

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

**Test Scenario 3 includes the following forms:**

- **Form 1040**
- **Form 1099-R**
- **Schedule D**
- **Schedule E**
- **Schedule F**
- **Form 4835**
- **Form 6252**

**Primary Date of Birth = 10-29-1952**

**Taxpayer elects not to income average.**

For the year Jan. 1–Dec. 31, 2013, or other tax year beginning

, 2013, ending

, 20

See separate instructions.

Your first name and initial

Lynette

Last name

Heather

Your social security number

4 0 0 0 0 1 0 3 5

If a joint return, spouse's first name and initial

Last name

Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.

2525 Juniper St

Apt. no.

▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Paul, ID 83347

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. ☒ You ☐ Spouse

Foreign country name

Foreign province/state/county

Foreign postal code

## Filing Status

1 ☒ Single2 ☐ Married filing jointly (even if only one had income)3 ☐ Married filing separately. Enter spouse's SSN above and full name here. ▶4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶5 ☐ Qualifying widow(er) with dependent child

Check only one box.

## Exemptions

6a ☒ Yourself. If someone can claim you as a dependent, do not check box 6a . . . . .b ☐ Spouse . . . . .

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

If more than four dependents, see instructions and check here ▶ ☐

Boxes checked on 6a and 6b

1

No. of children on 6c who:

• lived with you  
• did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above

Add numbers on lines above ▶

1

d Total number of exemptions claimed . . . . .

## Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2

8a Taxable interest. Attach Schedule B if required

b Tax-exempt interest. Do not include on line 8a

8b

9a Ordinary dividends. Attach Schedule B if required

b Qualified dividends

9b

10 Taxable refunds, credits, or offsets of state and local income taxes

11 Alimony received

12 Business income or (loss). Attach Schedule C or C-EZ

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐

14 Other gains or (losses). Attach Form 4797

15a IRA distributions

15a

b Taxable amount

16a Pensions and annuities

16a

b Taxable amount

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E

18 Farm income or (loss). Attach Schedule F

19 Unemployment compensation

20a Social security benefits

20a

b Taxable amount

21 Other income. List type and amount

22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

## Adjusted Gross Income

23 Educator expenses

24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ

25 Health savings account deduction. Attach Form 8889

26 Moving expenses. Attach Form 3903

27 Deductible part of self-employment tax. Attach Schedule SE

28 Self-employed SEP, SIMPLE, and qualified plans

29 Self-employed health insurance deduction

30 Penalty on early withdrawal of savings

31a Alimony paid b Recipient's SSN ▶

32 IRA deduction

33 Student loan interest deduction

34 Tuition and fees. Attach Form 8917

35 Domestic production activities deduction. Attach Form 8903

36 Add lines 23 through 35

37 Subtract line 36 from line 22. This is your adjusted gross income ▶

**Tax and Credits****Standard Deduction for—**

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others:  
Single or Married filing separately, \$6,100  
Married filing jointly or Qualifying widow(er), \$12,200  
Head of household, \$8,950

<b>38</b>	Amount from line 37 (adjusted gross income)	<b>38</b>	
<b>39a</b>	Check <input type="checkbox"/> <b>You</b> were born before January 2, 1949, <input type="checkbox"/> <b>Blind.</b> <input type="checkbox"/> <b>Spouse</b> was born before January 2, 1949, <input type="checkbox"/> <b>Blind.</b> <b>Total boxes checked</b> <b>39a</b> <input type="checkbox"/>		
<b>b</b>	If your spouse itemizes on a separate return or you were a dual-status alien, check here <b>39b</b> <input type="checkbox"/>		
<b>40</b>	<b>Itemized deductions</b> (from Schedule A) or your <b>standard deduction</b> (see left margin)	<b>40</b>	
<b>41</b>	Subtract line 40 from line 38	<b>41</b>	
<b>42</b>	<b>Exemptions.</b> If line 38 is \$150,000 or less, multiply \$3,900 by the number on line 6d. Otherwise, see instructions	<b>42</b>	
<b>43</b>	<b>Taxable income.</b> Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	<b>43</b>	
<b>44</b>	<b>Tax</b> (see instructions). Check if any from: <b>a</b> <input type="checkbox"/> Form(s) 8814 <b>b</b> <input type="checkbox"/> Form 4972 <b>c</b> <input type="checkbox"/>	<b>44</b>	
<b>45</b>	<b>Alternative minimum tax</b> (see instructions). Attach Form 6251	<b>45</b>	
<b>46</b>	Add lines 44 and 45	<b>46</b>	
<b>47</b>	Foreign tax credit. Attach Form 1116 if required	<b>47</b>	
<b>48</b>	Credit for child and dependent care expenses. Attach Form 2441	<b>48</b>	
<b>49</b>	Education credits from Form 8863, line 19	<b>49</b>	
<b>50</b>	Retirement savings contributions credit. Attach Form 8880	<b>50</b>	
<b>51</b>	Child tax credit. Attach Schedule 8812, if required	<b>51</b>	
<b>52</b>	Residential energy credits. Attach Form 5695	<b>52</b>	
<b>53</b>	Other credits from Form: <b>a</b> <input type="checkbox"/> 3800 <b>b</b> <input type="checkbox"/> 8801 <b>c</b> <input type="checkbox"/>	<b>53</b>	
<b>54</b>	Add lines 47 through 53. These are your <b>total credits</b>	<b>54</b>	
<b>55</b>	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	<b>55</b>	
<b>56</b>	Self-employment tax. Attach Schedule SE	<b>56</b>	
<b>57</b>	Unreported social security and Medicare tax from Form: <b>a</b> <input type="checkbox"/> 4137 <b>b</b> <input type="checkbox"/> 8919	<b>57</b>	
<b>58</b>	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	<b>58</b>	
<b>59a</b>	Household employment taxes from Schedule H	<b>59a</b>	
<b>b</b>	First-time homebuyer credit repayment. Attach Form 5405 if required	<b>59b</b>	
<b>60</b>	Taxes from: <b>a</b> <input type="checkbox"/> Form 8959 <b>b</b> <input type="checkbox"/> Form 8960 <b>c</b> <input type="checkbox"/> Instructions; enter code(s)	<b>60</b>	
<b>61</b>	Add lines 55 through 60. This is your <b>total tax</b>	<b>61</b>	
<b>62</b>	Federal income tax withheld from Forms W-2 and 1099	<b>62</b>	
<b>63</b>	2013 estimated tax payments and amount applied from 2012 return	<b>63</b>	
<b>64a</b>	<b>Earned income credit (EIC)</b>	<b>64a</b>	
<b>b</b>	Nontaxable combat pay election <b>64b</b>		
<b>65</b>	Additional child tax credit. Attach Schedule 8812	<b>65</b>	
<b>66</b>	American opportunity credit from Form 8863, line 8	<b>66</b>	
<b>67</b>	Reserved	<b>67</b>	
<b>68</b>	Amount paid with request for extension to file	<b>68</b>	
<b>69</b>	Excess social security and tier 1 RRTA tax withheld	<b>69</b>	
<b>70</b>	Credit for federal tax on fuels. Attach Form 4136	<b>70</b>	
<b>71</b>	Credits from Form: <b>a</b> <input type="checkbox"/> 2439 <b>b</b> <input type="checkbox"/> Reserved <b>c</b> <input type="checkbox"/> 8885 <b>d</b> <input type="checkbox"/>	<b>71</b>	
<b>72</b>	Add lines 62, 63, 64a, and 65 through 71. These are your <b>total payments</b>	<b>72</b>	
<b>73</b>	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you <b>overpaid</b>	<b>73</b>	
<b>74a</b>	Amount of line 73 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>74a</b>	
<b>b</b>	Routing number <b>2 5 3 1 7 4 5 7 6</b> <b>c</b> Type: <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings		
<b>d</b>	Account number <b>0 6 5 4 2 1 5 3</b>		
<b>75</b>	Amount of line 73 you want <b>applied to your 2014 estimated tax</b>	<b>75</b>	
<b>76</b>	<b>Amount you owe.</b> Subtract line 72 from line 61. For details on how to pay, see instructions	<b>76</b>	
<b>77</b>	Estimated tax penalty (see instructions)	<b>77</b>	

**Payments**

If you have a qualifying child, attach Schedule EIC.

**Refund**

Direct deposit? See instructions.

**Amount You Owe****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

Daytime phone number

Spouse's signature. If a joint return, **both** must sign.

Date

Spouse's occupation

If the IRS sent you an Identity Protection PIN, enter it here (see inst.) **8 7 6 5 3 4**

**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name

Firm's EIN

Firm's address

Phone no.

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.  Primrose Retirement Fund 1231 Juniper St Paul, ID 83347		<b>1</b> Gross distribution \$ 36484		OMB No. 1545-0119  <b>2013</b>		<b>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</b>	
		<b>2a</b> Taxable amount \$ 24760		Form <b>1099-R</b>			
PAYER'S federal identification number 00-0000009		RECIPIENT'S identification number 400-00-1035		<b>2b</b> Taxable amount not determined <input type="checkbox"/>		Total distribution <input type="checkbox"/>	<b>Copy B</b> <b>Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.</b>
				<b>3</b> Capital gain (included in box 2a) \$		<b>4</b> Federal income tax withheld \$ 4839	
RECIPIENT'S name Lynette Heather  Street address (including apt. no.) 2525 Juniper St  City or town, province or state, country, and ZIP or foreign postal code Paul, ID 83347		<b>5</b> Employee contributions /Designated Roth contributions or insurance premiums \$		<b>6</b> Net unrealized appreciation in employer's securities \$		<b>8</b> Other \$ %	
		<b>7</b> Distribution code(s) 7		IRA/SEP/SIMPLE <input type="checkbox"/>			
<b>10</b> Amount allocable to IRR within 5 years \$		<b>11</b> 1st year of desig. Roth contrib.		<b>9a</b> Your percentage of total distribution %		<b>9b</b> Total employee contributions \$	This information is being furnished to the Internal Revenue Service.
				<b>12</b> State tax withheld \$		<b>13</b> State/Payer's state no.	
Account number (see instructions)		<b>15</b> Local tax withheld \$		<b>16</b> Name of locality		<b>14</b> State distribution \$	
						<b>17</b> Local distribution \$	

Form **1099-R**

IRS.gov/form1099r

Department of the Treasury - Internal Revenue Service

**SCHEDULE D  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Capital Gains and Losses**

▶ Attach to Form 1040 or Form 1040NR.

▶ Information about Schedule D and its separate instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040).

▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074

**2013**

Attachment  
Sequence No. **12**

Name(s) shown on return

Lynette Heather

Your social security number

400-00-1035

**Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less**

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)
<b>1a</b> 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 . . . . .	7095	4077		3018
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked . . . . .				
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked . . . . .				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked . . . . .				
<b>4</b> Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824 . . . . .				<b>4</b>
<b>5</b> Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . . . .				<b>5</b>
<b>6</b> Short-term capital loss carryover. Enter the amount, if any, from line 8 of your <b>Capital Loss Carryover Worksheet</b> in the instructions . . . . .				<b>6</b> ( )
<b>7 Net short-term capital gain or (loss).</b> 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 . . . . .				<b>7</b>

**Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year**

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)
<b>8a</b> 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 . . . . .	4593	2589		2004
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked . . . . .				
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked . . . . .				
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked . . . . .				
<b>11</b> 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 . . . . .				<b>11</b>
<b>12</b> Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . . . .				<b>12</b>
<b>13</b> Capital gain distributions. See the instructions . . . . .				<b>13</b>
<b>14</b> Long-term capital loss carryover. Enter the amount, if any, from line 13 of your <b>Capital Loss Carryover Worksheet</b> in the instructions . . . . .				<b>14</b> ( )
<b>15 Net long-term capital gain or (loss).</b> Combine lines 8a through 14 in column (h). Then go to Part III on the back . . . . .				<b>15</b>

**Part III Summary**

<p><b>16</b> Combine lines 7 and 15 and enter the result . . . . .</p> <ul style="list-style-type: none"> <li>• If line 16 is a <b>gain</b>, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below.</li> <li>• If line 16 is a <b>loss</b>, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22.</li> <li>• If line 16 is <b>zero</b>, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.</li> </ul> <p><b>17</b> Are lines 15 and 16 <b>both</b> gains?</p> <p><input checked="" type="checkbox"/> <b>Yes.</b> Go to line 18.</p> <p><input type="checkbox"/> <b>No.</b> Skip lines 18 through 21, and go to line 22.</p> <p><b>18</b> Enter the amount, if any, from line 7 of the <b>28% Rate Gain Worksheet</b> in the instructions . . . ▶</p> <p><b>19</b> Enter the amount, if any, from line 18 of the <b>Unrecaptured Section 1250 Gain Worksheet</b> in the instructions . . . . . ▶</p> <p><b>20</b> Are lines 18 and 19 <b>both</b> zero or blank?</p> <p><input checked="" type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). <b>Do not</b> complete lines 21 and 22 below.</p> <p><input type="checkbox"/> <b>No.</b> Complete the <b>Schedule D Tax Worksheet</b> in the instructions. <b>Do not</b> complete lines 21 and 22 below.</p> <p><b>21</b> If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the <b>smaller</b> of:</p> <ul style="list-style-type: none"> <li>• The loss on line 16 or</li> <li>• (\$3,000), or if married filing separately, (\$1,500) }</li> </ul> <p><b>Note.</b> When figuring which amount is smaller, treat both amounts as positive numbers.</p> <p><b>22</b> Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b?</p> <p><input type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42).</p> <p><input type="checkbox"/> <b>No.</b> Complete the rest of Form 1040 or Form 1040NR.</p>	<p><b>16</b></p> <p><b>18</b> 0</p> <p><b>19</b> 0</p> <p><b>21</b> ( )</p>
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SCHEDULE E  
(Form 1040)

Department of the Treasury  
Internal Revenue Service (99)  
Name(s) shown on return

Supplemental Income and Loss

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

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

▶ Information about Schedule E and its separate instructions is at [www.irs.gov/schedulee](http://www.irs.gov/schedulee).

OMB No. 1545-0074

2013

Attachment  
Sequence No. 13

Your social security number

400-00-1035

Lynette Heather

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 or C-EZ (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 2013 that would require you to file Form(s) 1099? (see instructions)

☒ Yes ☐ No

B If "Yes," did you or will you file required Forms 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.

A

B

C

Fair Rental Days

Personal Use Days

QJV

A

B

C

Type of Property:

1 Single Family Residence

2 Multi-Family Residence

3 Vacation/Short-Term Rental

4 Commercial

5 Land

6 Royalties

7 Self-Rental

8 Other (describe)

Income:	Properties:	A	B	C
3 Rents received . . . . .	3			
4 Royalties received . . . . .	4			
<b>Expenses:</b>				
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 <b>Income.</b> Add positive amounts shown on line 21. <b>Do not</b> include any losses . . . . .	24			
25 <b>Losses.</b> Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here . . . . .	25	(		)
26 <b>Total rental real estate and royalty income or (loss).</b> 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 Form 1040, line 17, or Form 1040NR, line 18. 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.

Lynette Heather

Your social security number

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 from an at-risk activity for which any amount is **not** at risk, you **must** check the box in column (e) 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, excess farm loss, 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

28	(a) Name	(b) Enter <b>P</b> for partnership; <b>S</b> for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A			<input type="checkbox"/>		<input type="checkbox"/>
B			<input type="checkbox"/>		<input type="checkbox"/>
C			<input type="checkbox"/>		<input type="checkbox"/>
D			<input type="checkbox"/>		<input type="checkbox"/>

Passive Income and Loss		Nonpassive Income and Loss	
(f) Passive loss allowed (attach <b>Form 8582</b> if required)	(g) Passive income from <b>Schedule K-1</b>	(h) Nonpassive loss from <b>Schedule K-1</b>	(i) Section 179 expense deduction from <b>Form 4562</b>
A			
B			
C			
D			
<b>29a</b> Totals			
<b>b</b> Totals			
<b>30</b> Add columns (g) and (i) of line 29a . . . . .		<b>30</b>	
<b>31</b> Add columns (f), (h), and (i) of line 29b . . . . .		<b>31</b>	( )
<b>32</b> <b>Total partnership and S corporation income or (loss).</b> Combine lines 30 and 31. Enter the result here and include in the total on line 41 below . . . . .		<b>32</b>	

**Part III Income or Loss From Estates and Trusts**

33	(a) Name	(b) Employer identification number
A		
B		
Passive Income and Loss		Nonpassive Income and Loss
(c) Passive deduction or loss allowed (attach <b>Form 8582</b> if required)	(d) Passive income from <b>Schedule K-1</b>	(e) Deduction or loss from <b>Schedule K-1</b>
A		
B		
<b>34a</b> Totals		
<b>b</b> Totals		
<b>35</b> Add columns (d) and (f) of line 34a . . . . .		<b>35</b>
<b>36</b> Add columns (c) and (e) of line 34b . . . . .		<b>36</b>
<b>37</b> <b>Total estate and trust income or (loss).</b> Combine lines 35 and 36. Enter the result here and include in the total on line 41 below . . . . .		<b>37</b>

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

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from <b>Schedules Q</b> , line 2c (see instructions)	(d) Taxable income (net loss) from <b>Schedules Q</b> , line 1b	(e) Income from <b>Schedules Q</b> , line 3b
<b>39</b> Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below				<b>39</b>	

**Part V Summary**

<b>40</b> Net farm rental income or (loss) from <b>Form 4835</b> . Also, complete line 42 below . . . . .	<b>40</b>	
<b>41</b> <b>Total income or (loss).</b> Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ▶	<b>41</b>	
<b>42</b> <b>Reconciliation of farming and fishing income.</b> Enter your <b>gross</b> farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code V; and Schedule K-1 (Form 1041), box 14, code F (see instructions) . . . . .	<b>42</b>	
<b>43</b> <b>Reconciliation for real estate professionals.</b> If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules . . . . .	<b>43</b>	



**SCHEDULE F  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Farming**

▶ **Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.**  
▶ **Information about Schedule F and its separate instructions is at [www.irs.gov/schedulef](http://www.irs.gov/schedulef).**

OMB No. 1545-0074

**2013**

Attachment  
Sequence No. **14**

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:

☒ Cash ☐ Accrual

**D** Employer ID number (EIN), (see instr)

**E** Did you "materially participate" in the operation of this business during 2013? If "No," see instructions for limit on passive losses

☒ Yes ☐ No

**F** Did you make any payments in 2013 that would require you to file Form(s) 1099 (see instructions)?

☐ Yes ☒ No

**G** If "Yes," did you or will you file required Forms 1099?

☐ Yes ☐ No

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

<b>1a</b> Sales of livestock and other resale items (see instructions)	<b>1a</b>	<b>2536</b>	
<b>b</b> Cost or other basis of livestock or other items reported on line 1a	<b>1b</b>	<b>0</b>	
<b>c</b> Subtract line 1b from line 1a			<b>1c</b>
<b>2</b> Sales of livestock, produce, grains, and other products you raised			<b>2</b>
<b>3a</b> Cooperative distributions (Form(s) 1099-PATR)	<b>3a</b>		<b>3b</b> Taxable amount
<b>4a</b> Agricultural program payments (see instructions)	<b>4a</b>		<b>4b</b> Taxable amount
<b>5a</b> Commodity Credit Corporation (CCC) loans reported under election			<b>5a</b>
<b>b</b> CCC loans forfeited	<b>5b</b>		<b>5c</b> Taxable amount
<b>6</b> Crop insurance proceeds and federal crop disaster payments (see instructions)			
<b>a</b> Amount received in 2013	<b>6a</b>		<b>6b</b> Taxable amount
<b>c</b> If election to defer to 2014 is attached, check here <input type="checkbox"/>		<b>6d</b> Amount deferred from 2012	<b>6d</b>
<b>7</b> Custom hire (machine work) income			<b>7</b>
<b>8</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)			<b>8</b>
<b>9</b> <b>Gross income.</b> 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)			<b>9</b>

**Part II Farm Expenses—Cash and Accrual Method.** Do not include personal or living expenses (see instructions).

<b>10</b> Car and truck expenses (see instructions). Also attach <b>Form 4562</b>	<b>10</b>		<b>23</b> Pension and profit-sharing plans	<b>23</b>	
<b>11</b> Chemicals	<b>11</b>		<b>24</b> Rent or lease (see instructions):		
<b>12</b> Conservation expenses (see instructions)	<b>12</b>		<b>a</b> Vehicles, machinery, equipment	<b>24a</b>	
<b>13</b> Custom hire (machine work)	<b>13</b>		<b>b</b> Other (land, animals, etc.)	<b>24b</b>	
<b>14</b> Depreciation and section 179 expense (see instructions)	<b>14</b>		<b>25</b> Repairs and maintenance	<b>25</b>	
<b>15</b> Employee benefit programs other than on line 23	<b>15</b>		<b>26</b> Seeds and plants	<b>26</b>	
<b>16</b> Feed	<b>16</b>		<b>27</b> Storage and warehousing	<b>27</b>	
<b>17</b> Fertilizers and lime	<b>17</b>	<b>626</b>	<b>28</b> Supplies	<b>28</b>	<b>994</b>
<b>18</b> Freight and trucking	<b>18</b>		<b>29</b> Taxes	<b>29</b>	<b>166</b>
<b>19</b> Gasoline, fuel, and oil	<b>19</b>	<b>227</b>	<b>30</b> Utilities	<b>30</b>	<b>143</b>
<b>20</b> Insurance (other than health)	<b>20</b>	<b>101</b>	<b>31</b> Veterinary, breeding, and medicine	<b>31</b>	
<b>21</b> Interest:			<b>32</b> Other expenses (specify):		
<b>a</b> Mortgage (paid to banks, etc.)	<b>21a</b>		<b>a</b> _____	<b>32a</b>	
<b>b</b> Other	<b>21b</b>		<b>b</b> _____	<b>32b</b>	
<b>22</b> Labor hired (less employment credits)	<b>22</b>		<b>c</b> _____	<b>32c</b>	
			<b>d</b> _____	<b>32d</b>	
			<b>e</b> _____	<b>32e</b>	
			<b>f</b> _____	<b>32f</b>	
<b>33</b> <b>Total expenses.</b> Add lines 10 through 32f. If line 32f is negative, see instructions	<b>33</b>				
<b>34</b> <b>Net farm profit or (loss).</b> Subtract line 33 from line 9	<b>34</b>				

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

**35** Did you receive an applicable subsidy in 2013? (see instructions) ☐ Yes ☐ No

**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.

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

Cat. No. 11346H

Schedule F (Form 1040) 2013

Name(s) shown on tax return

Lynette Heather

**Farm Rental Income and Expenses**  
(Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor))  
(Income not subject to self-employment tax)  
▶ Attach to Form 1040 or Form 1040NR.▶ Information about Form 4835 and its instructions is at [www.irs.gov/form4835](http://www.irs.gov/form4835).

OMB No. 1545-0074

**2013**  
Attachment  
Sequence No. **37**

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 2013 (see instructions)? ☒ Yes ☐ No**Part I Gross Farm Rental Income—Based on Production.** Include amounts converted to cash or the equivalent.

<b>1</b>	Income from production of livestock, produce, grains, and other crops . . . . .	<b>1</b>	5452
<b>2a</b>	Cooperative distributions (Form(s) 1099-PATR)	<b>2a</b>	0
<b>3a</b>	Agricultural program payments (see instructions)	<b>3a</b>	0
<b>4</b>	Commodity Credit Corporation (CCC) loans (see instructions):		
<b>a</b>	CCC loans reported under election . . . . .	<b>4a</b>	0
<b>b</b>	CCC loans forfeited . . . . .	<b>4b</b>	0
<b>5</b>	Crop insurance proceeds and federal crop disaster payments (see instructions):		
<b>a</b>	Amount received in 2013 . . . . .	<b>5a</b>	0
<b>c</b>	If election to defer to 2014 is attached, check here <input type="checkbox"/> <b>5d</b> Amount deferred from 2012	<b>5d</b>	
<b>6</b>	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	<b>6</b>	0
<b>7</b>	<b>Gross farm rental income.</b> Add amounts in the right column for lines 1 through 6. Enter the total here and on Schedule E (Form 1040), line 42. ▶	<b>7</b>	

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

<b>8</b>	Car and truck expenses (see Schedule F (Form 1040) instructions). Also attach <b>Form 4562</b>	<b>8</b>	
<b>9</b>	Chemicals . . . . .	<b>9</b>	
<b>10</b>	Conservation expenses (see instructions) . . . . .	<b>10</b>	
<b>11</b>	Custom hire (machine work) . . . . .	<b>11</b>	
<b>12</b>	Depreciation and section 179 expense deduction not claimed elsewhere . . . . .	<b>12</b>	
<b>13</b>	Employee benefit programs other than on line 21 (see Schedule F (Form 1040) instructions). . . . .	<b>13</b>	
<b>14</b>	Feed . . . . .	<b>14</b>	
<b>15</b>	Fertilizers and lime . . . . .	<b>15</b>	
<b>16</b>	Freight and trucking . . . . .	<b>16</b>	
<b>17</b>	Gasoline, fuel, and oil . . . . .	<b>17</b>	317
<b>18</b>	Insurance (other than health). . . . .	<b>18</b>	120
<b>19</b>	Interest:		
<b>a</b>	Mortgage (paid to banks, etc.)	<b>19a</b>	963
<b>b</b>	Other . . . . .	<b>19b</b>	
<b>20</b>	Labor hired (less employment credits) (see Schedule F (Form 1040) instructions) . . . . .	<b>20</b>	
<b>21</b>	Pension and profit-sharing plans . . . . .	<b>21</b>	
<b>22</b>	Rent or lease:		
<b>a</b>	Vehicles, machinery, and equipment (see instructions) . . . . .	<b>22a</b>	
<b>b</b>	Other (land, animals, etc.)	<b>22b</b>	
<b>23</b>	Repairs and maintenance	<b>23</b>	
<b>24</b>	Seeds and plants . . . . .	<b>24</b>	
<b>25</b>	Storage and warehousing	<b>25</b>	
<b>26</b>	Supplies . . . . .	<b>26</b>	
<b>27</b>	Taxes . . . . .	<b>27</b>	218
<b>28</b>	Utilities . . . . .	<b>28</b>	
<b>29</b>	Veterinary, breeding, and medicine . . . . .	<b>29</b>	
<b>30</b>	Other expenses (specify):		
<b>a</b>	_____	<b>30a</b>	
<b>b</b>	_____	<b>30b</b>	
<b>c</b>	_____	<b>30c</b>	
<b>d</b>	_____	<b>30d</b>	
<b>e</b>	_____	<b>30e</b>	
<b>f</b>	_____	<b>30f</b>	
<b>g</b>	_____	<b>30g</b>	
<b>31</b>	<b>Total expenses.</b> Add lines 8 through 30g (see instructions) . . . . . ▶	<b>31</b>	
<b>32</b>	<b>Net farm rental income or (loss).</b> 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 <b>must</b> go to lines 33 and 34 . . . . .	<b>32</b>	
<b>33</b>	Did you receive an applicable subsidy in 2013? (see instructions) . . . . .	<b>33</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>34</b>	If line 32 is a loss, check the box that describes your investment in this activity (see instructions) . . . . .	<b>34a</b>	<input type="checkbox"/> All investment is at risk.
<b>c</b>	You may have to complete <b>Form 8582</b> to determine your deductible loss, regardless of which box you checked (see instructions). If you checked box 34b, you <b>must</b> complete <b>Form 6198</b> before going to Form 8582. In either case, enter the <b>deductible loss</b> here and on Schedule E (Form 1040), line 40 . . . . .	<b>34b</b>	<input type="checkbox"/> Some investment is not at risk.
		<b>34c</b>	

**Installment Sale Income**

OMB No. 1545-0228

Department of the Treasury  
Internal Revenue Service

► **Attach to your tax return.**  
 ► **Use a separate form for each sale or other disposition of property on the installment method.**  
 ► **Information about Form 6252 and its instructions is at [www.irs.gov/form6252](http://www.irs.gov/form6252).**

**2013**  
 Attachment  
 Sequence No. **79**

Name(s) shown on return

Lynette Heather

Identifying number

400-00-1035

- 1** Description of property ► Land
- 2a** Date acquired (mm/dd/yyyy) ► 10/1/1999 **b** Date sold (mm/dd/yyyy) ► 10/1/2005
- 3** Was the property sold to a related party (see instructions) after May 14, 1980? If "No," skip line 4 . . . . . ☐ Yes ☒ No
- 4** Was the property you sold to a related party a marketable security? If "Yes," complete Part III. If "No," complete Part III for the year of sale and the 2 years after the year of sale . . . . . ☐ Yes ☐ No

**Part I Gross Profit and Contract Price.** Complete this part for the year of sale only.

<b>5</b> Selling price including mortgages and other debts. <b>Do not</b> include interest, whether stated or unstated	<b>5</b>	
<b>6</b> Mortgages, debts, and other liabilities the buyer assumed or took the property subject to (see instructions)	<b>6</b>	
<b>7</b> Subtract line 6 from line 5	<b>7</b>	
<b>8</b> Cost or other basis of property sold	<b>8</b>	
<b>9</b> Depreciation allowed or allowable	<b>9</b>	
<b>10</b> Adjusted basis. Subtract line 9 from line 8	<b>10</b>	
<b>11</b> Commissions and other expenses of sale	<b>11</b>	
<b>12</b> Income recapture from Form 4797, Part III (see instructions)	<b>12</b>	
<b>13</b> Add lines 10, 11, and 12	<b>13</b>	
<b>14</b> Subtract line 13 from line 5. If zero or less, <b>do not</b> complete the rest of this form (see instructions)	<b>14</b>	
<b>15</b> If the property described on line 1 above was your main home, enter the amount of your excluded gain (see instructions). Otherwise, enter -0-	<b>15</b>	
<b>16</b> <b>Gross profit.</b> Subtract line 15 from line 14	<b>16</b>	
<b>17</b> Subtract line 13 from line 6. If zero or less, enter -0-	<b>17</b>	
<b>18</b> <b>Contract price.</b> Add line 7 and line 17	<b>18</b>	

**Part II Installment Sale Income.** Complete this part for the year of sale **and** any year you receive a payment or have certain debts you must treat as a payment on installment obligations.

<b>19</b> Gross profit percentage (expressed as a decimal amount). Divide line 16 by line 18. For years after the year of sale, see instructions	<b>19</b>	<u>40.00</u>
<b>20</b> If this is the year of sale, enter the amount from line 17. Otherwise, enter -0-	<b>20</b>	<u>0</u>
<b>21</b> Payments received during year (see instructions). <b>Do not</b> include interest, whether stated or unstated	<b>21</b>	<u>2500</u>
<b>22</b> Add lines 20 and 21	<b>22</b>	
<b>23</b> Payments received in prior years (see instructions). <b>Do not</b> include interest, whether stated or unstated	<b>23</b>	<u>15417</u>
<b>24</b> <b>Installment sale income.</b> Multiply line 22 by line 19	<b>24</b>	
<b>25</b> Enter the part of line 24 that is ordinary income under the recapture rules (see instructions)	<b>25</b>	<u>0</u>
<b>26</b> Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797 (see instructions).	<b>26</b>	

**Part III Related Party Installment Sale Income.** **Do not** complete if you received the final payment this tax year.

**27** Name, address, and taxpayer identifying number of related party \_\_\_\_\_

**28** Did the related party resell or dispose of the property ("second disposition") during this tax year? . . . . . ☐ Yes ☐ No

**29** If the answer to question 28 is "Yes," complete lines 30 through 37 below unless one of the following conditions is met. Check the box that applies.

**a** ☐ The second disposition was more than 2 years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of disposition (mm/dd/yyyy) . . . . . ► \_\_\_\_\_

**b** ☐ The first disposition was a sale or exchange of stock to the issuing corporation.

**c** ☐ The second disposition was an involuntary conversion and the threat of conversion occurred after the first disposition.

**d** ☐ The second disposition occurred after the death of the original seller or buyer.

**e** ☐ It can be established to the satisfaction of the IRS that tax avoidance was not a principal purpose for either of the dispositions. If this box is checked, attach an explanation (see instructions).

<b>30</b> Selling price of property sold by related party (see instructions)	<b>30</b>	
<b>31</b> Enter contract price from line 18 for year of first sale	<b>31</b>	
<b>32</b> Enter the <b>smaller</b> of line 30 or line 31	<b>32</b>	
<b>33</b> Total payments received by the end of your 2013 tax year (see instructions)	<b>33</b>	
<b>34</b> Subtract line 33 from line 32. If zero or less, enter -0-	<b>34</b>	
<b>35</b> Multiply line 34 by the gross profit percentage on line 19 for year of first sale	<b>35</b>	
<b>36</b> Enter the part of line 35 that is ordinary income under the recapture rules (see instructions)	<b>36</b>	
<b>37</b> Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797 (see instructions).	<b>37</b>	