**Part I**  Computation of Net Earnings from FARM Self-employment

**Regular Method**
1. Net profit or (loss) from:
   a. Schedule F (Form 1040)  
   b. Farm partnerships  

2. Net earnings from farm self-employment (add lines 1a and 1b).

**Farm Optional Method**
3. If gross profits from farming are:
   a. Not more than $2,400, enter two-thirds of the gross profits  
   b. More than $2,400 and the net farm profit is less than $1,600, enter $1,600.

4. Enter here and on line 12a, the amount on line 2, or line 3 if you elect the farm optional method.

**Part II**  Computation of Net Earnings from NONFARM Self-employment

**Regular Method**
5. Net profit or (loss) from:
   a. Schedule C (Form 1040)  
   b. Partnerships, joint ventures, etc. (other than farming).
   c. Service as a minister, member of a religious order, or a Christian Science practitioner. (Include rental value of parsonage or rental allowance furnished. If you filed Form 4361 and have not revoked that exemption, check here □)
   d. Service with a foreign government or international organization.
   e. Other (specify) ▶

6. Total (add lines 5a through 5e).

7. Enter adjustments if any (attach statement, see page 29 of Instructions).

8. Adjusted net earnings or (loss) from nonfarm self-employment (line 6, as adjusted by line 7).

**Note:** If line 8 is $1,600 or more or if you do not elect to use the Nonfarm Optional Method, skip lines 9 through 11 and enter amount from line 8 on line 12b, Part III.

**Nonfarm Optional Method**
9. a. Maximum amount reportable under both optional methods combined (farm and nonfarm).
   b. Enter amount from line 3. (If you did not elect to use the farm optional method, enter zero.)
   c. Balance (subtract line 9b from line 9a).

10. Enter two-thirds of gross nonfarm profits or $1,600, whichever is smaller.

11. Enter here and on line 12b, the amount on line 9c or line 10, whichever is smaller.

**Part III**  Computation of Social Security Self-employment Tax

12. Net earnings or (loss):
   a. From farming (from line 4).  
   b. From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method).

13. Total net earnings or (loss) from self-employment reported on lines 12a and 12b. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of schedule).

14. The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement taxes for 1979 is $22,900.

15. a. Total "FICA" wages (from Forms W-2) and "RRTA" compensation  
   b. Unreported tips subject to FICA tax from Form 4137, line 9 or to RRTA.
   c. Add lines 15a and 15b.

16. Balance (subtract line 15c from line 14).

17. Self-employment income—line 13 or 16, whichever is smaller.

18. Self-employment tax. (If line 17 is $22,900, enter $1,854.90; if less, multiply the amount on line 17 by .081.) Enter here and on Form 1040, line 48.