

SCHEDULE SE (Form 1040)

Computation of Social Security Self-Employment Tax

Department of the Treasury Internal Revenue Service

See Instructions for Schedule SE (Form 1040).

Attach to Form 1040.

Name of person with self-employment income (as shown on social security card)

Social security number of person with self-employment income

Part I Regular Computation of Net Earnings From Self-Employment

Note: If you performed services for certain churches or church-controlled organizations and you are not a minister or a member of a religious order, see the instructions before completing the schedule.

- 1 Net farm profit or (loss) from Schedule F (Form 1040), line 38, and farm partnerships, Schedule K-1 (Form 1065), line 13a
2 Net profit or (loss) from Schedule C (Form 1040), line 32, and Schedule K-1 (Form 1065), line 13a (other than farming).

Note: Check here if you are exempt from self-employment tax on your earnings as a minister.

Table with 3 columns and 2 rows for Part I items 1 and 2.

4 From Schedule C (Form 1040), line 5, and Schedule K-1 (Form 1065), line 13c.

- 3 Maximum income for optional methods
4 Farm Optional Method—If you meet test A or B above, enter: the smaller of two-thirds (2/3) of gross farm income from Schedule F (Form 1040), line 12, and farm partnerships, Schedule K-1 (Form 1065), line 13b; or \$1,600
5 Subtract line 4 from line 3
6 Nonfarm Optional Method—If you meet test C above, enter: the smallest of two-thirds (2/3) of gross nonfarm income from Schedule C (Form 1040), line 5, and Schedule K-1 (Form 1065), line 13c (other than farming); or \$1,600; or, if you elected the farm optional method, the amount on line 5

Table with 3 columns and 4 rows for Part II items 3, 4, 5, and 6.

Part III Computation of Social Security Self-Employment Tax

- 7 Enter the amount from Part I, line 1, or, if you elected the farm optional method, Part II, line 4
8 Enter the amount from Part I, line 2, or, if you elected the nonfarm optional method, Part II, line 6
9 Add lines 7 and 8. If less than \$400, do not fill in the rest of this schedule because you are not subject to self-employment tax. (Exception: If you are an employee of an electing church or church-controlled organization, see the instructions. You may owe self-employment tax on the amount you report on line 12c.)
10 The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax (tier 1) for 1986 is
11 a Total social security wages and tips from Forms W-2 and railroad retirement compensation (tier 1). Note: Medicare qualified government employees whose wages are only subject to the 1.45% medicare (hospital insurance benefits) tax and employees of certain church or church-controlled organizations should not include those wages on this line. (See instructions.)
11 b Unreported tips subject to social security tax from Form 4137, line 9, or to railroad retirement tax (tier 1)
11 c Add lines 11a and 11b
12 a Subtract line 11c from line 10
12 b Enter your medicare qualified government wages if you are required to use the worksheet in Part III of the instructions.
12 c Enter your Form W-2 wages of \$100 or more from an electing church or church-controlled organization.
13 Enter the smaller of line 9 or line 12a. If line 13 is \$42,000, fill in \$5,166 on line 14. Otherwise, multiply line 13 by .123 and enter the result on line 14
14 Self-employment tax. Enter this amount on Form 1040, line 50

Table with 3 columns and 14 rows for Part III items 7 through 14.

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule SE (Form 1040) 1986