

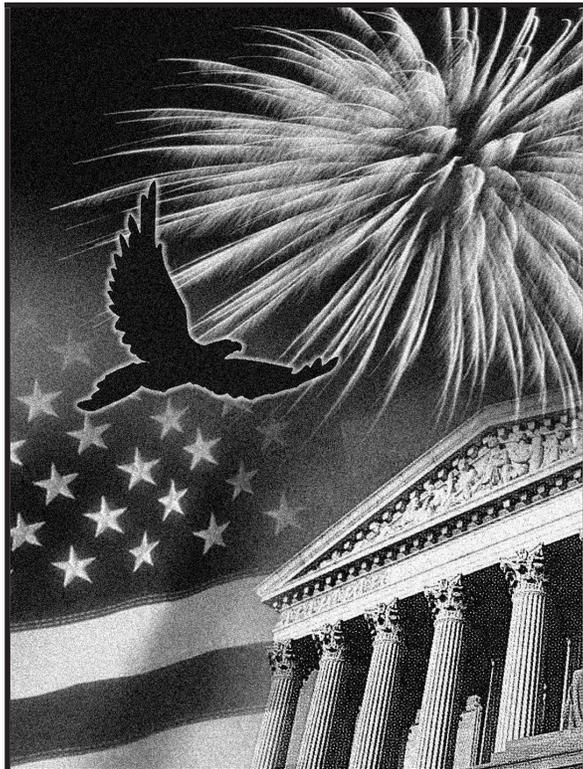


Department of the Treasury
Internal Revenue Service

Publication 4492-A

(July 2008)
Cat. No. 20303C

Information for Taxpayers Affected by the May 4, 2007, Kansas Storms and Tornadoes



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Introduction

This publication explains the temporary tax relief provided by the Food, Conservation, and Energy Act of 2008 for taxpayers in Kiowa County, Kansas, and surrounding areas, who were affected by the storms and tornadoes that began on May 4, 2007.

Useful Items

You may want to see:

Publication

- 536** Net Operating Losses (NOLs) for Individuals, Estates, and Trusts
- 547** Casualties, Disasters, and Thefts
- 590** Individual Retirement Arrangements (IRAs)
- 946** How To Depreciate Property

Form (and Instructions)

- 4506** Request for Copy of Tax Return
- 4506-T** Request for Transcript of Tax Return
- 4684** Casualties and Thefts
- 5884-A** Credits for Employers Affected by Hurricane Katrina, Rita, or Wilma
- 8606** Nondeductible IRAs
- 8915** Qualified Hurricane Retirement Plan Distributions and Repayments

See *How To Get Tax Help* on page 14 for information about getting publications and forms.

Definitions

The following definitions are used throughout this publication.

Kansas Disaster Area

The Kansas disaster area covers the Kansas counties of Barton, Clay, Cloud, Comanche, Dickinson, Edwards, Ellsworth, Kiowa, Leavenworth, Lyon, McPherson, Osage, Osborne, Ottawa, Phillips, Pottawatomie, Pratt, Reno, Rice, Riley, Saline, Shawnee, Smith, and Stafford.

Storms and Tornadoes

The term “storms and tornadoes” as used in this publication, refers to the storms and tornadoes that began on May 4, 2007, and affected the Kansas disaster area (defined above).

Casualty and Theft Losses

The following paragraphs explain changes to casualty and theft losses that occurred in the Kansas disaster area.

Limits on personal casualty or theft losses in the Kansas disaster area. Losses of personal use property that arose in the Kansas disaster area after May 3, 2007, are not subject to the \$100 or 10% of adjusted gross income limits. Qualifying losses include losses from casualties and thefts that arose in the disaster area and that were attributable to the storms and tornadoes.

When to deduct the loss. Casualty and theft losses are generally deductible only in the year the casualty occurred or the theft was discovered. However, the Kansas disaster area is a Presidentially declared disaster. Therefore, you could have elected to deduct losses from these storms and tornadoes on your tax return for the previous year. The deadline for making this election has expired.

The following special instructions explain how to complete your forms if you deduct the loss in 2007 or elected to deduct the loss in 2006.

Special instructions for individuals who file Form 4684 to claim a Kansas disaster area casualty or theft loss for 2007 or are amending their 2006 return. Individuals filing or amending their 2007 tax return or amending their 2006 tax return for casualty or theft losses that were attributable to the storms and tornadoes should enter “Kansas Disaster Area” at the top of Form 1040 or 1040X. They must also complete and attach the 2006 version of Form 4684 for either year and enter “Kansas Disaster Area” on the top and on the dotted line next to line 11 and enter -0- on line 11. Individuals filing or amending their 2007 tax return should cross out “2006” and enter “2007” at the top of Form 4684. They must also enter the amount from line 21 of that form on line 20 of Schedule A (Form 1040).

Replacement Period for Nonrecognition of Gain

Generally, an involuntary conversion occurs when property is damaged, destroyed, stolen, seized, requisitioned, or condemned, and you receive other property or money in payment, such as insurance or a condemnation award. Generally, you do not have to report a gain (if any) if you replace the property within 2 years (4 years for a main home in a Presidentially declared disaster area). However, for property that was involuntarily converted after May 3, 2007, as a result of the storms and tornadoes, a 5-year replacement period applies if substantially all of the use of the replacement property is in the Kansas disaster area. For more information, see the Instructions for Form 4684.

Net Operating Losses

Qualified recovery assistance loss. Generally, you can carry a net operating loss (NOL) back to the 2 tax years before the NOL year. However, the portion of an NOL that is a qualified recovery assistance loss can be carried back to the 5 tax years before the NOL year. In addition, the 90% limit on the alternative tax NOL deduction (ATNOLD) does not apply to such portion of the ATNOLD.

A qualified recovery assistance loss is the smaller of:

1. The excess of the NOL for the year over the specified liability loss for the year to which a 10-year carryback applies, or
2. The total of the following deductions (to the extent they are taken into account in computing the NOL for the tax year):
 - a. Qualified recovery assistance casualty loss (as defined below),
 - b. Moving expenses paid or incurred after May 3, 2007, and before January 1, 2010, for the employment of an individual whose main home was in the Kansas disaster area before May 4, 2007, who was unable to remain in that home because of the storms and tornadoes, and whose main job location (after the move) is in the Kansas disaster area,
 - c. Temporary housing expenses paid or incurred after May 3, 2007, and before January 1, 2010, to house employees of the taxpayer whose main job location is in the Kansas disaster area,
 - d. Depreciation or amortization allowable for any qualified recovery assistance property (even if you elected not to claim the special recovery assistance depreciation allowance for such property) for the year placed in service, and
 - e. Repair expenses (including expenses for the removal of debris) paid or incurred after May 3,

2007, and before January 1, 2010, for any damage from the storms and tornadoes to property located in the Kansas disaster area.

Qualified recovery assistance casualty loss. A qualified recovery assistance casualty loss is any deductible section 1231 loss of property located in the Kansas disaster area if the loss was caused by the storms and tornadoes. For this purpose, the amount of the loss is reduced by any recognized gain from an involuntary conversion caused by the storms and tornadoes of property located in the Kansas disaster area. Any such loss taken into account in figuring your qualified recovery assistance loss is not eligible for the election to be treated as having occurred in the previous tax year.

Amended return. If you have already filed your 2007 tax return and then carried your NOL back 2 years, you may file an amended return to carry back for 5 years your NOL attributable to a qualified recovery assistance loss.

More information. For more information on NOLs, see Publication 536.

IRAs and Other Retirement Plans

New rules provide for tax-favored withdrawals, repayments, and loans from certain retirement plans for individuals who suffered economic losses as a result of the storms and tornadoes.

Definitions

Qualified recovery assistance distribution. Except as provided below, a qualified recovery assistance distribution is any distribution you received and designated as such from an eligible retirement plan if all of the following apply.

1. The distribution was made after May 3, 2007, and before January 1, 2009.
2. Your main home was located in the Kansas disaster area on May 4, 2007.
3. You sustained an economic loss because of the storms and tornadoes. Examples of an economic loss include, but are not limited to:
 - a. Loss, damage to, or destruction of real or personal property from fire, flooding, looting, vandalism, theft, wind, or other cause;
 - b. Loss related to displacement from your home; or
 - c. Loss of livelihood due to temporary or permanent layoffs.

If (1) through (3) above apply, you can generally designate any distribution (including periodic payments and

required minimum distributions) from an eligible retirement plan as a qualified recovery assistance distribution, regardless of whether the distribution was made on account of the storms and tornadoes. Qualified recovery assistance distributions are permitted without regard to your need or the actual amount of your economic loss.

The total of your qualified recovery assistance distributions from all plans is limited to \$100,000. If you have distributions in excess of \$100,000 from more than one type of plan, such as a 401(k) plan and an IRA, you may allocate the \$100,000 limit among the plans any way you choose.

A reduction or offset after May 3, 2007, of your account balance in an eligible retirement plan in order to repay a loan can also be designated as a qualified recovery assistance distribution.

Eligible retirement plan. An eligible retirement plan can be any of the following.

- A qualified pension, profit-sharing, or stock bonus plan (including a 401(k) plan).
- A qualified annuity plan.
- A tax-sheltered annuity contract.
- A governmental section 457 deferred compensation plan.
- A traditional, SEP, SIMPLE, or Roth IRA.

Main home. Generally, your main home is the home where you live most of the time. A temporary absence due to special circumstances, such as illness, education, business, military service, evacuation, or vacation, will not change your main home.

Taxation of Qualified Recovery Assistance Distributions

Qualified recovery assistance distributions are included in income in equal amounts over three years. However, if you elect, you can include the entire distribution in your income in the year it was received.

Qualified recovery assistance distributions are not subject to the additional 10% tax (or the additional 25% tax for certain distributions from SIMPLE IRAs) on early distributions from qualified retirement plans (including IRAs). However, any distributions you receive in excess of the \$100,000 qualified recovery assistance distribution limit may be subject to the additional tax on early distributions.

For more information, see *How To Report Qualified Recovery Assistance Distributions* on page 4.

Repayment of Qualified Recovery Assistance Distributions

If you choose, you generally can repay any portion of a qualified recovery assistance distribution that is eligible for tax-free rollover treatment to an eligible retirement plan. Also, you can repay a qualified recovery assistance distribution made on account of a hardship from a retirement

plan. However, see *Exceptions* below for qualified recovery assistance distributions you cannot repay.

You have three years from the day after the date you received the distribution to make a repayment. Amounts that are repaid are treated as a qualified rollover and are not included in income. Also, for purposes of the one-rollover-per-year limitation for IRAs, a repayment to an IRA is not considered a qualified rollover. See Form 8915 for more information on how to report repayments.

Exceptions. You cannot repay the following types of distributions.

1. Qualified recovery assistance distributions received as a beneficiary (other than a surviving spouse).
2. Required minimum distributions.
3. Periodic payments (other than from an IRA) that are for:
 - a. A period of 10 years or more,
 - b. Your life or life expectancy, or
 - c. The joint lives or joint life expectancies of you and your beneficiary.

How To Report Qualified Recovery Assistance Distributions



You will need the following information to correctly report any 2007 or 2008 qualified recovery assistance distributions.

2007 Qualified Recovery Assistance Distributions

If you received a distribution after May 3, 2007, from an eligible retirement plan, you may be able to designate it as a qualified recovery assistance distribution. See *Qualified recovery assistance distribution* on page 3.

If you **have not** filed your 2007 income tax return, see *Form 8915* and *Form 8606* on this page to see how to complete these forms for any qualified recovery assistance distributions. Be sure to attach Form 8915 and Form 8606 (if required) to your 2007 income tax return.

If you **have** filed your 2007 income tax return, you will need to amend your return to designate any distributions as qualified recovery assistance distributions. You can amend your 2007 income tax return by using Form 1040X. You will need to complete and attach Form 8915 and Form 8606 (if required) to your amended income tax return for any qualified recovery assistance distributions. See *Form 8915* and *Form 8606* on this page.

Form 8915. For a 2007 qualified recovery assistance distribution, complete the 2005 Form 8915, Qualified Hurricane Retirement Plan Distributions and Repayments. Before you complete the form, modify the form as follows.

- Cross out “Hurricane” in the title at the top of the form and enter “Recovery Assistance.” To the right of the title, cross out “2005” and enter “2007.”
- In Part I, at the top of column (a), cross out “2005” and enter “2007.”
- In Part II, cross out “Hurricane” in the title and enter “Recovery Assistance.” On lines 10 and 11, cross out “2005” and enter “2007.”
- In Part III, cross out “Hurricane” in the title and enter “Recovery Assistance.” On line 12, cross out “hurricane” and enter “recovery assistance.” On lines 13 and 14, cross out “line 15b” and “line 25b.” On lines 18 and 19, cross out “2005” and enter “2007.”

You can now complete Form 8915. For the instructions, use the applicable dates and terms in this publication instead of those used in the 2005 Form 8915 instructions. See *Example 1* on page 5 to see how to complete Form 8915.

Form 8606. For a 2007 qualified recovery assistance distribution, complete or amend the 2007 Form 8606, Nondeductible IRAs. Before you complete or amend the form, use the following additional instructions.

Form 8606, Part I.

1. On line 6, subtract any repayments of qualified recovery assistance distributions from the amount you would otherwise enter on line 6. Do not enter an amount less than -0-.
2. Include on line 7 the amount of any qualified recovery assistance distributions that you received even if they were later repaid.
3. Complete line 15 as follows.
 - a. If all of your distributions are qualified recovery assistance distributions, enter the amount from line 15 on Form 8915, line 13. Do not enter this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b.
 - b. If you have qualified recovery assistance distributions as well as other distributions, you will need to multiply the amount on line 15 by a fraction. The numerator of the fraction is your total qualified recovery assistance distributions and the denominator is the amount from Form 8606, line 7. Enter the result in the white space in the bottom margin of the form under line 15. To the left of this amount, enter “Qualified recovery assistance distributions” and also enter this amount on Form 8915, line 13. Then, subtract this amount from the amount on line 15 and include the result on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b. Also, enter this amount on Form 8606 under your qualified recovery assistance distributions. To the left of this amount, enter “Other distributions.”

Form 8606, Part III.

1. Include on line 19 the amount of any qualified recovery assistance distributions that you received even if they were later repaid.
2. Complete line 25 as follows.
 - a. If all of your distributions are qualified recovery assistance distributions, enter the amount from line 25 on Form 8915, line 14. Do not enter this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b.
 - b. If you have qualified recovery assistance distributions as well as other distributions, you will need to multiply the amount on line 25 by a fraction. The numerator of the fraction is your total qualified recovery assistance distributions and the denominator is the amount from Form 8606, line 21. Enter the result in the white space in the bottom margin of the form under line 25. To the left of this amount, enter "Qualified recovery assistance distributions" and also enter this amount on Form 8915, line 14. Then, subtract this amount from the amount on line 25 and include the result on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b. Also, enter this amount on Form 8606 under your qualified recovery assistance distributions. To the left of this amount, enter "Other distributions."

Example 1. On May 4, 2007, Margaret Maple lost her home due to the tornadoes on that day. Her home was located in the Kansas disaster area. On July 31, 2007, Margaret took out \$30,000 from her 401(k) plan and an additional \$15,000 from her traditional IRA in order to rebuild her home. Margaret has not filed her 2007 return yet but would like to designate the \$45,000 in distributions from her retirement plans as qualified recovery assistance distributions. Since the distributions occurred in 2007, Margaret would modify and complete the 2005 Form 8915 as discussed on page 4. Margaret would also need to complete Form 8606 since her distribution from her traditional IRA has nondeductible contributions from previous years.

In addition to the \$15,000 qualified recovery assistance distribution on July 31, 2007, Margaret received an additional distribution of \$15,000 from her traditional IRA on October 31, 2007, that she did not designate as a qualified recovery assistance distribution. Because Margaret has a qualified recovery assistance distribution as well as a distribution not so designated, Margaret must allocate the amount on Form 8606, line 15 to both distributions, as discussed earlier. Margaret's qualified recovery assistance distributions are \$13,125 ($\$26,250 \times \$15,000 \div \$30,000$). Margaret enters in the white space in the bottom margin of Form 8606, the following, "Qualified recovery assistance distributions \$13,125." This amount is then reported on Form 8915, line 13. Below this entry, Margaret enters "Other distributions \$13,125," and includes this amount on Form 1040, line 15b. See Margaret's modified

2005 Form 8915 and 2007 Form 8606 shown on pages 6 through 8.

2008 Qualified Recovery Assistance Distributions

If you received a distribution in 2008 from an eligible retirement plan, you may be able to designate it as a qualified recovery assistance distribution. See *Qualified recovery assistance distribution* on page 3. You will need to complete and attach Form 8915 and Form 8606 (if required) to your 2008 income tax return for any qualified recovery assistance distributions. See *Form 8915* and *Form 8606* below.

Form 8915. For a 2008 qualified recovery assistance distribution, you will need to complete the 2006 Form 8915. Before you complete the form, modify the form as follows.

- Cross out "Hurricane" in the title at the top of the form and enter "Recovery Assistance." To the right of the title, cross out "2006" and enter "2008."
- In the first sentence of Part I and on line 1, cross out "hurricane" and enter "recovery assistance," cross out "2006" and enter "2008," and cross out "2005" and enter "2007." At the top of column (a) cross out "2006" and enter "2008."
- In Part II, cross out "Hurricane" in the title and enter "Recovery Assistance." On lines 12, 14, and 15, cross out "2005" and enter "2007." On lines 17 and 19, cross out "2006" and enter "2008."
- In Part III, cross out "Hurricane" in the title and enter "Recovery Assistance." On line 21, cross out "hurricane" and enter "recovery assistance." On lines 22 and 23, cross out "line 15b" and "line 25b." On lines 27, 29, and 30, cross out "2005" and enter "2007." On lines 32 and 34, cross out "2006" and enter "2008."

You can now complete Form 8915. For the instructions, use the applicable dates and terms in this publication instead of those used in the 2006 Form 8915 instructions.

Example 2. On June 15, 2008, Margaret Maple, from the previous example, took out \$15,000 from her 401(k) plan that she is designating as a qualified recovery assistance distribution. Since the distribution occurred in 2008, Margaret would modify and complete the 2006 Form 8915 as discussed above. Also, since Margaret is including her 2007 recovery assistance distributions in income over 3 years, she reports the applicable amount of those distributions on the modified 2006 Form 8915. See Margaret's modified 2006 Form 8915 shown on pages 9 and 10.

Form 8606. For a 2008 qualified recovery assistance distribution, you may need to complete the 2008 Form 8606. Before you complete Form 8606, use the additional instructions outlined in *Form 8606, Part I*, on page 4 and *Form 8606, Part III*, on this page.

Example 1

Recovery Assistance

Form **8915**

Department of the Treasury
Internal Revenue Service

**Qualified Hurricane Retirement
Plan Distributions and Repayments**

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.

OMB No. 1545-0074

2005

Attachment ²⁰⁰⁷
Sequence No. **156**

Name. If married, file a separate form for each spouse required to file Form 8915. See instructions.

Margaret Maple

Your social security number

789 : 00 : 1234

**Fill in Your Address Only
If You are Filing This
Form by Itself and Not
With Your Tax Return**

Home address (number and street, or P.O. box if mail is not delivered to your home)

239 S. Main Street

Apt. no.

City, town or post office, state, and ZIP code

Greensburg, KS 67054

Part I Total Distributions From All Retirement Plans (Including IRAs) (See instructions.)

Complete lines 1 through 4 of one column
before going to the next column

	(a) Total distributions for 2005 2007		(b) Qualified distributions (see instructions)		(c) Allocation of column (b) (see instructions)	
1 Distributions from retirement plans	30,000	00	30,000	00		
2 Distributions from traditional, SEP, and SIMPLE IRAs	30,000	00	15,000	00		
3 Distributions from Roth IRAs						
4 Totals. Add lines 1 through 3 in columns (a) and (b). Complete column (c) only if line 4, column (b), is more than \$100,000	60,000	00	45,000	00	100,000	00
5 If you completed column (c), enter the excess of the amount on line 4, column (a), over \$100,000. Otherwise, enter the excess of the amount on line 4, column (a), over the amount on line 4, column (b). Report these distributions under the normal rules in accordance with the instructions for your tax return or, if applicable, on line 21 of this form					15,000	00

Part II Qualified Hurricane Distributions From Retirement Plans (other than IRAs)

6 If you completed line 1, column (c), enter that amount. Otherwise, enter the amount from line 1, column (b)	6	30,000	00
7 Enter the applicable cost of distributions, if any. See instructions	7	0	00
8 Subtract line 7 from line 6	8	30,000	00
9 If you elect NOT to spread the taxable amount over 3 years, check this box <input type="checkbox"/> and enter the amount from line 8. You must check this box if you check the box on line 17. Otherwise, divide line 8 by 3.0	9	10,000	00
10 Enter the total amount of any repayments you made before filing your ²⁰⁰⁷ 2005 tax return. But do not include repayments made later than the due date (including extensions) for that return. See instructions	10	0	00
11 ²⁰⁰⁷ Amount subject to tax in 2005. Subtract line 10 from line 9. If zero or less, enter -0-. Include this amount in the total on Form 1040, line 16b; Form 1040A, line 12b; or Form 1040NR, line 17b	11	10,000	00

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 37726T

Form **8915** (2005)

Example 1

Before you begin: Complete Form 8606, Nondeductible IRAs, if required.

Part III Qualified Hurricane Distributions From Traditional, SEP, SIMPLE, and Roth IRAs

12	Did you receive a qualified ^{recovery assistance} hurricane distribution from a traditional, SEP, SIMPLE, or Roth IRA that is required to be reported on Form 8606? <input checked="" type="checkbox"/> Yes. Go to line 13. <input type="checkbox"/> No. Skip lines 13 and 14, and go to line 15.			
13	Enter the amount, if any, from Form 8606, line 15b	13	13,125	00
14	Enter the amount, if any, from Form 8606, line 25b	14	0	00
15	If you completed line 2, column (c), enter that amount. Otherwise, enter the amount from line 2, column (b). Do not include any amounts reported on Form 8606	15	0	00
16	Add lines 13, 14, and 15	16	13,125	00
17	If you elect NOT to spread the taxable amount over 3 years, check this box <input type="checkbox"/> and enter the amount from line 16. You must check this box if you checked the box on line 9. Otherwise, divide line 16 by 3.0	17	4,375	00
18	Enter the total amount of any repayments you made before filing your ²⁰⁰⁷ 2005 tax return. But do not include any repayments made later than the due date (including extensions) for that return. See instructions	18	0	00
19	Amount subject to tax in 2005. Subtract line 18 from line 17. If zero or less, enter -0-. Include this amount in the total on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	19	4,375	00

Before you begin: Complete Form 8606, Nondeductible IRAs, if required.

Part IV Qualified Distributions for the Purchase or Construction of a Main Home in a Hurricane Disaster Area

Complete this section only if you received a qualified distribution (as defined in the instructions) that you repaid, in whole or in part, before March 1, 2006.

20	Did you receive a qualified distribution from a traditional, SEP, SIMPLE, or Roth IRA that is required to be reported on Form 8606? <input type="checkbox"/> Yes. Complete lines 21 through 25 only if you had qualified distributions not required to be reported on Form 8606. <input type="checkbox"/> No. Go to line 21.			
21	Enter the total amount of qualified distributions you received for the purchase or construction of a main home. Do not include any amounts reported on Form 8606. Also, do not include any distributions you reported on line 6 or line 15. See instructions	21		
22	Enter the applicable cost of distributions, if any. See instructions	22		
23	Subtract line 22 from line 21	23		
24	Enter the total amount of any repayments you made before March 1, 2006. Do not include any repayments treated as qualified rollovers on Form 8606. See instructions	24		
25	Taxable amount. Subtract line 24 from line 23	25		

- If the distribution is from an IRA, include this amount in the total on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b.
- If the distribution is from a retirement plan (other than an IRA), include this amount in the total on Form 1040, line 16b; Form 1040A, line 12b; or Form 1040NR, line 17b.

Note: You may be subject to an additional tax on the amount on line 25. See instructions.

Signature. Complete **only** if you are filing this form by itself and not with your tax return.

Please Sign Here	Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete.			
	Your signature _____		Date _____	
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no. ()	

Example 1

Form 8606

Department of the Treasury
Internal Revenue Service (99)

Nondeductible IRAs

▶ See separate instructions.

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.

OMB No. 1545-0074

2007

Attachment
Sequence No. 48

Name. If married, file a separate form for each spouse required to file Form 8606. See page 5 of the instructions.

Margaret Maple

Your social security number

789 : 00 : 1234

**Fill in Your Address Only
If You Are Filing This
Form by Itself and Not
With Your Tax Return**

Home address (number and street, or P.O. box if mail is not delivered to your home)

239 S. Main Street

Apt. no.

City, town or post office, state, and ZIP code

Greensburg, KS 67054

Part I Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs

Complete this part only if one or more of the following apply.

- You made nondeductible contributions to a traditional IRA for 2007.
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2007 **and** you made nondeductible contributions to a traditional IRA in 2007 or an earlier year. For this purpose, a distribution does not include a rollover, qualified charitable distribution, one-time distribution to fund an HSA, conversion, recharacterization, or return of certain contributions.
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2007 (excluding any portion you recharacterized) **and** you made nondeductible contributions to a traditional IRA in 2007 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2007, including those made for 2007 from January 1, 2008, through April 15, 2008 (see page 5 of the instructions)	1	0	00
2	Enter your total basis in traditional IRAs (see page 5 of the instructions)	2	10,000	00
3	Add lines 1 and 2	3	10,000	00
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>In 2007, did you take a distribution from traditional, SEP, or SIMPLE IRAs, or make a Roth IRA conversion?</p> </div> <p style="margin-left: 20px;"> <input type="checkbox"/> No → Enter the amount from line 3 on line 14. Do not complete the rest of Part I. <input type="checkbox"/> Yes → Go to line 4. </p>				
4	Enter those contributions included on line 1 that were made from January 1, 2008, through April 15, 2008	4	0	00
5	Subtract line 4 from line 3	5	10,000	00
6	Enter the value of all your traditional, SEP, and SIMPLE IRAs as of December 31, 2007, plus any outstanding rollovers (see page 6 of the instructions)	6	50,000	00
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2007. Do not include rollovers, qualified charitable distributions, a one-time distribution to fund an HSA, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see page 6 of the instructions)	7	30,000	00
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2007. Do not include amounts converted that you later recharacterized (see page 6 of the instructions). Also enter this amount on line 16	8	0	00
9	Add lines 6, 7, and 8	9	80,000	00
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10	×	.125
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11	0	00
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12	3,750	00
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions	13	3,750	00
14	Subtract line 13 from line 3. This is your total basis in traditional IRAs for 2007 and earlier years	14	6,250	00
15	Taxable amount. Subtract line 12 from line 7. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15	26,250	00

Note: You may be subject to an additional 10% tax on the amount on line 15 if you were under age 59½ at the time of the distribution (see page 6 of the instructions).

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

Cat. No. 63966F

Form 8606 (2007)

Qualified recovery assistance distributions 13,125
Other distributions 13,125

Example 2

Before you begin: Complete Form 8606, Nondeductible IRAs, if required.

Part III Qualified Hurricane Distributions From Traditional, SEP, SIMPLE, and Roth IRAs

20	Did you enter an amount on line 3, column (b), or line 4, column (b)? <input type="checkbox"/> Yes. Go to line 21. <input checked="" type="checkbox"/> No. Skip lines 21 through 26, and go to line 27.			
21	Did you receive a ^{recovery assistance} qualified hurricane distribution from a traditional, SEP, SIMPLE, or Roth IRA that is required to be reported on Form 8606? <input type="checkbox"/> Yes. Go to line 22. <input type="checkbox"/> No. Skip lines 22 through 23, and go to line 24.			
22	Enter the amount, if any, from Form 8606, line 15b	22		
23	Enter the amount, if any, from Form 8606, line 25b	23		
24	If you completed line 3, column (c), enter that amount. Otherwise, enter the amount from line 3, column (b). Do not include any amounts reported on Form 8606	24		
25	Add lines 22, 23, and 24	25		
26	If you elect NOT to spread the taxable amount over 3 years, check this box <input type="checkbox"/> and enter the amount from line 25. You must check this box if you checked the box on line 11. Otherwise, divide line 25 by 3.0	26		
27	Enter the amount, if any, from your ²⁰⁰⁵ Form 8915, line 17. If you checked the box on that line, enter -0-	27	4,375	00
28	Add lines 26 and 27	28	4,375	00
29	Enter the amount, if any, from your ²⁰⁰⁷ 2005 Form 8915, line 18	29		
30	Enter the amount, if any, from your ²⁰⁰⁷ 2005 Form 8915, line 17	30	4,375	00
31	Subtract line 30 from line 29. If zero or less, enter -0-	31	0	00
32	Enter the total amount of any repayments you made before filing your 2006 tax return. But do not include repayments made later than the due date (including extensions) for that return. See instructions	32	0	00
33	Add lines 31 and 32	33	0	00
34	Amount subject to tax in 2006. Subtract line 33 from line 28. If zero or less, enter -0-. Include this amount in the total on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	34	4,375	00

Signature. Complete **only** if you are filing this form by itself and not with your tax return.

Please Sign Here	Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete.			
	Your signature _____		Date _____	
Paid Preparer's Use Only	Preparer's signature		Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN _____
	Firm's name (or yours if self-employed), address, and ZIP code		EIN	
			Phone no. () _____	

Repayment of Qualified Distributions for the Purchase or Construction of a Main Home

If you received a qualified distribution to purchase or construct a main home in the Kansas disaster area, you can repay part or all of that distribution after May 3, 2007, but no later than October 22, 2008, to an eligible retirement plan. For this purpose, an eligible retirement plan is any plan, annuity, or IRA to which a qualified rollover can be made.

To be a qualified distribution, the distribution must meet all of the following requirements.

1. The distribution is a hardship distribution from a 401(k) plan, a hardship distribution from a tax-sheltered annuity contract, or a qualified first-time homebuyer distribution from an IRA.
2. The distribution was received after November 4, 2006, and before May 5, 2007.
3. The distribution was to be used to purchase or construct a main home in the Kansas disaster area that was not purchased or constructed because of the storms and tornadoes.

Amounts that are repaid before October 23, 2008, are treated as a qualified rollover and are not included in income. Also, for purposes of the one-rollover-per-year limitation for IRAs, a repayment to an IRA is not considered a qualified rollover.

A qualified distribution not repaid before October 23, 2008, may be taxable for 2006 or 2007 and subject to the additional 10% tax (or the additional 25% tax for certain SIMPLE IRAs) on early distributions.

You must file Form 8915 if you received a qualified distribution that you repaid, in whole or in part, before October 23, 2008. See *How to report*, next, for information on completing Form 8915.

How to report. To report the repayment of a qualified distribution for the purchase or construction of a main home that was not purchased or constructed due to the storms and tornadoes, use the 2005 Form 8915, Part IV. Before you complete the form, modify the form as follows.

- Cross out “Hurricane” in the title at the top of the form and enter “Recovery Assistance.” To the right of the title, cross out “2005” and enter “2006” or “2007.” Enter only the year the distribution was received.
- Cross out “Hurricane” in the title of Part IV and enter “Kansas.”
- In the sentence below the title of Part IV, cross out “March 1, 2006” and enter “October 23, 2008.”

- On line 24, cross out “March 1, 2006” and enter “October 23, 2008.”

You can now complete Part IV of Form 8915. Use the applicable dates and terms in this publication instead of those used in the 2005 Form 8915 instructions to complete the form. Attach Form 8915 to your original or amended return for the year of the distribution.

Amended return. If you repay part or all of a qualified distribution by October 22, 2008, you will need to file an amended return for that part of a distribution that was previously included in income.

Loans From Qualified Plans

The following benefits are available to qualified individuals.

- Increases to the limits for distributions treated as loans from employer plans.
- A 1-year suspension for payments due on plan loans.

Qualified individual. You are a qualified individual if your main home on May 4, 2007, was located in the Kansas disaster area and you had an economic loss because of the storms and tornadoes. Examples of an economic loss include, but are not limited to:

- Loss, damage to, or destruction of real or personal property from fire, flooding, looting, vandalism, theft, wind, or other cause;
- Loss related to displacement from your home; or
- Loss of livelihood due to temporary or permanent layoffs.

Limits on plan loans. The \$50,000 limit for distributions treated as plan loans is increased to \$100,000. In addition, the limit based on 50% of your vested accrued benefit is increased to 100% of that benefit. If your home was located in the Kansas disaster area, the higher limits apply only to loans received during the period beginning on May 22, 2008, and ending on December 31, 2008.

One-year suspension of loan payments. Payments on plan loans outstanding after May 3, 2007, may be suspended for 1 year by the plan administrator. To qualify for the suspension, the due date for any loan payment must occur during the period beginning on May 4, 2007, and ending on December 31, 2008.

Additional Tax Relief for Businesses

Special Depreciation Allowance

You can take a special depreciation allowance for qualified recovery assistance property (as defined below) you acquire after May 4, 2007. The special allowance is an additional deduction of 50% of the property's depreciable basis (after any section 179 deduction and before figuring your regular depreciation deduction). The special allowance applies only for the first year the property is placed in service.

The special allowance is deductible for both the regular tax and the alternative minimum tax (AMT). There is no AMT adjustment required for any depreciation figured on the remaining basis of the property.

You can elect not to deduct the special allowance for qualified recovery assistance property. If you make this election for any property, it applies to all property in the same class placed in service during the year.

Qualified recovery assistance property. Property that qualifies for the special allowance for qualified recovery assistance property includes the following.

- Tangible property depreciated under the modified accelerated cost recovery system (MACRS) with a recovery period of 20 years or less.
- Water utility property.
- Computer software that is readily available for purchase by the general public, is subject to a nonexclusive license, and has not been substantially modified. (The cost of some computer software is treated as part of the cost of hardware and is depreciated under MACRS.)
- Qualified leasehold improvement property.
- Nonresidential real property and residential rental property.

For more information on this property, see Publication 946.

Other tests to be met. To be qualified recovery assistance property, the property must also meet all of the following tests.

- You must have acquired the property, by purchase, after May 4, 2007, but only if no binding written contract for the acquisition was in effect before May 5, 2007.
- The property must be placed in service before 2009 (2010 in the case of nonresidential real property and residential rental property).
- Substantially all of the use of the property must be in the Kansas disaster area and in the active conduct

of your trade or business in the Kansas disaster area.

- The original use of the property in the Kansas disaster area must begin with you after May 4, 2007. Used property can be qualified recovery assistance property if it has not previously been used within the Kansas disaster area. Also, additional capital expenditures you incurred after May 4, 2007, to recondition or rebuild your property meet the original use test if the original use of the property in the Kansas disaster area began with you.

Excepted property. Qualified recovery assistance property does not include any of the following.

- Property required to be depreciated using the Alternative Depreciation System (ADS).
- Property any portion of which is financed with the proceeds of a tax-exempt obligation under section 103.
- Property for which you are claiming a commercial revitalization deduction.
- Property in the same class as that for which you elected not to claim the special allowance for qualified recovery assistance property.
- Property placed in service and disposed of in the same tax year.
- Property converted from business use to personal use in the same tax year it is placed in service. Property converted from personal use to business use in the same or later tax year may be qualified recovery assistance property.

Recapture of special allowance. If, in any year after the year you claim the special allowance, the property ceases to be qualified recovery assistance property, you may have to recapture as ordinary income any excess benefit you received from claiming the special allowance.

Amended return. If you have already filed your tax return, you may have to amend that return to claim any special allowance. Additional guidance will be published on how you may claim, or elect not to claim, the special allowance if you have already filed your tax return.

Increased Section 179 Deduction

An increased section 179 deduction is allowable for qualified section 179 recovery assistance property (as defined later) placed in service in the Kansas disaster area.

Increased dollar limit. The limit on the section 179 deduction (\$125,000 for 2007, \$250,000 for 2008) is increased by the smaller of:

- \$100,000, or

- The cost of qualified section 179 recovery assistance property placed in service during the year (including such property placed in service by your spouse, even if you are filing a separate return).

The amount for which you can make the election is reduced if the cost of all section 179 property you placed in service during the year exceeds \$500,000 for 2007 and \$800,000 for 2008 increased by the smaller of:

- \$600,000, or
- The cost of qualified section 179 recovery assistance property placed in service during the year.

Qualified section 179 recovery assistance property.

Qualified section 179 recovery assistance property is section 179 property that is qualified recovery assistance property (explained earlier under *Special Depreciation Allowance*). Section 179 property does not include nonresidential real property or residential rental property. For more information, including the requirements that must be met for property to qualify for the section 179 deduction, see chapter 2 of Publication 946.

Amended return. If you have already filed your tax return, you may have to amend that return for any increased section 179 deduction.

Employee Retention Credit

An eligible employer who conducted an active trade or business in the Kansas disaster area can claim the employee retention credit. The credit is 40% of qualified wages for each eligible employee (up to a maximum of \$6,000 in qualified wages per employee). Generally, you must reduce your deduction for salaries and wages by the amount of this credit (before the tax liability limit). Use Form 5884-A to claim the credit. See *Form 5884-A* later. The following rules and definitions apply.

Employers affected by the storms and tornadoes. The following definitions apply to employers affected by the storms and tornadoes.

Eligible employer. For this purpose, an eligible employer is any employer who meets all of the following.

- Employed an average of not more than 200 employees on business days during the tax year before May 4, 2007.
- Conducted an active trade or business on May 4, 2007, in the Kansas disaster area.
- Whose trade or business was inoperable on any day after May 4, 2007, and before January 1, 2008, because of damage caused by the storms and tornadoes.

Eligible employee. For this purpose, an eligible employee is an employee whose principal place of employment on May 4, 2007, with the eligible employer was in the Kansas disaster area. An employee is not an eligible employee for purposes of the storms and tornadoes if the

employee is treated as an eligible employee for the work opportunity credit.

Qualified wages. Qualified wages are wages you paid or incurred before January 1, 2008, (up to \$6,000 per employee) for an eligible employee beginning on the date your trade or business first became inoperable at the employee's principal place of employment immediately before May 4, 2007, and ending on the date your trade or business resumed significant operations at that place. In addition, the wages must have been paid or incurred after May 4, 2007.

This includes wages paid even if the employee performed no services, performed services at a place of employment other than the principal place of employment, or performed services at the principal place of employment before significant operations resumed.

Wages qualifying for the credit generally have the same meaning as wages subject to the Federal Unemployment Tax Act (FUTA). Qualified wages also include amounts you paid for medical or hospitalization expenses in connection with sickness or accident disability. Qualified wages for any employee must be reduced by the amount of any work supplementation payment you received under the Social Security Act.

For agricultural employees, if the work performed by any employee during more than half of any pay period qualified under FUTA as agricultural labor, that employee's wages subject to social security and Medicare taxes are qualified wages. For a special rule that applies to railroad employees, see section 51(h)(1)(B).

Qualified wages do not include the following.

- Wages paid to your dependent or a related individual. See section 51(i)(1).
- Wages paid to any employee during the period for which you received payment for the employee from a federally funded on-the-job training program.
- Wages for services of replacement workers during a strike or lockout.

Form 5884-A. Use Section A of Form 5884-A (Rev. October 2006) to claim the employer retention credit. Section B does not apply to the Kansas disaster area. Before you complete the form, modify the form as follows.

- Cross out "Hurricane Katrina, Rita, or Wilma" in the title at the top of the form and enter "Kansas Storms and Tornadoes."
- On line 1a cross out "Hurricane Katrina" and enter "Kansas Storms and Tornadoes," cross out "August 28, 2005," and enter "May 4, 2007," and cross out "January 1, 2006," and enter "January 1, 2008."

Complete the form as instructed. Lines 1b and 1c do not apply. Include the amount from Form 5884-A, line 4 in the amount entered on Form 3800, line 1x. On the dotted line to the left of line 1x, enter "5884-A." Use the applicable dates and terms in this publication instead of those used in the Form 5884-A instructions.

Amended return. You may have to amend a previously filed return to claim the employee retention credit.

Demolition and Clean-up Costs

You can elect to deduct 50% of any qualified recovery assistance clean-up costs for the tax year in which the costs are paid or incurred, instead of capitalizing them. Qualified recovery assistance clean-up costs are any amounts paid or incurred after May 3, 2007, and before January 1, 2010, for the removal of debris from, or the demolition of structures on, real property located in the Kansas disaster area that is:

- Held by you for use in a trade or business or for the production of income, or
- Inventory or other property held primarily for sale to customers in the ordinary course of your trade or business.

Amended return. If you have already filed your tax return, you may have to amend that return to claim the 50% of any qualified recovery assistance clean-up costs.

Request for Copy or Transcript of Tax Return

Request for copy of tax return. You can use Form 4506 to order a copy of your tax return. Generally, there is a \$39.00 fee (subject to change) for requesting each copy of a tax return. If your main home, principal place of business, or tax records are located in a Presidentially declared disaster area, the fee will be waived if the assigned disaster designation (for example, “Kansas Storms”) is written in red across the top of the form when filed.

Request for transcript of tax return. You can use Form 4506-T to order a free transcript of your tax return. A transcript provides most of the line entries from a tax return and usually contains the information that a third party requires. You can also call 1-800-829-1040 to order a transcript.

How To Get Tax Help

You can get help with unresolved tax issues, order free publications and forms, ask tax questions, and get information from the IRS in several ways. By selecting the method that is best for you, you will have quick and easy access to tax help.

Contacting your Taxpayer Advocate. The Taxpayer Advocate Service (TAS) is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm, who are seeking help in resolving tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it should.

You can contact the TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059 to see if you are eligible for assistance. You can also call or write to your local taxpayer advocate, whose phone number and address are listed in your local telephone directory and in Publication 1546, Taxpayer Advocate Service — Your Voice at the IRS. You can file Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order), or ask an IRS employee to complete it on your behalf. For more information, go to www.irs.gov/advocate.

Low Income Taxpayer Clinics (LITCs). LITCs are independent organizations that provide low income taxpayers with representation in federal tax controversies with the IRS for free or for a nominal charge. The clinics also provide tax education and outreach for taxpayers who speak English as a second language. Publication 4134, Low Income Taxpayer Clinic List, provides information on clinics in your area. It is available at www.irs.gov or your local IRS office.

Free tax services. To find out what services are available, get Publication 910, IRS Guide to Free Tax Services. It contains lists of free tax information sources, including publications, services, and free tax education and assistance programs. It also has an index of over 100 TeleTax topics, (recorded tax information) you can listen to on your telephone.

Accessible versions of IRS published products are available on request in a variety of alternative formats for people with disabilities.

Free help with your return. Free help in preparing your return is available nationwide from IRS-trained volunteers. The Volunteer Income Tax Assistance (VITA) program is designed to help low-income taxpayers and Tax Counseling for the Elderly (TCE) program is designed to assist taxpayers age 60 and older with their tax returns. Many VITA sites offer free electronic filing and all volunteers will let you know about credits and deductions you may be entitled to claim. To find a site near you, call 1-800-829-1040. Or to find the nearest AARP TaxAide site, visit AARP’s website at www.aarp.org/taxaide or call 1-888-227-7669. For more information on these programs, go to www.irs.gov and enter keyword “VITA” in the upper right-hand corner.



Internet. You can access the IRS website at www.irs.gov 24 hours a day, 7 days a week to:

- *E-file* your return. Find out about commercial tax preparation and *e-file* services available free to eligible taxpayers.
- Check the status of your refund. Click on *Where’s My Refund*. Wait at least 6 weeks from the date you filed your return (3 weeks if you filed electronically). Have your tax return available because you will need to know your social security number, your filing status, and the exact whole dollar amount of your refund.

- Download forms, instructions, and publications.
- Order IRS products online.
- Research your tax questions online.
- Search publications online by topic or keyword.
- View Internal Revenue Bulletins (IRBs) published in the last few years.
- Figure your withholding allowances using the withholding calculator online at www.irs.gov/individuals.
- Determine if Form 6251 must be filed using our Alternative Minimum Tax (AMT) Assistant.
- Sign up to receive local and national tax news by email.
- Get information on starting and operating a small business.



Phone. Many services are available by phone.

- *Ordering forms, instructions, and publications.* Call 1-800-829-3676 to order current-year forms, instructions, and publications, and prior-year forms and instructions. You should receive your order within 10 days.
- *Asking tax questions.* Call the IRS with your tax questions at 1-800-829-1040.
- *Solving problems.* You can get face-to-face help solving tax problems every business day in IRS Taxpayer Assistance Centers. An employee can explain IRS letters, request adjustments to your account, or help you set up a payment plan. Call your local Taxpayer Assistance Center for an appointment. To find the number, go to www.irs.gov/localcontacts or look in the phone book under *United States Government, Internal Revenue Service*.
- *TTY/TDD equipment.* If you have access to TTY/TDD equipment, call 1-800-829-4059 to ask tax questions or to order forms and publications.
- *TeleTax topics.* Call 1-800-829-4477 to listen to pre-recorded messages covering various tax topics.
- *Refund information.* To check the status of your refund, call 1-800-829-4477 and press 1 for automated refund information or call 1-800-829-1954. Be sure to wait at least 6 weeks from the date you filed your return (3 weeks if you filed electronically). Have your tax return available because you will need to know your social security number, your filing status, and the exact whole dollar amount of your refund.

Evaluating the quality of our telephone services. To ensure IRS representatives give accurate, courteous, and professional answers, we use several methods to evaluate the quality of our telephone services. One method is for a

second IRS representative to listen in on or record random telephone calls. Another is to ask some callers to complete a short survey at the end of the call.



Walk-in. Many products and services are available on a walk-in basis.

- *Products.* You can walk in to many post offices, libraries, and IRS offices to pick up certain forms, instructions, and publications. Some IRS offices, libraries, grocery stores, copy centers, city and county government offices, credit unions, and office supply stores have a collection of products available to print from a CD or photocopy from reproducible proofs. Also, some IRS offices and libraries have the Internal Revenue Code, regulations, Internal Revenue Bulletins, and Cumulative Bulletins available for research purposes.
- *Services.* You can walk in to your local Taxpayer Assistance Center every business day for personal, face-to-face tax help. An employee can explain IRS letters, request adjustments to your tax account, or help you set up a payment plan. If you need to resolve a tax problem, have questions about how the tax law applies to your individual tax return, or you're more comfortable talking with someone in person, visit your local Taxpayer Assistance Center where you can spread out your records and talk with an IRS representative face-to-face. No appointment is necessary — just walk in. If you prefer, you can call your local Center and leave a message requesting an appointment to resolve a tax account issue. A representative will call you back within 2 business days to schedule an in-person appointment at your convenience. If you have an ongoing, complex tax account problem or a special need, such as a disability, an appointment may be requested. All other issues will be handled without an appointment. To find the number of your local office, go to www.irs.gov/localcontacts or look in the phone book under *United States Government, Internal Revenue Service*.



Mail. You can send your order for forms, instructions, and publications to the address below. You should receive a response within 10 days after your request is received.

Internal Revenue Service
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613



CD/DVD for tax products. You can order Publication 1796, IRS Tax Products CD/DVD, and obtain:

- Current-year forms, instructions, and publications.
- Prior-year forms, instructions, and publications.

- Bonus: Historical Tax Products DVD - Ships with the final release.
- IRS Tax Map: an electronic research tool and finding aid.
- Tax law frequently asked questions (FAQ).
- Tax Topics from the IRS telephone response system.
- Fill-in, print, and save features for most tax forms.
- Internal Revenue Bulletins.
- Toll-free and email technical support.
- The CD/DVD is released twice during the year in January and March.

Purchase the CD/DVD from National Technical Information Service (NTIS) at www.irs.gov/cdorders for \$35 (no handling fee) or call 1-877-CDFORMS (1-877-233-6767) toll free to buy the CD/DVD for \$35 (plus a \$5 handling fee). Price is subject to change.



CD for small businesses. Publication 3207, The Small Business Resource Guide CD, is a must for every small business owner or any taxpayer about to start a business. This year's CD includes:

- Helpful information, such as how to prepare a business plan, find financing for your business, and much more.
- All the business tax forms, instructions, and publications needed to successfully manage a business.
- Tax law changes.
- Tax Map: an electronic research tool and finding aid.
- Web links to various government agencies, business associations, and IRS organizations.
- "Rate the Product" survey—your opportunity to suggest changes for future editions.
- A site map of the CD to help you navigate the pages of the CD with ease.
- An interactive "Teens in Biz" module that gives practical tips for teens about starting their own business, creating a business plan, and filing taxes.

An updated version of this CD is available each year in early April. You can get a free copy by calling 1-800-829-3676 or by visiting www.irs.gov/smallbiz.

