

Remember Roger? He's the independent painting contractor whose net profit shown on line 3 of his Schedule C-EZ was \$8,488.

Use Schedule SE to figure his self-employment tax and deduction.

Without closing the PDF Window, return to the lesson screen and click Check My Answer.

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

<p>1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A</p>	1		
<p>2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report</p>	2		
<p>3 Combine lines 1 and 2</p>	3		
<p>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 ▶</p>	4		
<p>5 Self-employment tax. If the amount on line 4 is:</p> <ul style="list-style-type: none"> • \$102,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 57. • More than \$102,000, multiply line 4 by 2.9% (.029). Then, add \$12,648 to the result. Enter the total here and on Form 1040, line 57 	5		
<p>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</p>	6		