Form **1040-SS**

Department of the Treasury
Internal Revenue Service

U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)

U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), or Puerto Rico. For the year Jan. 1–Dec. 31, 2007, or other tax year beginning , 2007, and ending , 20 .

OMB No. 1545-0090

2007

Please type or print

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**
Present home address (number, street, and apt. no., or rural route)		
City, town or post office, commonwealth or territory, and ZIP code		

Part I Total Tax and Credits

1 **Filing status.** Check the box for your filing status. See page 4 of the instructions.
- ☐ Single
- ☐ Married filing jointly
- ☐ Married filing separately. Enter spouse's social security no. above and full name here. ▶

2 **Qualifying children.** Complete **only** if you are a bona fide resident of Puerto Rico and you are claiming the additional child tax credit (see page 5 of the instructions).

(a) First name Last name	**(b)** Child's social security number	**(c)** Child's relationship to you

3	Self-employment tax from Part V, line 12		3	
4	Household employment taxes (see page 4 of the instructions). Attach Schedule H (Form 1040)		4	
5	**Total tax.** Add lines 3 and 4 (see page 4 of the instructions)		5	
6	2007 estimated tax payments (see page 4 of the instructions)	6		
7	Excess social security tax withheld (see page 4 of the instructions)	7		
8	Additional child tax credit from Part II, line 3	8		
9	Health coverage tax credit. Attach Form 8885	9		
10	**Total payments and credits.** Add lines 6 through 9		10	
11	If line 10 is more than line 5, subtract line 5 from line 10. This is the amount you **overpaid**		11	
12a	Amount of line 11 to be **refunded to you.** If Form 8888 is attached, check here ▶ ☐		12a	
b	Routing number ▶ c Type: ☐ Checking ☐ Savings			
d	Account number			
13	Amount of line 11 to be **applied to 2008 estimated tax** ▶	13		
14	**Amount you owe.** If line 5 is more than line 10, subtract line 10 from line 5. For details on how to pay, see page 1 of the instructions ▶		14	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 2)? ☐ **Yes.** Complete the following. ☐ **No**

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

Sign Here

Joint return? See page 2. 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 the taxpayer) is based on all information of which the preparer has any knowledge.

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

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. ( )	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 8 of the instructions.

Part II **Bona Fide Residents of Puerto Rico Claiming Additional Child Tax Credit—**See page 5 of the instructions.

1	Income derived from sources within Puerto Rico	1		
2	Withheld social security and Medicare taxes from Forms 499R-2/W-2PR (attach copy of form(s))	2		
3	**Additional child tax credit.** Use the worksheet on page 6 of the instructions to figure the amount to enter here and on page 1, line 8	3		

Part III **Profit or Loss From Farming**

Name of proprietor | **Social security number**

Note. If you are filing a joint return and both you and your spouse had a profit or loss from farming, you must **each** complete and attach a **separate** Part III (see Joint returns and Husband-Wife Business beginning on page 3 of the instructions).

Section A—Farm Income—Cash Method

Complete Sections A and B. (Accrual method taxpayers, complete Sections B and C, and Section A, line 11.)
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes.

1	Sales of livestock and other items you bought for resale	1				
2	Cost or other basis of livestock and other items reported on line 1	2				
3	Subtract line 2 from line 1			3		
4	Sales of livestock, produce, grains, and other products you raised			4		
5a	Total cooperative distributions (Form(s) 1099-PATR)	5a		**5b** Taxable amount	5b	
6	Agricultural program payments received			6		
7	Commodity Credit Corporation loans reported under election (or forfeited)			7		
8	Crop insurance proceeds			8		
9	Custom hire (machine work) income			9		
10	Other income			10		
11	**Gross farm income.** Add amounts in the right column for lines 3 through 10. If accrual method taxpayer, enter the amount from Section C, line 50 ▶			11		

Section B—Farm Expenses—Cash and Accrual Method

Do not include personal or living expenses (such as taxes, insurance, or repairs on your home) that did not produce farm income. Reduce the amount of your farm expenses by any reimbursements before entering the expenses below.

12	Car and truck expenses (attach **Form 4562**)	12			25	Pension and profit-sharing plans	25		
13	Chemicals	13			26	Rent or lease:			
14	Conservation expenses	14			a	Vehicles, machinery, and equipment	26a		
15	Custom hire (machine work)	15			b	Other (land, animals, etc.)	26b		
16	Depreciation and section 179 expense deduction not claimed elsewhere (attach **Form 4562** if required)	16			27	Repairs and maintenance	27		
					28	Seeds and plants purchased	28		
					29	Storage and warehousing	29		
17	Employee benefit programs other than on line 25	17			30	Supplies purchased	30		
					31	Taxes	31		
18	Feed purchased	18			32	Utilities	32		
19	Fertilizers and lime	19			33	Veterinary, breeding, and medicine	33		
20	Freight and trucking	20							
21	Gasoline, fuel, and oil	21			34	Other expenses (specify):			
22	Insurance (other than health)	22			a		34a		
23	Interest:				b		34b		
a	Mortgage (paid to banks, etc.)	23a			c		34c		
b	Other	23b			d		34d		
24	Labor hired	24			e		34e		

35	**Total expenses.** Add lines 12 through 34e ▶	35		
36	**Net farm profit or (loss).** Subtract line 35 from line 11. Enter the result here and in Part V, line 1	36		

Section C—Farm Income—Accrual Method

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes on any of the lines below.

37	Sales of livestock, produce, grains, and other products during the year	37	
38a	Total cooperative distributions (Form(s) 1099-PATR) 38a 38b Taxable amount	38b	
39	Agricultural program payments received	39	
40	Commodity Credit Corporation loans reported under election (or forfeited)	40	
41	Crop insurance proceeds	41	
42	Custom hire (machine work) income	42	
43	Other farm income (specify)	43	
44	Add the amounts in the right column for lines 37 through 43	44	
45	Inventory of livestock, produce, grains, and other products at the beginning of the year 45		
46	Cost of livestock, produce, grains, and other products purchased during the year 46		
47	Add lines 45 and 46 47		
48	Inventory of livestock, produce, grains, and other products at the end of the year 48		
49	Cost of livestock, produce, grains, and other products sold. Subtract line 48 from line 47*	49	
50	**Gross farm income.** Subtract line 49 from line 44. Enter the result here and on page 2, Part III, line 11 ▶	50	

*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 48 is larger than the amount on line 47, subtract line 47 from line 48. Enter the result on line 49. Add lines 44 and 49. Enter the total on line 50 and on Part III, line 11.

Part IV Profit or Loss From Business (Sole Proprietorship)

Name of proprietor | Social security number

Note. If you are filing a joint return and both you and your spouse had a profit or loss from a business, you must **each** complete and attach a **separate** Part IV (see Joint returns and Husband-Wife Business beginning on page 3 of the instructions).

Section A—Income

1	Gross receipts $ Less returns and allowances $ Balance ▶	1	
2a	Inventory at beginning of year 2a		
b	Purchases less cost of items withdrawn for personal use 2b		
c	Cost of labor. Do not include any amounts paid to yourself 2c		
d	Materials and supplies 2d		
e	Other costs (attach statement) 2e		
f	Add lines 2a through 2e 2f		
g	Inventory at end of year 2g		
h	Cost of goods sold. Subtract line 2g from line 2f	2h	
3	**Gross profit.** Subtract line 2h from line 1	3	
4	Other income	4	
5	**Gross income.** Add lines 3 and 4 ▶	5	

Section B—Expenses

6	Advertising	6		18	Rent or lease:		
7	Car and truck expenses (attach **Form 4562**)	7		a	Vehicles, machinery, and equipment	18a	
8	Commissions and fees	8		b	Other business property	18b	
9	Contract labor	9		19	Repairs and maintenance	19	
10	Depletion	10		20	Supplies (not included in Section A)	20	
11	Depreciation and section 179 expense deduction (not included in Section A). (Attach **Form 4562** if required.)	11		21	Taxes and licenses	21	
				22	Travel, meals, and entertainment:		
				a	Travel	22a	
				b	Deductible meals and entertainment	22b	
12	Employee benefit programs (other than on line 17)	12		23	Utilities	23	
13	Insurance (other than health)	13		24	Wages not included on line 2c	24	
14	Interest on business indebtedness	14		25a	Other expenses (list type and amount):		
15	Legal and professional services	15					
16	Office expense	16					
17	Pension and profit-sharing plans	17		25b	Total other expenses	25b	

26	**Total expenses.** Add lines 6 through 25b ▶	26	
27	**Net profit or (loss).** Subtract line 26 from line 5. Enter the result here and in Part V, line 2	27	

Part V **Self-Employment Tax—**If you had **church employee income,** see pages 2 and 3 of the instructions before you begin.

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

Note. If you are filing a joint return and both you and your spouse had self-employment income, you must **each** complete a **separate** Part V.

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

1	Net farm profit or (loss) from Part III, line 36, and your distributive share from farm partnerships. **Note.** Skip this line if you use the farm optional method (see page 7 of the instructions)			1	
2	Net nonfarm profit or (loss) from Part IV, line 27, and your distributive share from nonfarm partnerships. Ministers and members of religious orders, see page 3 of the instructions for amounts to report on this line. See pages 6 and 7 for other income to report. **Note.** Skip this line if you use the nonfarm optional method (see page 7)			2	
3	Combine lines 1 and 2			3	
4a	If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3			4a	
b	If you elect one or both of the optional methods, enter the total of lines 2 and 4 of Part VI here			4b	
c	Combine lines 4a and 4b. If less than $400, **stop;** you do not owe self-employment tax. **Exception.** If less than $400 and you had **church employee income**, enter -0- and continue ▶			4c	
5a	Enter your **church employee income** from Form(s) W-2, W-2AS, W-2CM, W-2GU, W-2VI, or 499R-2/W-2PR. See page 2 for definition of church employee income	5a			
b	Multiply line 5a by 92.35% (.9235). If less than $100, enter -0-			5b	
6	**Net earnings from self-employment.** Add lines 4c and 5b ▶			6	
7	Maximum amount of combined wages and self-employment earnings subject to social security tax for 2007			7	97,500 00
8a	Total social security wages and tips from Form(s) W-2, W-2AS, W-2CM, W-2GU, W-2VI, or 499R-2/W-2PR. If $97,500 or more, skip lines 8b through 10, and go to line 11	8a			
b	Unreported tips subject to social security tax from Form 4137, line 10 (see page 7 of the instructions)	8b			
c	Wages subject to social security tax from Form 8919, line 10 (see page 7 of the instructions)	8c			
d	Add lines 8a, 8b, and 8c			8d	
9	Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 ▶			9	
10	Multiply the **smaller** of line 6 or line 9 by 12.4% (.124)			10	
11	Multiply line 6 by 2.9% (.029)			11	
12	**Self-employment tax.** Add lines 10 and 11. Enter here and on line 3 of Part I			12	

Part VI **Optional Methods To Figure Net Earnings—**See pages 7 and 8 of the instructions for limitations.

Note. If you are filing a joint return and both you and your spouse choose to use an optional method to figure net earnings, you must **each** complete and attach a **separate** Part VI.

	Farm Optional Method		
1	Maximum income for optional methods	1	1,600 00
2	Enter the **smaller** of: two-thirds (⅔) of gross farm income (Part III, line 11, plus your distributive share from farm partnerships), but not less than zero; **or** $1,600. Also include this amount on Part V, line 4b, above	2	
	Nonfarm Optional Method		
3	Subtract line 2 from line 1	3	
4	Enter the **smaller** of: two-thirds (⅔) of gross nonfarm income (Part IV, line 5, plus your distributive share from nonfarm partnerships), but not less than zero; **or** the amount on Part VI, line 3, above. Also include this amount on Part V, line 4b, above	4	