

ATS Test Scenario 3
Taxpayer: Lynette Heather
SSN: 400-00-1035

Test Scenario 3 includes the following forms:

- **Form 1040**
- **Form 1099-R**
- **Form 1040 Schedule 1**
- **Form 1040 Schedule 2**
- **Form 1040 Schedule 3**
- **Schedule D**
- **Schedule E**
- **Schedule F**
- **Schedule SE**
- **Form 4835**

Identity Protection PIN: 876534

Taxpayer's Date of Birth = October 29, 1958

Taxpayer elects not to income average

Other Withholding Statement: Form 1099-R

Taxpayer is a patron in a specified agricultural cooperative.

Filing Status [X] Single [] Married filing jointly [] Married filing separately (MFS) [] Head of household (HOH) [] Qualifying widow(er) (QW)
Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent

Your first name and middle initial: Lynette
Last name: Heather
Your social security number: 400001035
If joint return, spouse's first name and middle initial:
Last name:
Spouse's social security number:

Home address (number and street): 2525 Juniper St.
Apt. no.:
City, town, or post office: Paul
State: ID
ZIP code: 83347
Foreign country name:
Foreign province/state/county:
Foreign postal code:
Presidential Election Campaign: [] You [] Spouse

At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? [X] Yes [] No

Standard Deduction Someone can claim: [] You as a dependent [] Your spouse as a dependent
[] Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: [] Were born before January 2, 1956 [] Are blind Spouse: [] Was born before January 2, 1956 [] Is blind

Table with 5 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Child tax credit, Credit for other dependents. Includes instructions for dependents.

Main income table with 15 rows. Columns include: 1 Wages, salaries, tips, etc. Attach Form(s) W-2; 2a Tax-exempt interest; 3a Qualified dividends; 4a IRA distributions; 5a Pensions and annuities; 6a Social security benefits; 7 Capital gain or (loss); 8 Other income from Schedule 1, line 9; 9 Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income; 10 Adjustments to income; 11 Subtract line 10c from line 9. This is your adjusted gross income; 12 Standard deduction or itemized deductions; 13 Qualified business income deduction; 14 Add lines 12 and 13; 15 Taxable income.

| | | |
|----|---|-----|
| 16 | Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/> | 16 |
| 17 | Amount from Schedule 2, line 3 | 17 |
| 18 | Add lines 16 and 17 | 18 |
| 19 | Child tax credit or credit for other dependents | 19 |
| 20 | Amount from Schedule 3, line 7 | 20 |
| 21 | Add lines 19 and 20 | 21 |
| 22 | Subtract line 21 from line 18. If zero or less, enter -0- | 22 |
| 23 | Other taxes, including self-employment tax, from Schedule 2, line 10 | 23 |
| 24 | Add lines 22 and 23. This is your total tax | 24 |
| 25 | Federal income tax withheld from: | |
| a | Form(s) W-2 | 25a |
| b | Form(s) 1099 | 25b |
| c | Other forms (see instructions) | 25c |
| d | Add lines 25a through 25c | 25d |
| 26 | 2020 estimated tax payments and amount applied from 2019 return | 26 |
| 27 | Earned income credit (EIC) | 27 |
| 28 | Additional child tax credit. Attach Schedule 8812 | 28 |
| 29 | American opportunity credit from Form 8863, line 8 | 29 |
| 30 | Recovery rebate credit. See instructions | 30 |
| 31 | Amount from Schedule 3, line 13 | 31 |
| 32 | Add lines 27 through 31. These are your total other payments and refundable credits | 32 |
| 33 | Add lines 25d, 26, and 32. These are your total payments | 33 |

• If you have a qualifying child, attach Sch. EIC.
 • If you have nontaxable combat pay, see instructions.

Refund

34 If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you **overpaid**

35a Amount of line 34 you want **refunded to you**. If Form 8888 is attached, check here

Direct deposit? See instructions.

▶ b Routing number: _____ ▶ c Type: Checking Savings

▶ d Account number: _____

36 Amount of line 34 you want **applied to your 2021 estimated tax**

Amount You Owe

37 Subtract line 33 from line 24. This is the **amount you owe now**

Note: Schedule H and Schedule SE filers, line 37 may not represent all of the taxes you owe for 2020. See Schedule 3, line 12e, and its instructions for details.

38 Estimated tax penalty (see instructions)

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions **Yes**. Complete below. **No**

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

Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

| | | | |
|---|------|---------------------|---|
| Your signature | Date | Your occupation | If the IRS sent you an Identity Protection PIN, enter it here (see inst.) ▶ |
| Spouse's signature. If a joint return, both must sign. | Date | Spouse's occupation | If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) ▶ |

Phone no. _____ Email address _____

Paid Preparer Use Only

| | | | | |
|------------------|----------------------|------|------|---|
| Preparer's name | Preparer's signature | Date | PTIN | Check if: <input type="checkbox"/> Self-employed |
| Firm's name ▶ | Firm's address ▶ | | | Phone no. _____ |
| Firm's address ▶ | Firm's EIN ▶ | | | |

VOID CORRECTED

Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

| | | | | | | | |
|---|--|--|--|--|--|---|--|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and phone no. Primrose Retirement Fund 1231 Juniper St Paul, ID 83347 | | 1 Gross distribution \$ 39,240 | | OMB No. 1545-0119 2020 Form 1099-R | | | |
| | | 2a Taxable amount \$ 28,200 | | | | | |
| | | 2b Taxable amount not determined <input type="checkbox"/> | | Total distribution <input type="checkbox"/> | | | |
| PAYER'S TIN 00-0000009 | | RECIPIENT'S TIN 400-00-1035 | | 3 Capital gain (included in box 2a) \$ | | | |
| | | 4 Federal income tax withheld \$ 1,745 | | Copy 1 For State, City, or Local Tax Department | | | |
| RECIPIENT'S name Lynette Heather Street address (including apt. no.) 2525 Juniper St City or town, state or province, country, and ZIP or foreign postal code Paul, ID 83347 | | 5 Employee contributions/ Designated Roth contributions or insurance premiums \$ | | | | 6 Net unrealized appreciation in employer's securities \$ | |
| | | 7 Distribution code(s) 7 | | | | IRA/SEP/SIMPLE <input type="checkbox"/> 8 Other \$ % | |
| | | 9a Your percentage of total distribution % | | | | 9b Total employee contributions \$ | |
| 10 Amount allocable to IRR within 5 years \$ | | 11 1st year of desig. Roth contrib. | | 12 FATCA filing requirement <input type="checkbox"/> | | | |
| | | 13 Date of payment | | 14 State tax withheld \$ | | | |
| Account number (see instructions) | | | | 15 State/Payer's state no. | | | |
| | | | | 16 State distribution \$ | | | |
| | | | | 17 Local tax withheld \$ | | | |
| | | | | 18 Name of locality | | | |
| | | | | 19 Local distribution \$ | | | |

**SCHEDULE 1
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

▶ Attach to Form 1040, 1040-SR, or 1040-NR.
▶ Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2020
Attachment
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Lynette Heather

Your social security number

400-00-1035

Part I Additional Income

| | | | |
|----|---|----|-----|
| 1 | Taxable refunds, credits, or offsets of state and local income taxes | 1 | 311 |
| 2a | Alimony received | 2a | |
| b | Date of original divorce or separation agreement (see instructions) ▶ _____ | | |
| 3 | Business income or (loss). Attach Schedule C | 3 | |
| 4 | Other gains or (losses). Attach Form 4797 | 4 | |
| 5 | Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E | 5 | |
| 6 | Farm income or (loss). Attach Schedule F | 6 | |
| 7 | Unemployment compensation | 7 | |
| 8 | Other income. List type and amount ▶ _____ | 8 | |
| 9 | Combine lines 1 through 8. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8 | 9 | |

Part II Adjustments to Income

| | | | |
|-----|---|-----|--|
| 10 | Educator expenses | 10 | |
| 11 | Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 | 11 | |
| 12 | Health savings account deduction. Attach Form 8889 | 12 | |
| 13 | Moving expenses for members of the Armed Forces. Attach Form 3903 | 13 | |
| 14 | Deductible part of self-employment tax. Attach Schedule SE | 14 | |
| 15 | Self-employed SEP, SIMPLE, and qualified plans | 15 | |
| 16 | Self-employed health insurance deduction | 16 | |
| 17 | Penalty on early withdrawal of savings | 17 | |
| 18a | Alimony paid | 18a | |
| b | Recipient's SSN ▶ _____ | | |
| c | Date of original divorce or separation agreement (see instructions) ▶ _____ | | |
| 19 | IRA deduction | 19 | |
| 20 | Student loan interest deduction | 20 | |
| 21 | Tuition and fees deduction. Attach Form 8917 | 21 | |
| 22 | Add lines 10 through 21. These are your adjustments to income . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 10a | 22 | |

**SCHEDULE 2
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Taxes

▶ **Attach to Form 1040, 1040-SR, or 1040-NR.**
▶ **Go to www.irs.gov/Form1040 for instructions and the latest information.**

OMB No. 1545-0074

2020
Attachment
Sequence No. **02**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Lynette Heather

Your social security number

400-00-1035

Part I Tax

| | | |
|----------|--|----------|
| 1 | Alternative minimum tax. Attach Form 6251 | 1 |
| 2 | Excess advance premium tax credit repayment. Attach Form 8962 | 2 |
| 3 | Add lines 1 and 2. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 17 | 3 |

Part II Other Taxes

| | | |
|-----------|--|-----------|
| 4 | Self-employment tax. Attach Schedule SE | 4 |
| 5 | Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919 | 5 |
| 6 | Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts. Attach Form 5329 if required | 6 |
| 7a | Household employment taxes. Attach Schedule H | 7a |
| b | Repayment of first-time homebuyer credit from Form 5405. Attach Form 5405 if required | 7b |
| 8 | Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s) _____ | 8 |
| 9 | Section 965 net tax liability installment from Form 965-A | 9 |
| 10 | Add lines 4 through 8. These are your total other taxes . Enter here and on Form 1040 or 1040-SR, line 23, or Form 1040-NR, line 23b | 10 |

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71478U

Schedule 2 (Form 1040) 2020

**SCHEDULE 3
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Credits and Payments

▶ Attach to Form 1040, 1040-SR, or 1040-NR.
▶ Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2020
Attachment
Sequence No. **03**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Lynette Heather

Your social security number

400-00-1035

Part I Nonrefundable Credits

| | | |
|---|---|---|
| 1 | Foreign tax credit. Attach Form 1116 if required | 1 |
| 2 | Credit for child and dependent care expenses. Attach Form 2441 | 2 |
| 3 | Education credits from Form 8863, line 19 | 3 |
| 4 | Retirement savings contributions credit. Attach Form 8880 | 4 |
| 5 | Residential energy credits. Attach Form 5695 | 5 |
| 6 | Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/> | 6 |
| 7 | Add lines 1 through 6. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 20 | 7 |

Part II Other Payments and Refundable Credits

| | | |
|----|---|-----|
| 8 | Net premium tax credit. Attach Form 8962 | 8 |
| 9 | Amount paid with request for extension to file (see instructions) | 9 |
| 10 | Excess social security and tier 1 RRTA tax withheld | 10 |
| 11 | Credit for federal tax on fuels. Attach Form 4136 | 11 |
| 12 | Other payments or refundable credits: | |
| a | Form 2439 | 12a |
| b | Qualified sick and family leave credits from Schedule(s) H and Form(s) 7202 | 12b |
| c | Health coverage tax credit from Form 8885 | 12c |
| d | Other: | 12d |
| e | Deferral for certain Schedule H or SE filers (see instructions) | 12e |
| f | Add lines 12a through 12e | 12f |
| 13 | Add lines 8 through 12f. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 31 | 13 |

SCHEDULE D
(Form 1040)

Capital Gains and Losses

OMB No. 1545-0074

2020

Attachment
Sequence No. **12**

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to Form 1040, 1040-SR, or 1040-NR.**
▶ **Go to www.irs.gov/ScheduleD for instructions and the latest information.**
▶ **Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.**

Name(s) shown on return

Lynette Heather

Your social security number

400-00-1035

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? **Yes** **No**
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses—Generally Assets Held One Year or Less (see instructions)

See instructions for how to figure the amounts to enter on the lines below.
This form may be easier to complete if you round off cents to whole dollars.

| | (d) Proceeds (sales price) | (e) Cost (or other basis) | (g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g) | (h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g) |
|--|----------------------------------|---------------------------------|---|---|
| 1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b | 9,350 | 6,380 | | |
| 1b Totals for all transactions reported on Form(s) 8949 with Box A checked | | | | |
| 2 Totals for all transactions reported on Form(s) 8949 with Box B checked | | | | |
| 3 Totals for all transactions reported on Form(s) 8949 with Box C checked | | | | |
| 4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824 | | | | 4 |
| 5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 | | | | 5 |
| 6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions | | | | 6 () |
| 7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back | | | | 7 |

Part II Long-Term Capital Gains and Losses—Generally Assets Held More Than One Year (see instructions)

See instructions for how to figure the amounts to enter on the lines below.
This form may be easier to complete if you round off cents to whole dollars.

| | (d) Proceeds (sales price) | (e) Cost (or other basis) | (g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g) | (h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g) |
|---|----------------------------------|---------------------------------|--|---|
| 8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b | 9,370 | 7,170 | | |
| 8b Totals for all transactions reported on Form(s) 8949 with Box D checked | | | | |
| 9 Totals for all transactions reported on Form(s) 8949 with Box E checked | | | | |
| 10 Totals for all transactions reported on Form(s) 8949 with Box F checked | | | | |
| 11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824 | | | | 11 |
| 12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 | | | | 12 |
| 13 Capital gain distributions. See the instructions | | | | 13 |
| 14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions | | | | 14 () |
| 15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column (h). Then, go to Part III on the back | | | | 15 |

Part III Summary

| | | |
|---|---------------|----------|
| <p>16 Combine lines 7 and 15 and enter the result</p> <ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, 1040-SR, or 1040-NR, line 7. Then, go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then, go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, 1040-SR, or 1040-NR, line 7. Then, go to line 22. | 16 | |
| <p>17 Are lines 15 and 16 both gains?</p> <p><input type="checkbox"/> Yes. Go to line 18.</p> <p><input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p> | | |
| <p>18 If you are required to complete the 28% Rate Gain Worksheet (see instructions), enter the amount, if any, from line 7 of that worksheet ▶</p> | 18 | 0 |
| <p>19 If you are required to complete the Unrecaptured Section 1250 Gain Worksheet (see instructions), enter the amount, if any, from line 18 of that worksheet ▶</p> | 19 | 0 |
| <p>20 Are lines 18 and 19 both zero or blank?</p> <p><input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Forms 1040 and 1040-SR, line 16. Don't complete lines 21 and 22 below.</p> <p><input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Don't complete lines 21 and 22 below.</p> | | |
| <p>21 If line 16 is a loss, enter here and on Form 1040, 1040-SR, or 1040-NR, line 7, the smaller of:</p> <ul style="list-style-type: none"> • The loss on line 16; or • (\$3,000), or if married filing separately, (\$1,500) } <p>Note: When figuring which amount is smaller, treat both amounts as positive numbers.</p> | 21 () | |
| <p>22 Do you have qualified dividends on Form 1040, 1040-SR, or 1040-NR, line 3a?</p> <p><input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Forms 1040 and 1040-SR, line 16.</p> <p><input type="checkbox"/> No. Complete the rest of Form 1040, 1040-SR, or 1040-NR.</p> | | |

SCHEDULE E
(Form 1040)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

OMB No. 1545-0074

2020

Attachment
Sequence No. **13**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040-SR, 1040-NR, or 1041.

▶ Go to www.irs.gov/ScheduleE for instructions and the latest information.

Name(s) shown on return

Your social security number

Lynette Heather

400-00-1035

Part I Income or Loss From Rental Real Estate and Royalties Note: If you are in the business of renting personal property, use **Schedule C**. See instructions. If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

- A** Did you make any payments in 2020 that would require you to file Form(s) 1099? See instructions **Yes** **No**
B If "Yes," did you or will you file required Form(s) 1099? **Yes** **No**

| | | | | | |
|-----------|---|--|------------------|-------------------|--------------------------|
| 1a | Physical address of each property (street, city, state, ZIP code) | | | | |
| A | | | | | |
| B | | | | | |
| C | | | | | |
| 1b | Type of Property (from list below) | 2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions. | Fair Rental Days | Personal Use Days | QJV |
| A | | A | | | <input type="checkbox"/> |
| B | | B | | | <input type="checkbox"/> |
| C | | C | | | <input type="checkbox"/> |

Type of Property:

- 1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
 2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

| | | | | |
|---------------------------------------|--------------------|----------|----------|----------|
| Income: | Properties: | A | B | C |
| 3 Rents received | 3 | | | |
| 4 Royalties received | 4 | | | |

| | | | |
|--|-----------|--|--|
| Expenses: | | | |
| 5 Advertising | 5 | | |
| 6 Auto and travel (see instructions) | 6 | | |
| 7 Cleaning and maintenance | 7 | | |
| 8 Commissions. | 8 | | |
| 9 Insurance | 9 | | |
| 10 Legal and other professional fees | 10 | | |
| 11 Management fees | 11 | | |
| 12 Mortgage interest paid to banks, etc. (see instructions) | 12 | | |
| 13 Other interest. | 13 | | |
| 14 Repairs. | 14 | | |
| 15 Supplies | 15 | | |
| 16 Taxes | 16 | | |
| 17 Utilities. | 17 | | |
| 18 Depreciation expense or depletion | 18 | | |
| 19 Other (list) ▶ | 19 | | |
| 20 Total expenses. Add lines 5 through 19 | 20 | | |

| | | | | |
|--|-----------|-----|-----|-----|
| 21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198 | 21 | | | |
| 22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions) | 22 | () | () | () |

| | | | |
|--|------------|--|--|
| 23a Total of all amounts reported on line 3 for all rental properties | 23a | | |
| b Total of all amounts reported on line 4 for all royalty properties | 23b | | |
| c Total of all amounts reported on line 12 for all properties | 23c | | |
| d Total of all amounts reported on line 18 for all properties | 23d | | |
| e Total of all amounts reported on line 20 for all properties | 23e | | |

| | | |
|--|-----------|-----|
| 24 Income. Add positive amounts shown on line 21. Do not include any losses | 24 | |
| 25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here | 25 | () |

| | | |
|---|-----------|--|
| 26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040), line 5. Otherwise, include this amount in the total on line 41 on page 2 | 26 | |
|---|-----------|--|

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

Lynette Heather

400-00-1035

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations - Note: If you report a loss, receive a distribution, dispose of stock, or receive a loan repayment from an S corporation, you must check the box in column (e) on line 28 and attach the required basis computation. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (f) on line 28 and attach Form 6198. See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see instructions before completing this section. Yes No

Table with 6 columns: (a) Name, (b) Enter P for partnership; S for S corporation, (c) Check if foreign partnership, (d) Employer identification number, (e) Check if basis computation is required, (f) Check if any amount is not at risk. Rows A, B, C, D.

Table with 5 columns: (g) Passive loss allowed, (h) Passive income from Schedule K-1, (i) Nonpassive loss allowed, (j) Section 179 expense deduction from Form 4562, (k) Nonpassive income from Schedule K-1. Rows A, B, C, D, 29a Totals, 29b Totals, 30, 31, 32.

Part III Income or Loss From Estates and Trusts

Table with 2 columns: (a) Name, (b) Employer identification number. Rows A, B.

Table with 4 columns: (c) Passive deduction or loss allowed, (d) Passive income from Schedule K-1, (e) Deduction or loss from Schedule K-1, (f) Other income from Schedule K-1. Rows A, B, 34a Totals, 34b Totals, 35, 36, 37.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

Table with 5 columns: (a) Name, (b) Employer identification number, (c) Excess inclusion from Schedules Q, line 2c, (d) Taxable income (net loss) from Schedules Q, line 1b, (e) Income from Schedules Q, line 3b. Rows 38, 39.

Part V Summary

Table with 2 columns: Description, Amount. Rows 40, 41, 42, 43.

SCHEDULE F
(Form 1040)

Profit or Loss From Farming

OMB No. 1545-0074

2020
Attachment
Sequence No. **14**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1040-SR, Form 1040-NR, Form 1041, or Form 1065.
▶ Go to www.irs.gov/ScheduleF for instructions and the latest information.

| | | | |
|--|--|--|--|
| Name of proprietor Lynette Heather | | Social security number (SSN) 400-00-1035 | |
| A Principal crop or activity Floral Plants | B Enter code from Part IV ▶ 1 1 1 4 0 0 | C Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual | D Employer ID number (EIN) (see instr.) |
| E Did you "materially participate" in the operation of this business during 2020? If "No," see instructions for limit on passive losses | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| F Did you make any payments in 2020 that would require you to file Form(s) 1099? See instructions | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| G If "Yes," did you or will you file required Form(s) 1099? | | <input type="checkbox"/> Yes <input type="checkbox"/> No | |

Part I Farm Income—Cash Method. Complete Parts I and II. (Accrual method. Complete Parts II and III, and Part I, line 9.)

| | | | |
|---|-----------|--------------|-------------------------------------|
| 1a Sales of livestock and other resale items (see instructions) | 1a | 7,311 | |
| b Cost or other basis of livestock or other items reported on line 1a | 1b | 0 | |
| c Subtract line 1b from line 1a | | | 1c |
| 2 Sales of livestock, produce, grains, and other products you raised | | | 2 |
| 3a Cooperative distributions (Form(s) 1099-PATR) | 3a | | 3b Taxable amount |
| 4a Agricultural program payments (see instructions) | 4a | | 4b Taxable amount |
| 5a Commodity Credit Corporation (CCC) loans reported under election | | | 5a |
| b CCC loans forfeited | 5b | | 5c Taxable amount |
| 6 Crop insurance proceeds and federal crop disaster payments (see instructions): | | | |
| a Amount received in 2020 | 6a | | 6b Taxable amount |
| c If election to defer to 2021 is attached, check here <input type="checkbox"/> | | | 6d Amount deferred from 2019 |
| 7 Custom hire (machine work) income | | | 7 |
| 8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) | | | 8 |
| 9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50. See instructions | | | 9 |

Part II Farm Expenses—Cash and Accrual Method. Do not include personal or living expenses. See instructions.

| | | | | |
|--|------------|------------|--|------------------------|
| 10 Car and truck expenses (see instructions). Also attach Form 4562 | 10 | | 23 Pension and profit-sharing plans | 23 |
| 11 Chemicals | 11 | 740 | 24 Rent or lease (see instructions): | |
| 12 Conservation expenses (see instructions) | 12 | | a Vehicles, machinery, equipment | 24a |
| 13 Custom hire (machine work) | 13 | | b Other (land, animals, etc.) | 24b |
| 14 Depreciation and section 179 expense (see instructions) | 14 | | 25 Repairs and maintenance | 25 333 |
| 15 Employee benefit programs other than on line 23 | 15 | | 26 Seeds and plants | 26 1,900 |
| 16 Feed | 16 | 250 | 27 Storage and warehousing | 27 |
| 17 Fertilizers and lime | 17 | 237 | 28 Supplies | 28 44 |
| 18 Freight and trucking | 18 | | 29 Taxes | 29 |
| 19 Gasoline, fuel, and oil | 19 | | 30 Utilities | 30 |
| 20 Insurance (other than health) | 20 | 985 | 31 Veterinary, breeding, and medicine | 31 |
| 21 Interest (see instructions): | | | 32 Other expenses (specify): | |
| a Mortgage (paid to banks, etc.) | 21a | | a ----- | 32a |
| b Other | 21b | | b ----- | 32b |
| 22 Labor hired (less employment credits) | 22 | | c ----- | 32c |
| | | | d ----- | 32d |
| | | | e ----- | 32e |
| | | | f ----- | 32f |
| 33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions | | | | 33 |
| 34 Net farm profit or (loss). Subtract line 33 from line 9 | | | | 34 |

If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36.

35 Reserved for future use.

36 Check the box that describes your investment in this activity and see instructions for where to report your loss:

a All investment is at risk. **b** Some investment is not at risk.

Part III Farm Income—Accrual Method (see instructions).

| | | | |
|------------|--|--------------------|---------------------------|
| 37 | Sales of livestock, produce, grains, and other products (see instructions) | | 37 |
| 38a | Cooperative distributions (Form(s) 1099-PATR) | 38a _____ | 38b Taxable amount |
| 39a | Agricultural program payments | 39a _____ | 39b Taxable amount |
| 40 | Commodity Credit Corporation (CCC) loans: | | |
| a | CCC loans reported under election | | 40a |
| b | CCC loans forfeited | 40b _____ | 40c Taxable amount |
| 41 | Crop insurance proceeds | | 41 |
| 42 | Custom hire (machine work) income | | 42 |
| 43 | Other income (see instructions) | | 43 |
| 44 | Add amounts in the right column for lines 37 through 43 (lines 37, 38b, 39b, 40a, 40c, 41, 42, and 43) | | 44 |
| 45 | Inventory of livestock, produce, grains, and other products at beginning of the year. Do not include sales reported on Form 4797 | 45 | |
| 46 | | 46 | |
| 47 | | 47 | |
| 48 | | 48 | |
| 49 | Cost of livestock, produce, grains, and other products sold. Subtract line 48 from line 47* | | 49 |
| 50 | Gross income. Subtract line 49 from line 44. Enter the result here and on Part I, line 9 | | 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 I, line 9.

Part IV Principal Agricultural Activity Codes



Do not file Schedule F (Form 1040) to report the following.

- Income from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management for a fee or on a contract basis. Instead, file Schedule C (Form 1040).
- Income from breeding, raising, or caring for dogs, cats, or other pet animals. Instead, file Schedule C (Form 1040).
- Sales of livestock held for draft, breeding, sport, or dairy purposes. Instead, file Form 4797.

These codes for the Principal Agricultural Activity classify farms by their primary activity to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select the code that best identifies your primary farming activity and enter the six-digit number on line B.

Crop Production

- 111100 Oilseed and grain farming
- 111210 Vegetable and melon farming

- 111300 Fruit and tree nut farming
- 111400 Greenhouse, nursery, and floriculture production
- 111900 Other crop farming

Animal Production

- 112111 Beef cattle ranching and farming
- 112112 Cattle feedlots
- 112120 Dairy cattle and milk production
- 112210 Hog and pig farming
- 112300 Poultry and egg production
- 112400 Sheep and goat farming
- 112510 Aquaculture
- 112900 Other animal production

Forestry and Logging

- 113000 Forestry and logging (including forest nurseries and timber tracts)

**SCHEDULE SE
(Form 1040)**

Self-Employment Tax

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service (99)

▶ Go to www.irs.gov/ScheduleSE for instructions and the latest information.
▶ Attach to Form 1040, 1040-SR, or 1040-NR.

2020
Attachment
Sequence No. **17**

Name of person with self-employment income (as shown on Form 1040, 1040-SR, or 1040-NR)

Social security number of person
with self-employment income ▶

400-00-1035

Lynette Heather

Part I Self-Employment Tax

Note: If your only income subject to self-employment tax is **church employee income**, see instructions for how to report your income and the definition of church employee income.

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

Skip lines 1a and 1b if you use the farm optional method in Part II. See instructions.

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A **1a**

b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code AH **1b** ()

Skip line 2 if you use the nonfarm optional method in Part II. See instructions.

2 Net profit or (loss) from Schedule C, line 31; and Schedule K-1 (Form 1065), box 14, code A (other than farming). See instructions for other income to report or if you are a minister or member of a religious order **2**

3 Combine lines 1a, 1b, and 2 **3**

4a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3 **4a** **0**

Note: If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.

b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here **4b**

c Combine lines 4a and 4b. If less than \$400, **stop**; you don't 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 W-2. See instructions for definition of church employee income **5a**

b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0- **5b** **0**

6 Add lines 4c and 5b **6**

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 2020 **7** 137,700

8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$137,700 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 **8b**

c Wages subject to social security tax from Form 8919, line 10 **8c**

d Add lines 8a, 8b, and 8c **8d** **0**

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% (0.124) **10**

11 Multiply line 6 by 2.9% (0.029) **11**

12 **Self-employment tax.** Add lines 10 and 11. Enter here and on **Schedule 2 (Form 1040), line 4** **12**

13 **Deduction for one-half of self-employment tax.** Multiply line 12 by 50% (0.50). Enter here and on **Schedule 1 (Form 1040), line 14** **13**

Part II Optional Methods To Figure Net Earnings (see instructions)

Farm Optional Method. You may use this method **only** if **(a)** your gross farm income¹ wasn't more than \$8,460, **or (b)** your net farm profits² were less than \$6,107.

14 Maximum income for optional methods **14** 5,640

15 Enter the **smaller** of: two-thirds (2/3) of gross farm income¹ (not less than zero) **or** \$5,640. Also, include this amount on line 4b above **15**

Nonfarm Optional Method. You may use this method **only** if **(a)** your net nonfarm profits³ were less than \$6,107 and also less than 72.189% of your gross nonfarm income,⁴ **and (b)** you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution:** You may use this method no more than five times.

16 Subtract line 15 from line 14 **16**

17 Enter the **smaller** of: two-thirds (2/3) of gross nonfarm income⁴ (not less than zero) **or** the amount on line 16. Also, include this amount on line 4b above **17**

¹ From Sch. F, line 9; and Sch. K-1 (Form 1065), box 14, code B.

² From Sch. F, line 34; and Sch. K-1 (Form 1065), box 14, code A—minus the amount you would have entered on line 1b had you not used the optional method.

³ From Sch. C, line 31; and Sch. K-1 (Form 1065), box 14, code A.

⁴ From Sch. C, line 7; and Sch. K-1 (Form 1065), box 14, code C.

Part III Maximum Deferral of Self-Employment Tax Payments

If line 4c is zero, skip lines 18 through 20, and enter -0- on line 21.

| | | | |
|--|--|-----------|----------|
| 18 | Enter the portion of line 3 that can be attributed to March 27, 2020, through December 31, 2020 . . . | 18 | |
| 19 | If line 18 is more than zero, multiply line 18 by 92.35% (0.9235); otherwise, enter the amount from line 18 . . . | 19 | |
| 20 | Enter the portion of lines 15 and 17 that can be attributed to March 27, 2020, through December 31, 2020 . . . | 20 | |
| 21 | Combine lines 19 and 20 . . . | 21 | |
| If line 5b is zero, skip line 22 and enter -0- on line 23. | | | |
| 22 | Enter the portion of line 5a that can be attributed to March 27, 2020, through December 31, 2020 . . . | 22 | |
| 23 | Multiply line 22 by 92.35% (0.9235) . . . | 23 | 0 |
| 24 | Add lines 21 and 23 . . . | 24 | |
| 25 | Enter the smaller of line 9 or line 24 . . . | 25 | |
| 26 | Multiply line 25 by 6.2% (0.062). Enter here and see the instructions for line 12e of Schedule 3 (Form 1040) . . . | 26 | |

DRAFT AS OF August 10, 2020 DO NOT FILE

Farm Rental Income and Expenses
(Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor)
(Income not subject to self-employment tax)

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1040-SR, or Form 1040-NR.
▶ Go to www.irs.gov/Form4835 for the latest information.

Attachment
Sequence No. **37**

Name(s) shown on tax return

Lynette Heather

Your social security number

400-00-1035

Employer ID number (EIN), if any

A Did you actively participate in the operation of this farm during 2020? See instructions Yes No

Part I Gross Farm Rental Income—Based on Production. Include amounts converted to cash or the equivalent.

| | | | |
|-----------|---|-----------|---------------------------|
| 1 | Income from production of livestock, produce, grains, and other crops | 1 | 9,620 |
| 2a | Cooperative distributions (Form(s) 1099-PATR) | 2a | 0 |
| 2b | Taxable amount | 2b | |
| 3a | Agricultural program payments (see instructions) | 3a | 0 |
| 3b | Taxable amount | 3b | |
| 4 | Commodity Credit Corporation (CCC) loans (see instructions): | | |
| a | CCC loans reported under election | 4a | 0 |
| b | CCC loans forfeited | 4b | 0 |
| 4c | Taxable amount | 4c | |
| 5 | Crop insurance proceeds and federal crop disaster payments (see instructions): | | |
| a | Amount received in 2020 | 5a | 0 |
| 5b | Taxable amount | 5b | |
| c | If election to defer to 2021 is attached, check here <input type="checkbox"/> | 5d | Amount deferred from 2019 |
| 5d | | 5d | |
| 6 | Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) | 6 | 0 |
| 7 | Gross farm rental income. Add amounts in the right column for lines 1 through 6. Enter the total here and on Schedule E (Form 1040), line 42 | 7 | |

Part II Expenses—Farm Rental Property. Do not include personal or living expenses.

| | | | | | | | |
|-----------|--|------------|-------|-----------|---|------------|-----|
| 8 | Car and truck expenses (see Schedule F (Form 1040) instructions). Also attach Form 4562 | 8 | | 21 | Pension and profit-sharing plans | 21 | |
| 9 | Chemicals | 9 | 2,200 | 22 | Rent or lease: | | |
| 10 | Conservation expenses (see instructions) | 10 | | a | Vehicles, machinery, and equipment (see instructions) | 22a | |
| 11 | Custom hire (machine work) | 11 | | b | Other (land, animals, etc.) | 22b | |
| 12 | Depreciation and section 179 expense deduction not claimed elsewhere | 12 | | 23 | Repairs and maintenance | 23 | |
| 13 | Employee benefit programs other than on line 21 (see Schedule F (Form 1040) instructions) | 13 | | 24 | Seeds and plants | 24 | |
| 14 | Feed | 14 | | 25 | Storage and warehousing | 25 | |
| 15 | Fertilizers and lime | 15 | | 26 | Supplies | 26 | |
| 16 | Freight and trucking | 16 | | 27 | Taxes | 27 | 890 |
| 17 | Gasoline, fuel, and oil | 17 | 720 | 28 | Utilities | 28 | |
| 18 | Insurance (other than health) | 18 | 90 | 29 | Veterinary, breeding, and medicine | 29 | |
| 19 | Interest (see instructions): | | | 30 | Other expenses (specify): | | |
| a | Mortgage (paid to banks, etc.) | 19a | | a | ----- | 30a | |
| b | Other | 19b | | b | ----- | 30b | |
| 20 | Labor hired (less employment credits) (see Schedule F (Form 1040) instructions) | 20 | | c | ----- | 30c | |
| | | | | d | ----- | 30d | |
| | | | | e | ----- | 30e | |
| | | | | f | ----- | 30f | |
| | | | | g | ----- | 30g | |

31 Total expenses. Add lines 8 through 30g. See instructions

32 Net farm rental income or (loss). Subtract line 31 from line 7. If the result is income, enter it here and on Schedule E (Form 1040), line 40. If the result is a loss, you **must** go to line 34. See instructions.

33 Reserved for future use

34 If line 32 is a loss, check the box that describes your investment in this activity. See instructions.

34a All investment is at risk.

34b Some investment is not at risk.

c You may have to complete **Form 8582** to determine your deductible loss, regardless of which box you checked. If you checked box 34b, you **must** complete **Form 6198** before going to Form 8582. In either case, enter the **deductible loss** here and on Schedule E (Form 1040), line 40. See instructions.