43		
44	Deductions allowed in figuring your adjusted gross income (Form 1040, line 37) that are allocable to the excluded income. See instructions and attach computation	44	T35901	
45	Subtract line 44 from line 43. 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 ▶	45	T35911	

Part IX Taxpayers Claiming the Housing Deduction—Complete this part only if (a) line 33 is more than line 36 and (b) line 27 is more than line 43.

46	Subtract line 36 from line 33	46		
47	Subtract line 43 from line 27	47		
48	Enter the smaller of line 46 or line 47	48		
	Note: If line 47 is more than line 48 and you could not deduct all of your 2005 housing deduction because of the 2005 limit, use the worksheet on page 4 of the instructions to figure the amount to enter on line 49. Otherwise, go to line 50.			
49	Housing deduction carryover from 2005 (from worksheet on page 4 of the instructions)	49		
50	Housing deduction. Add lines 48 and 49. Enter the total here and on Form 1040 to the left of line 36. Next to the amount on Form 1040, enter "Form 2555." Add it to the total adjustments reported on that line ▶	50	T35700	

Form **2555**

Foreign Earned Income

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to Form 1040.

2006
Attachment
Sequence No. **34**

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
any that apply: d A foreign affiliate of a U.S. company e Other (specify) ▶
- 6a If, after 1981, you filed Form 2555 or Form 2555-EZ, 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 2006 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 2006, no matter when you performed the service.

2006 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	T34300 (+/-)
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 2006 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		
29a	Enter location where housing expenses incurred (see instructions) ▶	29a		
b	Enter limit on housing expenses (see instructions)	29b		
30	Enter the smaller of line 28 or line 29b	30		
31	Number of days in your qualifying period that fall within your 2006 tax year (see instructions)	31		days
32	Multiply \$36.12 by the number of days on line 31. If 365 is entered on line 31, enter \$13,184.00 here	32		
33	Subtract line 32 from line 30. If the result is zero or less, do not complete the rest of this part or any of Part IX	33	T35025	
34	Enter employer-provided amounts (see instructions)	34		
35	Divide line 34 by line 27. Enter the result as a decimal (rounded to at least three places), but do not enter more than "1.000"	35	x	
36	Housing exclusion. Multiply line 33 by line 35. Enter the result but do not enter more than the amount on line 34. Also, complete Part VIII ▶ <i>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.</i>	36	T34999	

Part VII Taxpayers Claiming the Foreign Earned Income Exclusion

37	Maximum foreign earned income exclusion	37	\$82,400	00
38	• If you completed Part VI, enter the number from line 31. • All others, enter the number of days in your qualifying period that fall within your 2006 tax year (see the instructions for line 31).	38		days
39	• If line 38 and the number of days in your 2006 tax year (usually 365) are the same, enter "1.000." • Otherwise, divide line 38 by the number of days in your 2006 tax year and enter the result as a decimal (rounded to at least three places).	39	x	
40	Multiply line 37 by line 39	40		
41	Subtract line 36 from line 27	41		
42	Foreign earned income exclusion. Enter the smaller of line 40 or line 41. Also, complete Part VIII ▶	42	T35200	

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

43	Add lines 36 and 42	43		
44	Deductions allowed in figuring your adjusted gross income (Form 1040, line 37) that are allocable to the excluded income. See instructions and attach computation	44	T35800	
45	Subtract line 44 from line 43. 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 ▶	45	T35905	

Part IX Taxpayers Claiming the Housing Deduction—Complete this part only if (a) line 33 is more than line 36 and (b) line 27 is more than line 43.

46	Subtract line 36 from line 33	46		
47	Subtract line 43 from line 27	47		
48	Enter the smaller of line 46 or line 47	48		
	<i>Note: If line 47 is more than line 48 and you could not deduct all of your 2005 housing deduction because of the 2005 limit, use the worksheet on page 4 of the instructions to figure the amount to enter on line 49. Otherwise, go to line 50.</i>			
49	Housing deduction carryover from 2005 (from worksheet on page 4 of the instructions)	49		
50	Housing deduction. Add lines 48 and 49. Enter the total here and on Form 1040 to the left of line 36. Next to the amount on Form 1040, enter "Form 2555." Add it to the total adjustments reported on that line ▶	50	T35500	

Foreign Earned Income Exclusion

2006

Attachment Sequence No. **34A**

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

▶ See separate instructions. ▶ Attach to 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 \$82,400 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—
 { 2006 or any other period of 12 months in a row starting or ending in 2006? } 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	
PODP			
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 2006 and date(s) established. ▶ _____			
b Of what country are you a citizen/national? ▶ _____			

Foreign Earned Income Exclusion

2006

Attachment
 Sequence No. **34A**

▶ See separate instructions. ▶ Attach to Form 1040.

Name shown on Form 1040

SECONDARY 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 \$82,400 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—
 { 2006 or any other period of 12 months in a row starting or ending in 2006? } 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
PODS		
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 2006 and date(s) established. ▶ _____		
b Of what country are you a citizen/national? ▶ _____		

Foreign Earned Income Exclusion

▶ See separate instructions. ▶ Attach to Form 1040.

COMBINED 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 \$82,400 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—
 { 2006 or any other period of 12 months in a row starting or ending in 2006? } 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 2006 and date(s) established. ▶ _____		
b Of what country are you a citizen/national? ▶ _____		

Investment Credit

▶ **Attach to your tax return. See instructions.**

Name(s) shown on return

Identifying number

1 Rehabilitation credit (see instructions for requirements that must be met):
a 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. **Note:** *This election applies to the current tax year and to all later tax years. You may not revoke this election without IRS consent* ▶

b Enter the date on which the 24- or 60-month measuring period begins/...../..... and ends/...../.....

c Enter the adjusted basis of the building as of the beginning date above (or the first day of your holding period, if later) \$

d Enter the amount of the qualified rehabilitation expenditures incurred, or treated as incurred, during the period on line 1b above \$

Enter the amount of qualified rehabilitation expenditures and multiply by the percentage shown:

e Pre-1936 buildings located in the Gulf Opportunity Zone \$ E49111 × 13% (.13)

f Other pre-1936 buildings \$ E49110 × 10% (.10)

g Certified historic structures located in the Gulf Opportunity Zone \$ E49211 × 26% (.26)

h Other certified historic structures \$ E49210 × 20% (.20)

For properties identified on lines 1g or 1h, complete lines 1i and 1j

i Enter the assigned NPS project number or the pass-through entity's employer identification number (see instructions)

j Enter the date that the NPS approved the Request for Certification of Completed Work (see instructions) / /

k Rehabilitation credit from an electing large partnership (Schedule K-1 (Form 1065-B), box 9)

2 Energy credit:

a Basis of property using geothermal energy placed in service during the tax year (see instructions) \$ × 10% (.10)

2a	E50103	
-----------	--------	--

b Basis of property using solar illumination or solar energy placed in service during the tax year (see instructions) \$ × 30% (.30)

2b	E50105	
-----------	--------	--

Qualified fuel cell property (see instructions):

c Basis of property installed during the tax year \$ × 30% (.30)

2c		
-----------	--	--

d Kilowatt capacity of property in **c** above ▶ × \$1,000

2d		
-----------	--	--

e Enter the lesser of line 2c or 2d

2e	E50110	
-----------	--------	--

Qualified microturbine property (see instructions):

f Basis of property installed during the tax year \$ × 10% (.10)

2f		
-----------	--	--

g Kilowatt capacity of property in **f** above ▶ × \$200

2g		
-----------	--	--

h Enter the lesser of line 2f or 2g

2h	E50115	
-----------	--------	--

i Total. Add lines 2a, 2b, 2e, and 2h

2i	E50120	
-----------	--------	--

3 Qualifying advanced coal project credit (see instructions):

a Basis of qualified investment in integrated gasification combined cycle property placed in service during the tax year \$ × 20% (.20)

3a		
-----------	--	--

b Basis of qualified investment in property other than in **a** above placed in service during the tax year ▶ \$ × 15% (.15)

3b		
-----------	--	--

c Total. Add lines 3a and 3b

3c	E50140	
-----------	--------	--

4 Qualifying gasification project credit (see instructions). Basis of qualified investment in property placed in service during the tax year ▶ \$ × 20% (.20)

4	E50160	
----------	--------	--

5 Credit from cooperatives. Enter the unused investment credit from cooperatives

5	E49300	
----------	--------	--

6 Add lines 1e through 1h, 1k, 2i, 3c, 4, and 5. Report this amount on the applicable line of Form 3800 (e.g., line 1a of the 2006 Form 3800) **6 - E50300**

6	E50200	
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Department of the Treasury
Internal Revenue Service (99)

F3800

▶ See separate instructions.
▶ Attach to your tax return.

2006

Attachment
Sequence No. **22**

Name(s) shown on return

Identifying number

Part I Current Year Credit

Important: You may not be required to complete and file a separate credit form (shown in parentheses below) to claim the credit. For details, see **What's New** in the instructions.

1a Investment credit (attach Form 3468)	1a	E53220	
b Work opportunity credit (Form 5884)	1b	E53240	
c Welfare-to-work credit (Form 8861)	1c	E53250	
d Credit for increasing research activities (Form 6765)	1d	E53280	
e Low-income housing credit (Form 8586) (enter EIN if claiming this credit from a pass-through entity: _____)	1e	E53300	
f Enhanced oil recovery credit only from partnerships and S corporations (see instructions)	1f	E53305	
g Disabled access credit (Form 8826) (do not enter more than \$5,000)	1g	E53310	
h Renewable electricity production credit (Form 8835, Section A only)	1h	E53315	
i Indian employment credit (Form 8845)	1i	E53316	
j Credit for employer social security and Medicare taxes paid on certain employee tips (Form 8846)	1j	E53317	
k Orphan drug credit (Form 8820)	1k	E53318	
l New markets credit (Form 8874) (enter EIN if claiming this credit from a pass-through entity: _____)	1l	E53312	
m Credit for small employer pension plan startup costs (Form 8881) (do not enter more than \$500)	1m	E53306	
n Credit for employer-provided child care facilities and services (Form 8882) (enter EIN if claiming this credit from a pass-through entity: _____)	1n	E53307	
o Qualified railroad track maintenance credit (Form 8900)	1o	E53281	
p Biodiesel and renewable diesel fuels credit (attach Form 8864)	1p	E53308	
q Low sulfur diesel fuel production credit (Form 8896)	1q	E53309	
r Distilled spirits credit (Form 8906)	1r	E53282	
s Nonconventional source fuel credit (Form 8907)	1s	E53283	
t Energy efficient home credit (Form 8908)	1t	E53284	
u Energy efficient appliance credit (Form 8909)	1u	E53288	
v Alternative motor vehicle credit (Form 8910)	1v	E53285	
w Alternative fuel vehicle refueling property credit (Form 8911)	1w	E53286	
x Credit for contributions to selected community development corporations (Form 8847)	1x	E53319	
y Mine rescue team training credit (Form 8923)	1y	E53311	
z General credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1z	E53313	
aa Credits for employers affected by Hurricane Katrina, Rita, or Wilma (Form 5884-A)	1aa	E53287	
2 Add lines 1a through 1aa	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 2006 (see instructions)	5	E53380	
6 Carryforward of general business credit to 2006. See instructions for the schedule to attach	6	E53400	
7 Carryback of general business credit from 2007 (see instructions)	7		
8 Current year credit. Add lines 4 through 7	8	E53410	

Part II Allowable Credit

<p>9 Regular tax before credits:</p> <ul style="list-style-type: none"> • Individuals. Enter the amount from Form 1040, line 44 or Form 1040NR, line 41 • Corporations. Enter the amount from Form 1120, Schedule J, line 2; 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	
<p>10 Alternative minimum tax:</p> <ul style="list-style-type: none"> • Individuals. Enter the amount from Form 6251, line 35 • Corporations. Enter the amount from Form 4626, line 14 • Estates and trusts. Enter the amount from Form 1041, Schedule I, line 56 		10	E53485
<p>11 Add lines 9 and 10</p>		11	
<p>12a Foreign tax credit</p>	12a		
<p>b Credits from Form 1040, lines 48 through 54 (or Form 1040NR, lines 45 through 49)</p>	12b		
<p>c Qualified electric vehicle credit (Form 8834, line 20)</p>	12c		
<p>d Non-business alternative motor vehicle credit (Form 8910, line 18)</p>	12d		
<p>e Non-business alternative fuel vehicle refueling property credit (Form 8911, line 19)</p>	12e		
<p>f Add lines 12a through 12e</p>		12f	
<p>13 Net income tax. Subtract line 12f from line 11. If zero, skip lines 14 through 17 and enter -0- on line 18</p>		13	E53500
<p>14 Net regular tax. Subtract line 12f from line 9. If zero or less, enter -0-</p>	14	E53470	
<p>15 Enter 25% (.25) of the excess, if any, of line 14 over \$25,000 (see instructions)</p>	15	E53480	
<p>16 Tentative minimum tax:</p> <ul style="list-style-type: none"> • Individuals. Enter the amount from Form 6251, line 33 • Corporations. Enter the amount from Form 4626, line 12 • Estates and trusts. Enter the amount from Form 1041, Schedule I, line 54 	16	E53475	
<p>17 Enter the greater of line 15 or line 16</p>		17	
<p>18 Subtract line 17 from line 13. If zero or less, enter -0-</p>		18	
<p>19 Credit allowed for the current year. Enter the smaller of line 8 or line 18. Individuals, estates, and trusts: See the instructions for line 19 if claiming the research credit. C corporations: See the line 19 instructions if there has been an ownership change, acquisition, or reorganization. Report the amount from line 19 (if smaller than line 8, see instructions) as indicated below or on the applicable line of your return:</p> <ul style="list-style-type: none"> • Individuals. Form 1040, line 55 or Form 1040NR, line 50 • Corporations. Form 1120, Schedule J, line 5c; or Form 1120-A, Part I, line 2 • Estates and trusts. Form 1041, Schedule G, line 2c 		19	E53490

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040 or Form 1040NR.

Name(s) shown on return

Your social security number

Before you begin: ✓ See the **Distance Test** and **Time Test** in the instructions to find out if you can deduct your moving expenses.
 ✓ See **Members of the Armed Forces** on the back, if applicable.

1	Transportation and storage of household goods and personal effects (see instructions)	1	E53550
2	Travel (including lodging) from your old home to your new home (see instructions). Do not include the cost of meals	2	E53560
3	Add lines 1 and 2	3	E53570
4	Enter the total amount your employer paid you for the expenses listed on lines 1 and 2 that is not included in box 1 of your Form W-2 (wages). This amount should be shown in box 12 of your Form W-2 with code P	4	E53580
5	Is line 3 more than line 4? <input type="checkbox"/> No. You cannot deduct your moving expenses. If line 3 is less than line 4, subtract line 3 from line 4 and include the result on Form 1040, line 7, or Form 1040NR, line 8. <input type="checkbox"/> Yes. Subtract line 4 from line 3. Enter the result here and on Form 1040, line 26, or Form 1040NR, line 26. This is your moving expense deduction	5	E53590

General Instructions

What's New

For 2006, the standard mileage rate for using your vehicle to move to a new home is 18 cents a mile.

Purpose of Form

Use Form 3903 to figure your moving expense deduction for a move related to the start of work at a new principal place of work (workplace). If the new workplace is outside the United States or its possessions, you must be a U.S. citizen or resident alien to deduct your expenses.

If you qualify to deduct expenses for more than one move, use a separate Form 3903 for each move.

For more details, see Pub. 521, Moving Expenses.

Moving Expenses You Can Deduct

You can deduct the reasonable expenses of moving your household goods and personal effects and of traveling from your old home to your new home. Reasonable expenses can include the cost of lodging (but not meals) while traveling to your new home. You cannot deduct the cost of sightseeing trips.

Who Can Deduct Moving Expenses

If you move to a new home because of a new principal workplace, you may be able to deduct your moving expenses whether you are self-employed or an employee. But you must meet both the distance test and time test that follow.



Members of the Armed Forces may not have to meet the distance test and time test. See instructions on the back.

Distance Test

Your new principal workplace must be at least 50 miles farther from your old home than your old workplace was. For example, if your old workplace was 3 miles from your old home, your new workplace must be at least 53 miles from that home. If you did not have an old workplace, your new workplace must be at least 50 miles from your old home. The distance between the two points is the shortest of the more commonly traveled routes between them.



To see if you meet the distance test, you can use the worksheet below.

Distance Test Worksheet

Keep a Copy for Your Records



1.	Number of miles from your old home to your new workplace	1.	_____ miles
2.	Number of miles from your old home to your old workplace	2.	_____ miles
3.	Subtract line 2 from line 1. If zero or less, enter -0-	3.	_____ miles
<p>Is line 3 at least 50 miles?</p> <input type="checkbox"/> Yes. You meet this test. <input type="checkbox"/> No. You do not meet this test. You cannot deduct your moving expenses. Do not complete Form 3903.			

Time Test

If you are an employee, you must work full time in the general area of your new workplace for at least 39 weeks during the 12 months right after you move. If you are self-employed, you must work full time in the general area of your new workplace for at least 39 weeks during the first 12 months and a total of at least 78 weeks during the 24 months right after you move.

What if you do not meet the time test before your return is due? If you expect to meet the time test, you can deduct your moving expenses in the year you move. Later, if you do not meet the time test, you must either:

- Amend your tax return for the year you claimed the deduction by filing Form 1040X, Amended U.S. Individual Income Tax Return, or
- For the year you cannot meet the time test, report as income the amount of your moving expense deduction that reduced your income tax for the year you moved.

If you did not deduct your moving expenses in the year you moved and you later meet the time test, you can take the deduction by filing an amended return for the year you moved. To do this, use Form 1040X.

Exceptions to the time test. You do not have to meet the time test if any of the following apply.

- Your job ends because of disability.
- You are transferred for your employer's benefit.
- You are laid off or discharged for a reason other than willful misconduct.
- You are in the Armed Forces and the move is due to a permanent change of station (see below).
- You meet the requirements (explained later) for retirees or survivors living outside the United States.
- You are filing this form for a decedent.

Members of the Armed Forces

If you are in the Armed Forces, you do not have to meet the distance and time tests if the move is due to a permanent change of station. A permanent change of station includes a move in connection with and within 1 year of retirement or other termination of active duty.

How To Complete This Form If You Are In the Armed Forces

Do not include on lines 1 and 2 any expenses for moving services that were provided by the government. If you and your spouse and dependents are moved to or from different locations, treat the moves as a single move.

On line 4, enter the total reimbursements and allowances you received from the government in connection with the expenses you claimed on lines 1 and 2. Do not include the value of moving services provided by the government. Complete line 5 if applicable.

Retirees or Survivors Living Outside the United States

If you are a retiree or survivor who moved to a home in the United States or its possessions and you meet the following requirements, you are treated as if you moved to a new principal workplace located in the United States. You are subject only to the distance test.

Retirees

You can deduct moving expenses for a move to a new home in the United States when you permanently retire if both your old principal workplace and your old home were outside the United States.

Survivors

You can deduct moving expenses for a move to a home in the United States if you are the spouse or dependent of a person whose principal workplace at the time of death was outside the United States. The expenses must be for a move (a) that begins within 6 months after the decedent's death, and (b) from a former home outside the United States that you lived in with the decedent at the time of death.

Reimbursements

You can choose to deduct moving expenses in the year you are reimbursed by your employer, even though you paid the expenses in a different year. However, special rules apply. See *When To Deduct Expenses* in Pub. 521.

Filers of Form 2555

If you file Form 2555, Foreign Earned Income, to exclude any of your income or housing costs, report the full amount of your deductible moving expenses on Form 3903 and on Form 1040. Report the part of your moving expenses that is not allowed because it is allocable to the excluded income on the appropriate line of Form 2555. For details on how to figure the part allocable to the excluded income, see Pub. 54, *Tax Guide for U.S. Citizens and Resident Aliens Abroad*.

Specific Instructions

You can deduct the following expenses you paid to move your family and dependent household members. Do not deduct expenses for employees such as a maid, nanny, or nurse.

Line 1

Moves within or to the United States or its possessions. Enter the amount you paid to pack, crate, and move your household goods and personal effects.

You can also include the amount you paid to store and insure household goods and personal effects within any period of 30 days in a row after the items were moved from your old home and before they were delivered to your new home.

Moves outside the United States or its possessions. Enter the amount you paid to pack, crate, move, store, and insure your household goods and personal effects. Also, include the amount you paid to move your personal effects to and from storage and to store them for all or part of the time the new workplace continues to be your principal workplace.

TIP You do not have to complete this form if (a) you moved in an earlier year, (b) you are claiming only storage fees during your absence from the United States, and (c) any amount your employer paid for the storage fees is included in box 1 of your Form W-2 (wages). Instead, enter the storage fees on Form 1040, line 26, or Form 1040NR, line 26, and write "Storage" on the dotted line next to line 26.

Line 2

Enter the amount you paid to travel from your old home to your new home. This includes transportation and lodging on the way. Include costs for the day you arrive. The members of your household do not have to travel together or at the same time. But you can only include expenses for one trip per person. Do not include any househunting expenses.

If you use your own vehicle(s), you can figure the expenses by using either:

- Actual out-of-pocket expenses for gas and oil, or
- Mileage at the rate of 18 cents a mile.

You can add parking fees and tolls to the amount claimed under either method.

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 average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Department of the Treasury
Internal Revenue Service

▶ See the separate instructions.
▶ Attach this form to your income tax return.

Name (as shown on your income tax return)

Taxpayer identification number

Caution. Claimant has the name and address of the person who sold the fuel to the claimant and the dates of purchase. For claims on lines 1c and 2b (type of use 13 and 14), 3d, 4c, 5, and 9, claimant has not waived the right to make the claim. For claims on lines 1c and 2b (type of use 13 and 14), claimant certifies that a certificate has not been provided to the credit card issuer.

1 Nontaxable Use of Gasoline

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Off-highway business use	\$.183	}	\$ E53620	362
b	Use on a farm for farming purposes	.183			
c	Other nontaxable use (see Caution above line 1)	.183			
d	Exported	.184		E53623	411

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 (see Caution above line 1)	.193		E53695	324
c	Exported	.194		E53697	412

3 Nontaxable Use of Undyed Diesel Fuel

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 an explanation and check here ▶

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use	\$.243	}	\$ E53660	360
b	Use on a farm for farming purposes	.243			
c	Use in trains	.22		E53760	353
d	Use in certain intercity and local buses (see Caution above line 1)	.17		E53766	350
e	Exported	.244		E53769	413

4 Nontaxable Use of Undyed Kerosene (Other Than Kerosene Used in Aviation)

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 an explanation and check here ▶

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use	\$.243	}	\$ E53662	346
b	Use on a farm for farming purposes	.243			
c	Use in certain intercity and local buses (see Caution above line 1)	.17		E53663	347
d	Exported	.244		E53667	414

5 Kerosene Used in Commercial Aviation (Other Than Foreign Trade)

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Kerosene taxed at \$.244 (see Caution above line 1)	\$.200	\$ E53848	417
b	Kerosene taxed at \$.219 (see Caution above line 1)	.175	E53705	355

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

Claimant certifies that it sold the diesel fuel at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. 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 an explanation and check here . ▶

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use by a state or local government	\$.243		\$ E53670	360
b Use in certain intercity and local buses	.17		E53672	350

7 Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene For Use in Aviation) Registration No. ▶

Claimant certifies that it sold the kerosene at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. 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 an explanation and check here . ▶

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use by a state or local government	\$.243	}	\$ E53780	346
b Sales from a blocked pump	.243			
c Use in certain intercity and local buses	.17		E53782	347

8 Sales by Registered Ultimate Vendors of Kerosene For Use in Aviation Registration No. ▶

Claimant sold the kerosene for use in aviation at a tax-excluded price and has not collected the amount of tax from the buyer, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. See the instructions for additional information to be submitted.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use in commercial aviation (other than foreign trade) taxed at \$.219		\$.175		\$ E53784	355
b Use in commercial aviation (other than foreign trade) taxed at \$.244		.200		E53849	417
c Nonexempt use in noncommercial aviation		.025		E53850	418
d Other nontaxable uses taxed at \$.244		.243		E53851	346
e Other nontaxable uses taxed at \$.219		.218		E53786	369

9 Nontaxable Use of Kerosene Used in Noncommercial Aviation

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Nontaxable use (other than state) taxed at \$.244 (see Caution above line 1)		\$.243		\$ E53852	346
b Nontaxable use (other than state) taxed at \$.219 (see Caution above line 1)		.218		E53853	369

10 Reserved for future use

11 Nontaxable Use of Liquefied Petroleum Gas (LPG) (before October 1, 2006)

	(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
c	Other nontaxable use	.136		E53679	395

12 Alcohol Fuel Mixture Credit

Registration No. ►

Claimant produced an alcohol fuel mixture by mixing taxable fuel with alcohol. The alcohol fuel mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant.

	(b) Rate	(c) Gallons of alcohol	(d) Amount of credit	(e) CRN
a	Alcohol fuel mixtures containing ethanol	\$.51	\$ E53793	393
b	Alcohol fuel mixtures containing alcohol (other than ethanol)	.60	E53794	394

13 Biodiesel or Renewable Diesel Mixture Credit

Registration No. ►

Claimant produced a mixture by mixing diesel fuel with biodiesel or renewable diesel. The biodiesel used to produce the biodiesel mixture must meet ASTM D6751 and be registered with the EPA as a fuel and fuel additive under section 211 of the Clean Air Act. The mixture was sold by the claimant to any person for use as fuel or was used as a fuel by the claimant. Claimant has a certificate from the producer or importer of the biodiesel which identifies the percentage of biodiesel and agri-biodiesel in the product, and has no reason to believe the information is false. See the instructions for line 13 to see if you must attach the certificate.

	(b) Rate	(c) Gallons of biodiesel or renewable diesel	(d) Amount of credit	(e) CRN
a	Biodiesel (other than agri-biodiesel) mixtures	\$.50	\$ E53795	388
b	Agri-biodiesel mixtures	1.00	E53796	390
c	Renewable diesel mixtures	1.00	E53803	307

14 Nontaxable Use of Alternative Fuel (after September 30, 2006)

Caution. There is a reduced credit rate for use in certain intercity and local buses (type of use 5). See page 4 in the Instructions for Form 4136 for the credit rate.

	(a) Type of use	(b) Rate	(c) Gallons or gasoline gallon equivalents (GGE)	(d) Amount of credit	(e) CRN
a	Liquefied petroleum gas (LPG)	\$.183		\$ E53805	419
b	"P Series" fuels	.183		E53807	420
c	Compressed natural gas (CNG) (GGE = 126.67 cu. ft.)	.183		E53809	421
d	Liquefied hydrogen	.183		E53811	422
e	Any liquid fuel derived from coal (including peat) through the Fischer-Tropsch process	.243		E53813	423
f	Liquid hydrocarbons derived from biomass	.243		E53815	424
g	Liquefied natural gas (LNG)	.243		E53817	425

15 Alternative Fuel Credit and Alternative Fuel Mixture Credit (after September 30, 2006)

Registration No. ►

	(b) Rate	(c) Gallons or gasoline gallon equivalents (GGE)	(d) Amount of credit	(e) CRN
a	Liquefied petroleum gas (LPG)	\$.50	\$ E53819	426
b	"P Series" fuels	.50	E53821	427
c	Compressed natural gas (CNG) (GGE = 121 cu. ft.)	.50	E53823	428
d	Liquefied hydrogen	.50	E53825	429
e	Any liquid fuel derived from coal (including peat) through the Fischer-Tropsch process	.50	E53827	430
f	Liquid hydrocarbons derived from biomass	.50	E53829	431
g	Liquefied natural gas (LNG)	.50	E53831	432

16 Registered Credit Card Issuers

Registration No. ▶

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Diesel fuel sold for the exclusive use of a state or local government	\$.243		\$ E53833	360
b Kerosene sold for the exclusive use of a state or local government	.243		E53835	346
c Kerosene for use in aviation sold for the exclusive use of a state or local government	.218		E53837	369

17 Nontaxable Use of a Diesel-Water Fuel Emulsion

Caution. There is a reduced credit rate for use in certain intercity and local buses (type of use 5). See page 4 in the Instructions for Form 4136 for the credit rate.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Nontaxable use		\$.197		\$ E53839	309
b Exported		.198		E53841	306

18 Diesel-Water Fuel Emulsion Blending

Registration No. ▶

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
Blender credit	\$.046		\$ E53843	310

19 Exported Dyed Fuels

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Exported dyed diesel fuel	\$.001		\$ E53845	415
b Exported dyed kerosene	.001		E53847	416

20 Total income tax credit claimed. Add lines 1 through 19, column (d). Enter here and on Form 1040, line 70 (also check box b on line 70); Form 1120, line 32f(2); Form 1120-A, line 28f(2); Form 1120S, line 23c; Form 1041, line 24h; or the proper line of other returns. ▶	20	\$ E53860		
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Form **4137**

Social Security and Medicare Tax on Unreported Tip Income

OMB No. 1545-0074

2006

Attachment Sequence No. **24**

Department of the Treasury
Internal Revenue Service (99)

▶ See instructions on back.
▶ Attach to Form 1040, Form 1040NR, Form 1040-SS, or Form 1040-PR.

Name of person who received tips. 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 received in 2006 (see instructions)	1	T53902
2	Total cash and charge tips you reported to your employer in 2006	2	T53907
3	Subtract line 2 from line 1. This amount is income you must include in the total on Form 1040, line 7 or Form 1040NR, line 8	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	94,200 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 smaller 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 59, or Form 1040NR, line 54 ▶	12	S53952

For Paperwork Reduction Act Notice, see instructions on back. Form **4137** (2006)

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

2006

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 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, Form 1040NR, Form 1040-SS, or Form 1040-PR.

Name of person who received tips. 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 received in 2006 (see instructions)	1	T53900	
2	Total cash and charge tips you reported to your employer in 2006	2	T53905	
3	Subtract line 2 from line 1. This amount is income you must include in the total on Form 1040, line 7 or Form 1040NR, line 8	3	S53910	
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	T53915	
5	Unreported tips subject to Medicare tax. Subtract line 4 from line 3. Enter here and on line 2 of Schedule U below	5	S53920	
6	Maximum amount of wages (including tips) subject to social security tax	6	94,200	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	T53925	
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	T53930	
9	Unreported tips subject to social security tax. Enter the smaller 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	S53935	
10	Multiply line 9 by .062	10	S53940	
11	Multiply line 5 by .0145	11	S53945	
12	Add lines 10 and 11. Enter the result here and on Form 1040, line 59, or Form 1040NR, line 54 ▶	12	S53950	

For Paperwork Reduction Act Notice, see instructions on back.

Form **4137** (2006)

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

2006

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

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—

Form **4137**

Department of the Treasury
Internal Revenue Service (99)

Social Security and Medicare Tax on Unreported Tip Income

▶ See instructions on back.

▶ Attach to Form 1040, Form 1040NR, Form 1040-SS, or Form 1040-PR.

OMB No. 1545-0074

2006

Attachment
Sequence No. 24

Name of person who received tips. 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

1	Total cash and charge tips you received in 2006 (see instructions)	1	T53901	
2	Total cash and charge tips you reported to your employer in 2006	2	T53906	
3	Subtract line 2 from line 1. This amount is income you must include in the total on Form 1040, line 7 or Form 1040NR, line 8	3	S53911	
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	T53916	
5	Unreported tips subject to Medicare tax. Subtract line 4 from line 3. Enter here and on line 2 of Schedule U below	5	S53921	
6	Maximum amount of wages (including tips) subject to social security tax	6	94,200	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	T53926	
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	T53931	
9	Unreported tips subject to social security tax. Enter the smaller 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	S53936	
10	Multiply line 9 by .062	10	S53941	
11	Multiply line 5 by .0145	11	S53946	
12	Add lines 10 and 11. Enter the result here and on Form 1040, line 59, or Form 1040NR, line 54 ▶	12	S53951	

For Paperwork Reduction Act Notice, see instructions on back.

Form **4137** (2006)

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

2006

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

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)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return	Business or activity to which this form relates	Identifying number
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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 the instructions for a higher limit for certain businesses	1	\$108,000
2 Total cost of section 179 property placed in service (see instructions)	2	E54005
3 Threshold cost of section 179 property before reduction in limitation	3	\$430,000
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 instructions	5	E54000
(a) Description of property (b) Cost (business use only) (c) Elected cost		
6		
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 2005 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 2007. 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.) (See instructions.)

14 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year (see instructions)	14	E58110
15 Property subject to section 168(f)(1) election	15	E58120
16 Other depreciation (including ACRS)	16	E58140

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2006	17	E58100
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here GAACD ▶ <input type="checkbox"/>		

Section B—Assets Placed in Service During 2006 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 undetermined type		E56100	27.5 yrs.	MM	S/L	E56300
		E57600	27.5 yrs.	MM	S/L	Undetermined type E57700
i Nonresidential real property		E56400	39 yrs.	MM	S/L	E56500
		E57800		MM	S/L	Total GDS ded. E57900

Section C—Assets Placed in Service During 2006 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 instructions) Total ADS cost E58020 Total ADS ded. E58040

21 Listed property. Enter amount from line 28	21	E57930
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see 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 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
25 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions).							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%		total 26e + 27e		S/L -		
		%		E58060		S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.							28	E58080
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.							29	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
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 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 instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 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?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: 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
42 Amortization of costs that begins during your 2006 tax year (see instructions):					
		E58200			
43 Amortization of costs that began before your 2006 tax year.				43	E58250
44 Total. Add amounts in column (f). See the instructions for where to report.				44	E58300

Casualties and Thefts

Department of the Treasury
Internal Revenue Service

- ▶ See separate instructions.
- ▶ Attach to your tax return.

▶ 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
2 Cost or other basis of each property				
3 Insurance or other reimbursement (whether or not you filed a claim) (see instructions)				
<i>Note: If line 2 is more than line 3, skip line 4.</i>				
4 Gain from casualty or theft. If line 3 is more 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.				
5 Fair market value before casualty or theft				
6 Fair market value after casualty or theft				
7 Subtract line 6 from line 5				
8 Enter the smaller of line 2 or line 7				
9 Subtract line 3 from line 8. If zero or less, enter -0-				
10 Casualty or theft loss. Add the amounts on line 9 in columns A through D				
11 Enter the smaller of line 10 or \$100. But if the loss arose in the Hurricane Katrina disaster area after August 24, 2005; Hurricane Rita disaster area after September 22, 2005; or Hurricane Wilma disaster area after October 22, 2005, and was caused by that particular hurricane, enter -0-				
12 Subtract line 11 from line 10				
Caution: Use only one Form 4684 for lines 13 through 21.				
13 Add the amounts on line 12 of all Forms 4684				
14 Add the amounts on line 4 of all Forms 4684				
15 • If line 14 is more than line 13, enter the difference here and on Schedule D. Do not complete the rest of this section (see instructions). • If line 14 is less than line 13, enter -0- here and go to line 16. • If line 14 is equal to line 13, enter -0- here. Do not complete the rest of this section.				E37700
16 If line 14 is less than line 13, enter the difference				E37703 +/-
17 Add the amounts on line 12 of all Forms 4684 on which you entered -0- on line 11.				E37701
18 Is line 17 less than line 16? <input type="checkbox"/> No. Stop. Enter the amount from line 16 on Schedule A (Form 1040), line 19, or Schedule A (Form 1040NR), line 8. Estates and trusts, enter the amount from line 16 on the "Other deductions" line of your tax return. <input type="checkbox"/> Yes. Subtract line 17 from line 16.				
19 Enter 10% of your adjusted gross income from Form 1040, line 38, or Form 1040NR, line 36. Estates and trusts, see instructions				
20 Subtract line 19 from line 18. If zero or less, enter -0-				
21 Add lines 17 and 20. Also enter the result on Schedule A (Form 1040), line 19, or Schedule A (Form 1040NR), line 8. Estates and trusts, enter the result on the "Other deductions" line of your tax return				

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.)

22 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

Table with columns for Properties A, B, C, D and rows 23-31 for various calculations like cost, insurance, gain, and loss.

Part II Summary of Gains and Losses (from separate Parts I)
(a) Identify casualty or theft
(b) Losses from casualties or thefts
(c) Gains from casualties or thefts includible in income

Table for Casualty or Theft of Property Held One Year or Less, including rows 32-35 for net gain/loss calculations.

Table for Casualty or Theft of Property Held More Than One Year, including rows 36-42 for total gains and losses.

Name(s) shown on return

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.

Identifying number

1 Enter the gross proceeds from sales or exchanges reported to you for 2006 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions). **1** T40000

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) Subtract (f) from the sum of (d) and (e)
2						
						E40170+/-

3 Gain, if any, from Form 4684, line 42	3 E40180
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37	4 E40190
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5 E40200+/-
6 Gain, if any, from line 32, from other than casualty or theft	6 E40210
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:	7 E40220+/-

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 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 from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years (see instructions)	8 E40230
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions).	9 E40240

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

	E40250+/-

11 Loss, if any, from line 7	11 (E40255)
12 Gain, if any, from line 7 or amount from line 8, if applicable	12 E40260
13 Gain, if any, from line 31	13 E40265
14 Net gain or (loss) from Form 4684, lines 34 and 41a	14 E40270+/-
15 Ordinary gain from installment sales from Form 6252, line 25 or 36	15 E40275
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824	16 E40280+/-
17 Combine lines 10 through 16	17 E40290+/-

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:

a If the loss on line 11 includes a loss from Form 4684, line 38, 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 18a." See instructions

18a	E40300
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b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14

18b	E40305+/-
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Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (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		
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.)				
21	Cost or other basis plus expense of sale				
22	Depreciation (or depletion) allowed or allowable				
23	Adjusted basis. Subtract line 22 from line 21				
24	Total gain. Subtract line 23 from line 20				
25	If section 1245 property:				
a	Depreciation allowed or allowable from line 22				
b	Enter the smaller of line 24 or 25a	E40120			
26	If section 1250 property: 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)				
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)				
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				
d	Additional depreciation after 1969 and before 1976				
e	Enter the smaller of line 26c or 26d				
f	Section 291 amount (corporations only)				
g	Add lines 26b, 26e, and 26f	E40130			
27	If section 1252 property: 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				
b	Line 27a multiplied by applicable percentage (see instructions)				
c	Enter the smaller of line 24 or 27b	E40140			
28	If section 1254 property:				
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)				
b	Enter the smaller of line 24 or 28a	E40150			
29	If section 1255 property:				
a	Applicable percentage of payments excluded from income under section 126 (see instructions)				
b	Enter the smaller of line 24 or 29a (see instructions)	E40160			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.		30	31	32
Total gains for all properties. Add property columns A through D, line 24		E40337	E40338	E40339
Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13				
Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 36. Enter the portion from other than casualty or theft on Form 4797, line 6				

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)
33		
34		
35		

33 Section 179 expense deduction or depreciation allowable in prior years
34 Recaptured depreciation (see instructions)
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report

Farm Rental Income and Expenses
 (Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor))
 (Income not subject to self-employment tax)

Department of the Treasury
Internal Revenue Service

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

Name(s) shown on tax return

Your social security number

Line D- F4835 (number attached)

Employer ID number (EIN), if any

A Did you actively participate in the operation of this farm during 2006 (see instructions)? . . . MPARFR . . . Yes No

Part I Gross Farm Rental Income—Based on Production. Include amounts converted to cash or the equivalent.

1 Income from production of livestock, produce, grains, and other crops	1	E58360	
2a Cooperative distributions (Form(s) 1099-PATR) 2a E58330	2b Taxable amount		
3a Agricultural program payments (see instructions) 3a E58340	3b Taxable amount	E58345	
4 Commodity Credit Corporation (CCC) loans (see instructions):			
a CCC loans reported under election	4a	E58370	
b CCC loans forfeited 4b E58350	4c Taxable amount		
5 Crop insurance proceeds and federal crop disaster payments (see instructions):			
a Amount received in 2006 5a E58380	5b Taxable amount	E58385	
c If election to defer to 2007 is attached, check here <input type="checkbox"/> 5d Amount deferred from 2005	5d		
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	E58390 +/-	
7 Gross farm rental income. Add amounts in the right column for lines 1 through 6. Enter the total here and on Schedule E (Form 1040), line 42. ▶	7	E58400 +/-	

Part II Expenses—Farm Rental Property. Do not include personal or living expenses.

8 Car and truck expenses (see Schedule F instructions). Also attach Form 4562	8	E58403		21 Pension and profit-sharing plans	21	E58475	
9 Chemicals	9	E58405		22 Rent or lease:			
10 Conservation expenses (see instructions)	10	E58407		a Vehicles, machinery, and equipment (see instructions)	22a		
11 Custom hire (machine work)	11	E58410		b Other (land, animals, etc.).	22b		
12 Depreciation and section 179 expense deduction not claimed elsewhere	12	E58420		23 Repairs and maintenance	23	E58455	
13 Employee benefit programs other than on line 21 (see Schedule F instructions)	13	E58425		24 Seeds and plants	24	E58450	
14 Feed	14	E58427		25 Storage and warehousing	25		
15 Fertilizers and lime	15	E58433		26 Supplies	26	E58490	
16 Freight and trucking	16			27 Taxes	27	E58495	
17 Gasoline, fuel, and oil	17	E58430		28 Utilities	28		
18 Insurance (other than health)	18	E58435		29 Veterinary, breeding, and medicine	29		
19 Interest:				30 Other expenses (specify):			
a Mortgage (paid to banks, etc.)	19a	E58440		a	30a		
b Other	19b	E58460		b	30b		
20 Labor hired (less employment credits) (see Schedule F instructions).	20	E58465		c	30c		
				d	30d		
				e	30e		
				f	30f		
				g	30g		
31 Total expenses. Add lines 8 through 30g (see instructions) ▶	31	E58480					
32 Net farm rental income or (loss). 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 must go to line 33	32	E58500 +/-					
33 If line 32 is a loss, check the box that describes your investment in this activity (see instructions)							
					33a	<input type="checkbox"/> All investment is at risk.	
					33b	<input type="checkbox"/> Some investment is not at risk.	
You may have to complete Form 8582 to determine your deductible loss, regardless of which box you checked (see instructions). If you checked box 33b, you must complete Form 6198 before going to Form 8582. In either case, enter the deductible loss here and on Schedule E, line 40					33c	E58520	

Investment Interest Expense Deduction

▶ Attach to your tax return.

Name(s) shown on return

Identifying number

Part I Total Investment Interest Expense

1	Investment interest expense paid or accrued in 2006 (see instructions)	1	E58900
2	Disallowed investment interest expense from 2005 Form 4952, line 7	2	E59200
3	Total investment interest expense. Add lines 1 and 2	3	E58950

Part II Net Investment Income

4a	Gross income from property held for investment (excluding any net gain from the disposition of property held for investment)	4a	E58970 +/-
4b	Qualified dividends included on line 4a	4b	E58972
4c	Subtract line 4b from line 4a	4c	E58974 +/-
4d	Net gain from the disposition of property held for investment	4d	E58975
4e	Enter the smaller of line 4d or your net capital gain from the disposition of property held for investment (see instructions)	4e	E58980
4f	Subtract line 4e from line 4d	4f	E58985
4g	Enter the amount from lines 4b and 4e that you elect to include in investment income (see instructions)	4g	E58990
4h	Investment income. Add lines 4c, 4f, and 4g	4h	E58995 +/-
5	Investment expenses (see instructions)	5	E59100
6	Net investment income. Subtract line 5 from line 4h. If zero or less, enter -0-	6	E58960

Part III Investment Interest Expense Deduction

7	Disallowed investment interest expense to be carried forward to 2007. Subtract line 6 from line 3. If zero or less, enter -0-	7	E59260
8	Investment interest expense deduction. Enter the smaller of line 3 or 6. See instructions.	8	E59280

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Purpose of Form

Use Form 4952 to figure the amount of investment interest expense you can deduct for 2006 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 income from interest and ordinary dividends minus any qualified dividends is more than your investment interest expense.
- You do not have any other deductible investment expenses.
- You do not have any carryover of disallowed investment interest expense from 2005.

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 includable 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 trade or 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.

Part II—Net Investment Income

Line 4a

Gross income from property held for investment includes income, unless derived in the ordinary course of a trade or business, from interest, ordinary dividends (except Alaska Permanent Fund dividends), annuities, and royalties. Include investment income

Name of recipient of distribution

Tax on Lump-Sum Distributions
(From Qualified Plans of Participants Born Before January 2, 1936)

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

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," do not use this form	1	LSDQPI
2 Did you roll over any part of the distribution? If "Yes," do not 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, do not use this form.	4	LSDSYM
5a Did you use Form 4972 after 1986 for a previous distribution from your own plan? If "Yes," do not use this form for a 2006 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," do not 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 44, Form 1040NR, 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, skip 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 do not 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, skip 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, skip 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 MRC ▶	29	E59485
30 Tax on lump-sum distribution. Add lines 7 and 29. Also include this amount in the total on Form 1040, line 44, Form 1040NR, 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

2006

Attachment
Sequence No. **29**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.
▶ See separate instructions.

Name of individual subject to additional tax. If married filing jointly, see instructions.		Your social security number
COMBINED FORM		: : :
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	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 60, or on Form 1040NR, line 55, without filing Form 5329. See the instructions for Form 1040, line 60, or for Form 1040NR, line 55.

Part I Additional Tax on Early Distributions

Complete this part if you took a taxable distribution (other than a qualified hurricane 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 may also have to complete this part to indicate that you qualify for an exception to the additional tax on early distributions or for certain Roth IRA distributions (see instructions).

1 Early distributions included in income. For Roth IRA distributions, see instructions	1		
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: _____	2		
3 Amount subject to additional tax. Subtract line 2 from line 1	3	E59882	
4 Additional tax. Enter 10% (.10) of line 3. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	4	E59892	
<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 or Form 1040NR, 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	5		
6 Distributions included on line 5 that are not subject to the additional tax (see instructions)	6		
7 Amount subject to additional tax. Subtract line 6 from line 5	7	E59897	
8 Additional tax. Enter 10% (.10) of line 7. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	8	E59902	

Part III Additional Tax on Excess Contributions to Traditional IRAs

Complete this part if you contributed more to your traditional IRAs for 2006 than is allowable or you had an amount on line 17 of your 2005 Form 5329.

9 Enter your excess contributions from line 16 of your 2005 Form 5329 (see instructions). If zero, go to line 15	9		
10 If your traditional IRA contributions for 2006 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	10		
11 2006 traditional IRA distributions included in income (see instructions)	11		
12 2006 distributions of prior year excess contributions (see instructions)	12		
13 Add lines 10, 11, and 12	13		
14 Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0-	14		
15 Excess contributions for 2006 (see instructions)	15		
16 Total excess contributions. Add lines 14 and 15	16	E59907	
17 Additional tax. Enter 6% (.06) of the smaller of line 16 or the value of your traditional IRAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	17	E59912	

Part IV Additional Tax on Excess Contributions to Roth IRAs

Complete this part if you contributed more to your Roth IRAs for 2006 than is allowable or you had an amount on line 25 of your 2005 Form 5329.

18 Enter your excess contributions from line 24 of your 2005 Form 5329 (see instructions). If zero, go to line 23	18		
19 If your Roth IRA contributions for 2006 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19		
20 2006 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 2006 (see instructions)	23		
24 Total excess contributions. Add lines 22 and 23	24	E59917	
25 Additional tax. Enter 6% (.06) of the smaller of line 24 or the value of your Roth IRAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	25	E59922	

Part V Additional Tax on Excess Contributions to Coverdell ESAs

Complete this part if the contributions to your Coverdell ESAs for 2006 were more than is allowable or you had an amount on line 33 of your 2005 Form 5329.

26	Enter the excess contributions from line 32 of your 2005 Form 5329 (see instructions). If zero, go to line 31			26	
27	If the contributions to your Coverdell ESAs for 2006 were less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	27			
28	2006 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 2006 (see instructions)			31	
32	Total excess contributions. Add lines 30 and 31			32	E59927
33	Additional tax. Enter 6% (.06) of the smaller of line 32 or the value of your Coverdell ESAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			33	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 2006 than is allowable or you had an amount on line 41 of your 2005 Form 5329.

34	Enter the excess contributions from line 40 of your 2005 Form 5329 (see instructions). If zero, go to line 39			34	
35	If the contributions to your Archer MSAs for 2006 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	35			
36	2006 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 2006 (see instructions)			39	
40	Total excess contributions. Add lines 38 and 39			40	E59937
41	Additional tax. Enter 6% (.06) of the smaller of line 40 or the value of your Archer MSAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			41	E59942

Part VII Additional Tax on Excess Contributions to Health Savings Accounts (HSAs)

Complete this part if you, someone on your behalf, or your employer contributed more to your HSAs for 2006 than is allowable or you had an amount on line 49 of your 2005 Form 5329.

42	Enter the excess contributions from line 48 of your 2005 Form 5329. If zero, go to line 47			42	
43	If the contributions to your HSAs for 2006 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	43			
44	2006 distributions from your HSAs from Form 8889, line 14	44			
45	Add lines 43 and 44			45	
46	Prior year excess contributions. Subtract line 45 from line 42. If zero or less, enter -0-			46	
47	Excess contributions for 2006 (see instructions)			47	
48	Total excess contributions. Add lines 46 and 47			48	E59962
49	Additional tax. Enter 6% (.06) of the smaller of line 48 or the value of your HSAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			49	E59967

Part VIII 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.

50	Minimum required distribution for 2006 (see instructions)			50	
51	Amount actually distributed to you in 2006			51	
52	Subtract line 51 from line 50. If zero or less, enter -0-			52	E59947
53	Additional tax. Enter 50% (.50) of line 52. Include this amount on Form 1040, line 60, or Form 1040NR, line 55			53	E59952

Signature. Complete **only** if you are filing this form by itself and not with your tax return.

Please Sign Here

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.

Your signature
 Date

Paid Preparer's Use Only

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. ()	

Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts

2006

Attachment
Sequence No. **29**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

▶ See separate instructions.

Name of individual subject to additional tax. If married filing jointly, see instructions.		Your social security number : : :
FIRST FORM		Apt. no.
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	If this is an amended return, check here <input type="checkbox"/>
	City, town or post office, state, and ZIP code	

If you **only** owe the additional 10% tax on early distributions, you may be able to report this tax directly on Form 1040, line 60, or on Form 1040NR, line 55, without filing Form 5329. See the instructions for Form 1040, line 60, or for Form 1040NR, line 55.

Part I Additional Tax on Early Distributions

Complete this part if you took a taxable distribution (other than a qualified hurricane 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 may also have to complete this part to indicate that you qualify for an exception to the additional tax on early distributions or for certain Roth IRA distributions (see instructions).

1 Early distributions included in income. For Roth IRA distributions, see instructions	1		
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: _____	2		
3 Amount subject to additional tax. Subtract line 2 from line 1	3	E59880	
4 Additional tax. Enter 10% (.10) of line 3. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	4	E59890	
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).			

Part II Additional Tax on Certain Distributions From Education Accounts

Complete this part if you included an amount in income, on Form 1040 or Form 1040NR, 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	5		
6 Distributions included on line 5 that are not subject to the additional tax (see instructions)	6		
7 Amount subject to additional tax. Subtract line 6 from line 5	7	E59895	
8 Additional tax. Enter 10% (.10) of line 7. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	8	E59900	

Part III Additional Tax on Excess Contributions to Traditional IRAs

Complete this part if you contributed more to your traditional IRAs for 2006 than is allowable or you had an amount on line 17 of your 2005 Form 5329.

9 Enter your excess contributions from line 16 of your 2005 Form 5329 (see instructions). If zero, go to line 15	9		
10 If your traditional IRA contributions for 2006 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	10		
11 2006 traditional IRA distributions included in income (see instructions)	11		
12 2006 distributions of prior year excess contributions (see instructions)	12		
13 Add lines 10, 11, and 12	13		
14 Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0-	14		
15 Excess contributions for 2006 (see instructions)	15		
16 Total excess contributions. Add lines 14 and 15	16	E59905	
17 Additional tax. Enter 6% (.06) of the smaller of line 16 or the value of your traditional IRAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	17	E59910	

Part IV Additional Tax on Excess Contributions to Roth IRAs

Complete this part if you contributed more to your Roth IRAs for 2006 than is allowable or you had an amount on line 25 of your 2005 Form 5329.

18 Enter your excess contributions from line 24 of your 2005 Form 5329 (see instructions). If zero, go to line 23	18		
19 If your Roth IRA contributions for 2006 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19		
20 2006 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 2006 (see instructions)	23		
24 Total excess contributions. Add lines 22 and 23	24	E59915	
25 Additional tax. Enter 6% (.06) of the smaller of line 24 or the value of your Roth IRAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	25	E59920	

Part V Additional Tax on Excess Contributions to Coverdell ESAs

Complete this part if the contributions to your Coverdell ESAs for 2006 were more than is allowable or you had an amount on line 33 of your 2005 Form 5329.

26	Enter the excess contributions from line 32 of your 2005 Form 5329 (see instructions). If zero, go to line 31			26	
27	If the contributions to your Coverdell ESAs for 2006 were less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	27			
28	2006 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 2006 (see instructions)			31	
32	Total excess contributions. Add lines 30 and 31			32	E59925
33	Additional tax. Enter 6% (.06) of the smaller of line 32 or the value of your Coverdell ESAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			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 2006 than is allowable or you had an amount on line 41 of your 2005 Form 5329.

34	Enter the excess contributions from line 40 of your 2005 Form 5329 (see instructions). If zero, go to line 39			34	
35	If the contributions to your Archer MSAs for 2006 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	35			
36	2006 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 2006 (see instructions)			39	
40	Total excess contributions. Add lines 38 and 39			40	E59935
41	Additional tax. Enter 6% (.06) of the smaller of line 40 or the value of your Archer MSAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			41	E59940

Part VII Additional Tax on Excess Contributions to Health Savings Accounts (HSAs)

Complete this part if you, someone on your behalf, or your employer contributed more to your HSAs for 2006 than is allowable or you had an amount on line 49 of your 2005 Form 5329.

42	Enter the excess contributions from line 48 of your 2005 Form 5329. If zero, go to line 47			42	
43	If the contributions to your HSAs for 2006 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	43			
44	2006 distributions from your HSAs from Form 8889, line 14	44			
45	Add lines 43 and 44			45	
46	Prior year excess contributions. Subtract line 45 from line 42. If zero or less, enter -0-			46	
47	Excess contributions for 2006 (see instructions)			47	
48	Total excess contributions. Add lines 46 and 47			48	E59960
49	Additional tax. Enter 6% (.06) of the smaller of line 48 or the value of your HSAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			49	E59965

Part VIII 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.

50	Minimum required distribution for 2006 (see instructions)			50	
51	Amount actually distributed to you in 2006			51	
52	Subtract line 51 from line 50. If zero or less, enter -0-			52	E59945
53	Additional tax. Enter 50% (.50) of line 52. Include this amount on Form 1040, line 60, or Form 1040NR, line 55			53	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

Paid Preparer's Use Only

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. ()	

Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.
▶ See separate instructions.

Name of individual subject to additional tax. If married filing jointly, see instructions.		Your social security number
SECOND FORM		: : :
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	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 60, or on Form 1040NR, line 55, without filing Form 5329. See the instructions for Form 1040, line 60, or for Form 1040NR, line 55.

Part I Additional Tax on Early Distributions

Complete this part if you took a taxable distribution (other than a qualified hurricane 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 may also have to complete this part to indicate that you qualify for an exception to the additional tax on early distributions or for certain Roth IRA distributions (see instructions).

1 Early distributions included in income. For Roth IRA distributions, see instructions	1		
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: _____	2		
3 Amount subject to additional tax. Subtract line 2 from line 1	3	E59881	
4 Additional tax. Enter 10% (.10) of line 3. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	4	E59891	
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).			

Part II Additional Tax on Certain Distributions From Education Accounts

Complete this part if you included an amount in income, on Form 1040 or Form 1040NR, 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	5		
6 Distributions included on line 5 that are not subject to the additional tax (see instructions)	6		
7 Amount subject to additional tax. Subtract line 6 from line 5	7	E59896	
8 Additional tax. Enter 10% (.10) of line 7. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	8	E59901	

Part III Additional Tax on Excess Contributions to Traditional IRAs

Complete this part if you contributed more to your traditional IRAs for 2006 than is allowable or you had an amount on line 17 of your 2005 Form 5329.

9 Enter your excess contributions from line 16 of your 2005 Form 5329 (see instructions). If zero, go to line 15	9		
10 If your traditional IRA contributions for 2006 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	10		
11 2006 traditional IRA distributions included in income (see instructions)	11		
12 2006 distributions of prior year excess contributions (see instructions)	12		
13 Add lines 10, 11, and 12	13		
14 Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0-	14		
15 Excess contributions for 2006 (see instructions)	15		
16 Total excess contributions. Add lines 14 and 15	16	E59906	
17 Additional tax. Enter 6% (.06) of the smaller of line 16 or the value of your traditional IRAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	17	E59911	

Part IV Additional Tax on Excess Contributions to Roth IRAs

Complete this part if you contributed more to your Roth IRAs for 2006 than is allowable or you had an amount on line 25 of your 2005 Form 5329.

18 Enter your excess contributions from line 24 of your 2005 Form 5329 (see instructions). If zero, go to line 23	18		
19 If your Roth IRA contributions for 2006 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19		
20 2006 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 2006 (see instructions)	23		
24 Total excess contributions. Add lines 22 and 23	24	E59916	
25 Additional tax. Enter 6% (.06) of the smaller of line 24 or the value of your Roth IRAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	25	E59921	

Part V Additional Tax on Excess Contributions to Coverdell ESAs

Complete this part if the contributions to your Coverdell ESAs for 2006 were more than is allowable or you had an amount on line 33 of your 2005 Form 5329.

26	Enter the excess contributions from line 32 of your 2005 Form 5329 (see instructions). If zero, go to line 31	26		
27	If the contributions to your Coverdell ESAs for 2006 were less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	27		
28	2006 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 2006 (see instructions)	31		
32	Total excess contributions. Add lines 30 and 31	32	E59926	
33	Additional tax. Enter 6% (.06) of the smaller of line 32 or the value of your Coverdell ESAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	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 2006 than is allowable or you had an amount on line 41 of your 2005 Form 5329.

34	Enter the excess contributions from line 40 of your 2005 Form 5329 (see instructions). If zero, go to line 39	34		
35	If the contributions to your Archer MSAs for 2006 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	35		
36	2006 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 2006 (see instructions)	39		
40	Total excess contributions. Add lines 38 and 39	40	E59936	
41	Additional tax. Enter 6% (.06) of the smaller of line 40 or the value of your Archer MSAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	41	E59941	

Part VII Additional Tax on Excess Contributions to Health Savings Accounts (HSAs)

Complete this part if you, someone on your behalf, or your employer contributed more to your HSAs for 2006 than is allowable or you had an amount on line 49 of your 2005 Form 5329.

42	Enter the excess contributions from line 48 of your 2005 Form 5329. If zero, go to line 47	42		
43	If the contributions to your HSAs for 2006 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	43		
44	2006 distributions from your HSAs from Form 8889, line 14	44		
45	Add lines 43 and 44	45		
46	Prior year excess contributions. Subtract line 45 from line 42. If zero or less, enter -0-	46		
47	Excess contributions for 2006 (see instructions)	47		
48	Total excess contributions. Add lines 46 and 47	48	E59961	
49	Additional tax. Enter 6% (.06) of the smaller of line 48 or the value of your HSAs on December 31, 2006 (including 2006 contributions made in 2007). Include this amount on Form 1040, line 60, or Form 1040NR, line 55	49	E59966	

Part VIII 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.

50	Minimum required distribution for 2006 (see instructions)	50		
51	Amount actually distributed to you in 2006	51		
52	Subtract line 51 from line 50. If zero or less, enter -0-	52	E59946	
53	Additional tax. Enter 50% (.50) of line 52. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	53	E59951	

Signature. Complete **only** if you are filing this form by itself and not with your tax return.

Please Sign Here

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.

Your signature
 Date

Paid Preparer's Use Only

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. ()	

General Instructions

Section references are to the Internal Revenue Code.

Purpose of Form

Use Form 5695 to figure and take your residential energy credits. The residential energy credits are:

- The nonbusiness energy property credit, and
- The residential energy efficient property credit.

Who Can Take the Credits

You may be able to take these credits if you made energy saving improvements to your home located in the United States in 2006. For credit purposes, costs are treated as being paid when the original installation of the item is completed, or in the case of costs connected with the construction or reconstruction of your home, when your original use of the constructed or reconstructed home begins. If less than 80% of the use of an item is for nonbusiness purposes, only that portion of the costs that are allocable to the nonbusiness use can be used to determine the credit.

Home. A home is one that you lived in during 2006 and includes a house, houseboat, mobile home, cooperative apartment, condominium, and a manufactured home that conforms to Federal Manufactured Home Construction and Safety Standards.

You must reduce the basis of your home by the amount of any credits allowed.

Main home. Your main home is generally the home where you live most of the time. A temporary absence due to special circumstances, such as illness, education, business, military service, or vacation, will not change your main home.

Special rules. If you are a member of a condominium management association for a condominium you own or a tenant-stockholder in a cooperative housing corporation, you are treated as having paid your proportionate share of any costs of such association or corporation.

Subsidized energy financing. Any amounts provided for by subsidized energy financing cannot be used to take the credits. This is financing provided under a federal, state, or local program, the principal purpose of which is to provide subsidized financing for projects designed to conserve or produce energy.

Nonbusiness Energy Property Credit

You may be able to take a credit equal to the sum of:

1. 10% of the amount paid or incurred for qualified energy efficiency improvements installed during 2006, and
2. Any residential energy property costs paid or incurred in 2006.

However, this credit is limited as follows.

- A total combined credit limit of \$500 for all tax years after 2005.
- A combined credit limit of \$200 for windows for all tax years after 2005.
- A credit limit for residential energy property costs for all tax years after 2005 of \$50 for any advanced main

air circulating fan; \$150 for any qualified natural gas, propane, or oil furnace or hot water boiler; and \$300 for any item of energy efficient building property.

Qualified energy efficiency improvements. Qualified energy efficiency improvements are the following building envelope components installed on or in your main home that you owned during 2006 located in the United States if these components are new and can be expected to remain in use for at least 5 years.

- Any insulation material or system that is specifically and primarily designed to reduce the heat loss or gain of a home when installed in or on such home.
- Exterior windows (including certain storm windows and skylights).
- Exterior doors (including certain storm doors).
- Any metal roof installed on a home, but only if this roof has appropriate pigmented coatings that are specifically and primarily designed to reduce the heat gain of the home.

For purposes of figuring the credit, do not include amounts paid for the onsite preparation, assembly, or original installation of the property.



To qualify for the credit, qualified energy efficiency improvements must meet certain energy efficiency requirements. See Lines 2a Through 2d on page 5 for details.

Residential energy property costs. Residential energy property costs are costs of new qualified energy property that is installed on or in connection with your main home that you owned during 2006 located in the United States. This includes labor costs properly allocable to the onsite preparation, assembly, or original installation of the property. Qualified residential energy property is any of the following.

- Certain electric heat pump water heaters; electric heat pumps; geothermal heat pumps; central air conditioners; and natural gas, propane, or oil water heaters.
- Qualified natural gas, propane, or oil furnaces or hot water boilers.
- Certain advanced main air circulating fans used in natural gas, propane, or oil furnaces.



To qualify for the credit, qualified residential energy property must meet certain performance and quality standards. See Lines 5a Through 5c on page 5 for details.

Joint ownership of qualifying property. If you and a neighbor shared the cost of qualifying property to benefit each of your main homes, both of you may take the nonbusiness energy property credit. You figure your credit on the part of the cost you paid. The limits on the amount of the credit apply to each of you separately.

Married taxpayers with more than one main home. If both you and your spouse owned and lived apart in separate main homes, the credit limits would apply to each of you separately. If you are filing separate returns, both of you would complete a separate Form 5695. If you are filing a joint return, figure your nonbusiness energy property credit as follows.

1. Complete Part I of a separate Form 5695 for each main home through line 7.

2. Figure the amount to be entered on line 8 of both forms and enter the combined amount on line 8 of one of the forms.

3. On the dotted line to the left of the entry space for line 8, enter "More than one main home". Then, complete the rest of this form.

4. Attach both forms to your return.

Joint occupancy. If you owned your home jointly, each owner must complete his or her own Form 5695. To figure the credit, there are no maximum qualifying costs for insulation, exterior doors, and a metal roof. Enter the amounts you paid for these items on the appropriate lines of Form 5695. For windows and residential energy property costs, the amount allocable to you is the smaller of:

1. The amount you paid, or
2. The maximum qualifying cost* of the property multiplied by a fraction. The numerator is the amount you paid and the denominator is the total amount paid by you and all other owners.

*\$2,000 for windows; \$300 for energy-efficient building property; \$150 for a qualified natural gas, propane, or oil furnace or hot water boiler; or \$50 for an advanced main air circulating fan.

These rules do not apply to married individuals filing a joint return.

Residential Energy Efficient Property Credit

You may be able to take a credit of 30% of your costs of qualified solar electric property, solar water heating property, and fuel cell property. This includes labor costs properly allocable to the onsite preparation, assembly, or original installation of the property and for piping or wiring to interconnect such property to the home. This credit is limited to:

- \$2,000 for qualified solar electric property costs,
- \$2,000 for qualified solar water heating property costs, and
- \$500 for each half kilowatt of capacity of qualified fuel cell property for which qualified fuel cell property costs are paid.

Qualified solar electric property costs. Qualified solar electric property costs are costs for property that uses solar energy to generate electricity for use in a home located in the United States and used as your home. This includes costs relating to a solar panel or other property installed as a roof or a portion of a roof. The home does not have to be your main home.

Qualified solar water heating property costs. Qualified solar water heating property costs are costs for property to heat water for use in a home located in the United States and used as your home if at least half of the energy used by the property for such purpose is derived from the sun. This includes costs relating to a solar panel or other property installed as a roof or a portion of a roof. To qualify for the credit, the property must be certified for performance by the nonprofit Solar Rating Certification Corporation or a comparable entity endorsed by the government of the

state in which the property is installed. The home does not have to be your main home.

Qualified fuel cell property costs. Qualified fuel cell property costs are costs for qualified fuel cell property installed on or in connection with your main home located in the United States. Qualified fuel cell property is an integrated system comprised of a fuel cell stack assembly and associated balance of plant components that converts a fuel into electricity using electrochemical means. To qualify for the credit, the fuel cell property must have a nameplate capacity of at least one-half kilowatt of electricity using an electrochemical process and an electricity-only generation efficiency greater than 30%.



Costs allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage do not qualify for the residential energy efficiency credit.

Married taxpayers with more than one home. If you or your spouse lived in more than one home that you used as a home, the credit limits apply separately to each home. For qualified fuel cell property, the homes must be your main homes. If you are filing separate returns, both of you must complete a separate Form 5695. If you are filing a joint return, figure your nonbusiness energy property credit as follows.

1. Complete Part II of a separate Form 5695 for each home through line 24.

2. Figure the amount to be entered on line 25 of both forms and enter the combined amount on line 25 of one of the forms.

3. On the dotted line to the left of the entry space for line 25, enter "More than one home". Then, complete the rest of this form.

4. Attach both forms to your return.

Joint occupancy. If you occupied your home jointly, each occupant must complete his or her own Form 5695. To figure the credit, the maximum qualifying costs that can be taken into account by all occupants for figuring the credit is \$6,667 for qualified solar electric or solar water heating property, and \$1,667 for each half kilowatt of capacity of qualified fuel cell property. The amount allocable to you is the lesser of:

1. The amount you paid, or
2. The maximum qualifying cost of the property multiplied by a fraction. The numerator is the amount you paid and the denominator is the total amount paid by you and all other occupants.

These rules do not apply to married individuals filing a joint return.

Specific Instructions

Part I

Nonbusiness Energy Property Credit

Line 1

To qualify for the credit, any qualified energy efficiency improvements or residential energy property costs must have been made to your main home located in the United States. See *Main home* on page 3. If you check the "No" box, you cannot take the nonbusiness energy property credit.

Lines 2a Through 2d

Note. Any references to the International Energy Conservation Code (IECC) are treated as references to either the 2001 Supplement of the 2000 International Energy Code or the 2004 Supplement of the 2003 International Energy Conservation Code.



Do not include on lines 2a through 2d any amounts paid for the onsite preparation, assembly, or original installation of the components.

Line 2a. Enter the amounts you paid for any insulation material or system (including any vapor retarder or seal to limit infiltration) that is specifically and primarily designed to reduce the heat loss or gain of a home when installed in or on such home and may be taken into account in determining whether the building thermal envelope requirements established by the IECC are satisfied.



A component is not specifically and primarily designed to reduce heat loss or gain of a home if it provides structural support or a finished surface (such as drywall or siding) or its principal purpose is to serve any function unrelated to the reduction of heat loss or heat gain.

Line 2b. Enter the amounts you paid for exterior windows (including any storm windows installed with such exterior windows) and skylights that meet or exceed the criteria established by the IECC for the climate zone in which these components were installed. Do not enter more than \$2,000 on line 2b.

Line 2c. Enter the amounts you paid for exterior doors that meet or exceed the criteria established by the IECC for the climate zone in which such doors were installed. Also, enter the amounts you paid for any storm door that, in combination with a wood door assigned a default U-factor by the IECC, does not exceed the default U-factor requirement assigned to such combination by the IECC.

Line 2d. Enter the amounts you paid for a metal roof, but only if this roof has appropriate pigmented coatings which are specifically and primarily designed to reduce the heat gain of the home and such roof meets or exceeds the Energy Star program requirements (as in effect at the time of installation).

Manufacturer's certification. For purposes of taking the credit, you may rely upon a manufacturer's certification in writing that a building envelope component is an eligible building envelope component. Do not attach the certification to your return. Keep it for your records.

Special rule for Energy Star windows and skylights. You may rely upon the Energy Star label that identifies any window or skylight as an eligible building envelope component rather than the manufacturer's certification.

Lines 5a Through 5c

Also include on lines 5a through 5c any labor costs properly allocable to the onsite preparation, assembly, or original installation of the property.

Line 5a. Enter the amounts you paid for energy-efficient building property. Energy-efficient building property is any of the following.

- An electric heat pump water heater that yields an energy factor of at least 2.0 in the standard Department of Energy test procedure.
- An electric heat pump that has a heating seasonal performance factor (HSPF) of at least 9, a seasonal energy efficiency rating (SEER) of at least 15, and an energy efficiency rating (EER) of at least 13.
- A closed loop geothermal heat pump that has an EER of at least 14.1 and a heating coefficient of performance (COP) of at least 3.3.
- An open loop geothermal heat pump that has an EER of at least 16.2 and a heating COP of at least 3.6.
- A direct expansion geothermal heat pump that has an EER of at least 15 and a heating COP of at least 3.5.
- A central air conditioner that achieves the highest efficiency tier that has been established by the Consortium of Energy Efficiency and is in effect on January 1, 2006.
- A natural gas, propane, or oil water heater that has an energy factor of at least 0.80.

Do not enter more than \$300 on line 5a.

Line 5b. Enter the amounts you paid for a natural gas, propane, or oil furnace or hot water boiler that achieves an annual fuel utilization efficiency rate of at least 95. Do not enter more than \$150 on line 5b.

Line 5c. Enter the amounts you paid for an advanced main air circulating fan used in a natural gas, propane, or oil furnace that has an annual electricity use of no more than 2% of the total annual site energy use of the furnace (as determined in the standard Department of Energy test procedure). Do not enter more than \$50 on line 5c.

Manufacturer's certification. For purposes of taking the credit, you may rely upon a manufacturer's certification in writing that a product is qualified residential energy property. Do not attach the certification to your return. Keep it for your records.

Line 8

If the rules on page 4 for joint occupancy apply, enter on line 8 the smaller of:

1. The amount on line 7, or
2. \$500 multiplied by a fraction. The numerator is the amount on line 7, and the denominator is the total amount from line 7, for all owners.

For more details, see *Joint occupancy* in the first column on page 4.

Part II**Residential Energy Efficient Property Credit**

Also include on lines 13, 17, or 21, any labor costs properly allocable to the onsite preparation, assembly, or original installation of the property and for piping or wiring to interconnect such property to the home.

Line 13

Enter the amounts you paid for qualified solar electric property. See *Qualified solar electric property costs* on page 4.

Line 17

Enter the amounts you paid for qualified solar water heating property. See *Qualified solar water heating property costs* on page 4.

Line 21

Enter the amounts you paid for qualified fuel cell property. See *Qualified fuel cell property costs* on page 4.

Line 30

If you cannot use all of the credit because of the tax liability limit (line 28 is less than line 25), you can carry the unused portion of the credit to 2007.

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 average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.



Residential Energy Credits

Department of the Treasury
Internal Revenue Service

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

2006
Attachment
Sequence No. **158**

Name(s) shown on return

Your social security number

Part I Nonbusiness Energy Property Credit (See instructions before completing this part.)

		IMPIND	
		<input type="checkbox"/> Yes	<input type="checkbox"/> No
1	Were the qualified energy efficiency improvements or residential energy property costs made to your main home located in the United States? (see instructions) ▶ Caution: If you checked the "No" box, you cannot claim the nonbusiness energy property credit. Do not complete Part I.		
2	Qualified energy efficiency improvements (see instructions).		
a	Insulation material or system specifically and primarily designed to reduce heat loss or gain in your home	2a	E64500
b	Exterior windows (including skylights). Do not enter more than \$2,000	2b	E64510
c	Exterior doors	2c	E64520
d	Metal roof with appropriate pigmented coatings that meet the Energy Star program requirements and is specifically and primarily designed to reduce heat gain in your home	2d	E64530
3	Add lines 2a through 2d	3	E64540
4	Multiply line 3 by 10% (.10)	4	E64550
5	Residential energy property costs (see instructions).		
a	Energy-efficient building property. Do not enter more than \$300	5a	E64560
b	Qualified natural gas, propane, or oil furnace or hot water boiler. Do not enter more than \$150	5b	E64570
c	Advanced main air circulating fan used in a natural gas, propane, or oil furnace. Do not enter more than \$50	5c	E64580
6	Add lines 5a through 5c	6	E64590
7	Add lines 4 and 6	7	E64600
8	Enter the smaller of line 7 or \$500 (If you jointly occupied the home, see instructions)	8	E64610
9	Enter the amount from Form 1040, line 46, or Form 1040NR, line 43	9	
10	Enter the total, if any, of your credits from Form 1040, lines 47 through 51, or Form 1040NR, lines 44 through 46	10	
11	Subtract line 10 from line 9. If zero or less, stop . You cannot take the nonbusiness energy property credit	11	
12	Nonbusiness energy property credit. Enter the smaller of line 8 or line 11	12	E64620

Before you begin: Figure the amount of any of the following credits that you are claiming.

- Child tax credit
- Mortgage interest credit
- Adoption credit
- District of Columbia first-time homebuyer credit

Part II Residential Energy Efficient Property Credit (See instructions before completing this part.)

13 Qualified solar electric property costs	13	E64625			
14 Multiply line 13 by 30% (.30)	14	E64630			
15 Maximum credit amount	15	2,000			
16 Enter the smaller of line 14 or line 15	16			E64635	
17 Qualified solar water heating property costs	17	E64640			
18 Multiply line 17 by 30% (.30)	18	E64645			
19 Maximum credit amount	19	2,000			
20 Enter the smaller of line 18 or line 19	20			E64650	
21 Qualified fuel cell property costs	21	E64655			
22 Multiply line 21 by 30% (.30)	22	E64660			
23 Kilowatt capacity of property on line 21 above ▶ X \$1,000	23	E64665			
24 Enter the smaller of line 22 or line 23	24			E64670	
25 Add lines 16, 20, and 24	25			E64675	
26 Enter the amount from Form 1040, line 46, or Form 1040NR, line 43	26				
27 1040 filers: Enter the total, if any, of your credits from Form 1040, lines 47 through 51, 53, and 54, plus the amount, if any, from line 12 of this form. 1040NR filers: Enter the total, if any, of your credits from Form 1040NR, lines 44 through 46, 48, and 49, plus the amount, if any, from line 12 of this form.	27	E64680			
28 Subtract line 27 from line 26. If zero or less, enter -0- here and on line 29	28			E64685	
29 Residential energy efficient property credit. Enter the smaller of line 25 or line 28	29			E64690	
30 Credit carryforward to 2007. If line 29 is less than line 25, subtract line 29 from line 25	30	E64695			

Part III Current Year Residential Energy Credits

31 Add lines 12 and 29. Enter here and on Form 1040, line 52, or Form 1040NR, line 47	31	E64700			
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Work Opportunity Credit

OMB No. 1545-0219

▶ Attach to your tax return.

Attachment
 Sequence No. **77**

Name(s) shown on return

Identifying number

1	Enter on the applicable line below 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 the applicable date in the instructions and are certified (if required) as members of a targeted group.		
a	Employees who worked for you at least 120 hours but fewer than 400 hours \$ _____ × 25% (.25)	1a	E59770
b	Employees who worked for you at least 400 hours \$ _____ × 40% (.40)	1b	E59775
2	Add lines 1a and 1b. See instructions for the adjustment you must make for salaries and wages	2	E59780
3	Work opportunity credit from partnerships, S corporations, cooperatives, estates, and trusts	3	E59785
4	Add lines 2 and 3. Cooperatives, estates, and trusts, go to line 5; partnerships and S corporations, report this amount on Schedule K; all others, report this amount on the applicable line of Form 3800 (e.g., line 1b of the 2006 Form 3800) Nondeductible credit E59795	4	E59790
5	Amount allocated to the patrons of the cooperative or the beneficiaries of the estate or trust (see instructions)	5	
6	Cooperatives, estates, and trusts, subtract line 5 from line 4. Report the amount on the applicable line of Form 3800 (e.g., line 1b of the 2006 Form 3800)	6	

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The Tax Relief and Health Care Act of 2006 extended the work opportunity credit to cover employees who begin work for the employer before January 1, 2008.

For employees who begin work for the employer after December 31, 2006, the act also expanded the definition of a targeted group employee, and increased the timeframe for submitting Form 8850. For more information on these changes, see Publication 553, Highlights of 2006 Tax Changes.

The tax liability limit is no longer figured on this form; instead, it must be figured on Form 3800, General Business Credit.

Taxpayers that are not partnerships, S corporations, cooperatives, estates, or trusts, and whose only source of this credit is from those pass-through entities, are not required to complete or file this form. Instead, they can report this credit directly on line 1b of Form 3800.

The IRS will revise this December 2006 version of the form only when necessary. Continue to use this version for tax years beginning after 2005 until a new revision is issued.

Purpose of Form

Use Form 5884 to claim the work opportunity credit for qualified first-year wages you paid to or incurred for targeted group employees during the tax year. Your business does not have to be located in an empowerment zone, enterprise community, or renewal community to qualify for this credit.

You can claim or elect not to claim the work opportunity credit any time within 3 years from the due date of your return on either your original return or an amended return.

How To Claim the Credit

Generally, you must request and be issued a certification for each employee from the state employment security agency (SESA). The certification proves that the employee is a member of a targeted group. You must receive the certification by the day the individual begins work or complete Form 8850, Pre-Screening Notice and Certification Request for the Work Opportunity Credit, on or before the day you offer the individual a job.

If you complete Form 8850, it must be signed by you and the individual and submitted to the SESA by the 21st calendar day after the individual begins work (the 28th day if the employee begins work after December 31, 2006). If the SESA denies the request, it will provide a written explanation of the reason for denial. If a certification is revoked because it was based on false information provided by the worker, wages paid after the date you receive the notice of revocation do not qualify for the credit.

Hurricane Katrina employee. A Hurricane Katrina employee is an employee who had a main home in the core disaster area on August 28, 2005, and, within a two-year period beginning on that date, was hired for a job whose principal place of employment is in the core disaster area. The certification requirements described above do not apply to Hurricane Katrina employees. Instead, the worker must show the employer reasonable evidence that the worker is a Hurricane Katrina employee. An employer may use Form 8850 to accept reasonable evidence that the worker is a Hurricane Katrina employee. If the employer discovers that the worker is not a Hurricane Katrina employee, wages paid after the date of discovery will not qualify for the credit.

Rita GO Zone

The following counties and parishes are in the Rita GO Zone.

Louisiana. Acadia, Allen, Ascension, Beauregard, Calcasieu, Cameron, Evangeline, Iberia, Jefferson, Jefferson Davis, Lafayette, Lafourche, Livingston, Plaquemines, Sabine, St. Landry, St. Martin, St. Mary, St. Tammany, Terrebonne, Vermilion, Vernon, and West Baton Rouge.

Texas. Angelina, Brazoria, Chambers, Fort Bend, Galveston, Hardin, Harris, Jasper, Jefferson, Liberty, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, and Walker.

Wilma GO Zone

The following counties are in the Wilma GO Zone.

Florida. Brevard, Broward, Collier, Glades, Hendry, Indian River, Lee, Martin, Miami-Dade, Monroe, Okeechobee, Palm Beach, and St. Lucie.

Employer Credit for Housing Employees Affected by Hurricane Katrina

For purposes of the Hurricane Katrina housing credit, the following apply.

Qualified employer. A qualified employer is any employer with a trade or business located in the GO Zone that was affected by Hurricane Katrina.

Qualified employee. A qualified employee is an individual who had a principal residence in the GO Zone on August 28, 2005, and who performs substantially all employment services in the GO Zone for the qualified employer. The employee cannot be related to you.

Qualified lodging. Qualified lodging is lodging furnished in-kind to a qualified employee (and to the employee's spouse or dependents) by or on behalf of the qualified employer from January 1, 2006, through July 1, 2006. Qualified lodging is excluded from the employee's income. However, the amount excluded is treated as wages for purposes of FICA and FUTA tax.

Specific Instructions

Use Section A to figure the employee retention credit. Use Section B to figure the Hurricane Katrina housing credit.

Section A. Employee Retention Credit

Qualified wages. Qualified wages are wages you paid to or incurred for eligible employees on any day after August 28, 2005, in the case of Hurricane Katrina (after September 23, 2005, in the case of Hurricane Rita, and after October 23, 2005, in the case of Hurricane Wilma) and before January 1, 2006, during the period beginning on the date your trade or business first became inoperable at the employee's principal place of employment immediately before the applicable hurricane, and ending on the date your trade or business resumed significant operations at that place.

The amount of qualified wages that may be taken into account is limited to \$6,000 per employee. This includes wages paid whether the employee performs no services, performs services at a place of employment other than the principal place of employment, or performs services at the principal place of employment before significant operations have resumed.

Wages qualifying for the credit generally have the same meaning as wages subject to the Federal Unemployment Tax Act (FUTA). Qualified wages also include amounts you paid for medical or hospitalization expense in connection with sickness or accident disability. Qualified wages do not include wages paid to your dependent or wages paid to an employee related to you.

For agricultural employees, if the work performed by any employee during more than half of any pay period qualifies under FUTA as agricultural labor, the first \$6,000 of that employee's wages subject to social security and Medicare taxes are qualified wages.

Qualified wages for any employee must be reduced by the amount of any work supplementation payment you received under the Social Security Act for the employee.

Member of controlled group or business under common control. For purposes of figuring the credit, all members of a controlled group of corporations (as defined in section 52(a)) and all members of a group of businesses under common control (as defined in section 52(b)), are treated as a single taxpayer. As a member, compute your credit based on your proportionate share of qualified wages giving rise to the group's employee retention credit. Enter your share of the credit on line 2. Attach a statement showing how your share of the credit was figured, and write "See attached" next to the entry space for line 2.

Line 1

Enter the total qualified wages (defined above) paid or incurred. Do not enter more than \$6,000 for each qualified employee.

Line 2

In general, you must reduce your deduction for salaries and wages by the amount on line 2. You must make this reduction even if you cannot take the full credit this year because of the tax liability limit on Form 3800. If you capitalized any costs on which you figured the credit, reduce the amount capitalized by the amount of the credit attributable to these costs.

Line 3

Enter the amount of credit allocated to you as a shareholder, beneficiary, partner, or patron of a cooperative.

Line 4

Report the current year credit on Form 3800, except for the entities that report as indicated below. If you also have a Hurricane Katrina housing credit from line 8, combine that amount with the amount on line 4 and enter the total on Form 3800.

S corporations and partnerships. Report the amount from line 4 on Schedule K.

Estates and trusts. Allocate the credit on line 4 between the estate or trust and beneficiaries in proportion to the income allocable to each. On the dotted line next to line 4, the estate or trust should enter its part of the total credit. Label it "1041 Portion" and use this amount on Form 3800 to figure the credit to claim on Form 1041.

Cooperatives. A cooperative described in section 1381(a) must allocate to its patrons the credit in excess of its tax liability limit. Therefore, to figure the unused amount of the credit allocated to patrons, the cooperative must first figure its tax liability. While any excess is allocated to patrons, any credit recapture applies as if the cooperative had claimed the entire credit.

Regulated investment companies and real estate investment trusts. Reduce the allowable credit to the company's or trust's ratable share of the credit.

Section B. Hurricane Katrina Housing Credit

Member of controlled group or business under common control. For purposes of figuring the credit, all members of a controlled group of corporations (as defined in section 52(a)) and all members of a group of businesses under common control (as defined in section 52(b)), are treated as a single taxpayer. As a member, compute your credit based on your proportionate share of qualified lodging giving rise to the group's Hurricane Katrina housing credit. Enter your share of the credit on line 6. Attach a statement showing how your share of the credit was figured, and write "See attached" next to the entry space for line 6.

Line 5

Enter the value of qualified lodging furnished in-kind to qualified employees between January 1, 2006, and July 1, 2006. Do not enter more than \$600 per month, per employee.

Line 7

Enter the amount of credit allocated to you as a shareholder, beneficiary, partner, or patron of a cooperative.

Line 8

Report the current year credit on Form 3800, except for the entities that report as indicated below. If you also have an employee retention credit on line 4, combine that amount with the amount on line 8 and enter the total on Form 3800.

S corporations and partnerships. Report the amount from line 8 on Schedule K.

Estates and trusts. Allocate the credit on line 8 between the estate or trust and beneficiaries in proportion to the income allocable to each. On the dotted line next to line 8, the estate or trust should enter its part of the total credit. Label it "1041 Portion" and use this amount on Form 3800 to figure the credit to claim on Form 1041.

Cooperatives. A cooperative described in section 1381(a) must allocate to its patrons the credit in excess of its tax liability limit. Therefore, to figure the unused amount of the credit allocated to patrons, the cooperative must first figure its tax liability. While any excess is allocated to patrons, any credit recapture applies as if the cooperative had claimed the entire credit.

Regulated investment companies and real estate investment trusts. Reduce the allowable credit to the company's or trust's ratable share of the credit.

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 burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is shown below.

Recordkeeping	3 hr., 6 min.
Learning about the law or the form	24 min.
Preparing and sending the form to the IRS	27 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.

**Credits for Employers Affected by
 Hurricane Katrina, Rita, or Wilma**

▶ Attach to your tax return.

OMB No. 1545-1978

Attachment
 Sequence No. **77A**

Name(s) shown on return

Identifying number

SECTION A. Employee Retention Credit (see instructions)

1a Employers affected by Hurricane Katrina, enter the total qualified wages paid or incurred after August 28, 2005, and before January 1, 2006, while the business was inoperable	1a	E59845		
b Employers affected by Hurricane Rita, enter the total qualified wages paid or incurred after September 23, 2005, and before January 1, 2006, while the business was inoperable	1b	E59847		
c Employers affected by Hurricane Wilma, enter the total qualified wages paid or incurred after October 23, 2005, and before January 1, 2006, while the business was inoperable	1c	E59849		
d Add amounts from lines 1a, 1b, and 1c	1d	E59851		
2 Enter 40% of line 1d. You must subtract this amount from your deduction for salaries and wages	2	E59853		
3 Employee retention credit from partnerships, S corporations, cooperatives, estates, and trusts	3	E59855		
4 Current year credit. Add lines 2 and 3. Report this amount on the applicable line of Form 3800. If you have a credit from Section B, see instructions. S corporations, partnerships, estates, trusts, cooperatives, regulated investment companies, and real estate investment trusts, see instructions	4	E59857		

SECTION B. Hurricane Katrina Housing Credit (see instructions)

5 Enter the value (up to \$600 per month per employee) of qualified lodging furnished in-kind to qualified employees during the tax year from January 1, 2006, through July 1, 2006 (see instructions)	5	E59859		
6 Enter 30% of line 5. You must subtract this amount from your deduction for salaries and wages	6	E59861		
7 Hurricane Katrina housing credit from partnerships, S corporations, cooperatives, estates, and trusts	7	E59863		
8 Current year credit. Add lines 6 and 7. Report this amount on the applicable line of Form 3800. If you have a credit from Section A, see instructions. S corporations, partnerships, estates, trusts, cooperatives, regulated investment companies, and real estate investment trusts, see instructions	8	E59865		

Purpose of Form

An eligible employer who conducted an active trade or business in the Gulf Opportunity (GO) Zone, the Rita GO Zone, or the Wilma GO Zone (defined below) may claim the employee retention credit. The credit is equal to 40% of qualified wages paid before January 1, 2006, for each eligible employee (up to a maximum of \$6,000 in qualified wages per employee). See *Employee Retention Credit* below. The employer must use Form 5884-A to figure the credit.

A qualified employer may also claim the Hurricane Katrina housing credit. This credit is equal to 30 percent of the value (up to \$600 per month, per employee) of in-kind lodging furnished from January 1, 2006, through July 1, 2006, to a qualified employee which is excluded from the employee's income. See *Employer Credit for Housing Employees Affected by Hurricane Katrina* below. The employer must use Form 5884-A to figure the credit.

The employee retention credit and the Hurricane Katrina housing credit are part of the general business credit claimed on Form 3800, *General Business Credit*. No portion of the unused business credit attributable to the Hurricane Katrina housing credit may be carried back to any tax year before 2005. However, you may be able to carry the unused portion forward. See the instructions for Form 3800 for details.

You can claim or elect not to claim the credits any time within 3 years from the due date of your tax return (excluding extensions) on either your original or an amended return.

General Instructions

Employee Retention Credit

Employers Affected by Hurricane Katrina

Eligible employer. For this purpose, an eligible employer is any employer who conducted an active trade or business on August 28, 2005, in the GO Zone, and whose trade or business was inoperable on any day after August 28, 2005, and before January 1, 2006, because of damage sustained from Hurricane Katrina.

Eligible employee. For this purpose, an eligible employee is an employee whose principal place of employment on August 28, 2005, with such eligible employer, was in the GO Zone.

Caution. *An employee is not an eligible employee for purposes of Hurricane Katrina if the employee is treated as an eligible employee for purposes of the work opportunity credit or for purposes of either the Hurricane Rita or the Hurricane Wilma employee retention credit.*

Employers Affected by Hurricane Rita

Eligible employer. For this purpose, an eligible employer is any employer who conducted an active trade or business on September 23, 2005, in the Rita GO Zone, and whose trade or business was inoperable on any day after September 23, 2005, and before January 1, 2006, because of damage sustained from Hurricane Rita.

Eligible employee. For this purpose, an eligible employee is an employee whose principal place of employment on September 23, 2005, with such eligible employer, was in the Rita GO Zone.

Caution. *An employee is not an eligible employee for purposes of Hurricane Rita if the employee is treated as an eligible employee for purposes of the work opportunity credit or for purposes of either the Hurricane Katrina or the Hurricane Wilma employee retention credit.*

Employers Affected by Hurricane Wilma

Eligible employer. For this purpose, an eligible employer is any employer who conducted an active trade or business on October 23, 2005, in the Wilma GO Zone, and whose trade or business was inoperable on any day after October 23, 2005, and before January 1, 2006, because of damage sustained from Hurricane Wilma.

Eligible employee. For this purpose, an eligible employee is an employee whose principal place of employment on October 23, 2005, with such eligible employer, was in the Wilma GO Zone.

Caution. *An employee is not an eligible employee for purposes of Hurricane Wilma if the employee is treated as an eligible employee for purposes of the work opportunity credit or for purposes of either the Hurricane Katrina or the Hurricane Rita employee retention credit.*

GO Zones

Areas in a "GO Zone" are areas determined by the President to warrant individual or individual and public assistance, from the federal government because of Hurricane Katrina, Rita, or Wilma.

Hurricane Katrina GO Zone

The following counties and parishes are in the Hurricane Katrina GO Zone.

Alabama. Baldwin, Choctaw, Clarke, Greene, Hale, Marengo, Mobile, Pickens, Sumter, Tuscaloosa, and Washington.

Louisiana. Acadia, Ascension, Assumption, Calcasieu, Cameron, East Baton Rouge, East Feliciana, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, Livingston, Orleans, Plaquemines, Pointe Coupee, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Washington, West Baton Rouge, and West Feliciana.

Mississippi. Adams, Amite, Attala, Choctaw, Claiborne, Clarke, Copiah, Covington, Forrest, Franklin, George, Greene, Hancock, Harrison, Hinds, Holmes, Humphreys, Jackson, Jasper, Jefferson, Jefferson Davis, Jones, Kemper, Lamar, Lauderdale, Lawrence, Leake, Lincoln, Lowndes, Madison, Marion, Neshoba, Newton, Noxubee, Oktibbeha, Pearl River, Perry, Pike, Rankin, Scott, Simpson, Smith, Stone, Walthall, Warren, Wayne, Wilkinson, Winston, and Yazoo.

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. Do not enter less than zero	6	
7	Increases for the tax year (see page 3 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 more than zero, enter that amount here and go to line 20 (or complete Part III). Otherwise, enter -0- and see Pub. 925 for information on the recapture rules	10b	

Part III Detailed Computation of Amount At Risk. If you completed Part III of Form 6198 for 2005, see page 4 of the instructions.

11	Investment in the activity (or in your interest in the activity) at the effective date. Do not 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. Do not enter less than zero.		
b	<input type="checkbox"/> From 2005 Form 6198, line 19b. Do not enter the amount from line 10b of the 2005 form.		
16	Increases since (check box that applies):	16	
a	<input type="checkbox"/> Effective date		
b	<input type="checkbox"/> The end of your 2005 tax year		
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 2005 tax year		
19a	Subtract line 18 from line 17	19a	
b	If line 19a is more than zero, enter that amount here and go to line 20. Otherwise, enter -0- and see Pub. 925 for information on the recapture rules	19b	

Part IV Deductible Loss

20	Amount at risk. Enter the larger of line 10b or line 19b	20	T59820
21	Deductible loss. Enter the smaller of the line 5 loss (treated as a positive number) or line 20. See page 7 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.

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1040NR.

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on Form 1040 or Form 1040NR

Your social security number

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

	AMTIC
1 If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41 (minus any amount on Form 8914, line 6), and go to line 2. Otherwise, enter the amount from Form 1040, line 38 (minus any amount on Form 8914, line 6), and go to line 7. (If less than zero, enter as a negative amount.)	1 E60000 +/-
2 Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4, or 2½% of Form 1040, line 38	2 E60200 +/-
3 Taxes from Schedule A (Form 1040), line 9	3 E60240
4 Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet on page 2 of the instructions	4 E60290
5 Miscellaneous deductions from Schedule A (Form 1040), line 26	5 E60220
6 If Form 1040, line 38, is over \$150,500 (over \$75,250 if married filing separately), enter the amount from line 11 of the Itemized Deductions Worksheet on page A-7 of the instructions for Schedule A (Form 1040)	6 (E60130)
7 Tax refund from Form 1040, line 10 or line 21	7 (E60260)
8 Investment interest expense (difference between regular tax and AMT)	8 E60300 +/-
9 Depletion (difference between regular tax and AMT)	9 E60860 +/-
10 Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	10 E60100
11 Interest from specified private activity bonds exempt from the regular tax	11 E60840
12 Qualified small business stock (7% of gain excluded under section 1202)	12 E60630
13 Exercise of incentive stock options (excess of AMT income over regular tax income)	13 E60550 +/-
14 Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	14 E60720 +/-
15 Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	15 E60430 +/-
16 Disposition of property (difference between AMT and regular tax gain or loss)	16 E60500 +/-
17 Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	17 E60340 +/-
18 Passive activities (difference between AMT and regular tax income or loss)	18 E60680 +/-
19 Loss limitations (difference between AMT and regular tax income or loss)	19 E60600 +/-
20 Circulation costs (difference between regular tax and AMT)	20 E60405 +/-
21 Long-term contracts (difference between AMT and regular tax income)	21 E60440 +/-
22 Mining costs (difference between regular tax and AMT)	22 E60420 +/-
23 Research and experimental costs (difference between regular tax and AMT)	23 E60410 +/-
24 Income from certain installment sales before January 1, 1987	24 (E60480)
25 Intangible drilling costs preference	25 E61400
26 Other adjustments, including income-based related adjustments	26 E60660 +/-
27 Alternative tax net operating loss deduction	27 (E62000 +/-)
28 Alternative minimum taxable income. Combine lines 1 through 27. (If married filing separately and line 28 is more than \$200,100, see page 7 of the instructions.)	28 E62100 +/-

Part II Alternative Minimum Tax

29 Exemption. (If this form is for a child under age 18, see page 7 of the instructions.)	KID18 Annualized R	SHRTYR
IF your filing status is . . . AND line 28 is not over . . . THEN enter on line 29 . . .		
Single or head of household \$112,500	\$42,500	29 E62600
Married filing jointly or qualifying widow(er) 150,000	62,550	
Married filing separately 75,000	31,275	
If line 28 is over the amount shown above for your filing status, see page 7 of the instructions.		
30 Subtract line 29 from line 28. If more than zero or you are filing Form 2555 or 2555-EZ, go to line 31. If zero or less and you are not filing Form 2555 or 2555-EZ, enter -0- on lines 33 and 35 and skip the rest of Part II		30 E62700 +/-
31 • If you are filing Form 2555 or 2555-EZ, see page 8 of the instructions for the amount to enter. • If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 55 here. • All others: 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.		31 E62800
32 Alternative minimum tax foreign tax credit (see page 8 of the instructions)		32 E62900
33 Tentative minimum tax. Subtract line 32 from line 31		33 E63000
34 Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 47). If you used Schedule J to figure your tax, the amount for line 44 of Form 1040 must be refigured without using Schedule J (see page 9 of the instructions)		34 E63100
35 Alternative minimum tax. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45		35 E63200

Part III Tax Computation Using Maximum Capital Gains Rates

36	Enter the amount from Form 6251, line 30				36	
37	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet on page D-10 of the instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, if necessary) (see page 10 of the instructions)	37	E62720			
38	Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary) (see page 10 of the instructions)	38	E62730			
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 smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	39	E62740			
40	Enter the smaller 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	E62745
43	Enter: <ul style="list-style-type: none"> • \$61,300 if married filing jointly or qualifying widow(er), • \$30,650 if single or married filing separately, or • \$41,050 if head of household. 	43				
44	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet on page D-10 of the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter -0-	44				
45	Subtract line 44 from line 43. If zero or less, enter -0-	45				
46	Enter the smaller of line 36 or line 37	46				
47	Enter the smaller of line 45 or line 46	47				
48	Multiply line 47 by 5% (.05)				48	E62747
49	Subtract line 47 from line 46	49				
50	Multiply line 49 by 15% (.15)				50	E62755
If line 38 is zero or blank, skip lines 51 and 52 and go to line 53. Otherwise, go to line 51.						
51	Subtract line 46 from line 40	51				
52	Multiply line 51 by 25% (.25)				52	E62770
53	Add lines 42, 48, 50, and 52				53	
54	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				54	E62780
55	Enter the smaller of line 53 or line 54 here and on line 31				55	

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.

2006

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.

5	Selling price including mortgages and other debts. Do not include interest whether stated or unstated	5	E36500
6	Mortgages, debts, and other liabilities the buyer assumed or took the property subject to (see instructions)	6	
7	Subtract line 6 from line 5	7	
8	Cost or other basis of property sold	8	
9	Depreciation allowed or allowable	9	
10	Adjusted basis. Subtract line 9 from line 8	10	
11	Commissions and other expenses of sale	11	
12	Income recapture from Form 4797, Part III (see instructions)	12	
13	Add lines 10, 11, and 12	13	E36505 +/-
14	Subtract line 13 from line 5. If zero or less, do not complete the rest of this form (see instructions)	14	E36510 +/-
15	If the property described on line 1 above was your main home, enter the amount of your excluded gain (see instructions). Otherwise, enter -0-	15	E36515
16	Gross profit. Subtract line 15 from line 14	16	E36520 +/-
17	Subtract line 13 from line 6. If zero or less, enter -0-	17	E36525
18	Contract price. Add line 7 and line 17	18	E36530 +/-

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.

19	Gross profit percentage. Divide line 16 by line 18. For years after the year of sale, see instructions	19	
20	If this is the year of sale, enter the amount from line 17. Otherwise, enter -0-	20	
21	Payments received during year (see instructions). Do not include interest, whether stated or unstated	21	E36535
22	Add lines 20 and 21	22	E36540
23	Payments received in prior years (see instructions). Do not include interest, whether stated or unstated	23	E36542
24	Installment sale income. Multiply line 22 by line 19	24	E36545
25	Enter the part of line 24 that is ordinary income under the recapture rules (see instructions)	25	E36550
26	Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797 (see instructions)	26	E36555

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).
- 30 Selling price of property sold by related party (see instructions)
- 31 Enter contract price from line 18 for year of first sale
- 32 Enter the smaller of line 30 or line 31
- 33 Total payments received by the end of your 2006 tax year (see instructions)
- 34 Subtract line 33 from line 32. If zero or less, enter -0-
- 35 Multiply line 34 by the gross profit percentage on line 19 for year of first sale
- 36 Enter the part of line 35 that is ordinary income under the recapture rules (see instructions)
- 37 Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797 (see instructions)

Gains and Losses From Section 1256 Contracts and Straddles

Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return.

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) (Loss)	(c) Gain
1		
2 Add the amounts on line 1 in columns (b) and (c)	2 ()	
3 Net gain or (loss). Combine line 2, columns (b) and (c)	3	E40340 +/-
4 Form 1099-B adjustments. See instructions and attach schedule	4	E40350 +/-
5 Combine lines 3 and 4	5	E40360 +/-
<i>Note: If line 5 shows a net gain, skip line 6 and enter the gain on line 7. Partnerships and S corporations, see instructions.</i>		
6 If you have a net section 1256 contracts loss and checked box D above, enter the amount of loss to be carried back. Enter the loss as a positive number	6	E40380
7 Combine lines 5 and 6	7	E40390 +/-
8 Short-term capital gain or (loss). Multiply line 7 by 40% (.40). Enter here and include on the appropriate line of Schedule D (see instructions)	8	E40400 +/-
9 Long-term capital gain or (loss). Multiply line 7 by 60% (.60). Enter here and include on the appropriate line of Schedule D (see instructions)	9	E40410 +/-

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. If column (f) is more than (g), enter difference. Otherwise, enter -0-
10							
11a Enter the short-term portion of losses from line 10, column (h), here and include on the appropriate line of Schedule D (see instructions)							11a (E40420)
b Enter the long-term portion of losses from line 10, column (h), here and include on the appropriate line of Schedule D (see instructions)							11b (E40430)

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. If column (d) is more than (e), enter difference. Otherwise, enter -0-	
12						
13a Enter the short-term portion of gains from line 12, column (f), here and include on the appropriate line of Schedule D (see instructions)						13a E40440
b Enter the long-term portion of gains from line 12, column (f), here and include on the appropriate line of Schedule D (see instructions)						13b E40450

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				

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 1040 or Form 1040NR.**

▶ **See separate instructions.**

Name(s) shown on Form 1040 or Form 1040NR
FIRST FORM

Social security number of HSA
beneficiary. If both spouses have
HSAs, see page 2 of the instructions ▶

Before you begin: Complete Form 8853, Archer MSAs and Long-Term Care Insurance Contracts, if required.

Part I HSA Contributions and Deduction. See page 2 of the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part I for each spouse (see page 2 of the instructions).

- 1 Check the box to indicate your coverage under a high-deductible health plan (HDHP) during 2006 (see page 2 of the instructions) **HSADH1** ▶
- 2 HSA contributions you made for 2006 (or those made on your behalf), including those made from January 1, 2007, through April 16, 2007, that were for 2006. **Do not** include employer contributions, contributions through a cafeteria plan, or rollovers (see page 2 of the instructions)
- 3 If you were under age 55 at the end of 2006, and on the first day of **every** month during 2006, you were an eligible individual with the **same** annual deductible and coverage, enter the **smaller** of:
 - Your annual deductible (see page 3 of the instructions), or
 - \$2,700 (\$5,450 for family coverage).
 All others, enter the limitation from the worksheet on page 3 of the instructions
- 4 Enter the amount you and your employer contributed to your Archer MSAs for 2006 from Form 8853, lines 3 and 4. If you or your spouse had family coverage under an HDHP at any time during 2006, also include any amount contributed to your spouse's Archer MSAs
- 5 Subtract line 4 from line 3. If zero or less, enter -0-
- 6 Enter the amount from line 5. But if you and your spouse each have separate HSAs and had family coverage under an HDHP at any time during 2006, see the instructions on page 3 for the amount to enter.
- 7 If you were age 55 or older at the end of 2006, married, and you or your spouse had family coverage under an HDHP at any time during 2006, enter your additional contribution amount (see page 4 of the instructions)
- 8 Add lines 6 and 7
- 9 Employer contributions made to your HSAs for 2006
- 10 Subtract line 9 from line 8. If zero or less, enter -0-
- 11 **HSA deduction.** Enter the **smaller** of line 2 or line 10 here and on Form 1040, line 25, or Form 1040NR, line 25
Caution: If line 2 is more than line 11, you may have to pay an additional tax (see page 4 of the instructions).

	<input type="checkbox"/> Self-only	<input type="checkbox"/> Family
2	E86500	
3	E86505	
4	E86510	
5	E86515	
6	E86520	
7	E86525	
8	E86530	
9	E86535	
10	E86540	
11	E86545	

Part II HSA Distributions. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part II for each spouse.

- 12a Total distributions you received in 2006 from all HSAs (see page 5 of the instructions)
- b Distributions included on line 12a that you rolled over to another HSA. Also include any excess contributions (and the earnings on those excess contributions) included on line 12a that were withdrawn by the due date of your return (see page 5 of the instructions)
- c Subtract line 12b from line 12a
- 13 Unreimbursed qualified medical expenses (see page 5 of the instructions)
- 14 **Taxable HSA distributions.** Subtract line 13 from line 12c. If zero or less, enter -0-. Also, include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. On the dotted line next to line 21, enter "HSA" and the amount
- 15a If any of the distributions included on line 14 meet any of the **Exceptions to the Additional 10% Tax** (see page 5 of the instructions), check here **HSATXEX1** ▶
- b **Additional 10% tax** (see page 5 of the instructions). Enter 10% (.10) of the distributions included on line 14 that are subject to the additional 10% tax. Also include this amount in the total on Form 1040, line 63, or Form 1040NR, line 58. On the dotted line next to Form 1040, line 63, or Form 1040NR, line 58, enter "HSA" and the amount

12a	E86550	
12b	E86555	
12c	E86560	
13	E86565	
14	E86570	
15b	E86575	

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 1040 or Form 1040NR.**

▶ **See separate instructions.**

Name(s) shown on Form 1040 or Form 1040NR
SECOND FORM

Social security number of HSA beneficiary. If both spouses have HSAs, see page 2 of the instructions ▶

Before you begin: Complete Form 8853, Archer MSAs and Long-Term Care Insurance Contracts, if required.

Part I HSA Contributions and Deduction. See page 2 of the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part I for each spouse (see page 2 of the instructions).

- 1 Check the box to indicate your coverage under a high-deductible health plan (HDHP) during 2006 (see page 2 of the instructions) Self-only Family
HSAHDI2 ▶
 - 2 HSA contributions you made for 2006 (or those made on your behalf), including those made from January 1, 2007, through April 16, 2007, that were for 2006. Do not include employer contributions, contributions through a cafeteria plan, or rollovers (see page 2 of the instructions)
 - 3 If you were under age 55 at the end of 2006, and on the first day of every month during 2006, you were an eligible individual with the same annual deductible and coverage, enter the smaller of:
 - Your annual deductible (see page 3 of the instructions), or
 - \$2,700 (\$5,450 for family coverage).
 All others, enter the limitation from the worksheet on page 3 of the instructions
 - 4 Enter the amount you and your employer contributed to your Archer MSAs for 2006 from Form 8853, lines 3 and 4. If you or your spouse had family coverage under an HDHP at any time during 2006, also include any amount contributed to your spouse's Archer MSAs
 - 5 Subtract line 4 from line 3. If zero or less, enter -0-
 - 6 Enter the amount from line 5. But if you and your spouse each have separate HSAs and had family coverage under an HDHP at any time during 2006, see the instructions on page 3 for the amount to enter.
 - 7 If you were age 55 or older at the end of 2006, married, and you or your spouse had family coverage under an HDHP at any time during 2006, enter your additional contribution amount (see page 4 of the instructions)
 - 8 Add lines 6 and 7
 - 9 Employer contributions made to your HSAs for 2006
 - 10 Subtract line 9 from line 8. If zero or less, enter -0-
 - 11 **HSA deduction.** Enter the smaller of line 2 or line 10 here and on Form 1040, line 25, or Form 1040NR, line 25
- Caution:** If line 2 is more than line 11, you may have to pay an additional tax (see page 4 of the instructions).

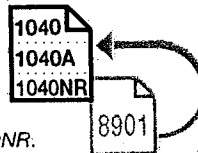
	Self-only	Family
2	E86501	
3	E86506	
4	E86511	
5	E86516	
6	E86521	
7	E86526	
8	E86531	
9	E86536	
10	E86541	
11	E86546	

Part II HSA Distributions. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part II for each spouse.

- 12a Total distributions you received in 2006 from all HSAs (see page 5 of the instructions)
- b Distributions included on line 12a that you rolled over to another HSA. Also include any excess contributions (and the earnings on those excess contributions) included on line 12a that were withdrawn by the due date of your return (see page 5 of the instructions)
- c Subtract line 12b from line 12a
- 13 Unreimbursed qualified medical expenses (see page 5 of the instructions)
- 14 **Taxable HSA distributions.** Subtract line 13 from line 12c. If zero or less, enter -0-. Also, include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. On the dotted line next to line 21, enter "HSA" and the amount
- 15a If any of the distributions included on line 14 meet any of the **Exceptions to the Additional 10% Tax** (see page 5 of the instructions), check here HSA1XEX2 ▶
- b **Additional 10% tax** (see page 5 of the instructions). Enter 10% (.10) of the distributions included on line 14 that are subject to the additional 10% tax. Also include this amount in the total on Form 1040, line 63, or Form 1040NR, line 58. On the dotted line next to Form 1040, line 63, or Form 1040NR, line 58, enter "HSA" and the amount

12a	E86551	
12b	E86556	
12c	E86561	
13	E86566	
14	E86571	
15b	E86576	

**Information on Qualifying Children
Who Are Not Dependents
(For Child Tax Credit)**



Department of the Treasury
Internal Revenue Service (99)

Complete and attach to Form 1040, Form 1040A, or Form 1040NR.

Name(s) shown on return

Your social security number



- Do not use this form for any child who is claimed as your dependent on Form 1040A or Form 1040, line 6c, or Form 1040NR, line 7c.
- It will take us longer to process your return and issue your refund if you do not complete all columns for each qualifying child.
- Be sure the child's name and social security number (SSN) agree with the child's social security card. Otherwise, at the time we process your return, we may reduce or disallow your child tax credit. 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

XTXCR11

	(a) First name	Last name	(b) Child's social security number	(c) Child's relationship to you (son, daughter, etc.)
Child 1		NMQUAL1	S035	
Child 2		NMQUAL2	S036	
Child 3		NMQUAL3	S037	
Child 4		NMQUAL4	S038	

General Instructions

Purpose of Form

Use Form 8901 to give the IRS information on any qualifying child (defined on back) who is not your dependent. To figure the amount of your child tax credit, see the instructions for Form 1040, line 53; Form 1040A, line 33; or Form 1040NR, line 48.

Who Must File

Use Form 8901 if your qualifying child is not your dependent because any of the following statements apply.

- You, or your spouse if filing jointly, can be claimed as a dependent on someone else's 2006 return.
- You are a nonresident alien who is not allowed to claim exemptions for your dependents. However, your qualifying child must be a U.S. citizen, U.S. national, or U.S. resident alien.
- Your qualifying child is married and files a joint return for 2006 (and that joint return was not filed only as a claim for refund, or at least one spouse would have a tax liability if they had filed separate returns).

Specific Instructions

Column (b)

If your child was born and died in 2006 and you do not have an SSN for the child, you can attach a copy of the child's birth certificate instead and enter "Died" in column (b).

If you do not have an SSN for your adopted child, enter "See page 2" in column (b). Then, on the bottom of page 2, enter the name and address of any agency or agent (such as an attorney) that assisted in the adoption.

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 average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Qualifying Child for Child Tax Credit

A qualifying child is a child who is your . . .

Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them (for example, your grandchild, niece, or nephew)

AND

was . . .

Under age 17 at the end of 2006

AND

who . . .

Did not provide over half of his or her own support for 2006
(see Pub. 501)

AND

who . . .

Lived with you for more than half of 2006 (if the child did not live with you for the required time, see *Exception to time lived with you* on page 23 of the Form 1040A instructions or page 21 of the Form 1040 instructions, or see Pub. 501)

AND

who . . .

Was a U.S. citizen, U.S. national, or U.S. resident alien.
If the child was adopted, see *Exception to citizen test* on page 23 of the Form 1040A instructions or page 21 of the Form 1040 instructions, or see Pub. 501.

TIP

For more information, including definitions and special rules relating to an adopted child, foster child, and qualifying child of more than one person, see the instructions for Form 1040A or Form 1040, line 6c, or see Pub. 501.

Domestic Production Activities Deduction

Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return. ▶ See separate instructions.

Name(s) as shown on return		Identifying number										
1	Domestic production gross receipts (DPGR)	E86800										
2	Allocable cost of goods sold. If you are using the small business simplified overall method, skip lines 2 and 3	E86810										
3	If you are using the section 861 method, enter deductions and losses definitely related to DPGR. Estates and trusts, see instructions. All others, skip line 3	E86820										
4	If you are using the section 861 method, enter your pro rata share of deductions and losses not definitely related to DPGR. All others, see instructions	E86830										
5	Add lines 2 through 4	E86840										
6	Subtract line 5 from line 1	E86850 +/-										
7	<table border="1"> <thead> <tr> <th>If you are a—</th> <th>Then enter the total qualified production activities income from—</th> </tr> </thead> <tbody> <tr> <td>a Shareholder</td> <td>Schedule K-1 (Form 1120S), box 12, code P</td> </tr> <tr> <td>b Partner</td> <td>Schedule K-1 (Form 1065), box 13, code T</td> </tr> <tr> <td></td> <td>Schedule K-1 (Form 1065-B), box 9, code S2</td> </tr> <tr> <td>c Beneficiary</td> <td>Schedule K-1 (Form 1041), box 14, code C</td> </tr> </tbody> </table>	If you are a—	Then enter the total qualified production activities income from—	a Shareholder	Schedule K-1 (Form 1120S), box 12, code P	b Partner	Schedule K-1 (Form 1065), box 13, code T		Schedule K-1 (Form 1065-B), box 9, code S2	c Beneficiary	Schedule K-1 (Form 1041), box 14, code C	E86860 +/-
If you are a—	Then enter the total qualified production activities income from—											
a Shareholder	Schedule K-1 (Form 1120S), box 12, code P											
b Partner	Schedule K-1 (Form 1065), box 13, code T											
	Schedule K-1 (Form 1065-B), box 9, code S2											
c Beneficiary	Schedule K-1 (Form 1041), box 14, code C											
8	Qualified production activities income. Add lines 6 and 7. If zero or less, enter -0- here, skip lines 9 through 15, and enter -0- on line 16	E86870										
9	Income limitation (see instructions): <ul style="list-style-type: none"> Individuals, estates, and trusts. Enter your adjusted gross income figured without the domestic production activities deduction All others. Enter your taxable income figured without the domestic production activities deduction (tax-exempt organizations, see instructions) 	E86880 +/-										
10	Enter the smaller of line 8 or line 9. If zero or less, enter -0- here, skip lines 11 through 15, and enter -0- on line 16	E86890										
11	Enter 3% of line 10	E86900										
12	Form W-2 wages (see instructions)	E86910										
13	<table border="1"> <thead> <tr> <th>If you are a—</th> <th>Then enter the total Form W-2 wages from—</th> </tr> </thead> <tbody> <tr> <td>a Shareholder</td> <td>Schedule K-1 (Form 1120S), box 12, code Q</td> </tr> <tr> <td>b Partner</td> <td>Schedule K-1 (Form 1065), box 13, code U</td> </tr> <tr> <td></td> <td>Schedule K-1 (Form 1065-B), box 9, code S3</td> </tr> <tr> <td>c Beneficiary</td> <td>Schedule K-1 (Form 1041), box 14, code D</td> </tr> </tbody> </table>	If you are a—	Then enter the total Form W-2 wages from—	a Shareholder	Schedule K-1 (Form 1120S), box 12, code Q	b Partner	Schedule K-1 (Form 1065), box 13, code U		Schedule K-1 (Form 1065-B), box 9, code S3	c Beneficiary	Schedule K-1 (Form 1041), box 14, code D	E86920
If you are a—	Then enter the total Form W-2 wages from—											
a Shareholder	Schedule K-1 (Form 1120S), box 12, code Q											
b Partner	Schedule K-1 (Form 1065), box 13, code U											
	Schedule K-1 (Form 1065-B), box 9, code S3											
c Beneficiary	Schedule K-1 (Form 1041), box 14, code D											
14	Add lines 12 and 13	E86930										
15	Form W-2 wage limitation. Enter 50% of line 14	E86940										
16	Enter the smaller of line 11 or line 15	E86950										
17	Domestic production activities deduction from cooperatives. Enter deduction from Form 1099-PATR, box 6	E86960										
18	Expanded affiliated group allocation (see instructions)	E86970										
19	Domestic production activities deduction. Combine lines 16 through 18 and enter the result here and on Form 1040, line 35; Form 1120, line 25; Form 1120-A, line 21; or the applicable line of your return	E86980										

Credit for Federal Telephone Excise Tax Paid

▶ See the separate instructions.
▶ Attach to your income tax return.

Name(s) as shown on your income tax return

Identifying number

Enter the federal telephone excise tax billed during each period as listed in column (a) of lines 1-14 below.

By filing this form, you are certifying that you (1) have not received from your service provider a credit or refund of the tax paid on long distance service or bundled service billed after February 28, 2003, and before August 1, 2006, and (2) will not ask your provider for a credit or refund or have withdrawn any request submitted to the provider for a credit or refund.

Caution. See the instructions for explanations of the services that qualify for a credit or refund of the federal telephone excise tax.

Amount of federal excise tax on long distance or bundled service only

(a) Bills dated during:	(b) Long distance service	(c) Bundled service	(d) Tax credit or refund (add columns (b) and (c))	(e) Interest (see instructions)
1 March, April, and May 2003	\$	\$	\$	\$
2 June, July, and August 2003				
3 September, October, and November 2003				
4 December 2003; January and February 2004				
5 March, April, and May 2004				
6 June, July, and August 2004				
7 September, October, and November 2004				
8 December 2004; January and February 2005				
9 March, April, and May 2005				
10 June, July, and August 2005				
11 September, October, and November 2005				
12 December 2005; January and February 2006				
13 March, April, and May 2006				
14 June and July 2006				
15 Add lines 1-14 in columns (d) and (e)			\$ T87700	\$ T87705
16 Total credit or refund requested. Add columns (d) and (e) on line 15. Enter here and on Form 1040, line 71; Form 1040A, line 42; Form 1040EZ, line 9; Form 1040EZ-T, line 1a; Form 1040NR, line 69; Form 1040NR-EZ, line 21; Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23d; Form 1041, line 24f; Form 1041-N, line 17; Form 1065, line 23; Form 990-T, line 44f; or the proper line of other returns				\$ T87710 S87710 \$ T87710

Paperwork Reduction Act Notice. We ask for the information on Form 8913 to carry out the Internal Revenue laws of the United States. 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 Form 8913 will vary depending on individual circumstances. The estimated burden for individual taxpayers filing Form 8913 is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file Form 8913 is shown below.

- Recordkeeping** 13 hr., 37 min.
- Preparing and sending the form to the IRS** 13 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.

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. **155**

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. Donated Property of \$5,000 or Less and Certain Publicly Traded Securities—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 more than \$5,000 (see instructions).

Part I Information on Donated Property—If you need more space, attach a statement.

	(a) Name and address of the donee organization	(b) Description of donated property (For a donated vehicle, enter the year, make, model, condition, and mileage, and attach Form 1098-C if required.)
1		
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 (see instructions)	(h) Method used to determine the fair market value
A						
B				E16660 +/-	E16670 +/-	
C						
D						
E						

Part II Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

2a Enter the letter from Part I that identifies the property for which you gave less than an entire interest ▶ _____
 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 ▶ _____

3a Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property? Yes No

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? Yes No

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. Donated Property Over \$5,000 (Except Certain Publicly Traded Securities)—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 (except contributions of certain publicly traded securities reported in Section A). An appraisal is generally required for property listed in Section B (see instructions).

Part I Information on Donated Property—To be completed by the taxpayer and/or the appraiser.

4 Check the box that describes the type of property donated:

- Art* (contribution of \$20,000 or more)
Art* (contribution of less than \$20,000)
Collectibles**
Qualified Conservation Contribution
Other Real Estate
Intellectual Property
Equipment
Securities
Other

*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antiques, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

**Collectibles include coins, stamps, books, gems, jewelry, sports memorabilia, dolls, etc., but not art as defined above.

Note. In certain cases, you must attach a qualified appraisal of the property. See instructions.

Table with 5 main rows (A-D) and 6 columns: (a) Description of donated property, (b) If tangible property was donated, give a brief summary of the overall physical condition of the property at the time of the gift, (c) Appraised fair market value, (d) Date acquired by donor, (e) How acquired by donor, (f) Donor's cost or adjusted basis, (g) For bargain sales, enter amount received, (h) Amount claimed as a deduction, (i) Average trading price of securities.

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.

Sign

Here

Signature

Title

Date

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 the following 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 3 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

Noncash Charitable Contributions

OMB No. 1545-0908

▶ Attach to your tax return if you claimed a total deduction of over \$500 for all contributed property.

Attachment
Sequence No. **155**

▶ See separate instructions.

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. Donated Property of \$5,000 or Less and Certain Publicly Traded Securities—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 more than \$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 (For a donated vehicle, enter the year, make, model, condition, and mileage, and attach Form 1098-C if required.)
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 (see instructions)	(h) Method used to determine the fair market value
A						
B				E16660 +/-	E16670 +/-	
C						
D						
E						

Part II Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

- 2a** Enter the letter from Part I that identifies the property for which you gave less than an entire interest ▶ _____
 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 ▶ _____

- 3a** 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
3a		
3b		
3c		

Name(s) shown on your income tax return

Identifying number

Section B. Donated Property Over \$5,000 (Except Certain Publicly Traded Securities)—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 (except contributions of certain publicly traded securities reported in Section A). An appraisal is generally required for property listed in Section B (see instructions).

Part I Information on Donated Property—To be completed by the taxpayer and/or the appraiser.

4 Check the box that describes the type of property donated:

- Art* (contribution of \$20,000 or more)
Art* (contribution of less than \$20,000)
Collectibles**
Qualified Conservation Contribution
Other Real Estate
Intellectual Property
Equipment
Securities
Other

*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antiques, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

**Collectibles include coins, stamps, books, gems, jewelry, sports memorabilia, dolls, etc., but not art as defined above.

Note. In certain cases, you must attach a qualified appraisal of the property. See instructions.

Table with 6 columns: (a) Description of donated property, (b) If tangible property was donated, give a brief summary of the overall physical condition of the property at the time of the gift, (c) Appraised fair market value, (d) Date acquired by donor, (e) How acquired by donor, (f) Donor's cost or adjusted basis, (g) For bargain sales, enter amount received, (h) Amount claimed as a deduction, (i) Average trading price of securities.

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.

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.

Sign

Here Signature

Title

Date

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 the following 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 3 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.

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 or 1040NR. ▶ See instructions on back.

Name(s) shown on your tax return 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 your tax return.

Name of Issuer of Mortgage Credit Certificate	Mortgage Credit Certificate Number	Issue Date
---	------------------------------------	------------

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 2003 credit carryforward from line 18 of your 2005 Form 8396	4	E64020	
5 Enter any 2004 credit carryforward from line 16 of your 2005 Form 8396	5	E64040	
6 Enter any 2005 credit carryforward from line 19 of your 2005 Form 8396	6	E64060	
7 Add lines 3 through 6	7	E64080	
8 Enter the amount from Form 1040, line 46, or Form 1040NR, line 43	8		
9 1040 filers: Enter the total of the amounts from Form 1040, lines 47 through 51 and line 53 plus any credit from Form 5695, line 12 1040NR filers: Enter the total of the amounts from Form 1040NR, lines 44 through 46 and line 48 plus any credit from Form 5695, line 12	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 Current year mortgage interest credit. Enter the smaller of line 7 or line 10. Also include this amount in the total on Form 1040, line 54, or Form 1040NR, line 49, and check box a on that line	11	E64200	

Part II Mortgage Interest Credit Carryforward to 2007. (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 2005 credit carryforward to 2007. Enter the smaller of line 6 or line 15	16		
17 Subtract line 16 from line 15	17		
18 2004 credit carryforward to 2007. Enter the smaller of line 5 or line 17	18		
19 2006 credit carryforward to 2007. Subtract line 11 from line 3. If zero or less, enter -0-	19		

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.

Identifying number

Part I 2006 Passive Activity Loss

Caution: Complete Worksheets 1, 2, and 3 on page 2 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.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	E65300		
1b	Activities with net loss (enter the amount from Worksheet 1, column (b))	(E65400)		
1c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	(E65570)		
1d	Combine lines 1a, 1b, and 1c.			E65600 +/-

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	(E65700)		
2b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	(E65870)		
2c	Add lines 2a and 2b.			(E65900)

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	E66000		
3b	Activities with net loss (enter the amount from Worksheet 3, column (b))	(E66100)		
3c	Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	(E66270)		
3d	Combine lines 3a, 3b, and 3c.			E66300 +/-

4 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. **Do not** complete Form 8582. Report the losses on the forms and schedules normally used

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 Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See page 8 of the instructions for an example.

5	Enter the smaller of the loss on line 1d or the loss on line 4			E66500
6	Enter \$150,000. If married filing separately, see page 8	E66000		
7	Enter modified adjusted gross income, but not less than zero (see page 8) Note: 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.	E66100		
8	Subtract line 7 from line 6.	E66270		
9	Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see page 8			E66900
10	Enter the smaller of line 5 or line 9. If line 2c is a loss, go to Part III. Otherwise, go to line 15.			E66400 +/-

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 of the instructions.

11	Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	E67300		
12	Enter the loss from line 4			
13	Reduce line 12 by the amount on line 10	E67500		
14	Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	E67600		

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total.			E67900
16	Total losses allowed from all passive activities for 2006. Add lines 10, 14, and 15. See page 11 of the instructions to find out how to report the losses on your tax return.			E68000

Low-Income Housing Credit

OMB No. 1545-0984

▶ Attach to your tax return.

Attachment
Sequence No. **36a**

	Identifying number	
1 Number of Forms 8609-A attached ▶ N19		
2 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)		
3 Current year credit from attached Form(s) 8609-A (see instructions)	3	E68100
4 Low-income housing credit from partnerships, S corporations, estates, and trusts	4	E68120
5 Add lines 3 and 4. Estates and trusts, go to line 6; partnerships and S corporations, report this amount on Schedule K; all others, report this amount on the applicable line of Form 3800 (e.g., line 1e of the 2006 Form 3800) E68160	5	E68140
6 Amount allocated to beneficiaries of the estate or trust (see instructions)	6	
7 Estates and trusts. Subtract line 6 from line 5. Report this amount on the applicable line of Form 3800 (e.g., line 1e of the 2006 Form 3800)	7	

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

- The tax liability limit is no longer figured on this form; instead, it must be figured on Form 3800, General Business Credit.
- Taxpayers that are not partnerships, S corporations, estates, or trusts, and whose only source of this credit is from those pass-through entities, are not required to complete or file this form. Instead, they can report this credit directly on line 1e of Form 3800.
- The IRS will revise this December 2006 version of the form only when necessary. Continue to use this version for tax years beginning after 2005 until a new revision is issued.

Purpose of Form

Use Form 8586 to claim the low-income housing credit. This general business credit is allowed for each new qualified low-income building placed in service after 1986. Generally, it is taken over a 10-year credit period.

Qualified Low-Income Housing Project

The credit cannot exceed the amount allocated to the building. See section 42(h)(1) for details.

The low-income housing credit can only be claimed for residential rental buildings in low-income housing projects that meet one of the minimum set-aside tests. For details, see the instructions for Form 8609, Part II, line 10c.

Except for buildings financed with certain tax-exempt bonds, you may not take a low-income housing credit on a building if it has not received an allocation from the housing credit agency. No allocation is needed when 50% or more of the aggregate basis of the building and the land on which the building is located is financed with certain tax-exempt bonds issued after 1989 for buildings placed in service after 1989. The owner still must get a Form 8609 from the appropriate housing credit agency (with the applicable items completed, including an assigned BIN). "Land on which the building is located" includes only land that is functionally related and subordinate to the qualified low-income building (see Regulations sections 1.103-8(a)(3) and 1.103-8(b)(4)(iii)).

Recapture of Credit

There is a 15-year compliance period during which the residential rental building must continue to meet certain requirements. If, as of the close of any tax year in this period, there is a reduction in the qualified basis of the building from the previous year, you may have to recapture a part of the credit you have taken. Similarly, you may have to recapture part of the credits taken in previous years upon certain dispositions of the building or interests therein. If you must recapture credits, use Form 8611, Recapture of Low-Income Housing Credit. See section 42(j) for details.

Recordkeeping

Keep a copy of this Form 8586 together with all Forms 8609, Schedules A (Form 8609) (and successor Forms 8609-A), and Forms 8611 for 3 years after the 15-year compliance period ends.

Nondeductible IRAs

▶ See separate instructions.

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

2006

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

PRIMARY 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 one or more of the following apply.

- You made nondeductible contributions to a traditional IRA for 2006.
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2006 and you made nondeductible contributions to a traditional IRA in 2006 or an earlier year. For this purpose, a distribution does not include a rollover (other than a repayment of a qualified hurricane distribution), qualified charitable distribution, conversion, recharacterization, or return of certain contributions.
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2006 (excluding any portion you recharacterized) and you made nondeductible contributions to a traditional IRA in 2006 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2006, including those made for 2006 from January 1, 2007, through April 16, 2007 (see page 5 of the instructions)	1	E68500
2	Enter your total basis in traditional IRAs (see page 5 of the instructions)	2	E68300
3	Add lines 1 and 2	3	E68550
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> In 2006, did you take a distribution from traditional, SEP, or SIMPLE IRAs, or make a Roth IRA conversion? </div> <div style="margin-left: 20px;"> No → Enter the amount from line 3 on line 14. Do not complete the rest of Part I. Yes → Go to line 4. </div>			
4	Enter those contributions included on line 1 that were made from January 1, 2007, through April 16, 2007	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, 2006, plus any outstanding rollovers. Subtract any repayments of qualified hurricane distributions. If the result is zero or less, enter -0- (see page 5 of the instructions)	6	E69000
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2006. Do not include rollovers (other than repayments of qualified hurricane distributions), qualified charitable distributions, 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 2006. 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
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 2006 and earlier years	14	E69550
15a	Subtract line 12 from line 7	15a	E69552
b	Amount on line 15a attributable to qualified hurricane distributions (see page 6 of the instructions). Also enter this amount on Form 8915, line 22	15b	E69557
c	Taxable amount. Subtract line 15b from line 15a. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15c	E69555

Note: You may be subject to an additional 10% tax on the amount on line 15c if you were under age 59½ at the time of the distribution (see page 6 of the instructions).

Part II 2006 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 2006 (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 2006, you **cannot** convert any amount from traditional, SEP, or SIMPLE IRAs to Roth IRAs for 2006. If you erroneously made a conversion, you must recharacterize (correct) it (see page 6 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 2006. Do not include amounts you later recharacterized back to traditional, SEP, or SIMPLE IRAs in 2006 or 2007 (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	Taxable amount. 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 2006. For this purpose, a distribution does not include a rollover (other than a repayment of a qualified hurricane distribution), qualified charitable distribution, recharacterization, or return of certain contributions (see page 7 of the instructions).

19	Enter your total nonqualified distributions from Roth IRAs in 2006 including any qualified first-time homebuyer distributions (see page 7 of the instructions)	19	E69620
20	Qualified first-time homebuyer expenses (see page 7 of the instructions). Do not enter more than \$10,000	20	E69692
21	Subtract line 20 from line 19. If zero or less, enter -0- and skip lines 22 through 25	21	E69650
22	Enter your basis in Roth IRA contributions (see page 7 of the instructions)	22	E69635
23	Subtract line 22 from line 21. If zero or less, enter -0- and skip lines 24 and 25. If more than zero, you may be subject to an additional tax (see page 7 of the instructions)	23	E69640
24	Enter your basis in Roth IRA conversions (see page 7 of the instructions)	24	E69680
25a	Subtract line 24 from line 23. If zero or less, enter -0- and skip lines 25b and 25c	25a	E69710
b	Amount on line 25a attributable to qualified hurricane distributions (see page 8 of the instructions). Also enter this amount on Form 8915, line 23	25b	E69715
c	Taxable amount. Subtract line 25b from line 25a. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	25c	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

Paid Preparer's Use Only	Preparer's signature <input type="text"/>	Date <input type="text"/>	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN <input type="text"/>
	Firm's name (or yours if self-employed), address, and ZIP code <input type="text"/>	EIN <input type="text"/>	Phone no. (<input type="text"/>) <input type="text"/>	

Nondeductible IRAs

Department of the Treasury
Internal Revenue Service (99)

▶ 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

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 one or more of the following apply.

- You made nondeductible contributions to a traditional IRA for 2006.
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2006 and you made nondeductible contributions to a traditional IRA in 2006 or an earlier year. For this purpose, a distribution does not include a rollover (other than a repayment of a qualified hurricane distribution), qualified charitable distribution, conversion, recharacterization, or return of certain contributions.
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2006 (excluding any portion you recharacterized) and you made nondeductible contributions to a traditional IRA in 2006 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2006, including those made for 2006 from January 1, 2007, through April 16, 2007 (see page 5 of the instructions)	1	E70500
2	Enter your total basis in traditional IRAs (see page 5 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>In 2006, did you take a distribution from traditional, SEP, or SIMPLE IRAs, or make a Roth IRA conversion?</p> </div> <p style="margin-left: 20px;">No → Enter the amount from line 3 on line 14. Do not complete the rest of Part I.</p> <p style="margin-left: 20px;">Yes → Go to line 4.</p>			
4	Enter those contributions included on line 1 that were made from January 1, 2007, through April 16, 2007	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, 2006, plus any outstanding rollovers. Subtract any repayments of qualified hurricane distributions. If the result is zero or less, enter -0- (see page 5 of the instructions)	6	E71000
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2006. Do not include rollovers (other than repayments of qualified hurricane distributions), qualified charitable distributions, 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 2006. 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	×
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 2006 and earlier years	14	E71550
15a	Subtract line 12 from line 7	15a	E71552
b	Amount on line 15a attributable to qualified hurricane distributions (see page 6 of the instructions). Also enter this amount on Form 8915, line 22	15b	E71560
c	Taxable amount. Subtract line 15b from line 15a. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15c	E71555

Note: You may be subject to an additional 10% tax on the amount on line 15c if you were under age 59½ at the time of the distribution (see page 6 of the instructions).

Part II 2006 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 2006 (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 2006, you **cannot** convert any amount from traditional, SEP, or SIMPLE IRAs to Roth IRAs for 2006. If you erroneously made a conversion, you must recharacterize (correct) it (see page 6 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 2006. Do not include amounts you later recharacterized back to traditional, SEP, or SIMPLE IRAs in 2006 or 2007 (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	Taxable amount. 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 2006. For this purpose, a distribution does not include a rollover (other than a repayment of a qualified hurricane distribution), qualified charitable distribution, recharacterization, or return of certain contributions (see page 7 of the instructions).

19	Enter your total nonqualified distributions from Roth IRAs in 2006 including any qualified first-time homebuyer distributions (see page 7 of the instructions)	19	E71620
20	Qualified first-time homebuyer expenses (see page 7 of the instructions). Do not enter more than \$10,000	20	E71692
21	Subtract line 20 from line 19. If zero or less, enter -0- and skip lines 22 through 25	21	E71650
22	Enter your basis in Roth IRA contributions (see page 7 of the instructions)	22	E71635
23	Subtract line 22 from line 21. If zero or less, enter -0- and skip lines 24 and 25. If more than zero, you may be subject to an additional tax (see page 7 of the instructions)	23	E71640
24	Enter your basis in Roth IRA conversions (see page 7 of the instructions)	24	E71680
25a	Subtract line 24 from line 23. If zero or less, enter -0- and skip lines 25b and 25c	25a	E71710
b	Amount on line 25a attributable to qualified hurricane distributions (see page 8 of the instructions). Also enter this amount on Form 8915, line 23	25b	E71715
c	Taxable amount. Subtract line 25b from line 25a. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	25c	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

Paid Preparer's Use Only	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. ()	

Nondeductible IRAs

Department of the Treasury
Internal Revenue Service (99)

▶ 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

SECONDARY 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 one or more of the following apply.

- You made nondeductible contributions to a traditional IRA for 2006.
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2006 and you made nondeductible contributions to a traditional IRA in 2006 or an earlier year. For this purpose, a distribution does not include a rollover (other than a repayment of a qualified hurricane distribution), qualified charitable distribution, conversion, recharacterization, or return of certain contributions.
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2006 (excluding any portion you recharacterized) and you made nondeductible contributions to a traditional IRA in 2006 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2006, including those made for 2006 from January 1, 2007, through April 16, 2007 (see page 5 of the instructions)	1	E68505
2	Enter your total basis in traditional IRAs (see page 5 of the instructions)	2	E68305
3	Add lines 1 and 2	3	E68555
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>In 2006, did you take a distribution from traditional, SEP, or SIMPLE IRAs, or make a Roth IRA conversion?</p> </div> <p style="margin-left: 20px;">No → Enter the amount from line 3 on line 14. Do not complete the rest of Part I.</p> <p style="margin-left: 20px;">Yes → Go to line 4.</p>			
4	Enter those contributions included on line 1 that were made from January 1, 2007, through April 16, 2007	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, 2006, plus any outstanding rollovers. Subtract any repayments of qualified hurricane distributions. If the result is zero or less, enter -0- (see page 5 of the instructions)	6	E69005
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2006. Do not include rollovers (other than repayments of qualified hurricane distributions), qualified charitable distributions, 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 2006. 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
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 2006 and earlier years	14	E69551
15a	Subtract line 12 from line 7	15a	E69553
b	Amount on line 15a attributable to qualified hurricane distributions (see page 6 of the instructions). Also enter this amount on Form 8915, line 22	15b	E69558
c	Taxable amount. Subtract line 15b from line 15a. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15c	E69556

Note: You may be subject to an additional 10% tax on the amount on line 15c if you were under age 59½ at the time of the distribution (see page 6 of the instructions).

SECONDARY TOTAL

Part II 2006 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 2006 (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 2006, you **cannot** convert any amount from traditional, SEP, or SIMPLE IRAs to Roth IRAs for 2006. If you erroneously made a conversion, you must recharacterize (correct) it (see page 6 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 2006. Do not include amounts you later recharacterized back to traditional, SEP, or SIMPLE IRAs in 2006 or 2007 (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	Taxable amount. 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 2006. For this purpose, a distribution does not include a rollover (other than a repayment of a qualified hurricane distribution), qualified charitable distribution, recharacterization, or return of certain contributions (see page 7 of the instructions).

19	Enter your total nonqualified distributions from Roth IRAs in 2006 including any qualified first-time homebuyer distributions (see page 7 of the instructions)	19	E69621
20	Qualified first-time homebuyer expenses (see page 7 of the instructions). Do not enter more than \$10,000	20	E69693
21	Subtract line 20 from line 19. If zero or less, enter -0- and skip lines 22 through 25	21	E69651
22	Enter your basis in Roth IRA contributions (see page 7 of the instructions)	22	E69636
23	Subtract line 22 from line 21. If zero or less, enter -0- and skip lines 24 and 25. If more than zero, you may be subject to an additional tax (see page 7 of the instructions)	23	E69645
24	Enter your basis in Roth IRA conversions (see page 7 of the instructions)	24	E69685
25a	Subtract line 24 from line 23. If zero or less, enter -0- and skip lines 25b and 25c	25a	E69711
b	Amount on line 25a attributable to qualified hurricane distributions (see page 8 of the instructions). Also enter this amount on Form 8915, line 23	25b	E69716
c	Taxable amount. Subtract line 25b from line 25a. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	25c	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 _____

Check if self-employed Preparer's SSN or PTIN _____

Paid Preparer's Use Only

Preparer's signature _____

Firm's name (or yours if self-employed), address, and ZIP code _____

EIN _____ Phone no. () _____

▶ File with owner's federal income tax return.

Attachment
Sequence No. **36**

Name(s) shown on return

Identifying number

Part I Compliance Information

- A** Building identification number (BIN) ▶
- B** This Form 8609-A is for (check the box) ▶ a newly constructed or existing building
section 42(e) rehabilitation expenditures
- C** Do you have in your records the original Form 8609 (or a copy thereof) signed and issued by the housing credit agency for the building in **A**?
If "No," see the instructions and stop here—do not go to Part II.
- D** Did the building in **A** qualify as a part of a qualified low-income housing project and meet the requirements of section 42 as of the end of the tax year for which this form is being filed?
If "No," see the instructions and stop here—do not go to Part II.
- E** Was there a decrease in the qualified basis of the building in **A** for the tax year for which this form is being filed?
If "Yes," see the instructions. If "No," and the entire credit has been claimed in prior tax years, stop here—do not go to Part II.

Yes	No

Part II Computation of Credit

- 1** Eligible basis of building
- 2** Low-income portion (smaller of unit fraction or floor space fraction) (if first year of the credit period, see instructions)
- 3** Qualified basis of low-income building. Multiply line 1 by line 2 (see instructions for exceptions)
- 4** Part-year adjustment for disposition or acquisition during the tax year
- 5** Credit percentage
- 6** Multiply line 3 or line 4 by the percentage on line 5
- 7** Additions to qualified basis, if any
- 8** Part-year adjustment for disposition or acquisition during the tax year
- 9** Credit percentage. Enter one-third of the percentage on line 5
- 10** Multiply line 7 or line 8 by the percentage on line 9
- 11** Section 42(f)(3)(B) modification
- 12** Add lines 10 and 11
- 13** Credit for building before line 14 reduction. Subtract line 12 from line 6
- 14** Disallowed credit due to federal grants (see instructions).
- 15** 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
- 16** Taxpayer's proportionate share of credit for the year (see instructions)
- 17** Adjustments for deferred first-year credit (see instructions)
- 18** Taxpayer's credit. Combine lines 16 and 17. Enter here and on Form 8586

1	E72000	
2		
3	E72020	
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15	E72040	
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Note. Some of the line numbers on the December 1988, March 1991, and November 2003 revisions of Form 8609, Low-Income Housing Credit Allocation Certification, and December 2005 and December 2006 revisions of Form 8609, Low-Income Housing Credit Allocation and Certification, differ from other revisions. In these cases, the line references are shown in parentheses in these instructions.

Purpose of Form

Form 8609-A is filed by a building owner to report compliance with the low-income housing provisions and calculate the

low-income housing credit. After 2004, Form 8609-A must be filed by the building owner for each year of the 15-year compliance period. File one Form 8609-A for the allocation(s) for the acquisition of an existing building and a separate Form 8609-A for the allocation(s) for rehabilitation expenditures.

If the building owner is a partnership, S corporation, estate, or trust (pass-through entity), the entity will complete Form 8609 and Form 8609-A. The entity will attach Form 8609-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.

Sale of Building

Upon a change of ownership, the seller should give the new owner a copy of the Form 8609 (Parts I and II complete). This form allows the new owner to substantiate the credit.

Specific Instructions

Part I—Compliance Information

Item A. Enter the building identification number (BIN) from Part I, item E of Form 8609.

Item B. You need to file one Form 8609-A for a newly constructed or existing building. You need to file a separate Form 8609-A for section 42(e) rehabilitation expenditures because such expenditures are treated as creating a new building.

Item C. In order to claim the credit, you must have an original, signed Form 8609 (or copy thereof) issued by a housing credit agency assigning a BIN for the building. This applies even if no allocation is required (as in the case of a building financed with tax-exempt bonds). Check "Yes" to certify that you have the required Form 8609 in your records.

Caution. Any building owner claiming a credit without receiving a completed Form 8609 that is signed and dated by an authorized official of the housing credit agency is subject to having the credit disallowed.

Item D. 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 E. 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 Part II.

Part II—Computation of Credit

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, 2005, and 2006 revisions).

Basis increases for buildings in certain high-cost areas. In order to increase the 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).

Gulf Opportunity (GO) Zone, Rita GO Zone, and Wilma GO Zone. The housing credit agency may increase the eligible basis of buildings placed in service in these specific zones in 2006, 2007, and 2008 under 42(d)(5)(C). See Pub. 4492, *Information for Taxpayers Affected by Hurricanes Katrina, Rita, and Wilma*, for a list of the counties and parishes in these specific zones.

For revisions of Form 8609 beginning in 1991, the agency shows the increased percentage of the eligible basis in Part I, line 3b. The eligible basis entered on Form 8609 should reflect the percentage increase.

Note. This increase cannot cause the credit on line 15 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 by the amounts of any federal grants received after the first year of the credit period. The calculation for line 14 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, 2005, and 2006 revisions).

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 the fractional amount of low-income units to all residential rental units (the "unit fraction") or 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 (for example, $\frac{59}{100} = .5900$). 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 (for example, units that provide transitional housing for the homeless may qualify as low-income units). See section 42(i)(3) for more details. Also see section 42(g)(2)(D) regarding the available unit rule and Regulations section 1.42-5(c)(1)(ix) regarding the vacant unit rule.

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 ($[(.5 + .5 + .5) \div 12 = .1250]$).

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.

- The minimum set-aside requirement elected for the project on Form 8609, line 10c (Part II, line 5c, on the 1991 and earlier revisions), is not met.
- 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 (or national nonmetropolitan median gross income, when applicable).
- 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 recaptured 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.
- 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 owned the building (or an interest therein) for the entire year, enter zero on line 4 and go to line 5.

Disposal of building or interest therein. 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 days 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 days during the tax year for which you owned the building or an interest therein.

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.

Example. Both the buyer and the seller are calendar-year taxpayers. The sale takes place on May 25 of a 365-day calendar year. The qualified basis of the low-income building is \$20,000. The seller and buyer will each complete a separate Form 8609-A, and enter \$20,000 on line 3.

In this situation, the seller is deemed to have owned the building for all 31 days of May. Therefore, the seller owned the building for 151 days of the 365-day tax year, and the buyer owned the building for the remaining 214 days. The seller will multiply \$20,000 by 151/365 to get \$8,274. The seller will enter \$8,274 on line 4 of his Form 8609-A. The buyer will multiply \$20,000 by 214/365 to get \$11,726. The buyer will enter \$11,726 on line 4 of her Form 8609-A.

Pass-through entities. 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.

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 (for example, 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.

Caution. You may claim a credit for an addition to qualified basis only if the 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. 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. The determinations and calculations you make on line 8 follow the instructions for line 4. Therefore, if you owned the building (or an interest therein) for the entire year, enter zero on line 8 and go to line 9.

Disposal of building or interest therein. If you disposed of a building or your entire interest therein during the tax year, see *Disposal of building or interest therein* in the line 4 instructions; and, wherever line 3 and line 4 are referenced, substitute line 7 and line 8, respectively.

Pass-through entities. If the building is owned by a pass-through entity, see *Pass-through entities* in the line 4 instructions; and, wherever line 4 is referenced, substitute line 8 instead.

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 (for example, 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 the increase in qualified basis of the building exceeds the qualified basis (including additions to qualified basis) of the building in any prior taxable year. To determine this adjustment amount, complete the worksheet on page 4.

Line 14. The eligible basis on line 1 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 because this is the first year of the credit period (line 1 already reflects the reduction) or no federal grant is received, enter zero on line 14. Otherwise, figure the reduction as follows.

Step 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) by the eligible basis on line 1 of this Form 8609-A. Express the result as a decimal carried out to at least four places.

Note. If the eligible basis on line 1 of this Form 8609-A was increased by a percentage allowable under section 42(d)(5)(C) (and reflected on line 3b of Form 8609), then increase the total amount of all federal grants in Step 1 by this percentage increase and divide this amount by the eligible basis on line 1 of this Form 8609-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.

Step 2. Multiply the decimal amount determined in Step 1 by the credit on line 13. Enter this result on line 14.

Line 16. To determine the amount to enter on line 16, see the information that follows in 1, 2, 3, and *Special rules*.

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 Part II 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 Form 8609-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*, later), 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 273 days in a 365-day calendar tax year, and 40% of the building for the remaining 92 days in the tax year (the taxpayer disposed of a 60% interest on the last day of September). 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 later) 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 the first 273 days in a 365-day calendar tax year and 40% of the building for the last 92 days of the year. After posting a bond or pledging securities, the taxpayer's credit on line 16 would be based upon 273/365 of 100% (or 74.79%) of the line 15 credit for the building plus 92/365 of 40% (or 10.08%) 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 on the last day 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 to which section 42(j)(5)(B) applies) 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 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. 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.

Paperwork Reduction Act Notice. We ask for the information on these forms 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 burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is: **Recordkeeping:** 7 hr., 38 min., **Learning about the law or the form:** 1 hr., 47 min., **Preparing and sending the form to the IRS:** 1 hr., 59 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. You can write to the Internal Revenue Service at the address listed in the instructions for the tax return with which this form is filed.

Line 11 Worksheet (Keep for Your Records)

1	Enter the qualified basis of the building from line 3 of this tax year's Form 8609-A	1	
2	Multiply the amount on line 1 of the previous year's Form 8609-A by the amount on line 2 of that Form 8609-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 Form 8609-A instead	3	
Note. If line 3 above is zero or less, do not complete the rest of this worksheet. Instead, enter -0- on line 11 of Form 8609-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 Form 8609-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 (for example, .2500 + .2500 + .2500 = .7500, divided by 12 = .0625).)	4	
5	Increased qualified basis entitled to reduced credit. Multiply line 4 above by Form 8609-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 Form 8609-A. Enter the result here and on line 11 of Form 8609-A	7	

Tax for Children Under Age 18 With Investment Income of More Than \$1,700

▶ Attach only to the child's Form 1040, Form 1040A, or Form 1040NR.
▶ See separate instructions.

Child's name shown on return

Child's social security number

Before you begin: If the child, the parent, or any of the parent's other children under age 18 must use the Schedule D Tax Worksheet or has income from farming or fishing, see Pub. 929, Tax Rules for Children and Dependents. It explains how to figure the child's tax using the **Schedule D Tax Worksheet** or **Schedule J** (Form 1040).

A Parent's name (first, initial, and last). Caution: See instructions before completing.

B Parent's social security number
S024

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)	1	E72800	
2 If the child did not itemize deductions on Schedule A (Form 1040 or Form 1040NR), enter \$1,700. Otherwise, see instructions	2	E72900	
3 Subtract line 2 from line 1. If zero or less, stop ; do not complete the rest of this form but do attach it to the child's return	3	E73000	
4 Enter the child's taxable income from Form 1040, line 43; Form 1040A, line 27; or Form 1040NR, line 40. If the child files Form 2555 or 2555-EZ, see the instructions	4	E73020	
5 Enter the smaller of line 3 or line 4. If zero, stop ; do not complete the rest of this form but do attach it to the child's return	5	E73100	

Part II Tentative Tax Based on the Tax Rate of the Parent

6 Enter the parent's taxable income from Form 1040, line 43; Form 1040A, line 27; Form 1040EZ, line 6; Form 1040NR, line 40; or Form 1040NR-EZ, line 14. If zero or less, enter -0-. If the parent files Form 2555 or 2555-EZ, see the instructions	6	E73200	
7 Enter the total, if any, from Forms 8615, line 5, of all other children of the parent named above. Do not include the amount from line 5 above	7	E73300	
8 Add lines 5, 6, and 7 (see instructions)	8	E73400	
9 Enter the tax on the amount on line 8 based on the parent's filing status above (see instructions). If the Qualified Dividends and Capital Gain Tax Worksheet, Schedule D Tax Worksheet, or Schedule J (Form 1040) is used to figure the tax, check here DTAXF ▶ <input type="checkbox"/>	9	E73500	
10 Enter the parent's tax from Form 1040, line 44; Form 1040A, line 28, minus any alternative minimum tax; Form 1040EZ, line 11; Form 1040NR, line 41; or Form 1040NR-EZ, line 15. Do not include any tax from Form 4972 or 8814 . If the parent files Form 2555 or 2555-EZ, see the instructions. If the Qualified Dividends and Capital Gain Tax Worksheet, Schedule D Tax Worksheet, or Schedule J (Form 1040) was used to figure the tax, check here DTAXP ▶ <input type="checkbox"/>	10	E73600	
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 Part III	11	E73700	
12a Add lines 5 and 7	12a	E73800	
b Divide line 5 by line 12a. Enter the result as a decimal (rounded to at least three places)	12b	E73900 ×	
13 Multiply line 11 by line 12b	13	E74000	

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	E74100	
15 Enter the tax on the amount on line 14 based on the child's filing status (see instructions). If the Qualified Dividends and Capital Gain Tax Worksheet, Schedule D Tax Worksheet, or Schedule J (Form 1040) is used to figure the tax, check here DTAXK ▶ <input type="checkbox"/>	15	E74160	
16 Add lines 13 and 15	16	E74200	
17 Enter the tax on the amount on line 4 based on the child's filing status (see instructions). If the Qualified Dividends and Capital Gain Tax Worksheet, Schedule D Tax Worksheet, or Schedule J (Form 1040) is used to figure the tax, check here DTAXC ▶ <input type="checkbox"/>	17	E74300	
18 Enter the larger of line 16 or line 17 here and on the child's Form 1040, line 44; Form 1040A, line 28; or Form 1040NR, line 41. If the child files Form 2555 or 2555-EZ, see the instructions	18	E74400	

**Credit for Prior Year Minimum Tax—
Individuals, Estates, and Trusts**

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

▶ See separate instructions.
▶ Attach to Form 1040, 1040NR, or 1041.

Identifying number

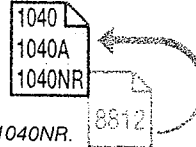
Part I Net Minimum Tax on Exclusion Items

1	Combine lines 1, 6, and 10 of your 2005 Form 6251. Estates and trusts, see instructions	1	E80000 +/-
2	Enter adjustments and preferences treated as exclusion items (see instructions)	2	E80100 +/-
3	Minimum tax credit net operating loss deduction (see instructions)	3	(E80150)
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 \$191,000 and you were married filing separately for 2005, see instructions	4	E80200
5	Enter: \$58,000 if married filing jointly or qualifying widow(er) for 2005; \$40,250 if single or head of household for 2005; or \$29,000 if married filing separately for 2005. Estates and trusts, enter \$22,500	5	E80300
6	Enter: \$150,000 if married filing jointly or qualifying widow(er) for 2005; \$112,500 if single or head of household for 2005; or \$75,000 if married filing separately for 2005. Estates and trusts, enter \$75,000	6	E80400
7	Subtract line 6 from line 4. If zero or less, enter -0- here and on line 8 and go to line 9	7	E80500
8	Multiply line 7 by 25% (.25)	8	E80600
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	E80700
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	E80800
11	<ul style="list-style-type: none"> • If for 2005 you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b (Form 1041, line 2b(2)); or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (lines 14a and 15, column (2), of Schedule D (Form 1041)), complete Part III of Form 8801 and enter the amount from line 46 here. • All others: If line 10 is \$175,000 or less (\$87,500 or less if married filing separately for 2005), multiply line 10 by 26% (.26). Otherwise, multiply line 10 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately for 2005) from the result. 	11	* PT3IND E80900
12	Minimum tax foreign tax credit on exclusion items (see instructions)	12	E81000
13	Tentative minimum tax on exclusion items. Subtract line 12 from line 11	13	E81100
14	Enter the amount from your 2005 Form 6251, line 34, or 2005 Form 1041, Schedule I, line 55	14	E81200
15	Net minimum tax on exclusion items. Subtract line 14 from line 13. If zero or less, enter -0-	15	E81300

Part II Minimum Tax Credit and Carryforward to 2007

16	Enter the amount from your 2005 Form 6251, line 35, or 2005 Form 1041, Schedule I, line 56	16	E81400
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	E81500 +/-
19	2005 minimum tax credit carryforward. Enter the amount from your 2005 Form 8801, line 26	19	E81600
20	Enter the total of your 2005 unallowed nonconventional source fuel credit and 2005 unallowed qualified electric vehicle credit (see instructions)	20	E81700
21	Combine lines 18, 19, and 20. If zero or less, stop here and see instructions	21	E82100
22	Enter your 2006 regular income tax liability minus allowable credits (see instructions)	22	E81800
23	Enter the amount from your 2006 Form 6251, line 33, or 2006 Form 1041, Schedule I, line 54	23	E81850
24	Subtract line 23 from line 22. If zero or less, enter -0-	24	E81900
25	Minimum tax credit. Enter the smaller of line 21 or line 24. Also enter this amount on your 2006 Form 1040, line 55; Form 1040NR, line 50; or Form 1041, Schedule G, line 2d	25	E82000
26	Minimum tax credit carryforward to 2007. Subtract line 25 from line 21. Keep a record of this amount because you may use it in future years	26	E82200

Additional Child Tax Credit



Department of the Treasury
Internal Revenue Service (99)

Complete and attach to Form 1040, Form 1040A, or Form 1040NR.

Name(s) shown on return

Your social security number

Part I All Filers

1	Enter the amount from line 1 of your Child Tax Credit Worksheet on page 43 of the Form 1040 instructions, page 38 of the Form 1040A instructions, or page 20 of the Form 1040NR instructions. If you used Pub. 972, enter the amount from line 8 of the worksheet on page 4 of the publication	1	E82925
2	Enter the amount from Form 1040, line 53, Form 1040A, line 33, or Form 1040NR, line 48	2	E82930
3	Subtract line 2 from line 1. If zero, stop ; you cannot take this credit	3	E82935
4a	Enter your total earned income (see instructions on back)	4a	E82880
b	Nontaxable combat pay (see instructions on back)	4b	E82882
5	Is the amount on line 4a more than \$11,300? <input type="checkbox"/> No. Leave line 5 blank and enter -0- on line 6. <input type="checkbox"/> Yes. Subtract \$11,300 from the amount on line 4a. Enter the result	5	E82885
6	Multiply the amount on line 5 by 15% (.15) and enter the result Next, do you have three or more qualifying children? <input type="checkbox"/> 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. <input type="checkbox"/> 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.	6	E82890

Part II Certain Filers Who Have Three or More Qualifying Children

7	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 instructions on back	7	E82900
8	1040 filers: Enter the total of the amounts from Form 1040, lines 27 and 59, plus any uncollected social security and Medicare or tier 1 RRTA taxes included on line 63. 1040A filers: Enter -0-. 1040NR filers: Enter the total of the amounts from Form 1040NR, line 54, plus any uncollected social security and Medicare or tier 1 RRTA taxes included on line 58.	8	E82905
9	Add lines 7 and 8	9	E82910
10	1040 filers: Enter the total of the amounts from Form 1040, lines 66a and 67. 1040A filers: Enter the total of the amount from Form 1040A, line 40a, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 43 (see instructions on back). 1040NR filers: Enter the amount from Form 1040NR, line 61.	10	E82915
11	Subtract line 10 from line 9. If zero or less, enter -0-	11	E82920
12	Enter the larger of line 6 or line 11 Next, enter the smaller of line 3 or line 12 on line 13.	12	E82937

Part III 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 68, Form 1040A, line 41, or Form 1040NR, line 62.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.

▶ 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 cannot take** on page 2.

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 taxable 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 tax-exempt interest. Do not include this amount on line 1a	1b	E83080	
2a	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	2a	E83130	
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b	E83135	
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, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4	E83160	
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6	E83170	
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	E83140	
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	E83145	
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	E83150	
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	E83155	
11	Add lines 9 and 10	11	E83175	
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E83180	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-.	14	E83190	
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E83200	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

Department of the Treasury
Internal Revenue Service

▶ See instructions.

▶ 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 cannot take** on page 2.

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 taxable 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 tax-exempt interest. Do not include this amount on line 1a	1b	E83080	
2a	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	2a	E83130	
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b	E83135	
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, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4	E83160	
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6	E83170	
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	E83140	
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	E83145	
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	E83150	
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	E83155	
11	Add lines 9 and 10	11	E83175	
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E83180	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14	E83190	
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E83200	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

Parents' Election To Report Child's Interest and Dividends

▶ See instructions.

▶ Attach to parents' Form 1040 or Form 1040NR.

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 cannot take** on page 2.

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 taxable 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 tax-exempt interest. Do not include this amount on line 1a	1b	E83080	
2a	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	2a	E83130	
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b	E83135	
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, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4	E83160	
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6	E83170	
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	E83140	
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	E83145	
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	E83150	
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	E83155	
11	Add lines 9 and 10	11	E83175	
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E83180	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14	E83190	
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E83200	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.
▶ 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 cannot take** on page 2.

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 taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	E83460	
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b	E83480	
2a	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	2a	E83530	
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b	E83535	
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	E83585	
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4	E83560	
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6	E83570	
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	E83540	
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	E83545	
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	E83550	
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	E83555	
11	Add lines 9 and 10	11	E83575	
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E83580	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14	E83590	
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E83600	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box **a** on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.

▶ Attach to parents' Form 1040 or Form 1040NR.

THIRD FORM

Your social security number
S046

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 cannot take** on page 2.

A Child's name (first, initial, and last)

B Child's social security number

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 taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	E83860	
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b	E83880	
2a	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	2a	E83930	
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b	E83935	
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	E83985	
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income	4	E83960	
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6	E83970	
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	E83940	
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	E83945	
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	E83950	
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	E83955	
11	Add lines 9 and 10	11	E83975	
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E83980	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14	E83990	
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E84000	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box **a** on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.
▶ Attach to parents' Form 1040 or Form 1040NR.

Name(s) shown on your return

THIRD FORM

Your social security number
S046

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 cannot take** on page 2.

A Child's name (first, initial, and last)

B Child's social security number

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 taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	E83860	
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b	E83880	
2a	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	2a	E83930	
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b	E83935	
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	E83985	
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4	E83960	
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6	E83970	
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	E83940	
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	E83945	
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	E83950	
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	E83955	
11	Add lines 9 and 10	11	E83975	
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E83980	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14	E83990	
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E84000	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.
▶ Attach to parents' Form 1040 or Form 1040NR.

Name(s) shown on your return

THIRD FORM

Your social security number
S046

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 cannot take** on page 2.

A Child's name (first, initial, and last)

B Child's social security number

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 taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	E83860
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b	E83880
2a	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	2a	E83930
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b	E83935
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	E83985
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4	E83960
5	Base amount	5	1,700 00
6	Subtract line 5 from line 4	6	E83970
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.			
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	E83940
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	E83945
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	E83950
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	E83955
11	Add lines 9 and 10	11	E83975
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E83980

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850 00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14	E83990
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E84000

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.

▶ Attach to parents' Form 1040 or Form 1040NR.

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 cannot take** on page 2.

A Child's name (first, initial, and last)

MORE THAN 3 FORMS

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 taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a		
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b		
2a	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	2a		
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b		
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3		
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4		
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6		
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7		
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8		
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9		
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10		
11	Add lines 9 and 10	11		
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E84210	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14		
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E84220	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.

▶ 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 cannot take** on page 2.

A Child's name (first, initial, and last)

MORE THAN 3 FORMS

B Child's social security number

F8814A

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Part I Child's Interest and Dividends To Report on Your Return

1a	Enter your child's taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a		
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b		
2a	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	2a		
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b		
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3		
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4		
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6		
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7		
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8		
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9		
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10		
11	Add lines 9 and 10	11		
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E84210	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14		
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E84220	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.

▶ 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 cannot take** on page 2.

A Child's name (first, initial, and last)

MORE THAN 3 FORMS

B Child's social security number
F8814A

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Part I Child's Interest and Dividends To Report on Your Return

1a	Enter your child's taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a		
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b		
2a	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	2a		
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b		
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3		
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4		
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6		
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7		
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8		
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9		
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10		
11	Add lines 9 and 10	11		
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E84210	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14		
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E84220	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.

▶ Attach to parents' Form 1040 or Form 1040NR.

Name(s) shown on your return

Your social security number

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A Child's name (first, initial, and last)

MORE THAN 3 FORMS

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 taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a		
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b		
2a	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	2a		
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b		
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3		
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4		
5	Base amount	5	1,700	00
6	Subtract line 5 from line 4	6		
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.				
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7		
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8		
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9		
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10		
11	Add lines 9 and 10	11		
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E84210	

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850	00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14		
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E84220	

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

**Parents' Election To Report
Child's Interest and Dividends**

▶ See instructions.

▶ 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 cannot take** on page 2.

A Child's name (first, initial, and last)

B Child's social security number

COMBINED FORMS

S044,S045,S046

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 taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	E84060
b	Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b	E84080
2a	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	2a	E84130
b	Enter your child's qualified dividends included on line 2a. See the instructions	2b	
3	Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	E84185
4	Add lines 1a, 2a, and 3. If the total is \$1,700 or less, skip lines 5 through 12 and go to line 13. If the total is \$8,500 or more, do not file this form. Your child must file his or her own return to report the income.	4	E84160
5	Base amount	5	1,700 00
6	Subtract line 5 from line 4	6	E84170
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.			
7	Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	
8	Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	
9	Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	E84150
10	Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	E84155
11	Add lines 9 and 10	11	E84175
12	Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	E84180

Part II Tax on the First \$1,700 of Child's Interest and Dividends

13	Amount not taxed	13	850 00
14	Subtract line 13 from line 4. If the result is zero or less, enter -0-	14	E84190
15	Tax. Is the amount on line 14 less than \$850? <input type="checkbox"/> No. Enter \$85 here and see the Note below. <input type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	E84200

Note. If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 41. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 41.

Like-Kind Exchanges
(and section 1043 conflict-of-interest sales)

Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return.

Attachment
Sequence No. **109**

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 (month, day, year). See instructions for 45-day written notice requirement

5	/	/
---	---	---
- 6 Date you actually received the like-kind property from other party (month, day, year). See instructions

6	/	/
---	---	---
- 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).

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

Your social security number

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 +/-		
Caution: If the property given up was used previously or partly as a home, see Property used as home in the instructions.					
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 +/-		
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 not used on line 15 (see instructions)	18	E36420 +/-		
19	Realized gain or (loss). 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	Recognized gain. 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	Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23	25	E36455 +/-		

Part IV Deferral of Gain From Section 1043 Conflict-of-Interest Sales

Note: This part is to be used only by officers or employees of the executive branch of the Federal Government for reporting nonrecognition of gain under section 1043 on the sale of property to comply with the conflict-of-interest requirements. This part can be used only if the cost of the replacement property is more than the basis of the divested property.

26	Enter the number from the upper right corner of your certificate of divestiture. (Do not attach a copy of your certificate. Keep the certificate with your records.)				
27	Description of divested property				
28	Description of replacement property				
29	Date divested property was sold (month, day, year)	29	/ /		
30	Sales price of divested property (see instructions)	30			
31	Basis of divested property	31			
32	Realized gain. Subtract line 31 from line 30	32			
33	Cost of replacement property purchased within 60 days after date of sale	33			
34	Subtract line 33 from line 30. If zero or less, enter -0-	34			
35	Ordinary income under recapture rules. Enter here and on Form 4797, line 10 (see instructions)	35			
36	Subtract line 35 from line 34. If zero or less, enter -0-. If more than zero, enter here and on Schedule D or Form 4797 (see instructions)	36			
37	Deferred gain. Subtract the sum of lines 35 and 36 from line 32	37			
38	Basis of replacement property. Subtract line 37 from line 33	38			

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Use Parts I, II, and III of Form 8824 to report each exchange of business or investment property for property of a like kind. Certain members of the executive branch of the Federal Government use Part IV to elect to defer gain on conflict-of-interest sales.

Multiple exchanges. If you made more than one like-kind exchange, you may file only a summary Form 8824 and attach your own statement showing all the information requested on Form 8824 for each exchange. Include your name and identifying number at the top of each page of the statement. On the summary Form 8824, enter only your name and identifying number, "Summary" on line 1, the total recognized gain from all exchanges on line 23, and the total basis of all like-kind property received on line 25.

When To File

If during the current tax year you transferred property to another party in a like-kind exchange, you must file Form 8824 with your tax return for that year. Also file Form 8824 for the 2 years following the year of a related party exchange (see the instructions for line 7 on page 4).

Like-Kind Exchanges

Generally, if you exchange business or investment property solely for business or investment property of a like kind, section 1031 provides that no gain or loss is recognized. If, as part of the exchange, you also receive other (not like-kind) property or money, gain is recognized to the extent of the other property and money received, but a loss is not recognized.

Section 1031 does not apply to exchanges of inventory, stocks, bonds, notes, other securities or evidence of indebtedness, or certain other assets. See section 1031(a)(2). In addition, section 1031 does not apply to certain exchanges involving tax-exempt use property subject to a lease. See section 470(e)(4).

Like-kind property. Properties are of like kind if they are of the same nature or character, even if they differ in grade or quality. Personal properties of a like class are like-kind properties. However, livestock of different sexes are not like-kind properties. Also, personal property used predominantly in the United States and personal property used predominantly outside the United States are not like-kind properties. See Pub. 544, Sales and Other Dispositions of Assets, for more details.

Real properties generally are of like kind, regardless of whether they are improved or unimproved. However, real property in the United States and real property outside the United States are not like-kind properties.

Deferred exchanges. A deferred exchange occurs when the property received in the exchange is received after the transfer of the property given up. For a deferred exchange to qualify as like-kind, you must comply with the 45-day written notice and receipt requirements explained in the instructions for lines 5 and 6.

Multi-asset exchanges. A multi-asset exchange involves the transfer and receipt of more than one group of like-kind properties. For example, an exchange of land, vehicles, and cash for land and vehicles is a multi-asset exchange. An exchange of land, vehicles, and cash for land only is not a multi-asset exchange. The transfer or receipt of multiple properties within one like-kind group is also a multi-asset exchange. Special rules apply when figuring the amount of gain recognized and your basis in properties received in a multi-asset exchange. For details, see Regulations section 1.1031(j)-1.

Reporting of multi-asset exchanges. If you transferred and received (a) more than one group of like-kind properties or (b) cash or other (not like-kind) property, do not complete lines 12 through 18 of Form 8824. Instead, attach your own statement showing how you figured the realized and recognized gain, and enter the correct amount on lines 19 through 25. Report any recognized gains on Schedule D; Form 4797, Sales of Business Property; or Form 6252, Installment Sale Income, whichever applies.

Exchanges using a qualified exchange accommodation arrangement (QEAA). If property is transferred to an exchange accommodation titleholder (EAT) and held in a QEAA, the EAT may be treated as the beneficial owner of the property, the property transferred from the EAT to you may be treated as property you received in an exchange, and the property you transferred to the EAT may be treated as property you gave up in an exchange. This may be true even if the property you are to receive is transferred to the EAT before you transfer the property you are giving up. However, the property transferred to you may not be treated as property received in an exchange if you previously owned it within 180 days of its transfer to the EAT. For details, see Rev. Proc. 2000-37 as modified by Rev. Proc. 2004-51. Rev. Proc. 2000-37 is on page 308 of Internal Revenue Bulletin 2000-40 at www.irs.gov/pub/irs-irbs/irb00-40.pdf. Rev. Proc. 2004-51 is on page 294 of Internal Revenue Bulletin 2004-33 at www.irs.gov/irb/2004-33_IRB/ar13.html.

Property used as home. If the property given up was owned and used as your home during the 5-year period ending on the date of the exchange, you may be able to exclude part or all of any gain figured on Form 8824. For details on the exclusion (including how to figure the amount of the exclusion), see Pub. 523, Selling Your Home. Fill out Form 8824 according to its instructions, with these exceptions:

1. Subtract line 18 from line 17. Subtract the amount of the exclusion from the result. Enter that result on line 19. On the dotted line next to line 19, enter "Section 121 exclusion" and the amount of the exclusion.

2. On line 20, enter the smaller of:
a. Line 15 minus the exclusion, or
b. Line 19.

Do not enter less than zero.

3. Subtract line 15 from the sum of lines 18 and 23. Add the amount of your exclusion to the result. Enter that sum on line 25.

Property used partly as home. If the property given up was used partly as a home, you will need to use two separate Forms 8824 as worksheets—one for the part of the property used as a home and one for the part used for business or investment. Fill out only lines 15 through 25 of each worksheet Form 8824. On the worksheet Form 8824 for the part of the property used as a home, follow steps (1) through (3) above, except that instead of following step (2), enter the amount from line 19 on line 20. On the worksheet Form 8824 for the part of the property used for business or investment, follow steps (1) through (3) above only if you can exclude at least part of any gain from the exchange of that part of the property; otherwise, complete the form according to its instructions. Enter the combined amounts from lines 15 through 25 of both worksheet Forms 8824 on the Form 8824 you file. Do not file either worksheet Form 8824.

More information. For details, see Rev. Proc. 2005-14 on page 528 of Internal Revenue Bulletin 2005-7 at www.irs.gov/irb/2005-07_IRB/ar10.html.

Additional information. For more information on like-kind exchanges, see section 1031 and its regulations and Pub. 544.

Specific Instructions

Lines 1 and 2. For real property, enter the address and type of property. For personal property, enter a short description. For property located outside the United States, include the country.

Line 5. Enter on line 5 the date of the written notice that identifies the like-kind property you received in a deferred exchange. To comply with the **45-day written notice requirement**, the following conditions must be met.

1. The like-kind property you receive in a deferred exchange must be designated in writing as replacement property either in a document you signed or in a written agreement signed by all parties to the exchange.

2. The document or agreement must describe the replacement property in a clear and recognizable manner. Real property should be described using a legal description, street address, or distinguishable name (for example, "Mayfair Apartment Building").

3. No later than 45 days after the date you transferred the property you gave up:

a. You must send, fax, or hand deliver the document you signed to the person required to transfer the replacement property to you (including a disqualified person) or to another person involved in the exchange (other than a disqualified person), or

b. All parties to the exchange must sign the written agreement designating the replacement property.

Generally, a disqualified person is either your agent at the time of the transaction or a person related to you. For more details, see Regulations section 1.1031(k)-1(k).

Note. If you received the replacement property before the end of the 45-day period, you automatically are treated as having met the 45-day written notice requirement. In this case, enter on line 5 the date you received the replacement property.

Line 6. Enter on line 6 the date you received the like-kind property from the other party.

The property must be received by the earlier of the following dates.

- The 180th day after the date you transferred the property given up in the exchange.
- The due date (including extensions) of your tax return for the year in which you transferred the property given up.

Line 7. Special rules apply to like-kind exchanges made with related parties, either directly or indirectly. A **related party** includes your spouse, child, grandchild, parent, grandparent, brother, sister, or a related corporation, S corporation, partnership, trust, or estate. See section 1031(f).

An exchange made **indirectly** with a related party includes:

- An exchange made with a related party through an intermediary (such as a qualified intermediary or an exchange accommodation titleholder, as defined in Pub. 544), or
- An exchange made by a disregarded entity (such as a single member limited liability company) if you or a related party owned that entity.

If the related party (either directly or indirectly) or you dispose of the property received in an exchange before the date that is 2 years after the last transfer of property from the exchange, the deferred gain or (loss) from line 24 must be reported on your return for the year of disposition (unless an exception on line 11 applies).

If you are filing this form for 1 of the 2 years following the year of the exchange, complete Parts I and II. If both lines 9 and 10 are "No," **stop**.

If either line 9 or line 10 is "Yes," and an exception on line 11 applies, check the applicable box on line 11, attach any required explanation, and **stop**. If no line 11 exceptions apply, complete Part III.

Report the deferred gain or (loss) from line 24 on this year's tax return as if the exchange had been a sale.

An exchange structured to avoid the related party rules is not a like-kind exchange. Do not report it on Form 8824. Instead, you should report the disposition of the property given up as if the exchange had been a sale. See section 1031(f)(4). Such an exchange includes the transfer of property you gave up to a qualified intermediary in exchange for property you received that was formerly owned by a related party if the related party received cash or other (not like-kind) property for the property you received, and you used the qualified intermediary to avoid the application of the related party rules. See Rev. Rul. 2002-83 for more details. You can find Rev. Rul. 2002-83 on page 927 of Internal Revenue Bulletin 2002-49 at www.irs.gov/pub/irs-irbs/irb02-49.pdf.

Line 11c. If you believe that you can establish to the satisfaction of the IRS that tax avoidance was not a principal purpose of both the exchange and the disposition, attach an explanation. Generally, tax avoidance will not be seen as a principal purpose in the case of:

- A disposition of property in a nonrecognition transaction,
- An exchange in which the related parties derive no tax advantage from the shifting of basis between the exchanged properties, or
- An exchange of undivided interests in different properties that results in each related party holding either the entire interest in a single property or a larger undivided interest in any of the properties.

Lines 12, 13, and 14. If you gave up other property in addition to the like-kind property, enter the fair market value (FMV) and the adjusted basis of the other property on lines 12 and 13, respectively. The gain or (loss) from this property is figured on line 14 and must be reported on your return. Report gain or (loss) as if the exchange were a sale.

Line 15. Include on line 15 the sum of:

- Any cash paid to you by the other party,
- The FMV of other (not like-kind) property you received, if any, and
- Net liabilities assumed by the other party—the excess, if any, of liabilities (including mortgages) assumed by the other party over the total of (a) any liabilities you assumed, (b) cash you paid to the other party, and (c) the FMV of the other (not like-kind) property you gave up.

Reduce the sum of the above amounts (but not below zero) by any exchange expenses you incurred. See the example on this page.

The following rules apply in determining the amount of liability treated as assumed.

- A recourse liability (or portion thereof) is treated as assumed by the party receiving the property if that party has agreed to and is expected to satisfy the liability (or portion thereof). It does not matter whether the party transferring the property has been relieved of the liability.

- A nonrecourse liability generally is treated as assumed by the party receiving the property subject to the liability. However, if an owner of other assets subject to the same liability agrees with the party receiving the property to, and is expected to, satisfy part or all of the liability, the amount treated as assumed is reduced by the smaller of (a) the amount of the liability that the owner of the other assets has agreed to and is expected to satisfy or (b) the FMV of those other assets.

Line 18. Include on line 18 the sum of:

- The adjusted basis of the like-kind property you gave up,
- Exchange expenses, if any (except for expenses used to reduce the amount reported on line 15), and
- Net amount paid to the other party—the **excess**, if any, of the total of (a) any liabilities you assumed, (b) cash you paid to the other party, and (c) the FMV of the other (not like-kind) property you gave up **over** any liabilities assumed by the other party.

See Regulations section 1.1031(d)-2 and the following example for figuring amounts to enter on lines 15 and 18.

Example. A owns an apartment house with an FMV of \$220,000, an adjusted basis of \$100,000, and subject to a mortgage of \$80,000. B owns an apartment house with an FMV of \$250,000, an adjusted basis of \$175,000, and subject to a mortgage of \$150,000.

A transfers his apartment house to B and receives in exchange B's apartment house plus \$40,000 cash. A assumes the mortgage on the apartment house received from B, and B assumes the mortgage on the apartment house received from A.

A enters on line 15 only the \$40,000 cash received from B. The \$80,000 of liabilities assumed by B is not included because it does not exceed the \$150,000 of liabilities A assumed. A enters \$170,000 on line 18—the \$100,000 adjusted basis, plus the \$70,000 excess of the liabilities A assumed over the liabilities assumed by B (\$150,000 - \$80,000).

B enters \$30,000 on line 15—the excess of the \$150,000 of liabilities assumed by A over the total (\$120,000) of the \$80,000 of liabilities B assumed and the \$40,000 cash B paid. B enters on line 18 only the adjusted basis of \$175,000 because the total of the \$80,000 of liabilities B assumed and the \$40,000 cash B paid does not exceed the \$150,000 of liabilities assumed by A.

Line 21. If you disposed of section 1245, 1250, 1252, 1254, or 1255 property (see the instructions for Part III of Form 4797), you may be required to recapture as ordinary income part or all of the realized gain (line 19). Figure the amount to enter on line 21 as follows:

Section 1245 property. Enter the smaller of:

1. The total adjustments for deductions (whether for the same or other property) allowed or allowable to you or any other

person for depreciation or amortization (up to the amount of gain shown on line 19), or

2. The gain shown on line 20, if any, plus the FMV of non-section 1245 like-kind property received.

Section 1250 property. Enter the smaller of:

1. The gain you would have had to report as ordinary income because of additional depreciation if you had sold the property (see the Form 4797 instructions for line 26), or

2. The larger of:

a. The gain shown on line 20, if any, or

b. The excess, if any, of the gain in item (1) above over the FMV of the section 1250 property received.

Section 1252, 1254, and 1255 property.

The rules for these types of property are similar to those for section 1245 property. See Regulations section 1.1252-2(d) and Temporary Regulations section 16A.1255-2(c) for details. If the installment method applies to this exchange:

1. See section 453(f)(6) to determine the installment sale income taxable for this year and report it on Form 6252.

2. Enter on Form 6252, line 25 or 36, the section 1252, 1254, or 1255 recapture amount you figured on Form 8824, line 21. Do not enter more than the amount shown on Form 6252, line 24 or 35.

3. Also enter this amount on Form 4797, line 15.

4. If all the ordinary income is not recaptured this year, report in future years on Form 6252 the ordinary income up to the taxable installment sale income, until it is all reported.

Line 22. Report a gain from the exchange of property used in a trade or business (and other noncapital assets) on Form 4797, line 5 or line 16. Report a gain from the exchange of capital assets according to the Schedule D instructions for your return. Be sure to use the date of the exchange as the date for reporting the gain. If the installment method applies to this exchange, see section 453(f)(6) to determine the installment sale income taxable for this year and report it on Form 6252.

Line 24. If line 19 is a loss, enter it on line 24. Otherwise, subtract the amount on line 23 from the amount on line 19 and enter the result. For exchanges with related parties, see the instructions for line 7 on page 4.

Line 25. The amount on line 25 is your basis in the like-kind property you received in the exchange. Your basis in other property received in the exchange, if any, is its FMV.

**Section 1043
Conflict-of-Interest Sales
(Part IV)**

If you sell property at a gain according to a certificate of divestiture issued by the Office of Government Ethics (OGE) and purchase replacement property (permitted property), you may elect to defer part or all of the realized gain. You must recognize gain on the sale only to the extent that the amount realized on the sale is more than the cost of replacement property purchased within 60 days after the sale. (You also must recognize any ordinary income recapture.) Permitted property is any obligation of the United States or any diversified investment fund approved by the OGE.



If the property you sold was stock you acquired by exercising a statutory stock option, you may be treated as meeting the holding periods that apply to such stock, regardless of how long you actually held the stock. This may benefit you if you do not defer your entire gain, because it may allow you to treat the gain as a capital gain instead of ordinary income. For details, see section 421(d) or Pub. 525.

Complete Part IV of Form 8824 only if the cost of the replacement property is more than the basis of the divested property and you elect to defer the gain. Otherwise, report the sale on Schedule D or Form 4797, whichever applies.

Your basis in the replacement property is reduced by the amount of the deferred gain. If you made more than one purchase of replacement property, reduce your basis in the replacement property in the order you acquired it.

Line 30. Enter the amount you received from the sale of the divested property, minus any selling expenses.

Line 35. Follow these steps to determine the amount to enter.

1. Use Part III of Form 4797 as a worksheet to figure ordinary income under the recapture rules.

2. Enter on Form 8824, line 35, the amount from Form 4797, line 31. Do not attach the Form 4797 used as a worksheet to your return.

3. Report the amount from line 35 on Form 4797, line 10, column (g). In column (a), write "From Form 8824, line 35." Do not complete columns (b) through (f).

Line 36. If you sold a capital asset, enter any capital gain from line 36 on Schedule D. If you sold property used in a trade or business (or any other asset for which the gain is treated as ordinary income), report the gain on Form 4797, line 2 or line 10, column (g). In column (a), write "From Form 8824, line 36." Do not complete columns (b) through (f).

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 burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is shown below.

Recordkeeping	1 hr., 38 min.
Learning about the law or the form	27 min.
Preparing the form	59 min.
Copying, assembling, and sending the form to the IRS	33 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.

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.

2006

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

Attachment
Sequence No. **66**

Name(s) of proprietor(s)

Your social security number

FIRST FORM

Part I Part of Your Home Used for Business

1	Area used regularly and exclusively for business, regularly for daycare, 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	%
For daycare facilities not used exclusively for business go to line 4. All others go to line 7.			
4	Multiply days used for daycare 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 daycare 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 9-21.	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	Rent	18	
19	Repairs and maintenance	19	
20	Utilities	20	
21	Other expenses (see instructions)	21	
22	Add lines 16 through 21	22	
23	Multiply line 22, column (b) by line 7	23	
24	Carryover of operating expenses from 2005 Form 8829, line 41	24	
25	Add line 22 in column (a), line 23, and line 24	25	
26	Allowable operating expenses. Enter the smaller of line 15 or line 25	26	
27	Limit on excess casualty losses and depreciation. Subtract line 26 from line 15	27	
28	Excess casualty losses (see instructions)	28	
29	Depreciation of your home from Part III below	29	E91445
30	Carryover of excess casualty losses and depreciation from 2005 Form 8829, line 42	30	
31	Add lines 28 through 30	31	
32	Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31	32	
33	Add lines 14, 26, and 32	33	
34	Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684, Section B	34	E91447
35	Allowable expenses for business use of your home. Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions ▶	35	

Part III Depreciation of Your Home

36	Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	36	
37	Value of land included on line 36	37	
38	Basis of building. Subtract line 37 from line 36	38	
39	Business basis of building. Multiply line 38 by line 7	39	
40	Depreciation percentage (see instructions)	40	%
41	Depreciation allowable (see instructions). Multiply line 39 by line 40. Enter here and on line 29 above	41	

Part IV Carryover of Unallowed Expenses to 2007

42	Operating expenses. Subtract line 26 from line 25. If less than zero, enter -0-	42	
43	Excess casualty losses and depreciation. Subtract line 32 from line 31. If less than zero, enter -0-	43	E91449

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.

SECOND FORM

Part I Part of Your Home Used for Business

1	Area used regularly and exclusively for business, regularly for daycare, 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	%
For daycare facilities not used exclusively for business go to line 4. All others go to line 7.			
4	Multiply days used for daycare 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 daycare 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 9-21.	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	Rent	18	
19	Repairs and maintenance	19	
20	Utilities	20	
21	Other expenses (see instructions)	21	
22	Add lines 16 through 21	22	
23	Multiply line 22, column (b) by line 7	23	
24	Carryover of operating expenses from 2005 Form 8829, line 41	24	
25	Add line 22 in column (a), line 23, and line 24	25	
26	Allowable operating expenses. Enter the smaller of line 15 or line 25	26	
27	Limit on excess casualty losses and depreciation. Subtract line 26 from line 15	27	
28	Excess casualty losses (see instructions)	28	
29	Depreciation of your home from Part III below	29	E92445
30	Carryover of excess casualty losses and depreciation from 2005 Form 8829, line 42	30	
31	Add lines 28 through 30	31	
32	Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31	32	
33	Add lines 14, 26, and 32	33	
34	Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684 , Section B	34	E92447
35	Allowable expenses for business use of your home. Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions ▶	35	

Part III Depreciation of Your Home

36	Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	36	
37	Value of land included on line 36	37	
38	Basis of building. Subtract line 37 from line 36	38	
39	Business basis of building. Multiply line 38 by line 7	39	
40	Depreciation percentage (see instructions)	40	%
41	Depreciation allowable (see instructions). Multiply line 39 by line 40. Enter here and on line 29 above	41	

Part IV Carryover of Unallowed Expenses to 2007

42	Operating expenses. Subtract line 26 from line 25. If less than zero, enter -0-	42	
43	Excess casualty losses and depreciation. Subtract line 32 from line 31. If less than zero, enter -0-	43	E92449

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.

2006

Attachment Sequence No. **66**

Department of the Treasury
Internal Revenue Service (99)

► See separate instructions.

Name(s) of proprietor(s)

Your social security number

THIRD FORM

Part I Part of Your Home Used for Business

1	Area used regularly and exclusively for business, regularly for daycare, 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	%
For daycare facilities not used exclusively for business go to line 4. All others go to line 7.				
4	Multiply days used for daycare 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 daycare 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 9-21.			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	Rent	18			
19	Repairs and maintenance	19			
20	Utilities	20			
21	Other expenses (see instructions)	21			
22	Add lines 16 through 21	22			
23	Multiply line 22, column (b) by line 7		23		
24	Carryover of operating expenses from 2005 Form 8829, line 41		24		
25	Add line 22 in column (a), line 23, and line 24			25	
26	Allowable operating expenses. Enter the smaller of line 15 or line 25			26	
27	Limit on excess casualty losses and depreciation. Subtract line 26 from line 15			27	
28	Excess casualty losses (see instructions)	28			
29	Depreciation of your home from Part III below	29	E93445		
30	Carryover of excess casualty losses and depreciation from 2005 Form 8829, line 42	30			
31	Add lines 28 through 30			31	
32	Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31			32	
33	Add lines 14, 26, and 32			33	
34	Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684, Section B			34	E93447
35	Allowable expenses for business use of your home. Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions ►			35	

Part III Depreciation of Your Home

36	Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	36	
37	Value of land included on line 36	37	
38	Basis of building. Subtract line 37 from line 36	38	
39	Business basis of building. Multiply line 38 by line 7	39	
40	Depreciation percentage (see instructions)	40	%
41	Depreciation allowable (see instructions). Multiply line 39 by line 40. Enter here and on line 29 above	41	

Part IV Carryover of Unallowed Expenses to 2007

42	Operating expenses. Subtract line 26 from line 25. If less than zero, enter -0-	42	
43	Excess casualty losses and depreciation. Subtract line 32 from line 31. If less than zero, enter -0-	43	E93449

**Archer MSAs and
Long-Term Care Insurance Contracts**

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to Form 1040 or Form 1040NR.**

▶ **See separate instructions.**

Name(s) shown on return

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 Advantage MSA, skip Section A and complete Section B.

Part I General Information. See page 2 of the instructions.

	Yes	No
1a Did you or your employer make contributions to your Archer MSA for 2006?	1a MSAPRI	
b If "Yes," were you uninsured when the MSA was established (see page 2 of the instructions)?	1b MSAPUN	
c If line 1a is "Yes," indicate coverage under high deductible health plan: <input type="checkbox"/> Self-Only or <input type="checkbox"/> Family	MSAPHD	
2a If married, did your spouse or spouse's employer make contributions to your spouse's Archer MSA for 2006?	2a MSASEC	
b If "Yes," was your spouse uninsured when the MSA was established (see page 2 of the instructions)?	2b MSASUN	
c If line 2a is "Yes," indicate coverage under high deductible health plan: <input type="checkbox"/> Self-Only or <input type="checkbox"/> Family	MSASHD	

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).

3 Total employer contributions to your Archer MSA(s) for 2006	3	T86200		
4 Archer MSA contributions you made for 2006, including those made from January 1, 2007, through April 16, 2007, that were for 2006. Do not include rollovers (see page 4 of the instructions)	4	E86210		
5 Limitation from the worksheet on page 3 of the instructions	5	E86220		
6 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.)	6	E86230		
7 Archer MSA deduction. Enter the smallest of line 4, 5, or 6 here and on Form 1040, line 23, or Form 1040NR, line 23 <i>Caution: If line 4 is more than line 7, you may have to pay an additional tax (see page 4 of the instructions).</i>	7	E86240		

Part III Archer MSA Distributions

8a Total distributions you and your spouse received in 2006 from all Archer MSAs (see page 4 of the instructions)	8a	E86250		
b Distributions included on line 8a that you rolled over to another Archer MSA or a health savings account. 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)	8b	E86260		
c Subtract line 8b from line 8a	8c	E86270		
9 Unreimbursed qualified medical expenses (see page 4 of the instructions).	9	E86280		
10 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, or Form 1040NR, line 21. On the dotted line next to line 21, enter "MSA" and the amount	10	E86290		
11a If any of the distributions included on line 10 meet any of the Exceptions to the Additional 15% Tax (see page 4 of the instructions), check here MSAEXC ▶ <input type="checkbox"/>				
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 63, or Form 1040NR, line 58. On the dotted line next to Form 1040, line 63, or Form 1040NR, line 58, enter "MSA" and the amount	11b	E86300		

Section B. Medicare Advantage MSA Distributions. If you are filing jointly and both you and your spouse received distributions in 2006 from a Medicare Advantage MSA, complete a separate Section B for each spouse (see page 4 of the instructions).

12 Total distributions you received in 2006 from all Medicare Advantage MSAs (see page 4 of the instructions)	12	E86375		
13 Unreimbursed qualified medical expenses (see page 5 of the instructions)	13	E86380		
14 Taxable Medicare Advantage 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, or Form 1040NR, line 21. On the dotted line next to line 21, enter "Med MSA" and the amount	14	E86385		
15a If any of the distributions included on line 14 meet any of the Exceptions to the Additional 50% Tax (see page 5 of the instructions), check here MEDEXC ▶ <input type="checkbox"/>				
b Additional 50% tax (see page 5 of the instructions). Also include this amount in the total on Form 1040, line 63, or Form 1040NR, line 58. On the dotted line next to Form 1040, line 63, or Form 1040NR, line 58, enter "Med MSA" and the amount	15b	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 2006, 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 2006 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
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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
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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 \$250 by the number of days in the LTC period

23	E86340
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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
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Education Credits
(Hope and Lifetime Learning Credits)

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

Your social security number

Caution: You *cannot* take the Hope credit and the lifetime learning credit 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 \$2,200* for each student.	(d) Enter the smaller of the amount in column (c) or \$1,100**	(e) Add column (c) and column (d)	(f) Enter one-half of the amount in column (e)	
	N20 number of qualified students	S058	E87480			E87481	
		S059	E87485			E87486	
		S060	E87490			E87491	
		S061	E87495			E87496	
* For each student who attended an eligible educational institution in the Gulf Opportunity Zone, do not enter more than \$4,400. ** For each student who attended an eligible educational institution in the Gulf Opportunity Zone, enter the smaller of the amount in column (c) or \$2,200.							
2	Tentative Hope credit. Add the amounts on line 1, column (f). If you are taking the lifetime learning credit for another student, go to Part II; otherwise, go to Part III					2	E87520

Part II Lifetime Learning Credit

3	(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)
	N25 number of lifetime learning credit student:	S062 S063	E87526 E87522 E87528 E87524
		S064 S065	
4	Add the amounts on line 3, column (c), and enter the total		4 E87530
5a	Enter the smaller of line 4 or \$10,000		5a E87540
b	For students who attended an eligible educational institution in the Gulf Opportunity Zone, enter the smaller of \$10,000 or their qualified expenses included on line 4 (see special rules on page 3)		5b E87542
c	Subtract line 5b from line 5a		5c E87544
6a	Multiply line 5b by 40% (.40)		6a E87545
b	Multiply line 5c by 20% (.20)		6b E87547
c	Tentative lifetime learning credit. Add lines 6a and 6b and go to Part III		6c E87550

Part III Allowable Education Credits

7	Tentative education credits. Add lines 2 and 6c		7	E87560
8	Enter: \$110,000 if married filing jointly; \$55,000 if single, head of household, or qualifying widow(er)		8	E87570
9	Enter the amount from Form 1040, line 38*, or Form 1040A, line 22		9	E87580 +/-
10	Subtract line 9 from line 8. If zero or less, stop; you cannot take any education credits		10	E87590
11	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)		11	E87600
12	If line 10 is equal to or more than line 11, enter the amount from line 7 on line 13 and go to line 14. If line 10 is less than line 11, divide line 10 by line 11. Enter the result as a decimal (rounded to at least three places)		12	E87610 X
13	Multiply line 7 by line 12		13	E87620
14	Enter the amount from Form 1040, line 46, or Form 1040A, line 28		14	E87630
15	Enter the total, if any, of your credits from Form 1040, lines 47 through 49, or Form 1040A, lines 29 and 30		15	E87640
16	Subtract line 15 from line 14. If zero or less, stop; you cannot take any education credits		16	E87650
17	Education credits. Enter the smaller of line 13 or line 16 here and on Form 1040, line 50, or Form 1040A, line 31		17	E87680

* If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter.

Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return.

Name(s) shown on return

Identifying number

Caution: You cannot claim any amounts on Form 8864 that you claimed (or will claim) on Schedule C (Form 720), Form 8849, or Form 4136.

Claimant has a certificate from the producer or importer of biodiesel or renewable diesel reported on lines 1 through 6 below and, if applicable, claimant also has a statement from the reseller. Claimant has no reason to believe that the information in the certificate or statement is false. Claimant may need to attach a copy of the certificate and statement. See *Certification* below.

Type of Fuel	(a) Number of Gallons Sold or Used	(b) Rate	(c) Column (a) x Column (b)	
1 Biodiesel (other than agri-biodiesel)	1	\$.50	E75200	
2 Agri-biodiesel	2	\$1.00	E75210	
3 Renewable diesel	3	\$1.00	E75220	
4 Biodiesel (other than agri-biodiesel) included in a biodiesel mixture	4	\$.50	E75230	
5 Agri-biodiesel included in a biodiesel mixture	5	\$1.00	E75240	
6 Renewable diesel included in a renewable diesel mixture	6	\$1.00	E75250	
7 Qualified agri-biodiesel production (gallons sold)	7	\$.10	E75260	
8 Add lines 1 through 7. Include this amount in your income for 2006 (see instructions)			8 E75270	
9 Biodiesel and renewable diesel fuels credit from partnerships, S corporations, cooperatives, estates, and trusts			9 E75280	
10 Add lines 8 and 9. Cooperatives, estates, and trusts, go to line 11; partnerships and S corporations, report this amount on Schedule K; all others, report this amount on Form 3800, line 1p			10 E75290	E75300
11 Amount allocated to patrons of the cooperative or beneficiaries of the estate or trust			11	
12 Cooperatives, estates, and trusts. Subtract line 11 from line 10. Report this amount on Form 3800, line 1p			12	

General Instructions

Section references are to the Internal Revenue Code.

What's New

The tax liability limit is no longer figured on this form; instead, it must be figured on Form 3800, General Business Credit.

Purpose of Form

Use Form 8864 to figure your biodiesel and renewable diesel fuels credit. Claim the credit for the tax year in which the sale or use occurs. This credit consists of the:

- Biodiesel credit,
- Renewable diesel credit,
- Biodiesel mixture credit,
- Renewable diesel mixture credit, and
- Small agri-biodiesel producer credit.

Definitions and Special Rules

Certification

To claim a credit on lines 1, 2, 4, or 5, you generally must attach the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller, to Form 8864. To claim a credit on lines 3 or 6, you generally must attach a certificate from the producer identifying the product as renewable diesel and, if applicable, a statement from the reseller. However, if the certificate or statement was attached to a previously filed claim, attach a separate sheet with the following information.

- Certificate identification number.
- Total gallons of agri-biodiesel, biodiesel other than agribiodiesel, or renewable diesel on the certificate.
- Total gallons claimed on Schedule 3 (Form 8849).
- Total gallons claimed on Schedule C (Form 720).
- Total gallons claimed on Form 4136.

See Notice 2005-62 on page 443 of Internal Revenue Bulletin 2005-35 or Publication 510, Excise Taxes for 2007, for the model certificate and statement.

Biodiesel

Biodiesel means the monoalkyl esters of long chain fatty acids derived from plant or animal matter which meet the registration requirements for fuels and fuel additives established by the Environmental Protection Agency (EPA) under section 211 of the Clean Air Act, and the requirements of the American Society of Testing and Materials (ASTM) D6751.

Biodiesel includes both agri-biodiesel and biodiesel other than agri-biodiesel.

Agri-Biodiesel

Agri-biodiesel means biodiesel derived solely from virgin oils, including esters derived from virgin vegetable oils from corn, soybeans, sunflower seeds, cottonseeds, canola, crambe, rapeseeds, safflowers, flaxseeds, rice bran, and mustard seeds, and from animal fats.

Renewable Diesel

Renewable diesel means diesel fuel derived from biomass (defined below) using a thermal depolymerization process which meets the registration requirements for fuels and fuel additives established by the EPA under section 211 of the Clean Air Act, and the requirements of the ASTM D975 or D396.

Biomass. Biomass means any organic material other than oil and natural gas (or any product thereof) and coal (including lignite) or any product thereof.

Biodiesel and Renewable Diesel Credits

The biodiesel or renewable diesel reported on lines 1 through 3 must not be a mixture. The credits are for biodiesel or renewable diesel which during the tax year you:

- Used as a fuel in a trade or business, or
- Sold at retail to another person and put in the fuel tank of that person's vehicle.

However, no credit is allowed for fuel used in a trade or business that was purchased in a retail sale described above.

Caution: You may be liable for a 24.4 cents per gallon excise tax on biodiesel or renewable diesel you sold (in your trade or business) for use or used in a diesel-powered highway vehicle or diesel-powered train. Report the tax liability on Form 720 on the line for IRS No. 79 for the quarter in which the biodiesel was sold or used and IRS No. 60(b) for the quarter in which the renewable diesel was sold or used.

Biodiesel and Renewable Diesel Mixture Credits

The biodiesel or renewable diesel reported on lines 4 through 6 must be used to make a qualified mixture. A qualified mixture combines biodiesel or renewable diesel with diesel fuel (defined below), determined without regard to any use of kerosene. The producer of the mixture either:

- Used it as fuel, or
- Sold it as fuel to another person.

The credit is available only to the producer of the mixture. The producer must use or sell the mixture in a trade or business and the credit is available only for the year the mixture is sold or used. The credit is not allowed for casual off-farm production of a qualified mixture.

Caution: You may be liable for a 24.4 cents per gallon excise tax on biodiesel or renewable diesel used to produce blended taxable fuel outside the bulk transfer terminal system if the mixture is diesel fuel. Report the tax liability on Form 720 on the line for IRS No. 60(c) for the quarter in which the mixture was sold or used.

Diesel fuel. Diesel fuel means:

- Any liquid that, without further processing or blending, is suitable for use as a fuel in a diesel-powered highway vehicle or diesel-powered train, and
- Transmix.

A liquid is suitable for this use if the liquid has practical and commercial fitness for use in the propulsion engine of a diesel-powered highway vehicle

or diesel-powered train. A liquid may possess this practical and commercial fitness even though the specified use is not the liquid's predominant use. However, a liquid does not possess this practical and commercial fitness solely by reason of its possible or rare use as a fuel in the propulsion engine of a diesel-powered highway vehicle or diesel-powered train. Diesel fuel does not include gasoline, kerosene, excluded liquid, No. 5 and No. 6 fuel oils covered by ASTM specification D396, or F-76 (Fuel Naval Distillate) covered by military specification MIL-F-16884.

An excluded liquid is any liquid that (a) contains less than 4% normal paraffins, or (b) has a (i) distillation range of 125°F or less, (ii) sulfur content of 10 parts per million or less, and (iii) minimum color of +27 Saybolt. For example, biodiesel is always an excluded liquid because it does not contain paraffins. But a biodiesel mixture may not be an excluded liquid.

Transmix means a by-product of refined products created by the mixing of different specification products during pipeline transportation.

Qualified Agri-Biodiesel Production

Qualified agri-biodiesel production means up to 15 million gallons of agri-biodiesel which is produced by an eligible small agri-biodiesel producer (defined below), and which during the tax year:

1. Is sold by such producer to another person:
 - a. For use by such person in the production of a qualified biodiesel mixture in such other person's trade or business (other than casual off-farm production),
 - b. For use by such person as a fuel in a trade or business, or
 - c. Who sells such agri-biodiesel at retail to another person and places such agri-biodiesel in the fuel tank of such other person, or
2. Is used or sold by such producer for any purpose described in (1).

Eligible small agri-biodiesel producer. An eligible small agri-biodiesel producer is a person who, at all times during the tax year, has a productive capacity for agri-biodiesel not in excess of 60 million gallons.

Aggregation rule. All members of the same controlled group of corporations (see section 267(f)) and all persons under common control (see section 52(b) but treat an interest of more than 50% as a controlling interest) are treated as 1 person for purposes of the 15 and 60 million gallon limits.

Partnership, S corporation, and other pass-through entities. The 15 and 60 million gallon limits discussed above are applied at both the entity level and at the partner or similar level.

Registration

All producers and importers of biodiesel or renewable diesel must be registered with the IRS. All persons producing blended taxable fuel must be registered. See Form 637, Application for Registration (For Certain Excise Tax Activities).

Coordination With Excise Tax Credit

Only one credit may be taken with respect to any amount of biodiesel or renewable diesel. If any amount is claimed (or will be claimed) with respect to any amount of biodiesel or renewable diesel on Form 720, Quarterly Federal Excise Tax Return, Form 8849, Claim for Refund of Excise Taxes, or Form 4136, Credit for Federal Tax Paid on Fuels, then a claim cannot be made on Form 8864 for that amount of biodiesel or renewable diesel.

Recapture of Credit

You must pay a tax on each gallon of biodiesel or renewable diesel on which a credit was claimed at the rate used to figure the credit if you:

- Use it (including a mixture) other than as a fuel,
- Buy it at retail and use it to create a mixture,
- Separate it from a mixture, or
- Use agri-biodiesel on which the small agri-biodiesel producer credit was claimed for a use not described under *Qualified Agri-Biodiesel Production* above.

Report the tax on Form 720, Quarterly Federal Excise Tax Return.

Additional Information

See Pub. 510, Excise Taxes for 2007.

Specific Instructions

Use lines 1 through 8 to figure any biodiesel and renewable diesel fuels credit from your own trade or business.

Skip lines 1 through 8 if you are claiming only a credit that was allocated to you from a pass-through entity (that is, an S corporation, partnership, estate, trust, or cooperative).

Line 8

Include this amount in income, under "other income" on the applicable line of your income tax return, even if you cannot use all of the credit because of the tax liability limit. However, if you are subject to alternative minimum tax (AMT), this amount is not income in computing AMT and must be subtracted when figuring your alternative minimum taxable income. Do this by including this amount on line 26 of Form 6251, line 23 of Schedule I, Form 1041, or line 2o of Form 4626.

Line 9

If you are allocated a small agri-biodiesel producer credit from a pass-through entity, the entity must tell you the number of gallons for which it claimed the credit and its productive capacity for agri-biodiesel. You, as a shareholder, partner, beneficiary, or patron, are subject to the 15 million gallon limitation for line 7 and the 60 million gallon productive capacity limitation for an eligible small agri-biodiesel producer.

Line 11

A cooperative, estate, or trust allocating the small agri-biodiesel credit must give the patron or beneficiary a statement providing them with the number of gallons for which it claimed the credit and its productive capacity for agri-biodiesel. An estate or trust must also

provide the amount of the small agri-biodiesel credit included as part of the pass-through credit. See the above instructions for line 9.

Cooperatives. A cooperative described in section 1381(a) can elect to allocate any part of the small agri-biodiesel producer credit among the patrons of the cooperative. The credit is allocated among the patrons eligible to share in patronage dividends on the basis of the quantity or value of business done with or for such patrons for the tax year.

The cooperative is deemed to have made the election by completing line 11. However, the election is not effective unless (a) made on a timely filed return (including extensions) and (b) the organization designates the apportionment in a written notice mailed to its patrons during the payment period described in section 1382(d).

If you timely file your return without making an election, you can still make the election by filing an amended return within 6 months of the due date of the return (excluding extensions). Enter "Filed pursuant to section 301.9100-2" on the amended return.

Once made, the election cannot be revoked.

Estates and trusts. Allocate the biodiesel and renewable diesel fuels credit on line 10 between the estate or trust and the beneficiaries in the same proportion as income was allocated and enter the beneficiaries' share on line 11.

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 burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is shown below.

Recordkeeping	8 hrs., 36 min.
Learning about the law or the form	57 min.
Preparing and sending the form to the IRS	2 hrs., 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.

Credit for Qualified Retirement Savings Contributions

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.
▶ See instructions on back.

Name(s) shown on return

PRIMARY AND SECONDARY FORM

Your social security number



You **cannot** take this credit if **either** of the following applies.

- The amount on Form 1040, line 38; Form 1040A, line 22; or Form 1040NR, line 36 is more than \$25,000 (\$37,500 if head of household; \$50,000 if married filing jointly).
- The person(s) who made the qualified contribution or elective deferral **(a)** was born after January 1, 1989, **(b)** is claimed as a dependent on someone else's 2006 tax return, or **(c)** was a **student** (see instructions).

	(a) You	(b) Your spouse
1 Traditional and Roth IRA contributions for 2006. Do not include rollover contributions	1 E64350	E64355
2 Elective deferrals to a 401(k) or other qualified employer plan, voluntary employee contributions, and 501(c)(18)(D) plan contributions for 2006 (see instructions)	2 E64360	E64365
3 Add lines 1 and 2	3 E64370	E64375
4 Certain distributions received after 2003 and before the due date (including extensions) of your 2006 tax return (see instructions). If married filing jointly, include both spouses' amounts in both columns. See instructions for an exception	4 E64380	E64385
5 Subtract line 4 from line 3. If zero or less, enter -0-	5 E64390	E64395
6 In each column, enter the smaller of line 5 or \$2,000	6 E64400	E64405
7 Add the amounts on line 6. If zero, stop ; you cannot take this credit		7 E64410
8 Enter the amount from Form 1040, line 38*; Form 1040A, line 22; or Form 1040NR, line 36	8 E64415 +/-	
9 Enter the applicable decimal amount shown below:		

If line 8 is—		And your filing status is—		
Over—	But not over—	Married filing jointly	Head of household	Single, Married filing separately, or Qualifying widow(er)
Enter on line 9—				
---	\$15,000	.5	.5	.5
\$15,000	\$16,250	.5	.5	.2
\$16,250	\$22,500	.5	.5	.1
\$22,500	\$24,375	.5	.2	.1
\$24,375	\$25,000	.5	.1	.1
\$25,000	\$30,000	.5	.1	.0
\$30,000	\$32,500	.2	.1	.0
\$32,500	\$37,500	.1	.1	.0
\$37,500	\$50,000	.1	.0	.0
\$50,000	---	.0	.0	.0

Note: If line 9 is zero, **stop**; you cannot take this credit.

10 Multiply line 7 by line 9	10 E64420
11 Enter the amount from Form 1040, line 46; Form 1040A, line 28; or Form 1040NR, line 43	11 E64425
12 1040 filers: Enter the total of your credits from lines 47 through 50. 1040A filers: Enter the total of your credits from lines 29 through 31. 1040NR filers: Enter the total of your credits from lines 44 and 45.	12 E64430
13 Subtract line 12 from line 11. If zero, stop ; you cannot take this credit	13 E64435
14 Credit for qualified retirement savings contributions. Enter the smaller of line 10 or line 13 here and on Form 1040, line 51; Form 1040A, line 32; or Form 1040NR, line 46	14 E64440

*See Pub. 590 for the amount to enter if you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico.

General Instructions

Section references are to the Internal Revenue Code.

Purpose of Form

Use Form 8880 to figure the amount, if any, of your retirement savings contributions credit.



This credit can be claimed in addition to any IRA deduction claimed on Form 1040, line 32; Form 1040A, line 17; or Form 1040NR, line 31.

Who Can Take This Credit

You may be able to take this credit if you, or your spouse if filing jointly, made (a) contributions (other than rollover contributions) to a traditional or Roth IRA, (b) elective deferrals to a 401(k), 403(b), governmental 457, SEP, or SIMPLE plan, (c) voluntary employee contributions to a qualified retirement plan as defined in section 4974(c) (including the federal Thrift Savings Plan), or (d) contributions to a 501(c)(18)(D) plan.

However, you cannot take the credit if either of the following applies:

- The amount on Form 1040, line 38; Form 1040A, line 22; or Form 1040NR, line 36, is more than \$25,000 (\$37,500 if head of household; \$50,000 if married filing jointly).
- The person(s) who made the qualified contribution or elective deferral (a) was born after January 1, 1989, (b) is claimed as a dependent on someone else's 2006 tax return, or (c) was a student.

You were a student if during any part of 5 calendar months of 2006 you:

- Were enrolled as a full-time student at a school, or
- Took a full-time, on-farm training course given by a school or a state, county, or local government agency.

A school includes technical, trade, and mechanical schools. It does not include on-the-job training courses, correspondence schools, or schools offering courses only through the Internet.

Specific Instructions

Column (b)

Complete column (b) only if you are filing a joint return.

Line 2

Include on line 2 any of the following amounts.

- Elective deferrals to a 401(k) or 403(b) plan (including designated Roth contributions under section 402A), or to a governmental 457, SEP, or SIMPLE plan.
- Voluntary employee contributions to a qualified retirement plan as defined in section 4974(c) (including the federal Thrift Savings Plan).
- Contributions to a 501(c)(18)(D) plan.

These amounts may be shown in box 12 of your Form(s) W-2 for 2006.

Line 4

Enter the total amount of distributions you, and your spouse if filing jointly, received after 2003 and before the due date of your 2006 return (including extensions) from any of the following types of plans.

- Traditional or Roth IRAs.
- 401(k), 403(b), governmental 457, 501(c)(18)(D), SEP, or SIMPLE plans.
- Qualified retirement plans as defined in section 4974(c) (including the federal Thrift Savings Plan).

Do not include any:

- Distributions not taxable as the result of a rollover or a trustee-to-trustee transfer.
- Distributions from your IRA (other than a Roth IRA) rolled over to your Roth IRA.
- Loans from a qualified employer plan treated as a distribution.
- Distributions of excess contributions or deferrals (and income allocable to such contributions or deferrals).
- Distributions of contributions made during a tax year and returned (with any income allocable to such contributions) on or before the due date (including extensions) for that tax year.
- Distributions of dividends paid on stock held by an employee stock ownership plan under section 404(k).
- Distributions from a military retirement plan.

If you are filing a joint return, include both spouses' amounts in both columns.

Exception. Do not include your spouse's distributions with yours when entering an amount on line 4 if you and your spouse did not file a joint return for the year the distribution was received.

Example. You received a distribution of \$5,000 from a qualified retirement plan in 2006. Your spouse received a distribution of \$2,000 from a Roth IRA in 2004. You and your spouse file a joint return in 2006, but did not file a joint return in 2004. You would include \$5,000 in column (a) and \$7,000 in column (b).

Line 7

Add the amounts from line 6 columns (a) and (b), and enter the total.

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 average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Name(s) shown on return

Credit for Qualified Retirement Savings Contributions

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

▶ See instructions on back.

PRIMARY AND SECONDARY FORM

Your social security number



You **cannot** take this credit if **either** of the following applies.

- The amount on Form 1040, line 38; Form 1040A, line 22; or Form 1040NR, line 36 is more than \$25,000 (\$37,500 if head of household; \$50,000 if married filing jointly).
- The person(s) who made the qualified contribution or elective deferral (a) was born after January 1, 1989, (b) is claimed as a dependent on someone else's 2006 tax return, or (c) was a student (see instructions).

	(a) You	(b) Your spouse
1 Traditional and Roth IRA contributions for 2006. Do not include rollover contributions	1 E64350	E64355
2 Elective deferrals to a 401(k) or other qualified employer plan, voluntary employee contributions, and 501(c)(18)(D) plan contributions for 2006 (see instructions)	2 E64360	E64365
3 Add lines 1 and 2	3 E64370	E64375
4 Certain distributions received after 2003 and before the due date (including extensions) of your 2006 tax return (see instructions). If married filing jointly, include both spouses' amounts in both columns. See instructions for an exception	4 E64380	E64385
5 Subtract line 4 from line 3. If zero or less, enter -0-	5 E64390	E64395
6 In each column, enter the smaller of line 5 or \$2,000	6 E64400	E64405
7 Add the amounts on line 6. If zero, stop ; you cannot take this credit		7 E64410
8 Enter the amount from Form 1040, line 38*; Form 1040A, line 22; or Form 1040NR, line 36	8 E64415 +/-	

If line 8 is—		And your filing status is—		
Over—	But not over—	Married filing jointly	Head of household	Single, Married filing separately, or Qualifying widow(er)
Enter on line 9—				
---	\$15,000	.5	.5	.5
\$15,000	\$16,250	.5	.5	.2
\$16,250	\$22,500	.5	.5	.1
\$22,500	\$24,375	.5	.2	.1
\$24,375	\$25,000	.5	.1	.1
\$25,000	\$30,000	.5	.1	.0
\$30,000	\$32,500	.2	.1	.0
\$32,500	\$37,500	.1	.1	.0
\$37,500	\$50,000	.1	.0	.0
\$50,000	---	.0	.0	.0

Note: If line 9 is zero, **stop**; you cannot take this credit.

9	AG8880	X
10	E64420	
11	E64425	
12	E64430	
13	E64435	
14	E64440	

- 10 Multiply line 7 by line 9
- 11 Enter the amount from Form 1040, line 46; Form 1040A, line 28; or Form 1040NR, line 43
- 12 **1040 filers:** Enter the total of your credits from lines 47 through 50.
1040A filers: Enter the total of your credits from lines 29 through 31.
1040NR filers: Enter the total of your credits from lines 44 and 45.
- 13 Subtract line 12 from line 11. If zero, **stop**; you cannot take this credit
- 14 **Credit for qualified retirement savings contributions.** Enter the **smaller** of line 10 or line 13 here and on Form 1040, line 51; Form 1040A, line 32; or Form 1040NR, line 46

*See Pub. 590 for the amount to enter if you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico.

General Instructions

Section references are to the Internal Revenue Code.

Purpose of Form

Use Form 8880 to figure the amount, if any, of your retirement savings contributions credit.



This credit can be claimed in addition to any IRA deduction claimed on Form 1040, line 32; Form 1040A, line 17; or Form 1040NR, line 31.

Who Can Take This Credit

You may be able to take this credit if you, or your spouse if filing jointly, made (a) contributions (other than rollover contributions) to a traditional or Roth IRA, (b) elective deferrals to a 401(k), 403(b), governmental 457, SEP, or SIMPLE plan, (c) voluntary employee contributions to a qualified retirement plan as defined in section 4974(c) (including the federal Thrift Savings Plan), or (d) contributions to a 501(c)(18)(D) plan.

However, you cannot take the credit if either of the following applies:

- The amount on Form 1040, line 38; Form 1040A, line 22; or Form 1040NR, line 36, is more than \$25,000 (\$37,500 if head of household; \$50,000 if married filing jointly).
- The person(s) who made the qualified contribution or elective deferral (a) was born after January 1, 1989, (b) is claimed as a dependent on someone else's 2006 tax return, or (c) was a student.

You were a student if during any part of 5 calendar months of 2006 you:

- Were enrolled as a full-time student at a school, or
- Took a full-time, on-farm training course given by a school or a state, county, or local government agency.

A school includes technical, trade, and mechanical schools. It does not include on-the-job training courses, correspondence schools, or schools offering courses only through the Internet.

Specific Instructions

Column (b)

Complete column (b) only if you are filing a joint return.

Line 2

Include on line 2 any of the following amounts.

- Elective deferrals to a 401(k) or 403(b) plan (including designated Roth contributions under section 402A), or to a governmental 457, SEP, or SIMPLE plan.
- Voluntary employee contributions to a qualified retirement plan as defined in section 4974(c) (including the federal Thrift Savings Plan).
- Contributions to a 501(c)(18)(D) plan.

These amounts may be shown in box 12 of your Form(s) W-2 for 2006.

Line 4

Enter the total amount of distributions you, and your spouse if filing jointly, received after 2003 and before the due date of your 2006 return (including extensions) from any of the following types of plans.

- Traditional or Roth IRAs.
- 401(k), 403(b), governmental 457, 501(c)(18)(D), SEP, or SIMPLE plans.
- Qualified retirement plans as defined in section 4974(c) (including the federal Thrift Savings Plan).

Do not include any:

- Distributions not taxable as the result of a rollover or a trustee-to-trustee transfer.
- Distributions from your IRA (other than a Roth IRA) rolled over to your Roth IRA.
- Loans from a qualified employer plan treated as a distribution.
- Distributions of excess contributions or deferrals (and income allocable to such contributions or deferrals).
- Distributions of contributions made during a tax year and returned (with any income allocable to such contributions) on or before the due date (including extensions) for that tax year.
- Distributions of dividends paid on stock held by an employee stock ownership plan under section 404(k).
- Distributions from a military retirement plan.

If you are filing a joint return, include both spouses' amounts in both columns.

Exception. Do not include your spouse's distributions with yours when entering an amount on line 4 if you and your spouse did not file a joint return for the year the distribution was received.

Example. You received a distribution of \$5,000 from a qualified retirement plan in 2006. Your spouse received a distribution of \$2,000 from a Roth IRA in 2004. You and your spouse file a joint return in 2006, but did not file a joint return in 2004. You would include \$5,000 in column (a) and \$7,000 in column (b).

Line 7

Add the amounts from line 6 columns (a) and (b), and enter the total.

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If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

- The qualifying family member was covered by a qualified health insurance plan (see page 2) for which you paid the premiums. You and your qualifying family member do not have to be covered by the same plan.
- 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) below applies.

1. Your spouse also was an eligible TAA recipient, alternative TAA recipient, or PBGC pension recipient in 2006.
2. All of the following apply:
 - a. You lived apart from your spouse during the last 6 months of 2006.
 - b. A qualifying family member (other than your spouse) lived in your home for more than half of 2006.
 - c. You provided over half of the cost of keeping up your home.

Children of Divorced or Separated Parents

Even if you cannot claim your child as a dependent, he or she is treated as your qualifying family member for the HCTC if both of the following apply.

- You were the child's custodial parent (the parent with whom the child lived for the greater part of 2006).
- The child's other parent can claim the child as a dependent under the rules for children of divorced or separated parents (see the instructions for Form 1040, line 6c, or Pub. 501, Exemptions, Standard Deduction, and Filing Information, for details).

If both of the above apply, the child's other parent cannot treat the child as a qualifying family member for the HCTC.



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 (including any employer-sponsored health insurance plan of your spouse) (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 applies.
 - a. You were eligible for coverage under any qualified health insurance plan (including any employer-sponsored health insurance plan of your spouse) (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.

b. You were covered under any qualified health insurance plan (including any employer-sponsored health insurance plan of your spouse) (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, neither (1) nor (2) above applies and you met all of the other conditions listed on line 1.

Example 1. On October 1, 2006, 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 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, 2006. If you were an alternative TAA recipient, you can claim the HCTC for the month of October only if, on October 1, 2006, all of the following apply.

- You were not eligible for coverage under any qualified health insurance plan (including any employer-sponsored health insurance plan of your spouse) (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



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.

Enter the total amount of insurance premiums paid for coverage for you and all qualifying family members under a qualified health insurance plan (as defined on page 2) for all months checked on line 1. But do not include any qualified health insurance premiums you paid to "U. S. Treasury-HCTC" or any advance payments shown on Form 1099-H, box 1.

Example 1. You checked January on line 1. You paid \$225 (\$200 for basic coverage and \$25 for dental benefits which are purchased separately) to your insurance company for coverage in January. The \$25 you paid for dental benefits is ineligible for the HCTC. You would include the \$200 you paid for your basic insurance on line 2.

Example 2. You checked January on line 1. Your insurance coverage for January cost \$225 (\$200 for basic coverage and \$25 for dental benefits ineligible for the HCTC). You paid \$95 to "U.S. Treasury-HCTC" for January. The \$95 equals \$70 (your 35% share of the \$200 eligible premium) plus the \$25 for dental benefits ineligible for the HCTC. You received a Form 1099-H showing an advance payment of \$130 (65% of the \$200 eligible premium) for January. You would include nothing for January on line 2.

Required documents. You must attach to your tax return the required documents listed below.

All health plans. For all health plans you must include both of the following.

1. A copy of your health insurance bills or COBRA payment coupons. The bills must have:

- Your name,
- The name of your health plan,
- Your monthly premium amount,
- Dates of coverage, and
- Your health plan identification number.

2. Proof of payment such as:

- Canceled checks,
- Bank statements, or
- Credit card statements.

COBRA coverage. You must include the above information under *All health plans* and **one** of the following documents.

1. A copy of your completed and signed COBRA Election Letter. It may also be called a COBRA Enrollment Form, Application Form, Enrollment Application for Continuing Coverage, or Election Agreement.

2. A letter from your former employer or COBRA administrator saying you have COBRA coverage. The letter must have:

- The COBRA coverage start and end dates,
- Name of the health plan,
- Your home address, and
- Covered family members, their dates of birth, their relationship to you, and their social security numbers.

3. A copy of "Notice of Rights to Continue Coverage."
Non-group (individual) health plans. You must include the above information under *All health plans* and **both** of the following documents.

- A letter or other document from your former employer or your unemployment office that shows the date you left your job.
- A document from your health plan that shows your first date of coverage. Your first day of coverage in a non-group (individual) health plan must have been at least 30 days before you left your job.

Coverage through your spouse's employer. You must include the information under *All health plans* on this page and the following documents.

- Copies of paycheck stubs showing the health coverage deductions for the qualified months.
- A letter or other statement from your spouse's employer that states the employer contributed less than 50% of the cost of the coverage.

E-filed return. If you e-file, you must attach a copy of the required documents to Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Return, or Form 8453-OL, U.S. Individual Income Tax Declaration for an IRS e-file Online Return.

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 Form 8885, line 2, is \$1,500 (\$750 for October and \$750 for November). You did not receive any HCTC advance payments during 2006. You must attach copies of your health insurance bills and proof of payment for you and your qualifying family members totaling \$1,500, along with any other required documents. The bills and proof of payment should be for October and November.

Example 2. The facts are the same as in Example 1 except that, instead of paying the \$750 premium for November, you paid \$262.50 (35% of the \$750 November premium) to "U.S. Treasury-HCTC" and received an advance payment of \$487.50 (65% of the \$750 November insurance premium). Form 1099-H shows the total advance payment of \$487.50. You would include \$750 on line 2 for the October payment. You would not include any part of the November insurance premium. You must attach a copy of your health insurance bill and proof of payment totaling \$750 for October, along with any other required documents.

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If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Health Coverage Tax Credit

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040, Form 1040NR, Form 1040-SS, or Form 1040-PR.

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 2006 tax return.

Part I Complete This Part To See if You Are Eligible To Take This Credit

HCMONQ1 HCMONQ2

1 Check the boxes below for each month in 2006 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 (including any employer-sponsored health insurance plan of your spouse) (see the instructions for line 1 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 3). **Do not** include on line 2 any qualified health insurance premiums paid to "U.S. Treasury-HCTC." Also, **do not** include any advance payments from Form 1099-H, box 1

2	E76210
3	E76220
4	E76230
5	E76240

Caution. You **must** attach the required documents listed on page 4 for any amounts included on line 2. If you do not attach the required documents, your credit will be disallowed.

- 3 Enter the total amount of any (a) Archer MSA and health savings account distributions used to pay for qualified health insurance coverage for all months checked on line 1 and (b) National Emergency Grants you received for health insurance in 2006
- 4 Subtract line 3 from line 2. If zero or less, **stop**; you cannot take the credit
- 5 **Health coverage tax credit.** Multiply line 4 by 65% (.65). Enter the result here and on Form 1040, line 70 (check box c); Form 1040NR, line 64 (check box c); Form 1040-SS, line 9; or Form 1040-PR, line 9

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 2006, (b) you cannot be claimed as a dependent on someone else's 2006 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 2006 tax return, complete Form 8885, Part I, 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 2006. 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 and November. The program was established by the Department of Labor. You were an eligible alternative TAA recipient on the first day of October and November.

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).

You received a lump-sum payment from the PBGC after January 1, 2002, you meet item (2) above for any month that you have received a PBGC benefit if you had not received a lump-sum payment.

Health Insurance Plan

A health insurance plan is any of the following:
• A group health plan available through the employer or a spouse. But see the instructions for line 1 of Form 8885.

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.

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.

Exception. 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). For example, if you purchase dental or vision benefits separately, these benefits are not part of a qualified health insurance plan for the HCTC. But, if you purchase dental or vision benefits as part of a comprehensive package and these benefits do not represent substantially all of its coverage, these benefits may be part of a qualified health insurance plan and the premiums paid may be eligible for the HCTC.



If you are not sure whether your health insurance plan is a qualified health insurance plan, go to www.irs.gov and enter "HCTC" in the search box.

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 the 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.

Lines 1c, 2c, and 3c

Check the appropriate box for the type of account. Do not check more than one box for each line. If your deposit is to an account such as an IRA, HSA, or other similar account, ask your financial institution whether you should check the "Checking" or "Savings" box. You must check the correct box to ensure your deposit is accepted.

Line 4

The total on line 4 must equal the amount you want refunded to you shown on your tax return (Form 1040, line 74a; Form 1040A, line 45a; Form 1040EZ, line 12a; Form 1040NR, line 72a; Form 1040NR-EZ, line 24a; Form 1040-SS, line 12a; or Form 1040-PR, line 12a). If the total on line 4 is different, a check will be sent instead.

Individual Retirement Arrangement (IRA)

You can have your refund directly deposited to a traditional IRA, Roth IRA, or SEP-IRA, but not a SIMPLE IRA. You must establish the IRA at a bank or other financial institution before you request direct deposit. Make sure your direct deposit will be accepted. You must also notify the trustee of your account of the year to which the deposit is to be applied. If you do not, the trustee can assume the deposit is for the year during which you are filing your return. For example, if you file your 2006 return during 2007 and do not notify the trustee in advance, the trustee can assume the deposit to your IRA is for 2007. If you designate your deposit to be for 2006, you must verify that the deposit was actually made to the account by the due date of the return (without regard to extensions). If the deposit is not made to your account by the due date (without regard to extensions), the deposit is not an IRA contribution for 2006. In that case, you must file an amended 2006 return and reduce any IRA deduction and any retirement savings contributions credit you claimed.



CAUTION You and your spouse, if filing jointly, each may be able to contribute up to \$4,000 (\$5,000 if age 50 or older at the end of 2006) to a traditional IRA or Roth IRA for 2006. You may have to pay a penalty if your contributions exceed these limits.



TIP For more information on IRAs, see Pub. 590, *Individual Retirement Arrangements (IRAs)*.

Changes in Refund Due to Math Errors or Refund Offsets

The rules below explain how your direct deposits may be adjusted.

Math errors. The following rules apply if your refund is increased or decreased due to a math error.

Refund increased. If you made an error on your return and the amount of your refund is increased, the additional amount will be deposited to the last account listed. If you asked that your refund be split among three accounts, any increase will be deposited to the account shown on line 3. If you asked that your refund be split among two accounts, any increase will be deposited to the account shown on line 2.

Example. Your return shows a refund of \$300 and you ask that the refund be split among three accounts with \$100 in each account. Due to an error on the return, your refund is increased to \$350. The additional \$50 will be added to the deposit to the account shown on line 3.

Refund decreased. If you made an error on your return and the amount of your refund is decreased, the decrease will be taken first from any account shown on line 3, next from the account shown on line 2, and finally from the account shown on line 1.

Example. Your return shows a refund of \$300 and you ask that the refund be split among three accounts with \$100 in each account. Due to an error on your return, your refund is decreased by \$150. You will not receive the \$100 you asked us to deposit to the account on line 3 and the deposit to the account shown on line 2 will be reduced by \$50.

Note. If you appeal the math error and your appeal is upheld, the resulting refund will be deposited to the account on line 1.

Refund offset. The following rules apply if your refund is offset (used) to pay past-due federal tax or certain other debts.

Past-due federal tax. If you owe past-due federal tax and your refund is offset by the IRS to pay the tax, the past-due amount will be deducted first from any deposit to an account shown on line 3, next from the deposit to the account shown on line 2, and finally from the deposit to the account shown on line 1.

Example. Your return shows a refund of \$300 and you asked us to split the refund among three accounts with \$100 in each account. You owe \$150 from a prior tax year. You will not receive the \$100 you asked us to deposit to the

account on line 3 and the deposit to the account shown on line 2 will be reduced by \$50.

Other offsets. If you owe other past-due amounts (such as state income tax, child support, spousal support, or certain federal nontax debts, such as student loans) subject to offset by the Treasury Department's Financial Management Service (FMS), the past-due amounts will be deducted first from the deposit to the account with the lowest routing number. Any remaining amount due will be deducted from the deposit to the account with the next lowest routing number and then from the deposit to the account with the highest routing number.



CAUTION If the deposit to one or more of your accounts is changed due to a math error or refund offset, and that account is subject to contribution limits, such as an IRA, HSA, Archer MSA, or Coverdell ESA, or the deposit was deducted as a contribution to a tax-favored account on your tax return, you may need to correct your contribution or file an amended return.

Example. You deduct \$1,000 on your 2006 tax return for an IRA contribution. The contribution is to be made from a direct deposit of your 2006 refund. Due to an offset by the FMS, the direct deposit is not made to your IRA. You need to correct your contribution by the due date of your return (determined without regard to any extension) or file an amended 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 Internal Revenue Code section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 1040 or Form 1040NR.**

▶ **See separate instructions.**

Name(s) shown on Form 1040 or Form 1040NR
COMBINED FORM

Social security number of HSA
beneficiary. If both spouses have
HSAs, see page 2 of the instructions ▶

Before you begin: Complete Form 8853, Archer MSAs and Long-Term Care Insurance Contracts, if required.

Part I HSA Contributions and Deduction. See page 2 of the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part I for each spouse (see page 2 of the instructions).

- 1 Check the box to indicate your coverage under a high-deductible health plan (HDHP) during 2006 (see page 2 of the instructions) HSA/HDHP
- 2 HSA contributions you made for 2006 (or those made on your behalf), including those made from January 1, 2007, through April 16, 2007, that were for 2006. Do not include employer contributions, contributions through a cafeteria plan, or rollovers (see page 2 of the instructions)
- 3 If you were under age 55 at the end of 2006, and on the first day of every month during 2006, you were an eligible individual with the same annual deductible and coverage, enter the smaller of:
 - Your annual deductible (see page 3 of the instructions), or
 - \$2,700 (\$5,450 for family coverage).
 All others, enter the limitation from the worksheet on page 3 of the instructions.
- 4 Enter the amount you and your employer contributed to your Archer MSAs for 2006 from Form 8853, lines 3 and 4. If you or your spouse had family coverage under an HDHP at any time during 2006, also include any amount contributed to your spouse's Archer MSAs
- 5 Subtract line 4 from line 3. If zero or less, enter -0-
- 6 Enter the amount from line 5. But if you and your spouse each have separate HSAs and had family coverage under an HDHP at any time during 2006, see the instructions on page 3 for the amount to enter.
- 7 If you were age 55 or older at the end of 2006, married, and you or your spouse had family coverage under an HDHP at any time during 2006, enter your additional contribution amount (see page 4 of the instructions)
- 8 Add lines 6 and 7
- 9 Employer contributions made to your HSAs for 2006
- 10 Subtract line 9 from line 8. If zero or less, enter -0-
- 11 **HSA deduction.** Enter the smaller of line 2 or line 10 here and on Form 1040, line 25, or Form 1040NR, line 25
Caution: If line 2 is more than line 11, you may have to pay an additional tax (see page 4 of the instructions).

	<input type="checkbox"/> Self-only	<input type="checkbox"/> Family
2	E86502	
3	E86507	
4	E86512	
5	E86517	
6	E86522	
7	E86527	
8	E86532	
9	E86537	
10	E86542	
11	E86547	

Part II HSA Distributions. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part II for each spouse.

- 12a Total distributions you received in 2006 from all HSAs (see page 5 of the instructions)
- b Distributions included on line 12a that you rolled over to another HSA. Also include any excess contributions (and the earnings on those excess contributions) included on line 12a that were withdrawn by the due date of your return (see page 5 of the instructions)
- c Subtract line 12b from line 12a
- 13 Unreimbursed qualified medical expenses (see page 5 of the instructions)
- 14 **Taxable HSA distributions.** Subtract line 13 from line 12c. If zero or less, enter -0-. Also, include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. On the dotted line next to line 21, enter "HSA" and the amount
- 15a If any of the distributions included on line 14 meet any of the **Exceptions to the Additional 10% Tax** (see page 5 of the instructions), check here HSATXEX
- b **Additional 10% tax** (see page 5 of the instructions). Enter 10% (.10) of the distributions included on line 14 that are subject to the additional 10% tax. Also include this amount in the total on Form 1040, line 63, or Form 1040NR, line 58. On the dotted line next to Form 1040, line 63, or Form 1040NR, line 58, enter "HSA" and the amount

12a	E86552	
12b	E86557	
12c	E86562	
13	E86567	
14	E86572	
15b	E86577	

Exemption Amount for Taxpayers Housing Individuals Displaced by Hurricane Katrina

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040, Form 1040A, or Form 1040NR

Name(s) shown on your return

Your social security number

Part I Information on Individuals Displaced by Hurricane Katrina for Whom You Provided Housing in Your Main Home for at Least 60 Consecutive Days

Do not enter information for more than four individuals, for anyone included on line 6d of Form 1040 or 1040A (line 7d of Form 1040NR), or for anyone included on a Form 8914 you filed for 2005.

1	(a) First and last name	(b) Social security number (see instructions)	(c) Former address in disaster area (number and street, city or town, state, and ZIP code)	(d) Number of consecutive days housed in your main home
	NMDSP1	S039		
	NMDSP2	S040		
	NMDSP3	S041		
	NMDSP4	S042		

Part II Exemption Amount N11

2	Maximum exemption amount. Enter \$2,000 (\$1,000 if married filing separately)	2	E21185
3	Did you file Form 8914 for 2005? <input type="checkbox"/> Yes. Enter the amount from your 2005 Form 8914, line 2 FIL2005 <input type="checkbox"/> No. Enter -0-	3	E21190
4	Subtract line 3 from line 2	4	E21195
5	Multiply \$500 by the total number of individuals listed in Part I above	5	E21200
6	Enter the smaller of line 4 or line 5	6	E21203
7	Multiply \$3,300 by the total number of exemptions claimed on line 6d of Form 1040 or Form 1040A (line 7d of Form 1040NR)	7	E21205
8	Add lines 6 and 7	8	E21210
9	Is the amount on Form 1040, line 38 (Form 1040A, line 22; or Form 1040NR, line 36), more than the amount shown on line 10 below for your filing status? <input type="checkbox"/> No. STOP Enter the amount from line 8 above on Form 1040, line 42 (Form 1040A, line 26; or Form 1040NR, line 39) <input type="checkbox"/> Yes. Enter on line 9 the amount from Form 1040, line 38 (Form 1040A, line 22; or Form 1040NR, line 36)	9	
10	Enter the amount shown below for your filing status. • Single—\$150,500 • Married filing jointly or Qualifying widow(er)—\$225,750 • Married filing separately—\$112,875 • Head of household—\$188,150	10	
11	Subtract line 10 from line 9. Is the result more than \$122,500 (\$61,250 if married filing separately)? <input type="checkbox"/> Yes. STOP Multiply \$2,200 by the total number of exemptions claimed on line 6d of Form 1040 or Form 1040A (line 7d of Form 1040NR). Subtract this amount from line 8 and enter the result on Form 1040, line 42 (Form 1040A, line 26; or Form 1040NR, line 39) <input type="checkbox"/> No. Continue	11	
12	Divide line 11 by \$2,500 (\$1,250 if married filing separately). If the result is not a whole number, increase it to the next higher whole number (for example, increase 0.0004 to 1)	12	
13	Multiply line 12 by 2% (.02) and enter the result as a decimal rounded to at least three places	13	
14	Multiply line 7 by line 13	14	E21215
15	Divide line 14 by 1.5	15	E21218
16	Exemption amount. Subtract line 15 from line 8. Enter the result here and on Form 1040, line 42; Form 1040A, line 26; or Form 1040NR, line 39	16	E21220

General Instructions

Purpose of Form

Use Form 8914 to claim your personal exemptions, exemptions for dependents, and the additional exemption amount for providing housing in your main home to one or more individuals displaced by Hurricane Katrina.

Additional Exemption Amount

You can claim an additional exemption amount of \$500 for each displaced individual (defined below). You can claim an additional exemption amount only one time for a specific individual. If you claimed an additional exemption amount for that individual in 2005, you cannot claim that amount again in 2006. The maximum additional exemption amount you can claim for all displaced individuals is \$2,000 (\$1,000 if married filing separately). Any additional exemption amount you claimed for displaced individuals in 2005 will reduce the \$2,000 maximum for 2006. If two or more taxpayers share the same main home, only one taxpayer in that main home can claim the additional exemption amount for a specific displaced individual. If married filing separately, only one spouse can claim the additional exemption amount for a specific displaced individual. In order for you to be considered to have provided housing, you must have a legal interest in the main home (that is, own or rent the home).

Displaced Individual

For you to claim the additional exemption amount, a displaced individual must meet all of the following conditions.

- The individual must have had his or her main home in the Hurricane Katrina disaster area (for this purpose, the states of Alabama, Florida, Louisiana, and Mississippi) on August 28, 2005, and he or she must have been displaced from that home. If the individual's main home was located outside the core disaster area (defined below), that home must have been damaged by Hurricane Katrina or the individual must have been evacuated from that home because of Hurricane Katrina.
- The individual must have been provided housing in your main home free of charge for a period of at least 60 consecutive days ending in 2006. See *Compensation for Housing* on this page.
- He or she cannot be your spouse or dependent.

Core Disaster Area

The following areas in three states are within the core disaster area.

Alabama. The counties of Baldwin, Choctaw, Clarke, Greene, Hale, Marengo, Mobile, Pickens, Sumter, Tuscaloosa, and Washington.

Louisiana. The parishes of Acadia, Ascension, Assumption, Calcasieu, Cameron, East Baton Rouge, East Feliciana, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, Livingston, Orleans, Plaquemines, Pointe Coupee, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Washington, West Baton Rouge, and West Feliciana.

Mississippi. The counties of Adams, Amite, Attala, Choctaw, Claiborne, Clarke, Copiah, Covington, Forrest, Franklin, George, Greene, Hancock, Harrison, Hinds, Holmes, Humphreys, Jackson, Jasper, Jefferson, Jefferson Davis, Jones, Kemper, Lamar, Lauderdale, Lawrence, Leake, Lincoln, Lowndes, Madison, Marion, Neshoba, Newton, Noxubee, Oktibbeha, Pearl River, Perry, Pike, Rankin, Scott, Simpson, Smith, Stone, Walthall, Warren, Wayne, Wilkinson, Winston, and Yazoo.

Compensation for Housing

You cannot claim the additional exemption amount if you received rent (or any other amount) from any source for providing the housing. You are permitted to receive payments or reimbursements that do not relate to normal housing costs, including the following.

- Food, clothing, or personal items consumed or used by the displaced individual.
- Reimbursement for the cost of any long distance telephone calls made by the displaced individual.
- Reimbursement for the cost of gasoline for the displaced individual's use of your vehicle.

However, you cannot claim the additional exemption amount if you received any reimbursement for the extra costs of heat, electricity, or water used by the displaced individual.

Specific Instructions

Line 1, Column (a)

Enter the first and last names of up to four individuals displaced by Hurricane Katrina who were provided housing in your main home for a period of at least 60 consecutive days ending in 2006. If less than 60 consecutive days, you cannot claim an additional exemption amount for this individual.

Do not enter the name of any individual you included on a Form 8914 you filed for 2005.

Line 1, Column (b)

Enter the displaced individual's social security number (SSN) or individual taxpayer identification number (ITIN). You must provide this information in column (b) to claim an exemption amount. You may use **Form W-9**, Request for Taxpayer Identification Number and Certification, to request an SSN or ITIN from the displaced individual.

Line 1, Column (c)

Enter the street address where the displaced individual's main home was located on August 28, 2005. That home must have been located in the Hurricane Katrina disaster area on that date. Include the number and street, city or town, state, and ZIP code.

Line 1, Column (d)

Enter the number of consecutive days the displaced individual was provided housing in your main home free of charge.

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