### Who Must File Schedule SE

You must file Schedule SE if:

- Your net earnings from self-employment from other than church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) were $400 or more; **OR**
- You had church employee income (as defined in the instructions) of $108.28 or more; **AND**
- Your wages (and tips) subject to social security AND Medicare tax (or railroad retirement tax) were less than $125,000.

**Exception:** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner, **AND** you filed Form 4361 and received IRS approval not to be taxed on those earnings, **DO NOT** file Schedule SE. Instead, write “Exempt—Form 4361” on Form 1040, line 47.

**Note:** Most people can use Short Schedule SE on this page. But you may have to use Long Schedule SE on the back.

### Who MUST Use Long Schedule SE (Section B)

You must use Long Schedule SE if ANY of the following apply:

- You received wages or tips **and** the total of all of your wages (and tips) subject to social security, Medicare, or railroad retirement tax plus your net earnings from self-employment is more than $53,400;
- You use either “optional method” to figure your net earnings from self-employment (see Section B, Part II, and the instructions);
- You are a minister, member of a religious order, or Christian Science practitioner and you received IRS approval (by filing Form 4361) not to be taxed on your earnings from these sources, but you owe self-employment tax on other earnings;
- You had church employee income of $108.28 or more that was reported to you on Form W-2; **OR**
- You received tips subject to social security, Medicare, or railroad retirement tax, but you did not report those tips to your employer.

### Section A—Short Schedule SE

(Read above to see if you must use Long Schedule SE on the back (Section B).)

<table>
<thead>
<tr>
<th></th>
<th>Net farm profit or (loss) from Schedule F (Form 1040), line 37, and farm partnerships, Schedule K-1 (Form 1065), line 15a</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net profit or (loss) from Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 15a (other than farming). See instructions for other income to report</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Net earnings from self-employment. Multiply line 3 by .9235. If less than $400, <strong>do not</strong> file this schedule; you <strong>do not</strong> owe self-employment tax. <strong>Caution:</strong> If you received wages or tips, and the total of your wages (and tips) subject to social security, Medicare, or railroad retirement tax plus the amount on line 4 is more than $53,400, you cannot use Short Schedule SE. Instead, use Long Schedule SE on the back.</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Self-employment tax. If the amount on line 4 is: <strong>Note:</strong> Also enter one-half of the amount from line 5 on Form 1040, line 25.</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>$53,400 or less, multiply line 4 by 15.3% (153) and enter the result.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>More than $53,400, but less than $125,000, multiply the amount in excess of $53,400 by 2.9% (.029). Add $8,170.20 to the result and enter the total.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$125,000 or more, enter $10,246.60. Also enter this amount on Form 1040, line 47.</td>
<td></td>
</tr>
</tbody>
</table>
Name of person with self-employment income (as shown on Form 1040) ▶ Social security number of person with self-employment income ▶

### Section B — Long Schedule SE
(Before completing, see if you can use Short Schedule SE on the other side (Section A).)

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 I.

B. If your only income subject to self-employment tax is church employee income and you are not a minister or a member of a religious order, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a.

### Part I Self-Employment Tax

1. Net farm profit or (loss) from Schedule F (Form 1040), line 37, and farm partnerships, Schedule K-1 (Form 1065), line 15a. (Note: Skip this line if you use the farm optional method. See requirements in Part II below and in the instructions.)

2. Net profit or (loss) from Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 15a (other than farming). See instructions for other income to report. (Note: Skip this line if you use the nonfarm optional method. See requirements in Part II below and in the instructions.)

3. Combine lines 1 and 2.

4a. If line 3 is more than zero, multiply line 3 by .9235. Otherwise, enter the amount from line 3 here.

4b. If you elected one or both of the optional methods, enter the total of lines 17 and 19 here.

4c. Combine lines 4a and 4b. If less than $400, do not file this schedule; you do not owe self-employment tax. (Exception: If less than $400 and you had church employee income, enter -0- and continue.)

5a. Enter your church employee income from Form W-2. Caution: See the instructions for definition of church employee income.

5b. Multiply line 5a by .9235. (If less than $100, enter -0-.)


7. Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 1991. $53,400 00

8a. Total social security wages and tips (from Form(s) W-2) and railroad retirement (tier 1) compensation.

8b. Unreported tips subject to social security tax (from Form 4137, line 9) or railroad retirement (tier 1) tax.

8c. Add lines 8a and 8b.

9. Subtract line 8c from line 7. If zero or less, enter -0- here and on line 10 and go to line 12a.

10. Multiply the smaller of line 6 or line 9 by 12.4% (.124).

11. Maximum amount of combined wages and self-employment earnings subject to Medicare tax or the 1.45% portion of the 7.65% railroad retirement (tier 1) tax for 1991. $125,000 00

12a. Total Medicare wages and tips (from Form(s) W-2) and railroad retirement (tier 1) compensation.

12b. Unreported tips subject to Medicare tax (from Form 4137, line 14) or railroad retirement (tier 1) tax.

12c. Add lines 12a and 12b.

13. Subtract line 12c from line 11. If zero or less, enter -0- here and on line 14 and go to line 15.

14. Multiply the smaller of line 6 or line 13 by 2.9% (.029).

15. Self-employment tax. Add lines 10 and 14. Enter the result here and on Form 1040, line 47.

Note: Also enter one-half of the amount from line 15 on Form 1040, line 25.

### Part II Optional Methods To Figure Net Earnings
(See “Who Can File Schedule SE” and “Optional Methods” in the instructions.)

**Farm Optional Method.** You may use the farm optional method only if (a) Your gross farm income\(^1\) was not more than $2,400 or (b) Your gross farm income\(^1\) was more than $2,400 and your net profits\(^2\) were less than $1,733.


17. Enter the smaller of: two-thirds (2⁄3) of gross farm income\(^1\) or $1,600. Also include this amount on line 4b above. $1,600 00

**Nonfarm Optional Method.** You may use the nonfarm optional method only if (a) Your net nonfarm profits\(^3\) were less than $1,733 and also less than 72.189% of your gross nonfarm income\(^4\) and (b) You had net SE earnings of at least $400 in 2 of the prior 3 years. Caution: You may use the nonfarm optional method no more than five times.

18. Subtract the amount on line 17, if any, from line 16 and enter the result.

19. Enter the smaller of: two-thirds (2⁄3) of gross nonfarm income\(^4\) or the amount on line 18. Also include this amount on line 4b above.

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\(1\) From Schedule F (Form 1040), line 11, and Schedule K-1 (Form 1065), line 15b.

\(2\) From Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 15a.

\(3\) From Schedule F (Form 1040), line 37, and Schedule K-1 (Form 1065), line 15a.

\(4\) From Schedule C (Form 1040), line 7, and Schedule K-1 (Form 1065), line 15c.