## Basic Certification

*Based on the information in this document:*

- Complete Brenda Bradford's tax return. Choose and complete all the applicable worksheets and tables from this document to complete the forms.
- Perform a thorough Quality Review on the tax return for taxpayers Joseph and Roberta Flint.
- Complete Miguel Amarillo's tax return. Choose and complete the applicable worksheets and tables from this document to complete the forms.

When you have completed all the required items, return to Link and Learn to take the VRPP Certification test for the Basic level.

## Basic Scenario 1

Brenda Bradford is a single mother with a son, Franklin, who is a full time student at the local university. He lives at home and is in his second year of college. The university classifies him as a sophomore. You ask if Franklin had income to contribute to his support. Brenda tells you he did not.

In addition to the social security cards, Brenda hands you her completed *Interview and Intake Sheet*. You ask Brenda if she wants to contribute to the Presidential Campaign Fund and she says no. When asked, Brenda states she is a custodian at Hamilton High School and has no other income. In addition to her Forms W-2, she gives you a tuition statement from her son's university and asks what she should do with it.

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for

**BRENDA ELLEN BRADFORD**

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for

**FRANKLIN BRIAN BRADFORD**

Form **13614**
(Rev. 11-2005)

# INTERVIEW AND INTAKE SHEET

**Instructions:** This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner in-take forms used in lieu of this IRS Form 13614.

**You will need:**

- [x] Valid Picture I.D.
- [x] Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
- [x] Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
- [ ] Provider's address and Tax Identification Number for Child/Dependent Care Credit
- [ ] Form 8332 or copy of divorce decree for non-custodial parent claiming child
- [x] Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
- [ ] Copy of prior year's tax return, **if available**

| | | | | | |
|---|---|---|---|---|---|
| Your First Name | BRENDA | M.I. E | Last Name | BRADFORD | |
| Spouse's First Name | | M.I. | Spouse's Last Name, if different | | |
| Address | 224 W 83RD STREET | City Your City | State Your St. | Zip Code Your Zip | |
| Telephone Number: Daytime | Your Number | Evening | | Cell | |
| Your Date of Birth (mm/dd/yyyy) | 11 / 14 / 1960 | Spouse's Date of Birth (mm/dd/yyyy) | / / | | |

## Critical Data

Check if U.S. Citizen or resident alien all year: [x] Taxpayer [ ] Spouse

Check if lived in U.S. for more than 6 months: [x] Taxpayer [ ] Spouse

Check if Legally Blind: [ ] Taxpayer [ ] Spouse

Check if Permanently Disabled: [ ] Taxpayer [ ] Spouse

As of December 31st were you: [x] Single [ ] Legally Married [ ] Separated [ ] Divorced

If married, were you living with your spouse at anytime during the last 6 months of the year? [ ] Yes [ ] No [x] N/A

Is your spouse deceased? [ ] Yes [ ] No | If yes, date spouse died (mm/dd/yyyy) / /

Can your parents or someone else claim you or your spouse as a dependent on their tax return? [ ] Yes [x] No

Did you provide more than half the cost of keeping up a home for the year? [x] Yes [ ] No

Has the Earned Income Credit been disallowed by IRS? [ ] Yes [x] No

## Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

| First Name | Last Name | Date of Birth (mm/dd/yyyy) | Relationship to you | Months in home, *see Special Rules below | US Citizen, Resident of US, Canada or Mexico | Did person file joint return? | Is child a full-time student or permanently and totally disabled? | Did child provide more than 50% of their own support? | Did you provide more than 50% of their support? | Did the person have Gross Income of $3200 or more? | Is person qualifying child of another person? |
|---|---|---|---|---|---|---|---|---|---|---|---|
| FRANKLIN | BRADFORD | 04-12-1985 | SON | 12 | YES | NO | YES | NO | YES | NO | NO |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

***Special Rules** for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:

- Did one or both parents provide over half of the child's total support? [ ] Yes [ ] No
- Is the child in custody of one or both parents for more than half of the year? [ ] Yes [ ] No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? [ ] Yes [ ] No

**During the tax year did you, your spouse, or anyone in your household:**

| | | | |
|---|---|---|---|
| Receive any investment Income (For example: interest or dividends)? | ☐ Yes ☒ No | Pay student loan interest? | ☐ Yes ☒ No |
| Receive a distribution from an IRA or retirement plan? | ☐ Yes ☒ No | Attend college or vocational school? | ☒ Yes ☒ No |
| Receive Social Security payments? | ☐ Yes ☒ No | Own a home? | ☐ Yes ☒ No |
| Receive unemployment payments? | ☐ Yes ☒ No | Pay for child/dependent care that allowed you to work? | ☐ Yes ☒ No |
| Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income) | ☐ Yes ☒ No | Can someone other than you use your child to claim the EITC? | ☐ Yes ☐ No ☒ N/A |
| Make contributions to an IRA or a retirement plan? | ☐ Yes ☒ No | | |

**Authorization**

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? ☒ Yes ☐ No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? ☒ Yes ☐ No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? ☒ Yes ☐ No

**Note:** Answer all three questions, each one stands on its own merit.

**Service Statement:** You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature Date

## Interview Notes:

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

| | | | |
|---|---|---|---|
| a Control number<br>123223 | | OMB No. 1545-0008 | Safe, accurate, FAST! Use e-file. Visit the IRS website at www.irs.gov/efile. |
| b Employer identification number (EIN)<br>XX-XXXXXXX | | 1 Wages, tips, other compensation<br>23,087.76 | 2 Federal income tax withheld<br>1,048.22 |
| c Employer's name, address, and ZIP code<br>HAMILTON HIGH SCHOOL<br>200 THIRD STREET<br>Your City, State ZIP | | 3 Social security wages<br>23,087.76 | 4 Social security tax withheld<br>1,431.00 |
| | | 5 Medicare wages and tips<br>23,087.76 | 6 Medicare tax withheld<br>335.00 |
| | | 7 Social security tips | 8 Allocated tips |
| d Employee's social security number<br>XXX-XX-XXXX | | 9 Advance EIC payment | 10 Dependent care benefits |
| e Employee's first name and initial Last name<br>BRENDA BRADFORD<br>224 W 83RD STREET<br>YOUR CITY, STATE ZIP | | 11 Nonqualified plans | 12a See instructions for box 12<br>c<br>3<br>e |
| | | 13 Statutory employee ☐ Retirement plan ☑ Third-party sick pay ☐ | 12b<br>c<br>3<br>e |
| | | 14 Other | 12c<br>c<br>3<br>e |
| | | | 12d<br>c<br>3<br>e |
| f Employee's address and ZIP code | | | |

| 15 State | Employer's state ID number | 16 State wages, tips, etc. | 17 State income tax | 18 Local wages, tips, etc. | 19 Local income tax | 20 Locality name |
|---|---|---|---|---|---|---|
| XX | XX-XXXXXXX | 23,087.76 | 231.00 | | | |

Form **W-2** Wage and Tax Statement

2005

Department of the Treasury—Internal Revenue Service

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

☐ CORRECTED (if checked)

| PAYER'S name, address, ZIP code, federal identification number, and telephone number | 1 Gross winnings | 2 Federal income tax withheld | OMB No. 1545-0238 |
|---|---|---|---|
| | 1265.00 | 0.00 | **2005** |
| | 3 Type of wager | 4 Date won | **Form W-2G** |
| YOUR STATE LOTTERY | LOTTERY | 05 ¦06¦2005 | **Certain Gambling Winnings** |
| | 5 Transaction | 6 Race | |
| | 7 Winnings from identical wagers | 8 Cashier | |
| WINNER'S name, address (including apt. no.), and ZIP code | 9 Winner's taxpayer identification no. | 10 Window | This information is being furnished to the Internal Revenue Service. |
| | XXX-XX-XXXX | | |
| BRENDA BRADFORD | 11 First I.D. | 12 Second I.D. | |
| | 13 State/Payer's state identification no. | 14 State income tax withheld | **Copy B** |
| | ST-XXXXXXX | 0.00 | Report this income on your federal tax return. If this form shows federal income tax withheld in box 2, attach this copy to your return. |

Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification number that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and that no other person is entitled to any part of these payments.

Signature ► Brenda Bradford Date ► 05/06/2005

Form **W-2G** Department of the Treasury - Internal Revenue Service

☐ CORRECTED

| FILER'S name, street address, city, state, ZIP code, and telephone number | 1 Payments received for qualified tuition and related expenses | OMB No. 1545-1574 | |
|---|---|---|---|
| STATE UNIVERSITY | $ 1,698 | 2005 | **Tuition Statement** |
| | 2 Amounts billed for qualified tuition and related expenses $ | Form 1098-T | |
| FILER'S Federal identification no. XX-XXXXXXX / STUDENT'S social security number XXX-XX-XXXX | 3 Adjustments made for a prior year $ | 4 Scholarships or grants $ | **Copy B For Student** |
| STUDENT'S name FRANKLIN BRADFORD | 5 Adjustments to scholarships or grants for a prior year $ | | This is important tax information and is being furnished to the Internal Revenue Service. |
| Street address (including apt. no.) 224 W 83RD STREET | 6 The amount in box 1 or 2 includes amounts for an academic period beginning January- March 2006 (if checked) ☐ | 7 Reimbursements or refunds of qualified tuition and related expenses from an insurance contract $ | |
| City, state, and ZIP code YOUR CITY, STATE ZIP | | | |
| Service Provider/Acct. No. (see instructions) | 8 Check if at least half-time student ☑ | 9 Check if a graduate student ☐ | |

## Basic Quality Review

A volunteer at your site has completed a tax return for taxpayers Joseph and Roberta Flint. The return has at least two critical errors. Use the following materials to perform a Quality Review of the return.

a Control number

OMB No. 1545-0008

Safe, accurate, FAST! Use e-file

Visit the IRS website at www.irs.gov/efile.

b Employer identification number (EIN)
XX-XXXXXXX

1 Wages, tips, other compensation: 13,309.00

2 Federal income tax withheld: 854.00

c Employer's name, address, and ZIP code
LOYOLA SCHOOLS
1605 MAIN STREET
YOUR CITY, STATE ZIP

3 Social security wages: 13,309.00

4 Social security tax withheld: 837.56

5 Medicare wages and tips: 13,309.00

6 Medicare tax withheld: 195.88

7 Social security tips

8 Allocated tips

d Employee's social security number
XXX-XX-XXXX

9 Advance EIC payment

10 Dependent care benefits

e Employee's first name and initial Last name
ROBERTA A. FLINT
124 Princeton Street
YOUR CITY, STATE ZIP

11 Nonqualified plans

12a See instructions for box 12

13 Statutory employee / Retirement plan / Third-party sick pay

12b

14 Other

12c

12d

f Employee's address and ZIP code

| 15 State | Employer's state ID number | 16 State wages, tips, etc. | 17 State income tax | 18 Local wages, tips, etc. | 19 Local income tax | 20 Locality name |
|---|---|---|---|---|---|---|
| XX | XX-XXXXXXX | 13,309.00 | 73.00 | | | |

Form **W-2** Wage and Tax Statement 2005

Department of the Treasury—Internal Revenue Service

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

a Control number

OMB No. 1545-0008

Safe, accurate, FAST! Use e-file

Visit the IRS website at www.irs.gov/efile.

b Employer identification number (EIN)
XX-XXXXXXX

1 Wages, tips, other compensation: 13,141.00

2 Federal income tax withheld: 131.00

c Employer's name, address, and ZIP code
Marshal Construction
P.O. Box 785
YOUR CITY, STATE ZIP

3 Social security wages: 13,141.00

4 Social security tax withheld: 814.74

5 Medicare wages and tips: 13,141.00

6 Medicare tax withheld: 190.54

7 Social security tips

8 Allocated tips

d Employee's social security number
XXX-XX-XXXX

9 Advance EIC payment

10 Dependent care benefits

e Employee's first name and initial Last name
Joseph A. FLINT
124 Princeton Street
YOUR CITY, STATE ZIP

11 Nonqualified plans

12a See instructions for box 12

13 Statutory employee / Retirement plan / Third-party sick pay

12b

14 Other

12c

12d

f Employee's address and ZIP code

| 15 State | Employer's state ID number | 16 State wages, tips, etc. | 17 State income tax | 18 Local wages, tips, etc. | 19 Local income tax | 20 Locality name |
|---|---|---|---|---|---|---|
| XX | XX-XXXXXXX | 13,141.00 | 21.00 | | | |

Form **W-2** Wage and Tax Statement 2005

Department of the Treasury—Internal Revenue Service

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

Form **13614** (Rev. 11-2005)

# INTERVIEW AND INTAKE SHEET

**Instructions:** This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner in-take forms used in lieu of this IRS Form 13614.

**You will need:**

- [x] Valid Picture I.D.
- [x] Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
- [x] Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
- [ ] Provider's address and Tax Identification Number for Child/Dependent Care Credit
- [ ] Form 8332 or copy of divorce decree for non-custodial parent claiming child
- [x] Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
- [ ] Copy of prior year's tax return, **if available**

| | | | |
|---|---|---|---|
| Your First Name JOSEPH | M.I. A | Last Name FLINT | |
| Spouse's First Name ROBERTA | M.I. A | Spouse's Last Name, if different | |
| Address 124 PRINCE DRIVE | City Your City | State Your St. | Zip Code Your Zip |
| Telephone Number: Daytime Your Number | | Evening | Cell |
| Your Date of Birth (mm/dd/yyyy) 10 / 13 / 1972 | | Spouse's Date of Birth (mm/dd/yyyy) 9 / 13 / 1975 | |

## Critical Data

Check if U.S. Citizen or resident alien all year: [x] Taxpayer [x] Spouse

Check if lived in U.S. for more than 6 months: [x] Taxpayer [x] Spouse

Check if Legally Blind: [ ] Taxpayer [ ] Spouse

Check if Permanently Disabled: [ ] Taxpayer [ ] Spouse

As of December 31st were you: [ ] Single [x] Legally Married [ ] Separated [ ] Divorced

If married, were you living with your spouse at anytime during the last 6 months of the year? [x] Yes [ ] No [ ] N/A

Is your spouse deceased? [ ] Yes [x] No | If yes, date spouse died (mm/dd/yyyy) / /

Can your parents or someone else claim you or your spouse as a dependent on their tax return? [ ] Yes [x] No

Did you provide more than half the cost of keeping up a home for the year? [x] Yes [ ] No

Has the Earned Income Credit been disallowed by IRS? [ ] Yes [x] No

## Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

| First Name | Last Name | Date of Birth (mm/dd/yyyy) | Relationship to you | Months in home, *see Special Rules below | US Citizen, Resident of US, Canada or Mexico | Did person file joint return? | Is child a full-time student or permanently and totally disabled? | Did child provide more than 50% of their own support? | Did you provide more than 50% of their support? | Did the person have Gross Income of $3200 or more? | Is person qualifying child of another person? |
|---|---|---|---|---|---|---|---|---|---|---|---|
| TIMOTHY | FLINT | 11-19-1990 | SON | 12 | YES | NO | YES | NO | YES | NO | NO |
| | | | | | | | | | | | |
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| | | | | | | | | | | | |

***Special Rules** for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:

- Did one or both parents provide over half of the child's total support? [ ] Yes [ ] No
- Is the child in custody of one or both parents for more than half of the year? [ ] Yes [ ] No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? [ ] Yes [ ] No

**During the tax year did you, your spouse, or anyone in your household:**

| | | | | | |
|---|---|---|---|---|---|
| Receive any investment Income (For example: interest or dividends)? | ☐ Yes | ☒ No | Pay student loan interest? | ☐ Yes | ☒ No |
| Receive a distribution from an IRA or retirement plan? | ☐ Yes | ☒ No | Attend college or vocational school? | ☐ Yes | ☒ No |
| Receive Social Security payments? | ☐ Yes | ☒ No | Own a home? | ☐ Yes | ☒ No |
| Receive unemployment payments? | ☒ Yes | ☐ No | Pay for child/dependent care that allowed you to work? | ☐ Yes | ☒ No |
| Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income) | ☐ Yes | ☒ No | Can someone other than you use your child to claim the EITC? | ☐ Yes ☒ No | ☐ N/A |
| Make contributions to an IRA or a retirement plan? | ☐ Yes | ☒ No | | | |

**Authorization**

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? ☒ Yes ☐ No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? ☒ Yes ☐ No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? ☒ Yes ☐ No

**Note:** Answer all three questions, each one stands on its own merit.

**Service Statement:** You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature Date

**Interview Notes:**

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

Customer requests direct deposit. Confirred account information with 1st National Bank
Routing Number 602XXXXXX
Account Number XXXXXXXXX

Customer did not have 1099-G but reports receiving $4215 in Unemployment Benefits over 3 months in early 2005.

Form **1040** Department of the Treasury—Internal Revenue Service
# U.S. Individual Income Tax Return 2005

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

For the year Jan. 1–Dec. 31, 2005, or other tax year beginning , 2005, ending , 20 OMB No. 1545-0074

**Label** (See instructions on page 15.) **Use the IRS label.** Otherwise, please print or type.

LABEL HERE

| | | |
|---|---|---|
| Your first name and initial: JOSEPH A. | Last name: FLINT | Your social security number: XXX ¦ XX ¦ XXXX |
| If a joint return, spouse's first name and initial: ROBERTA A. | Last name: FLINT | Spouse's social security number: XXX ¦ XX ¦ XXXX |
| Home address (number and street). If you have a P.O. box, see page 16. 124 PRINCETON STREET | Apt. no. | ▲ 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. YOUR CITY, STATE ZIP | | Checking a box below will not change your tax or refund. |

**Presidential Election Campaign** ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund (see page 16) ▶ ☑ You ☑ Spouse

**Filing Status**

Check only one box.

1 ☐ Single
2 ☑ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above and full name here. ▶
4 ☐ 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. ▶
5 ☐ Qualifying widow(er) with dependent child (see page 17)

**Exemptions**

6a ☑ **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b ☑ **Spouse**

Boxes checked on 6a and 6b: 2

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 18) |
|---|---|---|---|
| TIMOTHY FLINT | XXX ¦ XX ¦ XXXX | SON | ☑ |
| | ¦ ¦ | | ☐ |
| | ¦ ¦ | | ☐ |
| | ¦ ¦ | | ☐ |

If more than four dependents, see page 18.

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

d Total number of exemptions claimed — Add numbers on lines above ▶ 3

**Income**

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

If you did not get a W-2, see page 19.

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

| | | | |
|---|---|---|---|
| 7 | Wages, salaries, tips, etc. Attach Form(s) W-2 | 7 | 26,450 |
| 8a | **Taxable** interest. Attach Schedule B if required | 8a | |
| b | **Tax-exempt** interest. **Do not** include on line 8a — 8b | | |
| 9a | Ordinary dividends. Attach Schedule B if required | 9a | |
| b | Qualified dividends (see page 20) — 9b | | |
| 10 | Taxable refunds, credits, or offsets of state and local income taxes (see page 20) | 10 | |
| 11 | Alimony received | 11 | |
| 12 | Business income or (loss). Attach Schedule C or C-EZ | 12 | |
| 13 | Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐ | 13 | |
| 14 | Other gains or (losses). Attach Form 4797 | 14 | |
| 15a | IRA distributions — 15a — b Taxable amount (see page 22) | 15b | |
| 16a | Pensions and annuities — 16a — b Taxable amount (see page 22) | 16b | |
| 17 | Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E | 17 | |
| 18 | Farm income or (loss). Attach Schedule F | 18 | |
| 19 | Unemployment compensation | 19 | 4,215 |
| 20a | Social security benefits — 20a — b Taxable amount (see page 24) | 20b | |
| 21 | Other income. List type and amount (see page 24) | 21 | |
| 22 | Add the amounts in the far right column for lines 7 through 21. This is your **total income** ▶ | 22 | 30,665 |

**Adjusted Gross Income**

| | | | |
|---|---|---|---|
| 23 | Educator expenses (see page 26) | 23 | |
| 24 | Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ | 24 | |
| 25 | Health savings account deduction. Attach Form 8889 | 25 | |
| 26 | Moving expenses. Attach Form 3903 | 26 | |
| 27 | One-half of self-employment tax. Attach Schedule SE | 27 | |
| 28 | Self-employed SEP, SIMPLE, and qualified plans | 28 | |
| 29 | Self-employed health insurance deduction (see page XX) | 29 | |
| 30 | Penalty on early withdrawal of savings | 30 | |
| 31a | Alimony paid b Recipient's SSN ▶ ¦ ¦ | 31a | |
| 32 | IRA deduction (see page XX) | 32 | |
| 33 | Student loan interest deduction (see page XX) | 33 | |
| 34 | Tuition and fees deduction (see page XX) | 34 | |
| 35 | Domestic production activities deduction. Attach Form 8903 | 35 | |
| 36 | Add lines 23 through 31a and 32 through 35 | 36 | |
| 37 | Subtract line 36 from line 22. This is your **adjusted gross income** ▶ | 37 | 30,665 |

Prepared by Tax Cut (Exact Tax)

## Tax and Credits

| | | | | |
|---|---|---|---|---|
| 38 | Amount from line 37 (adjusted gross income) | | 38 | 30,665 |
| 39a | Check if: ☐ You were born before January 2, 1941, ☐ Blind. ☐ Spouse was born before January 2, 1941, ☐ Blind. Total boxes checked ▶ 39a | | | |
| b | If your spouse itemizes on a separate return or you were a dual-status alien, see page 31 and check here ▶ 39b ☐ | | | |
| 40 | **Itemized deductions** (from Schedule A) **or your standard deduction** (see left margin) | | 40 | 5,000 |
| 41 | Subtract line 40 from line 38 | | 41 | 25,665 |
| 42 | If line 38 is $109,475 or less, multiply $3,200 by the total number of exemptions claimed on line 6d. If line 38 is over $109,475, see the worksheet on page 33 | | 42 | 9,600 |
| 43 | **Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- | | 43 | 16,065 |
| 44 | **Tax** (see page 33). Check if any tax is from a ☐ Form(s) 8814 b ☐ Form 4972 | | 44 | 1,681 |
| 45 | **Alternative minimum tax** (see page 35). Attach Form 6251 | | 45 | |
| 46 | Add lines 44 and 45 ▶ | | 46 | 1,681 |
| 47 | Foreign tax credit. Attach Form 1116 if required | 47 | | |
| 48 | Credit for child and dependent care expenses. Attach Form 2441 | 48 | | |
| 49 | Credit for the elderly or the disabled. Attach Schedule R | 49 | | |
| 50 | Education credits. Attach Form 8863 | 50 | | |
| 51 | Retirement savings contributions credit. Attach Form 8880 | 51 | | |
| 52 | Child tax credit (see page 37). Attach Form 8901 if required | 52 | 1,000 | |
| 53 | Adoption credit. Attach Form 8839 | 53 | | |
| 54 | Credits from: a ☐ Form 8396 b ☐ Form 8859 | 54 | | |
| 55 | Other credits. Check applicable box(es): a ☐ Form 3800 b ☐ Form 8801 c ☐ Specify | 55 | | |
| 56 | Add lines 47 through 55. These are your **total credits** | | 56 | 1,000 |
| 57 | Subtract line 56 from line 46. If line 56 is more than line 46, enter -0- ▶ | | 57 | 681 |

Standard Deduction for—
- People who checked any box on line 39a or 39b or who can be claimed as a dependent, see page 31.
- All others:

Single or Married filing separately, $5,000

Married filing jointly or Qualifying widow(er), $10,000

Head of household, $7,300

## Other Taxes

| | | | |
|---|---|---|---|
| 58 | Self-employment tax. Attach Schedule SE | 58 | |
| 59 | Social security and Medicare tax on tip income not reported to employer. Attach Form 4137 | 59 | |
| 60 | Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required | 60 | |
| 61 | Advance earned income credit payments from Form(s) W-2 | 61 | |
| 62 | Household employment taxes. Attach Schedule H | 62 | |
| 63 | Add lines 57 through 62. This is your **total tax** ▶ | 63 | |

## Payments

| | | | | |
|---|---|---|---|---|
| 64 | Federal income tax withheld from Forms W-2 and 1099 | 64 | 982 | |
| 65 | 2005 estimated tax payments and amount applied from 2004 return | 65 | | |
| 66a | **Earned income credit (EIC)** | 66a | 966 | |
| b | Nontaxable combat pay election ▶ 66b | | | |
| 67 | Excess social security and tier 1 RRTA tax withheld (see page 54) | 67 | | |
| 68 | Additional child tax credit. Attach Form 8812 | 68 | | |
| 69 | Amount paid with request for extension to file (see page 54) | 69 | | |
| 70 | Payments from: a ☐ Form 2439 b ☐ Form 4136 c ☐ Form 8885 | 70 | | |
| 71 | Add lines 64, 65, 66a, and 67 through 70. These are your **total payments** ▶ | | 71 | 1,948 |

If you have a qualifying child, attach Schedule EIC.

## Refund

Direct deposit? See page 54 and fill in 73b, 73c, and 73d.

| | | | |
|---|---|---|---|
| 72 | If line 71 is more than line 63, subtract line 63 from line 71. This is the amount you **overpaid** | 72 | 1,267 |
| 73a | Amount of line 72 you want **refunded to you** ▶ | 73a | 1,267 |
| ▶ b | Routing number 6 0 2 X X X X X X ▶ c Type: ☑ Checking ☐ Savings | | |
| ▶ d | Account number X X X X X X X X X X X X X | | |
| 74 | Amount of line 72 you want **applied to your 2006 estimated tax** ▶ 74 | | |

## Amount You Owe

| | | | |
|---|---|---|---|
| 75 | **Amount you owe.** Subtract line 71 from line 63. For details on how to pay, see page 55 ▶ | 75 | |
| 76 | Estimated tax penalty (see page 55) 76 | | |

## Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 56)? ☐ **Yes.** Complete the following. ☑ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

## Sign Here

Joint return? See page 17. Keep a copy for your records.

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

| Your signature | Date | Your occupation | Daytime phone number |
|---|---|---|---|
| | | TRUCK DRIVER | (XXX) XXX-XXXX |
| Spouse's signature. If a joint return, **both** must sign. | Date | Spouse's occupation | |
| | | SECRETARY | |

## Paid Preparer's Use Only

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



Printed on recycled paper

Draft as of Nov 2, 2005 for Circular 230 Purposes Only

## Child Tax Credit Worksheet—Line 52

*Keep for Your Records*

- To be a qualifying child for the child tax credit, the child must be **under age 17** at the end of 2005 and meet the other requirements listed on page 41.
- **Do not** use this worksheet if you answered "Yes" to question 1, 2, or 3 on page 41. Instead, use Pub. 972.

**1.** Number of qualifying children: 1 × $1,000. Enter the result. | **1** 1000

**2.** Enter the amount from Form 1040, line 46. | **2** 1681

**3.** Add the amounts from Form 1040:

Line 47 _____

Line 48 + _____

Line 49 + _____

Line 50 + _____

Line 51 + _____ Enter the total. | **3** _____

**4.** Are the amounts on lines 2 and 3 the same?

☐ **Yes.** STOP
You cannot take this credit because there is no tax to reduce. However, you may be able to take the **additional child tax credit.** See the **TIP** below.

☑ **No.** Subtract line 3 from line 2. | **4** 1681

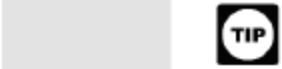
**5.** Is the amount on line 1 more than the amount on line 4?

☑ **Yes.** Enter the amount from line 4. Also, you may be able to take the **additional child tax credit.** See the **TIP** below.

☐ **No.** Enter the amount from line 1.

**This is your child tax credit.** | **5** 1000

Enter this amount on Form 1040, line 52.




You may be able to take the **additional child tax credit** on Form 1040, line 68, if you answered "Yes" on line 4 **or** line 5 above.

- First, complete your Form 1040 through line 67.
- Then, use Form 8812 to figure any additional child tax credit.

Proof as of June 10, 2005 (Subject to Change)

**Basic Scenario 2**

Miguel Amarillo is a single parent. He provides all the support for his children, Pedro and Tina, who live with him. Miguel has completed an *Interview and Intake Sheet* to help with the preparation of his return.

Miguel says he is a journalist. He indicates he would like any refund directly deposited in the bank and provides you a check. He gives you all the information documents he's received. He says that he has no other income.

After looking at his documents, you ask him if his EIC was disallowed or reduced in the past two years and he tells you it was not. After being asked, he also states he did not receive any distributions from his retirement plan. Miguel tells you he does not want to contribute to the Presidential Election Campaign.

During the interview, you determine he does not qualify for any adjustments to his total income. You also review his expenses and determine it is not to his advantage to itemize deductions. Miguel states he did not forfeit any of his dependent care benefit.

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for

**MIGUEL I. AMARILLO**

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for

**PEDRO MITCHELL AMARILLO**

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for

**TINA ANNE AMARILLO**

Form **13614** (Rev. 11-2005)

# INTERVIEW AND INTAKE SHEET

**Instructions:** This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner in-take forms used in lieu of this IRS Form 13614.

**You will need:**

- [x] Valid Picture I.D.
- [x] Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
- [x] Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
- [x] Provider's address and Tax Identification Number for Child/Dependent Care Credit
- [ ] Form 8332 or copy of divorce decree for non-custodial parent claiming child
- [x] Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
- [ ] Copy of prior year's tax return, **if available**

| | | | | | |
|---|---|---|---|---|---|
| Your First Name | MIGUEL | M.I. I | Last Name | AMARILLO | |
| Spouse's First Name | | M.I. | Spouse's Last Name, if different | | |
| Address | 155 W FIRST STREET | City Your City | State Your St. | Zip Code Your Zip | |
| Telephone Number: Daytime | Your Number | Evening | | Cell | |
| Your Date of Birth (mm/dd/yyyy) | 5 / 4 / 1960 | Spouse's Date of Birth (mm/dd/yyyy) | / / | | |

## Critical Data

Check if U.S. Citizen or resident alien all year: [x] Taxpayer [ ] Spouse

Check if lived in U.S. for more than 6 months: [x] Taxpayer [ ] Spouse

Check if Legally Blind: [ ] Taxpayer [ ] Spouse

Check if Permanently Disabled: [ ] Taxpayer [ ] Spouse

As of December 31st were you: [x] Single [ ] Legally Married [ ] Separated [ ] Divorced

If married, were you living with your spouse at anytime during the last 6 months of the year? [ ] Yes [ ] No [x] N/A

Is your spouse deceased? [ ] Yes [ ] No | If yes, date spouse died (mm/dd/yyyy) / /

Can your parents or someone else claim you or your spouse as a dependent on their tax return? [ ] Yes [x] No

Did you provide more than half the cost of keeping up a home for the year? [x] Yes [ ] No

Has the Earned Income Credit been disallowed by IRS? [ ] Yes [x] No

## Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

| First Name | Last Name | Date of Birth (mm/dd/yyyy) | Relationship to you | Months in home, *see Special Rules below | US Citizen, Resident of US, Canada or Mexico | Did person file joint return? | Is child a full-time student or permanently and totally disabled? | Did child provide more than 50% of their own support? | Did you provide more than 50% of their support? | Did the person have Gross Income of $3200 or more? | Is person qualifying child of another person? |
|---|---|---|---|---|---|---|---|---|---|---|---|
| PEDRO | AMARILLO | 4-6-2000 | SON | 12 | YES | NO | NO | NO | YES | NO | NO |
| TINA | AMARILLO | 5-17-2002 | DAUGHTER | 12 | YES | NO | NO | NO | YES | NO | NO |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

***Special Rules** for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:

- Did one or both parents provide over half of the child's total support? [ ] Yes [ ] No
- Is the child in custody of one or both parents for more than half of the year? [ ] Yes [ ] No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? [ ] Yes [ ] No

**During the tax year did you, your spouse, or anyone in your household:**

| | | | |
|---|---|---|---|
| Receive any investment income (For example: interest or dividends)? | ☒ Yes ☐ No | Pay student loan interest? | ☐ Yes ☒ No |
| Receive a distribution from an IRA or retirement plan? | ☐ Yes ☒ No | Attend college or vocational school? | ☐ Yes ☒ No |
| Receive Social Security payments? | ☐ Yes ☒ No | Own a home? | ☐ Yes ☒ No |
| Receive unemployment payments? | ☐ Yes ☒ No | Pay for child/dependent care that allowed you to work? | ☒ Yes ☐ No |
| Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income) | ☐ Yes ☒ No | Can someone other than you use your child to claim the EITC? | ☐ Yes ☒ No ☐ N/A |
| Make contributions to an IRA or a retirement plan? | ☐ Yes ☒ No | | |

**Authorization**

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? ☒ Yes ☐ No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? ☒ Yes ☐ No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? ☒ Yes ☐ No

**Note:** Answer all three questions, each one stands on its own merit.

**Service Statement:** You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature Date

**Interview Notes:**

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

**Annual Statement – 2005** **Amarillo Family**

QUALITY Child Care
5540 Wilson Drive
Your City, State ZIP

EIN XX-XXXXXXX

| | | |
|---|---|---|
| **Total Amount Received** | **$4,000.00** | **Pedro & Tina Amarillo** |
| March 31st | $1,000 | |
| June 30th | $1,000 | |
| September 30th | $1,000 | |
| December 31st | $1,000 | |

Miguel I. Amarillo 1234
155 W. First Street
Your City, State ZIP Date_____
(512) 444-5555

Pay to the
Order of_____ $

_____ Dollars

Bank Of Asbury
For:
XXXXXXXXX: 0011111222334 1234 _____

| | | | |
|---|---|---|---|
| a Control number<br>123455 | | OMB No. 1545-0008 | Safe, accurate, FAST! Use e-file. Visit the IRS website at www.irs.gov/efile. |

| | | |
|---|---|---|
| b Employer identification number (EIN)<br>XX-XXXXXX | 1 Wages, tips, other compensation<br>21,084.66 | 2 Federal income tax withheld<br>1248.22 |
| c Employer's name, address, and ZIP code<br>Madison Magazine<br>200 E. Third Street<br>Your City, State ZIP | 3 Social security wages<br>21,609.66 | 4 Social security tax withheld<br>1340.00 |
| | 5 Medicare wages and tips<br>21,609.66 | 6 Medicare tax withheld<br>313.00 |
| | 7 Social security tips | 8 Allocated tips |
| d Employee's social security number<br>XXX-XX-XXXX | 9 Advance EIC payment<br>710.00 | 10 Dependent care benefits<br>1,000.00 |
| e Employee's first name and initial Last name<br>Miguel Amarillo<br>155 W. First Street<br>Your City, State ZIP | 11 Nonqualified plans | 12a See instructions for box 12<br>Code D 525.00 |
| | 13 Statutory employee ☐ Retirement plan ☑ Third-party sick pay ☐ | 12b Code |
| | 14 Other | 12c Code |
| | | 12d Code |
| f Employee's address and ZIP code | | |

| 15 State | Employer's state ID number | 16 State wages, tips, etc. | 17 State income tax | 18 Local wages, tips, etc. | 19 Local income tax | 20 Locality name |
|---|---|---|---|---|---|---|
| XX | XX-XXXXXX | 21,084.66 | 211.00 | | | |
| | | | | | | |

Form **W-2** **Wage and Tax Statement** **2005** Department of the Treasury—Internal Revenue Service

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

☐ CORRECTED (if checked)

| PAYER'S name, street address, city, state, ZIP code, and telephone no. | Payer's RTN (optional) | OMB No. 1545-0112 | |
|---|---|---|---|
| Bank of Asbury<br>1255 E 18th Street ww<br>Your City, State ZIP | | 2005<br>Form **1099-INT** | **Interest Income** |

| PAYER'S Federal identification number | RECIPIENT'S identification number | 1 Interest income not included in box 3 | | **Copy B**<br>**For Recipient** |
|---|---|---|---|---|
| XX-XXXXXXXX | XXX-XX-XXXX | $ 66 | | |
| RECIPIENT'S name<br>Miguel Amarillo | | 2 Early withdrawal penalty<br>$ | 3 Interest on U.S. Savings Bonds and Treas. obligations<br>$ | This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. |
| Street address (including apt. no.)<br>155 W. First Street | | 4 Federal income tax withheld<br>$ 0 | 5 Investment expenses<br>$ | |
| City, state, and ZIP code<br>Your City, State ZIP | | 6 Foreign tax paid<br>$ | 7 Foreign country or U.S. possession | |
| Account number (see instructions)<br>111112222334 | | | | |

Form **1099-INT** (keep for your records) Department of the Treasury - Internal Revenue Service

## Blank Tax Forms, Schedules, and Worksheets

Choose from the following forms, schedules, and worksheets to complete the scenarios.

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

# U.S. Individual Income Tax Return 2005

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

For the year Jan. 1–Dec. 31, 2005, or other tax year beginning , 2005, ending , 20

OMB No. 1545-0074

## Label

(See instructions on page 16.)

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

LABEL HERE

| | | |
|---|---|---|
| Your first name and initial | Last name | **Your social security number** |
| If a joint return, spouse's first name and initial | Last name | **Spouse's social security number** |
| Home address (number and street). If you have a P.O. box, see page 16. | Apt. no. | ▲ 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. | | Checking a box below will not change your tax or refund. |

**Presidential Election Campaign** ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund (see page 16) ▶ ☐ **You** ☐ **Spouse**

## Filing Status

Check only one box.

1 ☐ Single

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

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

4 ☐ 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. ▶

5 ☐ Qualifying widow(er) with dependent child (see page 17)

## Exemptions

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

b ☐ **Spouse**

**Boxes checked on 6a and 6b** ____

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 18) |
|---|---|---|---|
| | | | ☐ |
| | | | ☐ |
| | | | ☐ |
| | | | ☐ |

If more than four dependents, see page 18.

**No. of children on 6c who:**

- **lived with you** ____
- **did not live with you due to divorce or separation (see page 18)** ____

**Dependents on 6c not entered above** ____

d Total number of exemptions claimed

**Add numbers on lines above** ▶

## Income

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

If you did not get a W-2, see page 19.

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

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

## Adjusted Gross Income

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

Draft as of 06/15/05

## Tax and Credits

**Standard Deduction for—**

- People who checked any box on line 39a or 39b **or** who can be claimed as a dependent, see page 31.
- All others:

Single or Married filing separately, $5,000

Married filing jointly or Qualifying widow(er), $10,000

Head of household, $7,300

| | | | |
|---|---|---|---|
| 38 | Amount from line 37 (adjusted gross income) | | 38 |
| 39a | Check if: ☐ **You** were born before January 2, 1941, ☐ Blind. ☐ **Spouse** was born before January 2, 1941, ☐ Blind. **Total boxes checked** ▶ 39a | | |
| b | If your spouse itemizes on a separate return or you were a dual-status alien, see page 31 and check here ▶ 39b ☐ | | |
| 40 | **Itemized deductions** (from Schedule A) **or** your **standard deduction** (see left margin) | | 40 |
| 41 | Subtract line 40 from line 38 | | 41 |
| 42 | If line 38 is $109,475 or less, multiply $3,200 by the total number of exemptions claimed on line 6d. If line 38 is over $109,475, see the worksheet on page 33 | | 42 |
| 43 | **Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- | | 43 |
| 44 | **Tax** (see page 33). Check if any tax is from: **a** ☐ Form(s) 8814 **b** ☐ Form 4972 | | 44 |
| 45 | **Alternative minimum tax** (see page 35). Attach Form 6251 | | 45 |
| 46 | Add lines 44 and 45 ▶ | | 46 |
| 47 | Foreign tax credit. Attach Form 1116 if required | 47 | |
| 48 | Credit for child and dependent care expenses. Attach Form 2441 | 48 | |
| 49 | Credit for the elderly or the disabled. Attach Schedule R | 49 | |
| 50 | Education credits. Attach Form 8863 | 50 | |
| 51 | Retirement savings contributions credit. Attach Form 8880 | 51 | |
| 52 | Child tax credit (see page 37). Attach Form 8901 if required | 52 | |
| 53 | Adoption credit. Attach Form 8839 | 53 | |
| 54 | Credits from: **a** ☐ Form 8396 **b** ☐ Form 8859 | 54 | |
| 55 | Other credits. Check applicable box(es): **a** ☐ Form 3800 **b** ☐ Form 8801 **c** ☐ Specify | 55 | |
| 56 | Add lines 47 through 55. These are your **total credits** | | 56 |
| 57 | Subtract line 56 from line 46. If line 56 is more than line 46, enter -0- ▶ | | 57 |

## Other Taxes

| | | |
|---|---|---|
| 58 | Self-employment tax. Attach Schedule SE | 58 |
| 59 | Social security and Medicare tax on tip income not reported to employer. Attach Form 4137 | 59 |
| 60 | Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required | 60 |
| 61 | Advance earned income credit payments from Form(s) W-2 | 61 |
| 62 | Household employment taxes. Attach Schedule H | 62 |
| 63 | Add lines 57 through 62. This is your **total tax** ▶ | 63 |

## Payments

If you have a qualifying child, attach Schedule EIC.

| | | | |
|---|---|---|---|
| 64 | Federal income tax withheld from Forms W-2 and 1099 | 64 | |
| 65 | 2005 estimated tax payments and amount applied from 2004 return | 65 | |
| 66a | **Earned income credit (EIC)** | 66a | |
| b | Nontaxable combat pay election ▶ 66b | | |
| 67 | Excess social security and tier 1 RRTA tax withheld (see page 54) | 67 | |
| 68 | Additional child tax credit. Attach Form 8812 | 68 | |
| 69 | Amount paid with request for extension to file (see page 54) | 69 | |
| 70 | Payments from: **a** ☐ Form 2439 **b** ☐ Form 4136 **c** ☐ Form 8885 | 70 | |
| 71 | Add lines 64, 65, 66a, and 67 through 70. These are your **total payments** ▶ | | 71 |

## Refund

Direct deposit? See page 54 and fill in 73b, 73c, and 73d.

| | | | |
|---|---|---|---|
| 72 | If line 71 is more than line 63, subtract line 63 from line 71. This is the amount you **overpaid** | | 72 |
| 73a | Amount of line 72 you want **refunded to you** ▶ | | 73a |
| ▶ b | Routing number ▶ **c** Type: ☐ Checking ☐ Savings | | |
| ▶ d | Account number | | |
| 74 | Amount of line 72 you want **applied to your 2006 estimated tax** ▶ | 74 | |

## Amount You Owe

| | | | |
|---|---|---|---|
| 75 | **Amount you owe.** Subtract line 71 from line 63. For details on how to pay, see page 55 ▶ | | 75 |
| 76 | Estimated tax penalty (see page 55) | 76 | |

## Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 56)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

## Sign Here

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

Joint return? See page 17. Keep a copy for your records.

| Your signature | Date | Your occupation | Daytime phone number ( ) |
|---|---|---|---|
| Spouse's signature. If a joint return, **both** must sign. | Date | Spouse's occupation | |

## Paid Preparer's Use Only

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

Draft as of 06/15/2006



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

# U.S. Individual Income Tax Return 2005

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

For the year Jan. 1–Dec. 31, 2005, or other tax year beginning , 2005, ending , 20

OMB No. 1545-0074

## Label

(See instructions on page 16.)

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

LABEL HERE

| | | |
|---|---|---|
| Your first name and initial | Last name | **Your social security number** |
| If a joint return, spouse's first name and initial | Last name | **Spouse's social security number** |
| Home address (number and street). If you have a P.O. box, see page 16. | Apt. no. | ▲ 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. | | Checking a box below will not change your tax or refund. |

**Presidential Election Campaign** ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund (see page 16) ▶ ☐ **You** ☐ **Spouse**

## Filing Status

Check only one box.

1 ☐ Single

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

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

4 ☐ 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. ▶

5 ☐ Qualifying widow(er) with dependent child (see page 17)

## Exemptions

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

b ☐ **Spouse**

**Boxes checked on 6a and 6b** ____

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 18) |
|---|---|---|---|
| | | | ☐ |
| | | | ☐ |
| | | | ☐ |
| | | | ☐ |

If more than four dependents, see page 18.

**No. of children on 6c who:**

- **lived with you** ____
- **did not live with you due to divorce or separation (see page 18)** ____

**Dependents on 6c not entered above** ____

d Total number of exemptions claimed

**Add numbers on lines above** ▶

## Income

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

If you did not get a W-2, see page 19.

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

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

## Adjusted Gross Income

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

Draft as of 06/15/05

## Tax and Credits

**Standard Deduction for—**

- People who checked any box on line 39a or 39b **or** who can be claimed as a dependent, see page 31.
- All others:

Single or Married filing separately, $5,000

Married filing jointly or Qualifying widow(er), $10,000

Head of household, $7,300

| | | | |
|---|---|---|---|
| 38 | Amount from line 37 (adjusted gross income) | | 38 |
| 39a | Check if: ☐ **You** were born before January 2, 1941, ☐ Blind. ☐ **Spouse** was born before January 2, 1941, ☐ Blind. **Total boxes checked** ▶ 39a | | |
| b | If your spouse itemizes on a separate return or you were a dual-status alien, see page 31 and check here ▶ 39b ☐ | | |
| 40 | **Itemized deductions** (from Schedule A) **or** your **standard deduction** (see left margin) | | 40 |
| 41 | Subtract line 40 from line 38 | | 41 |
| 42 | If line 38 is $109,475 or less, multiply $3,200 by the total number of exemptions claimed on line 6d. If line 38 is over $109,475, see the worksheet on page 33 | | 42 |
| 43 | **Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- | | 43 |
| 44 | **Tax** (see page 33). Check if any tax is from: **a** ☐ Form(s) 8814 **b** ☐ Form 4972 | | 44 |
| 45 | **Alternative minimum tax** (see page 35). Attach Form 6251 | | 45 |
| 46 | Add lines 44 and 45 ▶ | | 46 |
| 47 | Foreign tax credit. Attach Form 1116 if required | 47 | |
| 48 | Credit for child and dependent care expenses. Attach Form 2441 | 48 | |
| 49 | Credit for the elderly or the disabled. Attach Schedule R | 49 | |
| 50 | Education credits. Attach Form 8863 | 50 | |
| 51 | Retirement savings contributions credit. Attach Form 8880 | 51 | |
| 52 | Child tax credit (see page 37). Attach Form 8901 if required | 52 | |
| 53 | Adoption credit. Attach Form 8839 | 53 | |
| 54 | Credits from: **a** ☐ Form 8396 **b** ☐ Form 8859 | 54 | |
| 55 | Other credits. Check applicable box(es): **a** ☐ Form 3800 **b** ☐ Form 8801 **c** ☐ Specify | 55 | |
| 56 | Add lines 47 through 55. These are your **total credits** | | 56 |
| 57 | Subtract line 56 from line 46. If line 56 is more than line 46, enter -0- ▶ | | 57 |

## Other Taxes

| | | |
|---|---|---|
| 58 | Self-employment tax. Attach Schedule SE | 58 |
| 59 | Social security and Medicare tax on tip income not reported to employer. Attach Form 4137 | 59 |
| 60 | Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required | 60 |
| 61 | Advance earned income credit payments from Form(s) W-2 | 61 |
| 62 | Household employment taxes. Attach Schedule H | 62 |
| 63 | Add lines 57 through 62. This is your **total tax** ▶ | 63 |

## Payments

If you have a qualifying child, attach Schedule EIC.

| | | | |
|---|---|---|---|
| 64 | Federal income tax withheld from Forms W-2 and 1099 | 64 | |
| 65 | 2005 estimated tax payments and amount applied from 2004 return | 65 | |
| 66a | **Earned income credit (EIC)** | 66a | |
| b | Nontaxable combat pay election ▶ 66b | | |
| 67 | Excess social security and tier 1 RRTA tax withheld (see page 54) | 67 | |
| 68 | Additional child tax credit. Attach Form 8812 | 68 | |
| 69 | Amount paid with request for extension to file (see page 54) | 69 | |
| 70 | Payments from: **a** ☐ Form 2439 **b** ☐ Form 4136 **c** ☐ Form 8885 | 70 | |
| 71 | Add lines 64, 65, 66a, and 67 through 70. These are your **total payments** ▶ | | 71 |

## Refund

Direct deposit? See page 54 and fill in 73b, 73c, and 73d.

| | | | |
|---|---|---|---|
| 72 | If line 71 is more than line 63, subtract line 63 from line 71. This is the amount you **overpaid** | | 72 |
| 73a | Amount of line 72 you want **refunded to you** ▶ | | 73a |
| ▶ b | Routing number ▶ **c** Type: ☐ Checking ☐ Savings | | |
| ▶ d | Account number | | |
| 74 | Amount of line 72 you want **applied to your 2006 estimated tax** ▶ | 74 | |

## Amount You Owe

| | | | |
|---|---|---|---|
| 75 | **Amount you owe.** Subtract line 71 from line 63. For details on how to pay, see page 55 ▶ | | 75 |
| 76 | Estimated tax penalty (see page 55) | 76 | |

## Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 56)? ☐ **Yes.** Complete the following. ☐ **No**

Designee's name ▶ Phone no. ▶ ( ) Personal identification number (PIN) ▶

## Sign Here

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

Joint return? See page 17. Keep a copy for your records.

| Your signature | Date | Your occupation | Daytime phone number ( ) |
|---|---|---|---|
| Spouse's signature. If a joint return, **both** must sign. | Date | Spouse's occupation | |

## Paid Preparer's Use Only

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

Draft as of 06/15/2006



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

Department of the Treasury
Internal Revenue Service (99)

# Schedule A—Itemized Deductions

**(Schedule B is on back)**

► **Attach to Form 1040.** ► **See Instructions for Schedules A and B (Form 1040).**

OMB No. 1545-0074

**2005**

Attachment Sequence No. **07**

Name(s) shown on Form 1040 | **Your social security number**

Proof as of June 10, 2005 (Subject to Change)

| | | | | | |
|---|---|---|---|---|---|
| **Medical and Dental Expenses** | | **Caution.** Do not include expenses reimbursed or paid by others. | | | |
| | 1 | Medical and dental expenses (see page A-2) | 1 | | |
| | 2 | Enter amount from Form 1040, line 38 [2] | | | |
| | 3 | Multiply line 2 by 7.5% (.075) | 3 | | |
| | 4 | Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- | | | 4 |
| **Taxes You Paid** (See page A-2.) | 5 | State and local **(check only one box)**: **a** ☐ Income taxes, **or** **b** ☐ General sales taxes (see page A-2) | 5 | | |
| | 6 | Real estate taxes (see page A-3) | 6 | | |
| | 7 | Personal property taxes | 7 | | |
| | 8 | Other taxes. List type and amount ► | 8 | | |
| | 9 | Add lines 5 through 8 | | | 9 |
| **Interest You Paid** (See page A-3.) | 10 | Home mortgage interest and points reported to you on Form 1098 | 10 | | |
| | 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-4 and show that person's name, identifying no., and address ► | 11 | | |
| **Note.** Personal interest is not deductible. | 12 | Points not reported to you on Form 1098. See page A-4 for special rules | 12 | | |
| | 13 | Investment interest. Attach Form 4952 if required. (See page A-4.) | 13 | | |
| | 14 | Add lines 10 through 13 | | | 14 |
| **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-4 | 15 | | |
| | 16 | Other than by cash or check. If any gift of $250 or more, see page A-4. You **must** attach Form 8283 if over $500 | 16 | | |
| | 17 | Carryover from prior year | 17 | | |
| | 18 | Add lines 15 through 17 | | | 18 |
| **Casualty and Theft Losses** | 19 | Casualty or theft loss(es). Attach Form 4684. (See page A-5.) | | | 19 |
| **Job Expenses and Most Other Miscellaneous Deductions** (See page A-5.) | 20 | Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ► | 20 | | |
| | 21 | Tax preparation fees | 21 | | |
| | 22 | Other expenses—investment, safe deposit box, etc. List type and amount ► | 22 | | |
| | 23 | Add lines 20 through 22 | 23 | | |
| | 24 | Enter amount from Form 1040, line 38 [24] | | | |
| | 25 | Multiply line 24 by 2% (.02) | 25 | | |
| | 26 | Subtract line 25 from line 23. If line 25 is more than line 23, enter -0- | | | 26 |
| **Other Miscellaneous Deductions** | 27 | Other—from list on page A-6. List type and amount ► | | | 27 |
| **Total Itemized Deductions** | 28 | Is Form 1040, line 38, over $145,950 (over $72,975 if married filing separately)? ☐ **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. ☐ **Yes.** Your deduction may be limited. See page A-6 for the amount to enter. ► | | | 28 |
| | 29 | If you elect to itemize deductions even though they are less than your standard deduction, check here ► ☐ | | | |

Name(s) shown on Form 1040. Do not enter name and social security number if shown on other side. | Your social security number

# Schedule B—Interest and Ordinary Dividends

Attachment Sequence No. 08

Proof as of June 10, 2005 (Subject to Change)

## Part I Interest

(See page B-1 and the instructions for Form 1040, line 8a.)

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

| | | Amount |
|---|---|---|
| 1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ▶ | 1 | |
| 2 Add the amounts on line 1 | 2 | |
| 3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815 | 3 | |
| 4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ▶ | 4 | |

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

## Part II Ordinary Dividends

(See page B-2 and the instructions for Form 1040, line 9a.)

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

| | | Amount |
|---|---|---|
| 5 List name of payer ▶ | 5 | |
| 6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ▶ | 6 | |

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

## Part III Foreign Accounts and Trusts

(See page B-2.)

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

| | Yes | No |
|---|---|---|
| **7a** At any time during 2005, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1. | | |
| **b** If "Yes," enter the name of the foreign country ▶ | | |
| **8** During 2005, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See page B-2 | | |



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

Department of the Treasury
Internal Revenue Service (99)

# Schedule A—Itemized Deductions

**(Schedule B is on back)**

► **Attach to Form 1040.** ► **See Instructions for Schedules A and B (Form 1040).**

OMB No. 1545-0074

**2005**

Attachment Sequence No. **07**

Name(s) shown on Form 1040 | **Your social security number**

Proof as of June 10, 2005 (Subject to Change)

| | | | | | |
|---|---|---|---|---|---|
| **Medical and Dental Expenses** | | **Caution.** Do not include expenses reimbursed or paid by others. | | | |
| | 1 | Medical and dental expenses (see page A-2) | 1 | | |
| | 2 | Enter amount from Form 1040, line 38 [2] | | | |
| | 3 | Multiply line 2 by 7.5% (.075) | 3 | | |
| | 4 | Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- | | | 4 |
| **Taxes You Paid** (See page A-2.) | 5 | State and local **(check only one box)**: **a** ☐ Income taxes, **or** **b** ☐ General sales taxes (see page A-2) | 5 | | |
| | 6 | Real estate taxes (see page A-3) | 6 | | |
| | 7 | Personal property taxes | 7 | | |
| | 8 | Other taxes. List type and amount ► | 8 | | |
| | 9 | Add lines 5 through 8 | | | 9 |
| **Interest You Paid** (See page A-3.) | 10 | Home mortgage interest and points reported to you on Form 1098 | 10 | | |
| | 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-4 and show that person's name, identifying no., and address ► | 11 | | |
| **Note.** Personal interest is not deductible. | 12 | Points not reported to you on Form 1098. See page A-4 for special rules | 12 | | |
| | 13 | Investment interest. Attach Form 4952 if required. (See page A-4.) | 13 | | |
| | 14 | Add lines 10 through 13 | | | 14 |
| **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-4 | 15 | | |
| | 16 | Other than by cash or check. If any gift of $250 or more, see page A-4. You **must** attach Form 8283 if over $500 | 16 | | |
| | 17 | Carryover from prior year | 17 | | |
| | 18 | Add lines 15 through 17 | | | 18 |
| **Casualty and Theft Losses** | 19 | Casualty or theft loss(es). Attach Form 4684. (See page A-5.) | | | 19 |
| **Job Expenses and Most Other Miscellaneous Deductions** (See page A-5.) | 20 | Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ► | 20 | | |
| | 21 | Tax preparation fees | 21 | | |
| | 22 | Other expenses—investment, safe deposit box, etc. List type and amount ► | 22 | | |
| | 23 | Add lines 20 through 22 | 23 | | |
| | 24 | Enter amount from Form 1040, line 38 [24] | | | |
| | 25 | Multiply line 24 by 2% (.02) | 25 | | |
| | 26 | Subtract line 25 from line 23. If line 25 is more than line 23, enter -0- | | | 26 |
| **Other Miscellaneous Deductions** | 27 | Other—from list on page A-6. List type and amount ► | | | 27 |
| **Total Itemized Deductions** | 28 | Is Form 1040, line 38, over $145,950 (over $72,975 if married filing separately)? ☐ **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. ☐ **Yes.** Your deduction may be limited. See page A-6 for the amount to enter. ► | | | 28 |
| | 29 | If you elect to itemize deductions even though they are less than your standard deduction, check here ► ☐ | | | |

Name(s) shown on Form 1040. Do not enter name and social security number if shown on other side. | Your social security number

# Schedule B—Interest and Ordinary Dividends

Attachment Sequence No. 08

Proof as of June 10, 2005 (Subject to Change)

## Part I Interest

(See page B-1 and the instructions for Form 1040, line 8a.)

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

| | | Amount |
|---|---|---|
| 1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ▶ | 1 | |
| 2 Add the amounts on line 1 | 2 | |
| 3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815 | 3 | |
| 4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ▶ | 4 | |

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

## Part II Ordinary Dividends

(See page B-2 and the instructions for Form 1040, line 9a.)

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

| | | Amount |
|---|---|---|
| 5 List name of payer ▶ | 5 | |
| 6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ▶ | 6 | |

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

## Part III Foreign Accounts and Trusts

(See page B-2.)

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

| | Yes | No |
|---|---|---|
| **7a** At any time during 2005, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1. | | |
| **b** If "Yes," enter the name of the foreign country ▶ | | |
| **8** During 2005, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See page B-2 | | |



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Form **2106-EZ**

Department of the Treasury
Internal Revenue Service (99)

# Unreimbursed Employee Business Expenses

▶ **Attach to Form 1040.**

OMB No. 1545-1441

**2005**

Attachment Sequence No. **54A**

| Your name | Occupation in which you incurred expenses | **Social security number** |
|---|---|---|
| | | |

**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 2005.

**Caution:** *You can use the standard mileage rate for 2005* ***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.*

Draft as of 05/23/2005

## Part I Figure Your Expenses

| | | | |
|---|---|---|---|
| 1 | Vehicle expense using the standard mileage rate. Complete Part II and multiply line 8a by 40.5¢ (.405) | 1 | |
| 2 | Parking fees, tolls, and transportation, including train, bus, etc., that **did not** involve overnight travel or commuting to and from work | 2 | |
| 3 | Travel expense while away from home overnight, including lodging, airplane, car rental, etc. **Do not** include meals and entertainment | 3 | |
| 4 | Business expenses not included on lines 1 through 3. **Do not** include meals and entertainment | 4 | |
| 5 | Meals and entertainment expenses: $ _____ × 50% (.50) (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 70% (.70) instead of 50%. For details, see instructions.) | 5 | |
| 6 | **Total expenses.** Add lines 1 through 5. Enter here and on **Schedule A (Form 1040), line 20.** (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 | |

## 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 2005, 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**

Form **2441**

Department of the Treasury
Internal Revenue Service (99)

# Child and Dependent Care Expenses

▶ **Attach to Form 1040.**

▶ **See separate instructions.**

OMB No. 1545-0068

**2005**

Attachment Sequence No. **21**

Name(s) shown on Form 1040 | **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) |
|---|---|---|---|---|
| | | | | |
| | | | | |

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.

**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 First | Last | **(b)** Qualifying person's social security number | **(c) Qualified expenses** you incurred and paid in 2005 for the person listed in column (a) |
|---|---|---|---|
| | | | |
| | | | |

| | | | |
|---|---|---|---|
| **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 32 | **3** | |
| **4** | Enter your **earned income.** See instructions | **4** | |
| **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** | |
| **6** | Enter the **smallest** of line 3, 4, or 5 | **6** | |
| **7** | Enter the amount from Form 1040, line 38 **7** | | |
| **8** | Enter on line 8 the decimal amount shown below that applies to the amount on line 7 | **8** | × . |
| **9** | Multiply line 6 by the decimal amount on line 8. If you paid 2004 expenses in 2005, see the instructions | **9** | |
| **10** | Enter the amount from Form 1040, line 46, minus any amount on Form 1040, line 47 | **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 | **11** | |

| **If line 7 is: Over** | **But not over** | **Decimal amount is** | **If line 7 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 |

Proof as of June 10, 2005 (Subject to Change)

## Part III Dependent Care Benefits

| | | | | | |
|---|---|---|---|---|---|
| 12 | Enter the total amount of **dependent care benefits** you received in 2005. 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 | |
| 13 | Enter the amount forfeited, if any (see the instructions) | | | 13 | |
| 14 | Subtract line 13 from line 12 | | | 14 | |
| 15 | Enter the total amount of **qualified expenses** incurred in 2005 for the care of the **qualifying person(s)** | 15 | | | |
| 16 | Enter the **smaller** of line 14 or 15 | 16 | | | |
| 17 | Enter your **earned income.** See instructions | 17 | | | |
| 18 | Enter the amount shown below that applies to you.<br>• 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).<br>• If married filing separately, see the instructions for the amount to enter.<br>• All others, enter the amount from line 17. | 18 | | | |
| 19 | Enter the **smallest** of line 16, 17, or 18 | 19 | | | |
| 20 | 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- | | | 20 | |
| 21 | Subtract line 20 from line 14 | 21 | | | |
| 22 | Enter $5,000 ($2,500 if married filing separately **and** you were required to enter your spouse's earned income on line 18) | | | 22 | |
| 23 | **Deductible benefits.** Enter the **smallest** of line 19, 20, or 22. Also, include this amount on the appropriate line(s) of your return (see the instructions) | | | 23 | |
| 24 | Enter the **smaller** of line 19 or 22 | 24 | | | |
| 25 | Enter the amount from line 23 | 25 | | | |
| 26 | **Excluded benefits.** Subtract line 25 from line 24. If zero or less, enter -0- | | | 26 | |
| 27 | **Taxable benefits.** Subtract line 26 from line 21. If zero or less, enter -0-. Also, include this amount on Form 1040, line 7. On the dotted line next to line 7, enter "DCB" | | | 27 | |

To claim the child and dependent care credit, complete lines 28–32 below.

| | | | | |
|---|---|---|---|---|
| 28 | Enter $3,000 ($6,000 if two or more qualifying persons) | 28 | | |
| 29 | Add lines 23 and 26 | 29 | | |
| 30 | Subtract line 29 from line 28. If zero or less, **stop.** You cannot take the credit. **Exception.** If you paid 2004 expenses in 2005, see the instructions for line 9 | 30 | | |
| 31 | Complete line 2 on the front of this form. **Do not** include in column (c) any benefits shown on line 29 above. Then, add the amounts in column (c) and enter the total here | 31 | | |
| 32 | Enter the **smaller** of line 30 or 31. Also, enter this amount on line 3 on the front of this form and complete lines 4–11 | 32 | | |

Proof as of June 10, 2005 (Subject to Change)

Form **2441**

Department of the Treasury
Internal Revenue Service (99)

# Child and Dependent Care Expenses

▶ **Attach to Form 1040.**

▶ **See separate instructions.**

OMB No. 1545-0068

**2005**

Attachment Sequence No. **21**

Name(s) shown on Form 1040 | **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) |
|---|---|---|---|---|
| | | | | |
| | | | | |

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.

**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 First | Last | **(b)** Qualifying person's social security number | **(c) Qualified expenses** you incurred and paid in 2005 for the person listed in column (a) |
|---|---|---|---|
| | | | |
| | | | |

| | | | |
|---|---|---|---|
| **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 32 | **3** | |
| **4** | Enter your **earned income.** See instructions | **4** | |
| **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** | |
| **6** | Enter the **smallest** of line 3, 4, or 5 | **6** | |
| **7** | Enter the amount from Form 1040, line 38 **7** | | |
| **8** | Enter on line 8 the decimal amount shown below that applies to the amount on line 7 | **8** | × . |
| **9** | Multiply line 6 by the decimal amount on line 8. If you paid 2004 expenses in 2005, see the instructions | **9** | |
| **10** | Enter the amount from Form 1040, line 46, minus any amount on Form 1040, line 47 | **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 | **11** | |

| **If line 7 is: Over** | **But not over** | **Decimal amount is** | **If line 7 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 |

Proof as of June 10, 2005 (Subject to Change)

## Part III Dependent Care Benefits

| | | | | | |
|---|---|---|---|---|---|
| 12 | Enter the total amount of **dependent care benefits** you received in 2005. 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 | |
| 13 | Enter the amount forfeited, if any (see the instructions) | | | 13 | |
| 14 | Subtract line 13 from line 12 | | | 14 | |
| 15 | Enter the total amount of **qualified expenses** incurred in 2005 for the care of the **qualifying person(s)** | 15 | | | |
| 16 | Enter the **smaller** of line 14 or 15 | 16 | | | |
| 17 | Enter your **earned income.** See instructions | 17 | | | |
| 18 | Enter the amount shown below that applies to you.<br>• 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).<br>• If married filing separately, see the instructions for the amount to enter.<br>• All others, enter the amount from line 17. | 18 | | | |
| 19 | Enter the **smallest** of line 16, 17, or 18 | 19 | | | |
| 20 | 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- | | | 20 | |
| 21 | Subtract line 20 from line 14 | 21 | | | |
| 22 | Enter $5,000 ($2,500 if married filing separately **and** you were required to enter your spouse's earned income on line 18) | | | 22 | |
| 23 | **Deductible benefits.** Enter the **smallest** of line 19, 20, or 22. Also, include this amount on the appropriate line(s) of your return (see the instructions) | | | 23 | |
| 24 | Enter the **smaller** of line 19 or 22 | 24 | | | |
| 25 | Enter the amount from line 23 | 25 | | | |
| 26 | **Excluded benefits.** Subtract line 25 from line 24. If zero or less, enter -0- | | | 26 | |
| 27 | **Taxable benefits.** Subtract line 26 from line 21. If zero or less, enter -0-. Also, include this amount on Form 1040, line 7. On the dotted line next to line 7, enter "DCB" | | | 27 | |

To claim the child and dependent care credit, complete lines 28–32 below.

| | | | | |
|---|---|---|---|---|
| 28 | Enter $3,000 ($6,000 if two or more qualifying persons) | 28 | | |
| 29 | Add lines 23 and 26 | 29 | | |
| 30 | Subtract line 29 from line 28. If zero or less, **stop.** You cannot take the credit. **Exception.** If you paid 2004 expenses in 2005, see the instructions for line 9 | 30 | | |
| 31 | Complete line 2 on the front of this form. **Do not** include in column (c) any benefits shown on line 29 above. Then, add the amounts in column (c) and enter the total here | 31 | | |
| 32 | Enter the **smaller** of line 30 or 31. Also, enter this amount on line 3 on the front of this form and complete lines 4–11 | 32 | | |

Proof as of June 10, 2005 (Subject to Change)

Form **2555-EZ**

Department of the Treasury
Internal Revenue Service (99)

# Foreign Earned Income Exclusion

▶ See separate instructions. ▶ Attach to Form 1040.

OMB No. 1545-1326

**2005**

Attachment Sequence No. **34A**

Name shown on Form 1040

Your social security number

**You May Use This Form If You:**

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

**And You:**

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

Proof as of June 10, 2005 (Subject to Change)

## 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— { 2005 **or** any other period of 12 months in a row starting or ending in 2005? } . . . . . ☐ **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 . . . . . ☐

**b** A foreign business . . . . . ☐

**c** Other (specify) ▶ _____ ☐

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

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

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

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

**11a** List your tax home(s) during 2005 and date(s) established. ▶ _____

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

## Part III Days Present in the United States—Complete this part if you were in the United States or its possessions during 2005.

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

## Part IV Figure Your Foreign Earned Income Exclusion

| | | | |
|---|---|---|---|
| 13 | Maximum foreign earned income exclusion | 13 | $80,000 00 |
| 14 | Enter the number of days in your qualifying period that fall within 2005 . 14 days | | |
| 15 | Did you enter 365 on line 14?<br>☐ **Yes.** Enter "1.000."<br>☐ **No.** Divide line 14 by 365 and enter the result as a decimal (rounded to at least three places). | 15 | × . |
| 16 | Multiply line 13 by line 15 | 16 | |
| 17 | Enter, in U.S. dollars, the total foreign earned income you earned and received in 2005 (see instructions). Be sure to include this amount on Form 1040, line 7 | 17 | |
| 18 | **Foreign earned income exclusion.** Enter the **smaller** of line 16 or line 17 here and in parentheses on **Form 1040, line 21.** Next to the amount enter "2555-EZ." On Form 1040, subtract this amount from your income to arrive at total income on Form 1040, line 22 ► | 18 | |

Proof as of June 10, 2005 (Subject to Change)

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

Department of the Treasury
Internal Revenue Service

# Earned Income Credit

## Qualifying Child Information

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

OMB No. 1545-0074

**2005**

Attachment Sequence No. **43**

Name(s) shown on return

**Your social security number**

***Before you begin:*** See the instructions for Form 1040A, lines 41a and 41b, or Form 1040, lines 66a and 66b, to make sure that **(a)** you can take the EIC and **(b)** you have a qualifying child.

**CAUTION**

- 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.

Proof as of June 10, 2005 (Subject to Change)

| Qualifying Child Information | Child 1 | Child 2 |
|---|---|---|
| **1 Child's name**<br>If you have more than two qualifying children, you only have to list two to get the maximum credit. | First name Last name | First name Last name |
| **2 Child's SSN**<br>The child must have an SSN as defined on page 42 of the Form 1040A instructions or page 44 of the Form 1040 instructions unless the child was born and died in 2005. If your child was born and died in 2005 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate. | | |
| **3 Child's year of birth** | Year ___ ___ ___ ___<br>*If born after 1986, skip lines 4a and 4b; go to line 5.* | Year ___ ___ ___ ___<br>*If born after 1986, skip lines 4a and 4b; go to line 5.* |
| **4 If the child was born before 1987—**<br>**a** Was the child under age 24 at the end of 2005 and a student? | ☐ **Yes.** *Go to line 5.*<br>☐ **No.** *Continue* | ☐ **Yes.** *Go to line 5.*<br>☐ **No.** *Continue* |
| **b** Was the child permanently and totally disabled during any part of 2005? | ☐ **Yes.** *Continue*<br>☐ **No.** The child is not a qualifying child. | ☐ **Yes.** *Continue*<br>☐ **No.** The child is not a qualifying child. |
| **5 Child's relationship to you**<br>(for example, son, daughter, grandchild, niece, nephew, foster child, etc.) | | |
| **6 Number of months child lived with you in the United States during 2005**<br>• If the child lived with you for more than half of 2005 but less than 7 months, enter "7."<br>• If the child was born or died in 2005 and your home was the child's home for the entire time he or she was alive during 2005, enter "12." | _____ months<br>*Do not enter more than 12 months.* | _____ months<br>*Do not enter more than 12 months.* |

**TIP**

You may also be able to take the additional child tax credit if your child **(a)** was under age 17 at the end of 2005, **and (b)** is a U.S. citizen or resident alien. For more details, see the instructions for line 42 of Form 1040A or line 68 of Form 1040.

# Purpose of Schedule

The purpose of this schedule is to give the IRS information about your qualifying child after you have figured your earned income credit (EIC).

To figure the amount of your credit or to have the IRS figure it for you, see the instructions for Form 1040A, lines 41a and 41b, or Form 1040, lines 66a and 66b.

**Taking the EIC when not eligible.** If you take the EIC even though you are not eligible and it is determined that your error is due to reckless or intentional disregard of the EIC rules, you will not be allowed to take the credit for 2 years even if you are otherwise eligible to do so. If you fraudulently take the EIC, you will not be allowed to take the credit for 10 years. You may also have to pay penalties.

Proof as of June 10, 2005 (Subject to Change)

## Qualifying Child

**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 19 at the end of 2005
or
Under age 24 at the end of 2005 and a student
or
any age and permanently and totally disabled

**AND**

**who . . .**

Lived with you in the United States for more than half of 2005. If the child did not live with you for the required time, see *Exception to "time lived with you" condition* on page 41 of the Form 1040A instructions or page 44 of the Form 1040 instructions.

CAUTION

*If the child was married or meets the conditions to be a qualifying child of another person (other than your spouse if filing a joint return), special rules apply. For details, see page 42 of the Form 1040A instructions or page 44 of the Form 1040 instructions.*

Do you want part of the EIC added to your take-home pay in 2006? To see if you qualify, get Form W-5 from your employer, call the IRS at 1-800-TAX-FORM (1-800-829-3676), or go to *www.irs.gov.*

Printed on recycled paper

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

Department of the Treasury
Internal Revenue Service

# Earned Income Credit

## Qualifying Child Information

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

OMB No. 1545-0074

**2005**

Attachment Sequence No. **43**

Name(s) shown on return

**Your social security number**

***Before you begin:*** See the instructions for Form 1040A, lines 41a and 41b, or Form 1040, lines 66a and 66b, to make sure that **(a)** you can take the EIC and **(b)** you have a qualifying child.

**CAUTION**

- 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.

Proof as of June 10, 2005 (Subject to Change)

| Qualifying Child Information | Child 1 | Child 2 |
|---|---|---|
| **1 Child's name**<br>If you have more than two qualifying children, you only have to list two to get the maximum credit. | First name Last name | First name Last name |
| **2 Child's SSN**<br>The child must have an SSN as defined on page 42 of the Form 1040A instructions or page 44 of the Form 1040 instructions unless the child was born and died in 2005. If your child was born and died in 2005 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate. | | |
| **3 Child's year of birth** | Year ___ ___ ___ ___<br>*If born after 1986, skip lines 4a and 4b; go to line 5.* | Year ___ ___ ___ ___<br>*If born after 1986, skip lines 4a and 4b; go to line 5.* |
| **4 If the child was born before 1987—**<br>**a** Was the child under age 24 at the end of 2005 and a student? | ☐ **Yes.** *Go to line 5.*<br>☐ **No.** *Continue* | ☐ **Yes.** *Go to line 5.*<br>☐ **No.** *Continue* |
| **b** Was the child permanently and totally disabled during any part of 2005? | ☐ **Yes.** *Continue*<br>☐ **No.** The child is not a qualifying child. | ☐ **Yes.** *Continue*<br>☐ **No.** The child is not a qualifying child. |
| **5 Child's relationship to you**<br>(for example, son, daughter, grandchild, niece, nephew, foster child, etc.) | | |
| **6 Number of months child lived with you in the United States during 2005**<br>• If the child lived with you for more than half of 2005 but less than 7 months, enter "7."<br>• If the child was born or died in 2005 and your home was the child's home for the entire time he or she was alive during 2005, enter "12." | _____ months<br>*Do not enter more than 12 months.* | _____ months<br>*Do not enter more than 12 months.* |

**TIP**

You may also be able to take the additional child tax credit if your child **(a)** was under age 17 at the end of 2005, **and (b)** is a U.S. citizen or resident alien. For more details, see the instructions for line 42 of Form 1040A or line 68 of Form 1040.

# Purpose of Schedule

The purpose of this schedule is to give the IRS information about your qualifying child after you have figured your earned income credit (EIC).

To figure the amount of your credit or to have the IRS figure it for you, see the instructions for Form 1040A, lines 41a and 41b, or Form 1040, lines 66a and 66b.

**Taking the EIC when not eligible.** If you take the EIC even though you are not eligible and it is determined that your error is due to reckless or intentional disregard of the EIC rules, you will not be allowed to take the credit for 2 years even if you are otherwise eligible to do so. If you fraudulently take the EIC, you will not be allowed to take the credit for 10 years. You may also have to pay penalties.

Proof as of June 10, 2005 (Subject to Change)

## Qualifying Child

**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 19 at the end of 2005
or
Under age 24 at the end of 2005 and a student
or
any age and permanently and totally disabled

**AND**

**who . . .**

Lived with you in the United States for more than half of 2005. If the child did not live with you for the required time, see *Exception to "time lived with you" condition* on page 41 of the Form 1040A instructions or page 44 of the Form 1040 instructions.

CAUTION

*If the child was married or meets the conditions to be a qualifying child of another person (other than your spouse if filing a joint return), special rules apply. For details, see page 42 of the Form 1040A instructions or page 44 of the Form 1040 instructions.*

Do you want part of the EIC added to your take-home pay in 2006? To see if you qualify, get Form W-5 from your employer, call the IRS at 1-800-TAX-FORM (1-800-829-3676), or go to *www.irs.gov.*

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## Worksheet A—Earned Income Credit (EIC)—Lines 66a and 66b

*Keep for Your Records*

***Before you begin:*** √ Be sure you are using the correct worksheet. Do not use this worksheet if you were self-employed, or you are filing Schedule SE because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee. Instead, use Worksheet B that begins on page 50.

Proof as of June 10, 2005 (Subject to Change)

**Part 1**

**All Filers Using Worksheet A**

**1.** Enter your earned income from Step 5 on page 47. | 1 |

**2.** Look up the amount on line 1 above in the EIC Table on pages 52–57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | 2 |

If line 2 is zero, STOP You cannot take the credit. Put "No" on the dotted line next to line 66a.

**3.** Enter the amount from Form 1040, line 38. | 3 |

**4.** Are the amounts on lines 3 and 1 the same?

☐ **Yes.** Skip line 5; enter the amount from line 2 on line 6.

☐ **No.** Go to line 5.

**Part 2**

**Filers Who Answered "No" on Line 4**

**5.** If you have:

- No qualifying children, is the amount on line 3 less than $6,550 ($8,550 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 3 less than $14,400 ($16,400 if married filing jointly)?

☐ **Yes.** Leave line 5 blank; enter the amount from line 2 on line 6.

☐ **No.** Look up the amount on line 3 in the EIC Table on pages 52–57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | 5 |

Look at the amounts on lines 5 and 2. Then, enter the **smaller** amount on line 6.

**Part 3**

**Your Earned Income Credit**

**6. This is your earned income credit.** | 6 |

Enter this amount on Form 1040, line 66a.

**Reminder—**

√ If you have a qualifying child, complete and attach Schedule EIC.

CAUTION *If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8862 to take the credit for 2005.*



*Need more information or forms? See page 7.*

## Worksheet B—Earned Income Credit (EIC)—Lines 66a and 66b

*Keep for Your Records*

**Use this worksheet if you were self-employed, or you are filing Schedule SE because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee.**

√ Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to Part 4.

√ If you are married filing a joint return, include your spouse's amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

### Part 1

**Self-Employed, Members of the Clergy, and People With Church Employee Income Filing Schedule SE**

| | | | |
|---|---|---|---|
| **1a.** Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies. | | 1a | |
| **b.** Enter any amount from Schedule SE, Section B, line 4b, and line 5a. | + | 1b | |
| **c.** Combine lines 1a and 1b. | = | 1c | |
| **d.** Enter the amount from Schedule SE, Section A, line 6, or Section B, line 13, whichever applies. | − | 1d | |
| **e.** Subtract line 1d from 1c. | = | 1e | |

### Part 2

**Self-Employed NOT Required To File Schedule SE**

For example, your net earnings from self-employment were less than $400.

**2.** Do not include on these lines any statutory employee income or any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or Form 4361.

| | | | |
|---|---|---|---|
| **a.** Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A*. | | 2a | |
| **b.** Enter any 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*. | + | 2b | |
| **c.** Combine lines 2a and 2b. | = | 2c | |

*Reduce any Schedule K-1 amounts by any partnership section 179 expense deduction claimed, unreimbursed partnership expenses claimed, and depletion claimed on oil and gas properties. If you have any Schedule K-1 amounts, complete the appropriate line(s) of Schedule SE, Section A. Put your name and social security number on Schedule SE and attach it to your return.

### Part 3

**Statutory Employees Filing Schedule C or C-EZ**

**3.** Enter the amount from Schedule C, line 1, or Schedule C-EZ, line 1, that you are filing as a statutory employee. | 3 |

### Part 4

**All Filers Using Worksheet B**

**Note.** If line 4b includes income on which you should have paid self-employment tax but did not, we may reduce your credit by the amount of self-employment tax not paid.

**4a.** Enter your earned income from Step 5 on page 47. | 4a |

**b.** Combine lines 1e, 2c, 3, and 4a. **This is your total earned income.** | 4b |

If line 4b is zero or less, STOP You cannot take the credit. Put "No" on the dotted line next to line 66a.

**5.** If you have:

- 2 or more qualifying children, is line 4b less than $35,263 ($37,263 if married filing jointly)?
- 1 qualifying child, is line 4b less than $31,030 ($33,030 if married filing jointly)?
- No qualifying children, is line 4b less than $11,750 ($13,750 if married filing jointly)?

☐ **Yes.** If you want the IRS to figure your credit, see page 48. If you want to figure the credit yourself, enter the amount from line 4b on line 6 (page 51).

☐ **No.** STOP You cannot take the credit. Put "No" on the dotted line next to line 66a.

Proof as of June 10, 2005 (Subject to Change)

## Worksheet B—*Continued from page 50*

*Keep for Your Records*

Proof as of June 10, 2005 (Subject to Change)

**Part 5**

**All Filers Using Worksheet B**

**6.** Enter your total earned income from Part 4, line 4b, on page 50. | **6** |

**7.** Look up the amount on line 6 above in the EIC Table on pages 52–57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | **7** |

If line 7 is zero, STOP You cannot take the credit. Put "No" on the dotted line next to line 66a.

**8.** Enter the amount from Form 1040, line 38. | **8** |

**9.** Are the amounts on lines 8 and 6 the same?

☐ **Yes.** Skip line 10; enter the amount from line 7 on line 11.

☐ **No.** Go to line 10.

**Part 6**

**Filers Who Answered "No" on Line 9**

**10.** If you have:

- No qualifying children, is the amount on line 8 less than $6,550 ($8,550 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 8 less than $14,400 ($16,400 if married filing jointly)?

☐ **Yes.** Leave line 10 blank; enter the amount from line 7 on line 11.

☐ **No.** Look up the amount on line 8 in the EIC Table on pages 52–57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | **10** |
Look at the amounts on lines 10 and 7.
Then, enter the **smaller** amount on line 11.

**Part 7**

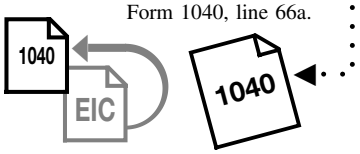
**Your Earned Income Credit**

**11. This is your earned income credit.** | **11** |

Enter this amount on Form 1040, line 66a.

**Reminder—**

√ If you have a qualifying child, complete and attach Schedule EIC.




CAUTION *If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8862 to take the credit for 2005.*



*Need more information or forms? See page 7.*

## Worksheet A—Earned Income Credit (EIC)—Lines 66a and 66b

*Keep for Your Records*

***Before you begin:*** √ Be sure you are using the correct worksheet. Do not use this worksheet if you were self-employed, or you are filing Schedule SE because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee. Instead, use Worksheet B that begins on page 50.

Proof as of June 10, 2005 (Subject to Change)

**Part 1**

**All Filers Using Worksheet A**

**1.** Enter your earned income from Step 5 on page 47. | 1 |

**2.** Look up the amount on line 1 above in the EIC Table on pages 52–57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | 2 |

If line 2 is zero, STOP You cannot take the credit. Put "No" on the dotted line next to line 66a.

**3.** Enter the amount from Form 1040, line 38. | 3 |

**4.** Are the amounts on lines 3 and 1 the same?

☐ **Yes.** Skip line 5; enter the amount from line 2 on line 6.

☐ **No.** Go to line 5.

**Part 2**

**Filers Who Answered "No" on Line 4**

**5.** If you have:

- No qualifying children, is the amount on line 3 less than $6,550 ($8,550 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 3 less than $14,400 ($16,400 if married filing jointly)?

☐ **Yes.** Leave line 5 blank; enter the amount from line 2 on line 6.

☐ **No.** Look up the amount on line 3 in the EIC Table on pages 52–57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | 5 |

Look at the amounts on lines 5 and 2. Then, enter the **smaller** amount on line 6.

**Part 3**

**Your Earned Income Credit**

**6. This is your earned income credit.** | 6 |

Enter this amount on Form 1040, line 66a.

**Reminder—**

√ If you have a qualifying child, complete and attach Schedule EIC.

CAUTION *If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8862 to take the credit for 2005.*



*Need more information or forms? See page 7.*

## Worksheet B—Earned Income Credit (EIC)—Lines 66a and 66b

*Keep for Your Records*

**Use this worksheet if you were self-employed, or you are filing Schedule SE because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee.**

√ Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to Part 4.

√ If you are married filing a joint return, include your spouse's amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

### Part 1

**Self-Employed, Members of the Clergy, and People With Church Employee Income Filing Schedule SE**

| | | | |
|---|---|---|---|
| **1a.** Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies. | | 1a | |
| **b.** Enter any amount from Schedule SE, Section B, line 4b, and line 5a. | + | 1b | |
| **c.** Combine lines 1a and 1b. | = | 1c | |
| **d.** Enter the amount from Schedule SE, Section A, line 6, or Section B, line 13, whichever applies. | − | 1d | |
| **e.** Subtract line 1d from 1c. | = | 1e | |

### Part 2

**Self-Employed NOT Required To File Schedule SE**

For example, your net earnings from self-employment were less than $400.

**2.** Do not include on these lines any statutory employee income or any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or Form 4361.

| | | | |
|---|---|---|---|
| **a.** Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A*. | | 2a | |
| **b.** Enter any 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*. | + | 2b | |
| **c.** Combine lines 2a and 2b. | = | 2c | |

*Reduce any Schedule K-1 amounts by any partnership section 179 expense deduction claimed, unreimbursed partnership expenses claimed, and depletion claimed on oil and gas properties. If you have any Schedule K-1 amounts, complete the appropriate line(s) of Schedule SE, Section A. Put your name and social security number on Schedule SE and attach it to your return.

### Part 3

**Statutory Employees Filing Schedule C or C-EZ**

**3.** Enter the amount from Schedule C, line 1, or Schedule C-EZ, line 1, that you are filing as a statutory employee. | 3 |

### Part 4

**All Filers Using Worksheet B**

**Note.** If line 4b includes income on which you should have paid self-employment tax but did not, we may reduce your credit by the amount of self-employment tax not paid.

**4a.** Enter your earned income from Step 5 on page 47. | 4a |

**b.** Combine lines 1e, 2c, 3, and 4a. **This is your total earned income.** | 4b |

If line 4b is zero or less, STOP You cannot take the credit. Put "No" on the dotted line next to line 66a.

**5.** If you have:

- 2 or more qualifying children, is line 4b less than $35,263 ($37,263 if married filing jointly)?
- 1 qualifying child, is line 4b less than $31,030 ($33,030 if married filing jointly)?
- No qualifying children, is line 4b less than $11,750 ($13,750 if married filing jointly)?

☐ **Yes.** If you want the IRS to figure your credit, see page 48. If you want to figure the credit yourself, enter the amount from line 4b on line 6 (page 51).

☐ **No.** STOP You cannot take the credit. Put "No" on the dotted line next to line 66a.

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## Worksheet B—*Continued from page 50*

*Keep for Your Records*

Proof as of June 10, 2005 (Subject to Change)

**Part 5**

**All Filers Using Worksheet B**

**6.** Enter your total earned income from Part 4, line 4b, on page 50. | **6** |

**7.** Look up the amount on line 6 above in the EIC Table on pages 52–57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | **7** |

If line 7 is zero, STOP You cannot take the credit. Put "No" on the dotted line next to line 66a.

**8.** Enter the amount from Form 1040, line 38. | **8** |

**9.** Are the amounts on lines 8 and 6 the same?

☐ **Yes.** Skip line 10; enter the amount from line 7 on line 11.

☐ **No.** Go to line 10.

**Part 6**

**Filers Who Answered "No" on Line 9**

**10.** If you have:

- No qualifying children, is the amount on line 8 less than $6,550 ($8,550 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 8 less than $14,400 ($16,400 if married filing jointly)?

☐ **Yes.** Leave line 10 blank; enter the amount from line 7 on line 11.

☐ **No.** Look up the amount on line 8 in the EIC Table on pages 52–57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | **10** |
Look at the amounts on lines 10 and 7.
Then, enter the **smaller** amount on line 11.

**Part 7**

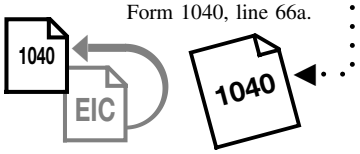
**Your Earned Income Credit**

**11. This is your earned income credit.** | **11** |

Enter this amount on Form 1040, line 66a.

**Reminder—**

√ If you have a qualifying child, complete and attach Schedule EIC.




CAUTION *If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8862 to take the credit for 2005.*



*Need more information or forms? See page 7.*

## Simplified Method Worksheet—Lines 16a and 16b

*Keep for Your Records*

***Before you begin:*** √ If you are the beneficiary of a deceased employee or former employee who died **before** August 21, 1996, include any death benefit exclusion that you are entitled to (up to $5,000) in the amount entered on line 2 below.

**Note.** If you had more than one partially taxable pension or annuity, figure the taxable part of each separately. Enter the total of the taxable parts on Form 1040, line 16b. Enter the total pension or annuity payments received in 2005 on Form 1040, line 16a.

**1.** Enter the total pension or annuity payments received in 2005. Also, enter this amount on Form 1040, line 16a . . . . . **1.** _____

**2.** Enter your cost in the plan at the annuity starting date . . . . . **2.** _____

**3.** Enter the appropriate number from **Table 1** below. **But** if your annuity starting date was **after** 1997 **and** the payments are for your life and that of your beneficiary, enter the appropriate number from **Table 2** below . . . . . **3.** _____

**4.** Divide line 2 by the number on line 3 . . . . . **4.** _____

**5.** Multiply line 4 by the number of months for which this year's payments were made. If your annuity starting date was **before** 1987, skip lines 6 and 7 and enter this amount on line 8. Otherwise, go to line 6 . . . . . **5.** _____

**6.** Enter the amount, if any, recovered tax free in years after 1986 . . . . . **6.** _____

**7.** Subtract line 6 from line 2 . . . . . **7.** _____

**8.** Enter the **smaller** of line 5 or line 7 . . . . . **8.** _____

**9. Taxable amount.** Subtract line 8 from line 1. Enter the result, but not less than zero. Also, enter this amount on Form 1040, line 16b. If your Form 1099-R shows a larger amount, use the amount on this line instead of the amount from Form 1099-R . . . . . **9.** _____

**Table 1 for Line 3 Above**

| IF the age at annuity starting date (see above) was . . . | AND your annuity starting date was— **before** November 19, 1996, enter on line 3 . . . | **after** November 18, 1996, enter on line 3 . . . |
|---|---|---|
| 55 or under | 300 | 360 |
| 56–60 | 260 | 310 |
| 61–65 | 240 | 260 |
| 66–70 | 170 | 210 |
| 71 or older | 120 | 160 |

**Table 2 for Line 3 Above**

| IF the combined ages at annuity starting date (see above) were . . . | THEN enter on line 3 . . . |
|---|---|
| 110 or under | 410 |
| 111–120 | 360 |
| 121–130 | 310 |
| 131–140 | 260 |
| 141 or older | 210 |

Proof as of June 10, 2005 (Subject to Change)

## Child Tax Credit Worksheet—Line 52

*Keep for Your Records*

Proof as of June 10, 2005 (Subject to Change)

**CAUTION**

- To be a qualifying child for the child tax credit, the child must be **under age 17** at the end of 2005 and meet the other requirements listed on page 41.
- **Do not** use this worksheet if you answered "Yes" to question 1, 2, or 3 on page 41. Instead, use Pub. 972.

**1.** Number of qualifying children: _____ × $1,000. Enter the result. | **1** |

**2.** Enter the amount from Form 1040, line 46. | **2** |

**3.** Add the amounts from Form 1040:

Line 47 _____

Line 48 + _____

Line 49 + _____

Line 50 + _____

Line 51 + _____ Enter the total. | **3** |

**4.** Are the amounts on lines 2 and 3 the same?

☐ **Yes.** STOP

You cannot take this credit because there is no tax to reduce. However, you may be able to take the **additional child tax credit.** See the **TIP** below.

☐ **No.** Subtract line 3 from line 2. | **4** |

**5.** Is the amount on line 1 more than the amount on line 4?

☐ **Yes.** Enter the amount from line 4. Also, you may be able to take the **additional child tax credit.** See the **TIP** below.

☐ **No.** Enter the amount from line 1.

**This is your child tax credit.** | **5** |

Enter this amount on Form 1040, line 52.

1040

**TIP**

You may be able to take the **additional child tax credit** on Form 1040, line 68, if you answered "Yes" on line 4 **or** line 5 above.

- First, complete your Form 1040 through line 67.
- Then, use Form 8812 to figure any additional child tax credit.

## Child Tax Credit Worksheet—Line 52

*Keep for Your Records*

Proof as of June 10, 2005 (Subject to Change)

**CAUTION**

- To be a qualifying child for the child tax credit, the child must be **under age 17** at the end of 2005 and meet the other requirements listed on page 41.
- **Do not** use this worksheet if you answered "Yes" to question 1, 2, or 3 on page 41. Instead, use Pub. 972.

**1.** Number of qualifying children: _____ × $1,000. Enter the result. | **1** |

**2.** Enter the amount from Form 1040, line 46. | **2** |

**3.** Add the amounts from Form 1040:

Line 47 _____

Line 48 + _____

Line 49 + _____

Line 50 + _____

Line 51 + _____ Enter the total. | **3** |

**4.** Are the amounts on lines 2 and 3 the same?

☐ **Yes.** STOP

You cannot take this credit because there is no tax to reduce. However, you may be able to take the **additional child tax credit.** See the **TIP** below.

☐ **No.** Subtract line 3 from line 2. | **4** |

**5.** Is the amount on line 1 more than the amount on line 4?

☐ **Yes.** Enter the amount from line 4. Also, you may be able to take the **additional child tax credit.** See the **TIP** below.

☐ **No.** Enter the amount from line 1.

**This is your child tax credit.** | **5** |

Enter this amount on Form 1040, line 52.

1040

**TIP**

You may be able to take the **additional child tax credit** on Form 1040, line 68, if you answered "Yes" on line 4 **or** line 5 above.

- First, complete your Form 1040 through line 67.
- Then, use Form 8812 to figure any additional child tax credit.

Form **8812**

Department of the Treasury
Internal Revenue Service (99)

# Additional Child Tax Credit

*Complete and attach to Form 1040 or Form 1040A.*

OMB No. 1545-1620

**2005**

Attachment Sequence No. **47**

Name(s) shown on return

**Your social security number**

Proof as of June 10, 2005 (Subject to Change)

## Part I All Filers

| | | | |
|---|---|---|---|
| 1 | Enter the amount from line 1 of your Child Tax Credit Worksheet on page 38 of the Form 1040 instructions or page 37 of the Form 1040A instructions. If you used Pub. 972, enter the amount from line 8 of the worksheet on page 4 of the publication | 1 | |
| 2 | Enter the amount from Form 1040, line 52, or Form 1040A, line 33 | 2 | |
| 3 | Subtract line 2 from line 1. If zero, **stop**; you cannot take this credit | 3 | |
| 4a | Earned income (see instructions on back) | 4a | |
| b | Nontaxable combat pay from Form(s) W-2, box 12, with code Q. If married filing jointly, include your spouse's amounts with yours. 4b | | |
| 5 | Is the amount on line 4a more than $11,000?<br>☐ **No.** Leave line 5 blank and enter -0- on line 6.<br>☐ **Yes.** Subtract $11,000 from the amount on line 4a. Enter the result | 5 | |
| 6 | Multiply the amount on line 5 by 15% (.15) and enter the result | 6 | |

**Next.** Do you have three or more qualifying children?

☐ **No.** If line 6 is zero, **stop;** you cannot take this credit. Otherwise, skip Part II and enter the **smaller** of line 3 or line 6 on line 13.

☐ **Yes.** If line 6 is equal to or more than line 3, skip Part II and enter the amount from line 3 on line 13. Otherwise, go to line 7.

## 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 | |
| 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.<br>**1040A filers:** Enter -0-. | 8 | |
| 9 | Add lines 7 and 8 | 9 | |
| 10 | **1040 filers:** Enter the total of the amounts from Form 1040, lines 66a and 67.<br>**1040A filers:** Enter the total of the amount from Form 1040A, line 41a, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 43 (see instructions on back). | 10 | |
| 11 | Subtract line 10 from line 9. If zero or less, enter -0- | 11 | |
| 12 | Enter the **larger** of line 6 or line 11 | 12 | |

**Next,** enter the **smaller** of line 3 or line 12 on line 13.

## Part III Additional Child Tax Credit

| | | | |
|---|---|---|---|
| 13 | **This is your additional child tax credit** | 13 | |

*Enter this amount on Form 1040, line 68, or Form 1040A, line 42.*

**For Paperwork Reduction Act Notice, see back of form.**

Cat. No. 10644E

Form **8812** (2005)

# Instructions

## Purpose of Form

Use Form 8812 to figure your additional child tax credit. The additional child tax credit may give you a refund even if you do not owe any tax.

## Who Should Use Form 8812

First, complete the Child Tax Credit Worksheet that applies to you. See the instructions for Form 1040, line 52, or Form 1040A, line 33. If you meet the condition given in the *TIP* at the end of your Child Tax Credit Worksheet, use Form 8812 to see if you can take the additional child tax credit.

## Effect of Credit on Welfare Benefits

Any refund you receive as a result of taking the additional child tax credit will not be used to determine if you are eligible for the following programs, or how much you can receive from them. But if the refund you receive because of the additional child tax credit is not spent within a certain period of time, it may count as an asset (or resource) and affect your eligibility.

- Temporary Assistance for Needy Families (TANF).
- Medicaid and supplemental security income (SSI).
- Food stamps and low-income housing.

## Earned Income

To figure the amount to include on line 4a, answer the four questions below. Also, see *Nontaxable combat pay* next.

**Nontaxable combat pay.** Enter on line 4b the total amount of nontaxable combat pay that you, and your spouse if filing jointly, received in 2005. This amount should be shown in box 12 of your Form(s) W-2 with code Q.

Nontaxable combat pay received in 2005 must be included in earned income for purposes of the additional child tax credit. If you, or your spouse if filing jointly, did not elect to include nontaxable combat pay in earned income when figuring the earned income credit (EIC) on Form 1040, line 66a, or Form 1040A, line 41a, or if you are not taking the EIC, add any nontaxable combat pay not included in your earned income figured in question 2 or 4 on this page. Enter the total on Form 8812, line 4a.

1. Did you, or your spouse if filing jointly, have net earnings from self-employment and use either optional method to figure those net earnings?

☐ **No.** Go to question 2.

☐ **Yes.** Use Pub. 972 to figure the amount to enter on Form 8812, line 4a.

2. Are you taking the earned income credit (EIC) on Form 1040, line 66a, or Form 1040A, line 41a?

☐ **Yes.** Use the following chart to find the amount to enter on Form 8812, line 4a.

| IF you are filing Form . . . | AND you completed . . . | THEN enter on Form 8812, line 4a, the amount from . . . |
|---|---|---|
| 1040 | Worksheet B on page 46 of your 1040 instructions | Worksheet B, line 4b*, ** |
| | Step 5 on page 43 of your 1040 instructions (but not Worksheet B) | Step 5, Earned Income ** |
| 1040A | Step 5 on page 41 of your 1040A instructions | Step 5, Earned Income ** |

* If you were a member of the clergy, subtract the following from the amount on line 4b: (a) the rental value of a home or the nontaxable portion of an allowance for a home furnished to you (including payments for utilities), and (b) the value of meals and lodging provided to you, your spouse, and your dependents for your employer's convenience.

** If applicable, add to this amount the amount described in *Nontaxable combat pay* above.

☐ **No.** **1040 filers:** Go to question 3.
**1040A filers:** Skip question 3 and go to question 4.

3. Were you, or your spouse if filing jointly, self-employed, or are you filing Schedule SE because you were a member of the clergy or you had church employee income, or are you filing Schedule C or C-EZ as a statutory employee?

☐ **No.** Go to question 4.

☐ **Yes.** Use Pub. 972 to figure the amount to enter on Form 8812, line 4a.

4. Does the amount on line 7 of Form 1040 or Form 1040A include any of the following amounts?

- Taxable scholarship or fellowship grants not reported on a Form W-2.
- Amounts received for work performed while an inmate in a penal institution (enter "PRI" and the amount received in the space next to line 7 of Form 1040 or 1040A).
- Amounts received as a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan (enter "DFC" and the amount received in the space next to line 7 of Form 1040 or 1040A). This amount may be reported in box 11 of your Form W-2. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity.
- Amounts from Form 2555, line 41, or Form 2555-EZ, line 18.

☐ **No.** Enter the amount from line 7 of Form 1040 or Form 1040A on Form 8812, line 4a. (If applicable, add to this amount the amount described in *Nontaxable combat pay* on this page.)

☐ **Yes.** Subtract the total of those amounts from the amount on line 7 of Form 1040 or Form 1040A. (If an amount is included in more than one of the above categories, include it only once in figuring the total amount to subtract.) Enter the result on Form 8812, line 4a. (If applicable, add to this amount the amount described in *Nontaxable combat pay* on this page.)

## Railroad Employees

If you worked for a railroad, include the following taxes in the total on Form 8812, line 7.

- Tier 1 tax withheld from your pay. This tax should be shown in box 14 of your Form(s) W-2 and identified as "Tier 1 tax."
- If you were an employee representative, 50% of the total tier 1 tax and tier 1 Medicare tax you paid for 2005.

## 1040A Filers

If you, or your spouse if filing jointly, had more than one employer for 2005 and total wages of over $90,000, figure any excess social security and tier 1 railroad retirement (RRTA) taxes withheld. See the instructions for Form 1040A, line 43. Include any excess on Form 8812, line 10.

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

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

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping,** 6 min.; **Learning about the law or the form,** 9 min.; **Preparing the form,** 29 min.; **Copying, assembling, and sending the form to the IRS,** 20 min.

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

Proof as of June 10, 2005 (Subject to Change)

Form **8863**

Department of the Treasury
Internal Revenue Service (99)

# Education Credits (Hope and Lifetime Learning Credits)

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

OMB No. 1545-1618

**2005**

Attachment Sequence No. **50**

Name(s) shown on return

Your social security number

**Caution:** *You **cannot** take both an education credit and the tuition and fees deduction (Form 1040, line 34, or Form 1040A, line 19) for the **same student** in the same year.*

## Part I Hope Credit. Caution: *You **cannot** take the Hope credit for more than **2** tax years for the **same student.***

| 1 | (a) Student's name (as shown on page 1 of your tax return) First name / Last name | (b) Student's social security number (as shown on page 1 of your tax return) | (c) Qualified expenses (see instructions). **Do not** enter more than $2,000 for each student. | (d) Enter the **smaller** of the amount in column (c) or $1,000 | (e) Add column (c) and column (d) | (f) Enter one-half of the amount in column (e) |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |

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**

## Part II Lifetime Learning Credit

3 **Caution:** *You **cannot** take the Hope credit and the lifetime learning credit for the **same student** in the same year.*

| (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) |
|---|---|---|
| | | |
| | | |
| | | |

4 Add the amounts on line 3, column (c), and enter the total . . . . . **4**

5 Enter the **smaller** of line 4 or $10,000 . . . . . **5**

6 Tentative lifetime learning credit. Multiply line 5 by 20% (.20) and go to Part III . . ▶ **6**

## Part III Allowable Education Credits

7 Tentative education credits. Add lines 2 and 6 . . . . . **7**

8 Enter: $107,000 if married filing jointly; $53,000 if single, head of household, or qualifying widow(er) . . . . . **8**

9 Enter the amount from Form 1040, line 38*, or Form 1040A, line 22 **9**

10 Subtract line 9 from line 8. If zero or less, **stop;** you cannot take any education credits . . . . . **10**

11 Enter: $20,000 if married filing jointly; $10,000 if single, head of household, or qualifying widow(er) . . . . . **11**

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** × .

13 Multiply line 7 by line 12 . . . . . ▶ **13**

14 Enter the amount from Form 1040, line 46, or Form 1040A, line 28 . . . . . **14**

15 Enter the total, if any, of your credits from Form 1040, lines 47 through 49, or Form 1040A, lines 29 and 30 . . . . . **15**

16 Subtract line 15 from line 14. If zero or less, **stop;** you cannot take any education credits . . . . . ▶ **16**

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**

* 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.

Proofs as of June 10, 2005 (Subject to Change)

# General Instructions

## What's New

**Change to computation of Hope Credit.** To simplify Part I, the order of the operations in computing the Hope credit has been changed. See *Specific Instructions, Part I,* and follow the instructions to correctly figure the Hope credit.

## Purpose of Form

Use Form 8863 to figure and claim your education credits. The education credits are:

- The Hope credit, and
- The lifetime learning credit.

## Who Can Take the Credits

You may be able to take the credits if you, your spouse, or a dependent you claim on your tax return was a student enrolled at or attending an eligible educational institution. The credits are based on the amount of qualified education expenses paid for the student in 2005 for academic periods beginning in 2005 and the first 3 months of 2006.

**CAUTION** *Qualified education expenses must be reduced by any expenses paid directly or indirectly using tax-free educational assistance. See* Tax-Free Educational Assistance and Refunds of Qualified Education Expenses *on this page.*

**Note.** If a student is claimed as a dependent on another person's tax return, only the person who claims the student as a dependent can claim the credits for the student's qualified education expenses. If a student is not claimed as a dependent on another person's tax return, only the student can claim the credits.

Generally, qualified education expenses paid on behalf of the student by someone other than the student (such as a relative) are treated as paid by the student. Also, qualified education expenses paid (or treated as paid) by a student who is claimed as a dependent on your tax return are treated as paid by you. Therefore, you are treated as having paid expenses that were paid from your dependent student's earnings, gifts, inheritances, savings, etc.

You cannot take the education credits if any of the following apply.

- You are claimed as a dependent on another person's tax return, such as your parent's return (but see the *Note* above).
- Your filing status is married filing separately.
- Your adjusted gross income on Form 1040, line 38, or Form 1040A, line 22, is (a) $107,000 or more if married filing jointly, or (b) $53,000 or more if single, head of household, or qualifying widow(er).
- You are taking a deduction for tuition and fees on Form 1040, line 34, or Form 1040A, line 19, for the same student.
- You (or your spouse) were a nonresident alien for any part of 2005 and the nonresident alien did not elect to be treated as a resident alien.

## Additional Information

See Pub. 970, Tax Benefits for Education, for more information about these credits.

# Rules That Apply to Both Credits

## Qualified Education Expenses

Generally, qualified education expenses are amounts paid in 2005 for tuition and fees required for the student's enrollment or attendance at an eligible educational institution. It does not matter whether the expenses were paid in cash, by check, by credit card, or with borrowed funds.

Qualified education expenses do not include amounts paid for:

- Room and board, insurance, medical expenses (including student health fees), transportation, or other similar personal, living, or family expenses.
- Course-related books, supplies, equipment, and nonacademic activities, except for fees required to be paid to the institution as a condition of enrollment or attendance.
- Any course or other education involving sports, games, or hobbies, or any noncredit course, unless such course or other education is part of the student's degree program or (for the lifetime learning credit only) helps the student to acquire or improve job skills.

If you or the student take a deduction for higher education expenses, such as on Schedule A or Schedule C (Form 1040), you cannot use those expenses when figuring your education credits.

**CAUTION** *Any qualified expenses used to figure the education credits cannot be taken into account in determining the amount of a distribution from a Coverdell ESA or a qualified tuition program that is excluded from gross income.*

## Tax-Free Educational Assistance and Refunds of Qualified Education Expenses

Tax-free educational assistance includes a tax-free scholarship or Pell grant or tax-free employer-provided educational assistance. See Pub. 970 for specific information.

You must reduce the total of your qualified education expenses by any tax-free educational assistance and by any refunds of your expenses. If the refund or tax-free assistance is received in the same year in which the expenses were paid or in the following year before you file your tax return, reduce your qualified education expenses by the amount received and figure your education credits using the reduced amount of qualified expenses. If the refund or tax-free assistance is received after you file your return for the year in which the expenses were paid, you must figure the amount by which your education credits would have been reduced if the refund or tax-free assistance had been received in the year for which you claimed the education credits. Include that amount as an additional tax for the year the refund or tax-free assistance was received on the tax line of your 2005 tax return (Form 1040, line 44, or Form 1040A, line 28). Enter the amount and "ECR" next to that line.

***Example.*** You paid $8,000 tuition and fees in December 2004, and your child began college in January 2005. You filed your 2004 tax return on February 2, 2005, and claimed a lifetime learning credit of $1,600. After you filed your return, your child dropped two courses and you received a refund of $1,400. You must refigure your 2004 lifetime learning credit using $6,600 of qualified expenses instead of $8,000. The refigured credit is $1,320. You must include the difference of $280 on your 2005 Form 1040, line 44, or Form 1040A, line 28.

## Prepaid Expenses

Qualified education expenses paid in 2005 for an academic period that begins in the first 3 months of 2006 can be used in figuring your 2005 education credits. For example, if you pay $2,000 in December 2005 for qualified tuition for the 2006 winter quarter that begins in January 2006, you can use that $2,000 in figuring your 2005 education credits (if you meet all the other requirements).

**CAUTION** *You cannot use any amount paid in 2004 or 2006 to figure your 2005 education credits.*

Proof as of June 9, 2006 (subject to change)

## Eligible Educational Institution

An eligible educational institution is generally any accredited public, nonprofit, or proprietary (private) college, university, vocational school, or other postsecondary institution. Also, the institution must be eligible to participate in a student aid program administered by the Department of Education. Virtually all accredited postsecondary institutions meet this definition.

# Specific Instructions

## Part I
## Hope Credit

You may be able to take a credit of up to $1,500 for qualified education expenses (defined earlier) paid for each student who qualifies for the Hope credit. You can take the Hope credit for a student if all of the following apply.

- As of the beginning of 2005, the student had not completed the first 2 years of postsecondary education (generally, the freshman and sophomore years of college), as determined by the eligible educational institution. For this purpose, do not include academic credit awarded solely because of the student's performance on proficiency examinations.
- The student was enrolled in 2005 in a program that leads to a degree, certificate, or other recognized educational credential.
- The student was taking at least one-half the normal full-time workload for his or her course of study for at least one academic period beginning in 2005.
- The Hope credit was not claimed for that student's expenses in more than one prior tax year.
- The student has not been convicted of a felony for possessing or distributing a controlled substance.

**TIP** *If a student does not meet all of the above conditions, you may be able to take the lifetime learning credit for part or all of that student's qualified education expenses instead.*

### Line 1

Complete columns (a) through (f) on line 1 for each student who qualifies for and for whom you elect to take the Hope credit.

**Note.** If you have more than three students who qualify for the Hope credit, enter "See attached" next to line 1 and attach a statement with the required information for each additional student. Include the amounts from line 1, column (f), for all students in the total you enter on line 2.

### Column (c)

For each student, enter the amount of qualified education expenses remaining after reduction by certain tax-free amounts and refunds, as explained earlier. The expenses must have been paid for the student in 2005 for academic periods beginning after 2004 but before April 1, 2006, as explained under *Prepaid Expenses.* If the student's expenses are more then $2,000, enter $2,000. You may use the worksheet on this page to figure the correct amount to enter in column (c).

**Qualified Education Expenses Worksheet**
(Do a separate worksheet for each student)

**1.** Total qualified education expenses _____

**2.** Less adjustments:

**a.** Tax-free educational assistance _____

**b.** Refunds of qualified education expenses _____

**c.** Other adjustments (see Pub. 970) _____

**3.** Total adjustments (add lines 2a–2c) _____

**4.** Qualified education expenses (subtract line 3 from line 1 (enter on Form 8863, Part I or II, column (c)) _____

## Part II
## Lifetime Learning Credit

The maximum lifetime learning credit for 2005 is $2,000, regardless of the number of students.

**CAUTION** *You cannot take the lifetime learning credit for any student for whom you are taking the Hope credit.*

### Line 3

Complete columns (a) through (c) for each student for whom you are taking the lifetime learning credit.

**Note.** If you are taking the lifetime learning credit for more than three students, enter "See attached" next to line 3 and attach a statement with the required information for each additional student. Include the amounts from line 3, column (c), for all students in the total you enter on line 4.

### Column (c)

For each student, enter the amount of qualified education expenses remaining after reduction by certain tax-free amounts and refunds, as explained earlier. The expenses must have been paid for the student in 2005 for academic periods beginning after 2004 but before April 1, 2006, as explained under *Prepaid Expenses.* You may use the worksheet on this page to figure the correct amount to enter in column (c).

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

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

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping,** 12 min.; **Learning about the law or the form,** 8 min.; **Preparing the form,** 32 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 Form 1040 or Form 1040A.

Proof as of June 10, 2005 (Subject to Change)

Form **8880**

Department of the Treasury
Internal Revenue Service

# Credit for Qualified Retirement Savings Contributions

▶ **Attach to Form 1040 or Form 1040A.**
▶ **See instructions on back.**

OMB No. 1545-1805

**2005**

Attachment Sequence No. **129**

Name(s) shown on return

**Your social security number**

Proof as of June 10, 2005 (Subject to Change)

CAUTION

You **cannot** take this credit if **either** of the following applies.

- The amount on Form 1040, line 38, or Form 1040A, line 22, 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, 1988, **(b)** is claimed as a dependent on someone else's 2005 tax return, or **(c)** was a **student** (see instructions).

| | | | (a) You | (b) Your spouse |
|---|---|---|---|---|
| 1 | Traditional and Roth IRA contributions for 2005. **Do not** include rollover contributions | 1 | | |
| 2 | Elective deferrals to a 401(k) or other qualified employer plan, voluntary employee contributions, and 501(c)(18)(D) plan contributions for 2005 (see instructions) | 2 | | |
| 3 | Add lines 1 and 2 | 3 | | |
| 4 | Certain distributions received **after** 2002 and **before** the due date (including extensions) of your 2005 tax return (see instructions). If married filing jointly, include **both** spouses' amounts in **both** columns. See instructions for an exception | 4 | | |
| 5 | Subtract line 4 from line 3. If zero or less, enter -0- | 5 | | |
| 6 | In each column, enter the **smaller** of line 5 or $2,000 | 6 | | |
| 7 | Add the amounts on line 6. If zero, **stop**; you cannot take this credit | 7 | | |
| 8 | Enter the amount from Form 1040, line 38*, or Form 1040A, line 22 | 8 | | |
| 9 | Enter the applicable decimal amount shown below: | 9 | X . | |

| If line 8 is— Over— | But not over— | And your filing status is— 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 | | |
| 11 | Enter the amount from Form 1040, line 46, or Form 1040A, line 28 | 11 | | |
| 12 | Enter the total of your credits from Form 1040, lines 47 through 50, or Form 1040A, lines 29 through 31 | 12 | | |
| 13 | Subtract line 12 from line 11. If zero, **stop**; you cannot take this credit | 13 | | |
| 14 | **Credit for qualified retirement savings contributions.** Enter the **smaller** of line 10 or line 13 here and on Form 1040, line 51, or Form 1040A, line 32 | 14 | | |

*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.

**TIP** *This credit can be claimed in addition to any IRA deduction claimed on Form 1040, line 32, or Form 1040A, line 17.*

## 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, or Form 1040A, line 22, 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, 1988, (b) is claimed as a dependent on someone else's 2005 tax return, or (c) was a student.

You were a student if during any 5 months of 2005 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 night schools.

# 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), 403(b), 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 2005.

## Line 4

Enter the total amount of distributions you, and your spouse if filing jointly, received after 2002 and before the due date of your 2005 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).

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 2005. Your spouse received a distribution of $2,000 from a Roth IRA in 2003. You and your spouse file a joint return in 2005, but did not file a joint return in 2003. 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 time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping,** 19 min.; **Learning about the law or the form,** 9 min.; **Preparing the form,** 29 min.; **Copying, assembling, and sending the form to the IRS,** 20 min.

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

Proof as of June 10, 2006 (subject to change)

# 2005 Form 1040-V

Department of the Treasury
**Internal Revenue Service**

Proof as of June 10, 2005 (Subject to Change)

## What Is Form 1040-V and Do You Have To Use It?

It is a statement you send with your check or money order for any balance due on line 75 of your 2005 Form 1040. Using Form 1040-V allows us to process your payment more accurately and efficiently. We strongly encourage you to use Form 1040-V, but there is no penalty if you do not.

## How To Fill In Form 1040-V

**Line 1.** Enter your social security number (SSN). If you are filing a joint return, enter the SSN shown first on your return.

**Line 2.** If you are filing a joint return, enter the SSN shown second on your return.

**Line 3.** Enter the amount you are paying by check or money order.

**Line 4.** Enter your name(s) and address exactly as shown on your return. Please print clearly.

## How To Prepare Your Payment

- Make your check or money order payable to the **"United States Treasury."** Do not send cash.
- Make sure your name and address appear on your check or money order.
- Enter "2005 Form 1040," your daytime phone number, and your SSN on your check or money order. If you are filing a joint return, enter the SSN shown first on your return.
- To help process your payment, enter the amount on the right side of your check like this: $ XXX.XX. Do not use dashes or lines (for example, do not enter "$ XXX—" or "$ XXX$\frac{XX}{100}$").

## How To Send In Your 2005 Tax Return, Payment, and Form 1040-V

- Detach Form 1040-V along the dotted line.
- Do not staple or otherwise attach your payment or Form 1040-V to your return or to each other. Instead, just put them loose in the envelope.
- Mail your 2005 tax return, payment, and Form 1040-V in the envelope that came with your 2005 Form 1040 instruction booklet.

**Note.** If you do not have that envelope or you moved or used a paid preparer, mail your return, payment, and Form 1040-V to the Internal Revenue Service at the address shown on the back that applies to you.

**Paperwork Reduction Act Notice.** We ask for the information on Form 1040-V to help us carry out the Internal Revenue laws of the United States. If you use Form 1040-V, you must provide the requested information. Your cooperation will help us ensure that we are collecting 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 mail Form 1040-V will vary depending on individual circumstances. The estimated average time is 12 minutes. If you have comments about the accuracy of this time estimate or suggestions for making Form 1040-V simpler, we would be happy to hear from you. See the Instructions for Form 1040.

Cat. No. 20975C

Form **1040-V** (2005)

▼ **Detach Here and Mail With Your Payment and Return** ▼

Form **1040-V**
Department of the Treasury
Internal Revenue Service (99)

## Payment Voucher

▶ **Do not staple or attach this voucher to your payment or return.**

OMB No. 1545-0074

**2005**

| 1 Your social security number (SSN) | 2 If a joint return, SSN shown second on your return | 3 **Amount you are paying by check or money order** | Dollars | Cents |
|---|---|---|---|---|
| | | | | |

| 4 Your first name and initial | Last name |
|---|---|
| If a joint return, spouse's first name and initial | Last name |
| Home address (number and street) | Apt. no. |
| City, town or post office, state, and ZIP code | |

Cat. No. 20975C

| IF you live in . . . | THEN use this address if you: Prepared your own return . . . | Used a paid preparer . . . |
|---|---|---|
| Alabama, Florida, Georgia, Mississippi, North Carolina, Rhode Island, South Carolina, West Virginia | Atlanta, GA 39901-0102 | P.O. Box 105017 Atlanta, GA 30348-5017 |
| Maine, Massachusetts, New Hampshire, New York, Vermont | Andover, MA 05501-0102 | P.O. Box 37002 Hartford, CT 06176-0002 |
| District of Columbia, Maryland, New Jersey, Pennsylvania | Philadelphia, PA 19255-0102 | P.O. Box 80101 Cincinnati, OH 45280-0001 |
| Arkansas, Colorado, Kentucky, Louisiana, New Mexico, Oklahoma, Tennessee, Texas | Austin, TX 73301-0102 | P.O. Box 660308 Dallas, TX 75266-0308 |
| Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Ohio, Oregon, Utah, Virginia, Washington, Wyoming | Fresno, CA 93888-0102 | P.O. Box 7704 San Francisco, CA 94120-7704 |
| Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Wisconsin | Kansas City, MO 64999-0102 | P.O. Box 970011 St. Louis, MO 63197-0011 |
| All APO and FPO addresses, American Samoa, nonpermanent residents of Guam or the Virgin Islands*, Puerto Rico (or if excluding income under Internal Revenue Code section 933), dual-status aliens, a foreign country: U.S. citizens and those filing Form 2555, Form 2555-EZ, or Form 4563 | Philadelphia, PA 19255-0215 USA | P.O. Box 80111 Cincinnati, OH 45280-0011 |

* Permanent residents of Guam or the Virgin Islands should not use Form 1040-V.

Proof as of June 10, 2005 (Subject to Change)