

Test Scenario 4 (NACTP Test 7)

Oklahoma Form: 511NR

Taxpayer: Rental Investor
511 Carol Blvd
Columbus, OH 43228

SSN: 400-00-5007 – ATS

400-00-5107 – PATS

Spouse: Lucky Gambler

SSN: 400-00-5017 – ATS

400-00-5117 – PATS

Dependents:

Slot Machine SSN 400-00-5027 – ATS

400-00-5127 – PATS

Black Jack SSN 400-00-5037 - ATS

400-00-5137 - PATS

Poker Table SSN 400-00-5047 - ATS

400-00-5147 - PATS

Horse Racin SSN 400-00-5057 - ATS

400-00-5157 - PATS

Sports Book SSN 400-00-5067 – ATS

400-00-5167 - PATS

Bingo Hall SSN 400-00-5077 – ATS

400-00-5177 - PATS

Modification to Federal return:

- *Schedule E: Change Property A to Oklahoma (The property on 123 First Street).*

W2G: The gambling winnings are from an Oklahoma casino.

Additional Information:

- *Donate \$2 to the Public Classroom Support Fund (Form 511NR, line 55)*

Reminder: Even though the IRA distribution is not sourced to Oklahoma, the taxpayer still qualifies for the Other Retirement Income exclusion in the Federal Amount column of Form 511NR, Schedule 511NR-B, line 6.

Final Result: Balance Due of \$12 (Form 511NR, line 58).

NACTP

Test 7

These are MFJ taxpayers with 6 children. The TP has 1 W2 & 4 rental properties. The Spouse has an IRA distribution & gambling income.

Forms: 1040, W2 (1), 1099R (1), W2G (1), Schedule E pg 1 (2), Schedule E pg 2 (1), 5329, Schedule EIC, 9912, 8582, 8867, 4562

Taxpayer:

Rental Investor

511 Carol Blvd

Columbus, OH 43228

SSN: 600-00-1007

DOB: 02/28/1973

Spouse:

Lucky Gambler

SSN: 600-00-1017

DOB: 03/12/1973

Filing Status: Married Filing Joint (using standard deduction)

Dependents:

Slot Machine	<i>SSN</i>	600-00-2007	<i>DOB</i>	04/01/2002
Black Jack	<i>SSN</i>	600-00-3007	<i>DOB</i>	05/01/2000
Poker Table	<i>SSN</i>	600-00-4007	<i>DOB</i>	06/01/1998
Horse Racing	<i>SSN</i>	600-00-5007	<i>DOB</i>	07/01/1996
Sports Book	<i>SSN</i>	600-00-6007	<i>DOB</i>	08/01/1995
Bingo Hall	<i>SSN</i>	600-00-7007	<i>DOB</i>	09/01/1994

DEPRECIATION WORKSHEET - ALL METHODS

Name(s) **RENTAL INVESTOR**

SSN/EIN **600-00-1007**

Subform: **4562**

ST CO

FIRST 123

RESIDENCE

SCH E P1 SINGL

EMLY RESIDENCE

10/10/10

Use percentage of an asset expected to change from year to year, use separate worksheets for that asset, recomputing the columns D through O each year.

• If the business-use percentage of an asset is expected to change from year to year, use separate worksheets for that asset, recomputing the columns D through O each year.

• In states where depreciation is computed different than federal, use a separate worksheet for state depreciation.

• When more than eight assets are being depreciated, use as many worksheets as necessary.

✓ ASSET ID	DEPRECIATION	Manner/ Date Acquired (Purchased, gift, inherited, etc.)	Date Placed in Service, if different	System (MACRS, ACRS, etc.) & Class/Life	A. Cost or Other Basis	B. Land/ Salvage or other adj.*	C.		D. Business Use %	E. Business Basis (C x D)
							Qualified Basis (A-B)	Use %		
1	STOVE	01/01/2007	01/01/2007	MACRS 5	642		642	100	642	
2										
3										
4										
5										
6										
7										
8										

* Enter basis adjustment for clean- fuel vehicle deduction or electric vehicle credit in column B.

• In the section below, use the top row for each asset to compute depreciation for regular tax purposes, and the shaded row below to compute depreciation for AMT purposes.

• In column O, enter the tax year at the top and the asset's recovery year below (1st, 2nd, etc.). Find the percentage from the appropriate table.

• To continue depreciation after the third year, another row or use additional copies of this worksheet as overflow worksheets. Enter in Column M any depreciation claimed on prior years' worksheets.

F. Sec. 179 Deduction	G. (E-F)**	H. Special*** Depreciation Allowance, if any (col. G x percentage)	I. Depreciable Amount (G-H)	J. Recovery Period	K. Method and Convention	L. Prior Depreciation Claimed	M. Date of Disposition	N. Depreciation Computation					
								Year:	Year:	Year:	Year:		
1	642		642	5	200DB HY	607		Rec. Year	Depr. (1x%)	Rec. Year	Depr. (1x%)	Rec. Year	Depr. (1x%)
AMT	642		642	5	HY	589*		6	5.7	35			
2								6	8.3	53			
AMT													
3													
AMT													
4													
AMT													
5													
AMT													
6													
AMT													
7													
AMT													
8													
AMT													

** Reduce the result by any investment credit basis adjustment before entering the figure in column G.

*** An additional allowance of 30% for qualified assets placed in service in the New York Liberty Zone after September 1, 2001 and before January 1, 2010, or for other qualified assets placed in service after September 1, 2001 and before January 1, 2004, or 50% for assets placed in service after May 5, 2003 and before September 9, 2010 or 100% after September 8, 2010 and before January 1, 2012. See special rules that apply to certain disaster areas.

DEPRECIATION WORKSHEET - ALL METHODS

Name(s) **RENTAL INVESTOR**

SSN/EIN **600-00-1007**

Subform: **4562**

ST C

SECOND

123

EMILY RESIDE

10 Year

use separate worksheets for that asset, recomputing the columns D through O each year.

Business-Use percentage of an asset is expected to change from year to year.

In states where depreciation is computed different than federal, use a separate worksheet for state depreciation.

When more than eight assets are being depreciated, use as many worksheets as necessary.

ASSET	✓	DEPRECIATION		Manner/ Date Acquired (Purchased, gift, inherited, etc.)	Date Placed in Service, if different	System (MACRS, ACRS, etc.) & Class/Life	A. Cost or Other Basis	B. Land/ Salvage or other adj.*	C. Qualified Basis (A-B)	D. Business Use %	E. Business Basis (C x D)
		Y	I								
1		1000	5	01/01/2012	01/01/2012	MACRS	1000		1000	100	1000
2											
3											
4											
5											
6											
7											
8											

* Enter basis adjustment for clean-fuel vehicle deduction or electric vehicle credit in column B.

In the section below, use the top row for each asset to compute depreciation for regular tax purposes, and the shaded row below to compute depreciation for AMT purposes.

In column O, enter the tax year at the top and the asset's recovery year below (1st, 2nd, etc.). Find the percentage from the appropriate table.

To continue depreciation after the third year, another row or use additional copies of this worksheet as overflow worksheets. Enter in Column M any depreciation claimed on prior years' worksheets.

F. Sec. 179 Deduction	G. (E-F)**	H. Special*** Depreciation Allowance, if any (col. G x percentage)	I. Depreciable Amount (G-H)	J. Recovery Period	K. Method and Convention	L. Prior Depreciation Claimed	M. Date of Disposition	N. Depreciation Computation					
								Year:	Rec. Year	Depr. (1x%)	Year		
1	1000		1000	5	200DB HY			1	20.0	200			
AMT	1000		1000	5	HY			1	15.0	150			
2													
AMT													
3													
AMT													
4													
AMT													
5													
AMT													
6													
AMT													
7													
AMT													
8													
AMT													

** Reduce the result by any investment credit basis adjustment before entering the figure in column G.

*** An additional allowance of 30% for qualified assets placed in service in the New York Liberty Zone after September 1, 2001 and before January 1, 2010, or for other qualified assets placed in service after September 1, 2001 and before January 1, 2004, or 50% for assets placed in service after May 5, 2003 and before September 9, 2010 or 100% after September 8, 2010 and before January 1, 2012. See special rules that apply to certain disaster areas.

System calculated prior depreciation

DEPRECIATION WORKSHEET - ALL METHODS

Name(s) **RENTAL INVESTOR**

SSN/EIN **600-00-1007**

Business-Use Percentage of Assets Expected to Change from Year to Year **SCH F P1 SINGL EMI RESIDENCE 123 THIRD ST CO** **Subform 4562**

In states where depreciation is computed different than federal, use a separate worksheet for state depreciation.

When more than eight assets are being depreciated, use as many worksheets as necessary.

ASSET LISTED	DEPRECIATION	Manner/Date Acquired	Date Placed in Service, if different	System (MACRS, ACRS, etc.)	A. Cost or Other Basis	B. Land/Salvage or other adj.*	C. Qualified Basis (A-B)		D. Business Use %	E. Business Basis (C x D)
							P	I		
1	STOVE	PIN01/01/2008	01/01/2008	MACRS 5	1130		1130	100	1130	
2										
3										
4										
5										
6										
7										
8										

* Enter basis adjustment for clean- fuel vehicle deduction or electric vehicle credit in column B.

In the section below, use the top row for each asset to compute depreciation for regular tax purposes, and the shaded row below to compute depreciation for AMT purposes.

In column O, enter the tax year at the top and the asset's recovery year below (1st, 2nd, etc.). Find the percentage from the appropriate table.

To continue depreciation after the third year, enter the row or use additional copies of this worksheet as follows: worksheets. Enter in Column M any depreciation claimed on prior years' worksheets.

F. Sec. 179 Deduction	G. (E-F)**	H. Special** Depreciation Allowance, if any (col. G x percentage)	I. Depreciable Amount (G-H)	J. Recovery Period	K. Method and Convention	L. Depreciation Claimed	M. Date of Disposition	N. Depreciation Computation									
								Year: 2012		Year:		Year:		Year:			
								Rec. Year	Depr. (1x%)	Rec. Year	Depr. (1x%)	Rec. Year	Depr. (1x%)	Rec. Year	Depr. (1x%)		
1	1130		1130	5	200DB HY	211		5	11.5	130							
AMT	1130		1130	5	HY	848*		5	16.6	188							
2																	
AMT																	
3																	
AMT																	
4																	
AMT																	
5																	
AMT																	
6																	
AMT																	
7																	
AMT																	
8																	
AMT																	

** Reduce the result by any investment credit basis adjustment before entering the figure in column G.

*** An additional allowance of 30% for qualified assets placed in service in the New York Liberty Zone after September 1, 2001 and before January 1, 2010, or for other qualified assets placed in service after September 1, 2001 and before January 1, 2004, or 50%* for assets placed in service after May 5, 2003 and before September 9, 2010 or 100% after September 8, 2010 and before January 1, 2012. See special rules that apply to certain disaster areas.

For the year Jan. 1 - Dec. 31, 2012, or other tax year beginning , 2012, ending , 20

RENTAL INVESTOR
 LUCKY GAMBLER
 511 CAROL BLVD
 COLUMBUS, OH 43228

See separate instructions.
 Your social security number
 600-00-1007
 Spouse's social security number
 600-00-1017
 ▲ Make sure the SSN(s) above and on line 6c are correct.
 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 Single 4 Head of household (with qualifying person). (See instructions.)
 2 Married filing jointly (even if only one had income) If the qualifying person is a child but not your dependent, enter this
 3 Married filing separately. Enter spouse's SSN above & full name here. child's name here. ▶
 5 Qualifying widow(er) with dependent child

Exemptions 6a Yourself. If someone can claim you as a dependent, do not check box 6a. } Boxes checked on 6a and 6b 2
 b Spouse } No. of children on 6c who:
 c Dependents: (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) if qual. child - 17 for child tax cr. (see inst)
 SEE ATTACHMENT
 If more than four dependents, see inst and check here ▶
 Add numbers on lines above ▶ 8

Income 7 Wages, salaries, tips, etc. Attach Form(s) W-2 7 3,500.
 8a Taxable interest. Attach Schedule B if required 8a
 b Tax-exempt interest. Do not include on line 8a 8b
 9a Ordinary dividends. Attach Schedule B if required 9a
 b Qualified dividends 9b
 10 Taxable refunds, credits, or offsets of state and local income taxes 10
 11 Alimony received 11
 12 Business income or (loss). Attach Schedule C or C-EZ 12
 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ 13
 14 Other gains or (losses). Attach Form 4797. 14
 15a IRA distributions 15a b Taxable amt. 15b 12,200.
 16a Pensions and annuities. 16a b Taxable amt. 16b
 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 17
 18 Farm income or (loss). Attach Schedule F. 18
 19 Unemployment compensation. 19
 20a Social security benefits 20a b Taxable amount 20b
 21 Other income. List type and amount GAMBLING 16,500. 21 16,500.
 22 Combine the amounts in the far right column for lines 7 through 21. This is your total income. ▶ 22 32,200.

Adjusted Gross Income 23 Reserved. 23
 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ. 24
 25 Health savings account deduction. Attach Form 8889. 25
 26 Moving expenses. Attach Form 3903. 26
 27 Deductible part of self-employment tax. Attach Schedule SE. 27
 28 Self-employed SEP, SIMPLE, and qualified plans. 28
 29 Self-employed health insurance deduction. 29
 30 Penalty on early withdrawal of savings. 30
 31a Alimony paid b Recipient's SSN ▶ 31a
 32 IRA deduction. 32
 33 Student loan interest deduction. 33
 34 Reserved. 34
 35 Domestic production activities deduction. Attach Form 8903. 35
 36 Add lines 23 through 35. 36
 37 Subtract line 36 from line 22. This is your adjusted gross income. ▶ 37 32,200.

Tax and Credits section including lines 38-39b. Line 38: 32,200. Line 39a: Total boxes checked. Line 39b: Spouse itemizes.

Standard Deduction for - People who check any box on line 39a or 39b or who can be claimed as a dependent, see instr. All others: Single or Married filing separately, \$5,950. Married filing jointly or Qualifying widow(er), \$11,900. Head of household, \$8,700.

Itemized deductions (line 40) and credits (lines 41-53). Line 40: 11,900. Line 41: 20,300. Line 42: 30,400. Line 43: 0. Line 44: 0. Line 45: 0. Line 46: 0. Line 47: 47. Line 48: 48. Line 49: 49. Line 50: 50. Line 51: 51. Line 52: 52. Line 53: 53. Line 54: 54. Line 55: 0.

Other Taxes section including lines 56-61. Line 56: Self-employment tax. Line 57: Unreported social security and Medicare tax. Line 58: Additional tax on IRAs. Line 59a: Household employment taxes. Line 59b: First-time homebuyer credit repayment. Line 60: Other taxes. Line 61: 1,000.

Payments section including lines 62-72. Line 62: 2,800. Line 63: 63. Line 64a: 1,586. Line 64b: 64b. Line 65: 75. Line 66: 66. Line 67: 67. Line 68: 68. Line 69: 69. Line 70: 70. Line 71: 71. Line 72: 4,461.

Refund section including lines 73-75. Line 73: 3,461. Line 74a: 3,461. Line 75: 75.

Amount You Owe section including lines 76-77. Line 76: 76. Line 77: 77.

Third Party Designee section. Do you want to allow another person to discuss this return with the IRS? Yes. Complete below. [X] No. Designee's name, Phone no., Personal ID number (PIN).

Sign Here section. 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: RENTAL BUSINESS. Spouse's signature, Date, Spouse's occupation: GAMBLER. If the IRS sent you an ID Protection PIN, enter it here (see inst.).

Paid Preparer Use Only section. Print/Type preparer's name: KAREN TAXPRO. Preparer's signature. Date: 09/17/2012. Check self-employed. PTIN: P4777777. Firm's name: H AND R BLOCK. Firm's EIN: 44-0607856. Firm's address: DUBLIN, OH 43017. Phone no.: (614) 659-1158.

**SCHEDULE E
(Form 1040)**

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

OMB No. 1545-0074

2012

Attachment
Sequence No. **13**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040NR, or Form 1041. ▶ See separate instructions.

Name(s) shown on return

Your social security number
600-00-1007

RENTAL INVESTOR & LUCKY GAMBLER

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 2012 that would require you to file Form(s) 1099? (see instructions) Yes No
B If "Yes," did you or will you file all required Forms 1099? Yes No

1a Physical address of each property (street, city, state, and ZIP code)

A **123 FIRST ST COLUMBUS OH 43228**
B **123 SECOND ST COLUMBUS OH 43228**
C **123 THIRD ST COLUMBUS OH 43228**

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 1		A 366	0	
B 1		B 366	0	
C 1		C 366	0	

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 9,500.	8,400.	9,600.
4 Royalties received	4 0.	0.	0.

Expenses:

5 Advertising	5 50.	30.	
6 Auto and travel (see instructions)	6		
7 Cleaning and maintenance	7	250.	650.
8 Commissions	8		
9 Insurance	9 425.	450.	450.
10 Legal and other professional fees	10 50.		
11 Management fees	11		
12 Mortgage interest paid to banks, etc. (see instructions)	12 4,500.	3,600.	2,500.
13 Other interest	13		
14 Repairs	14 250.	450.	960.
15 Supplies	15		
16 Taxes	16 3,000.	2,000.	3,500.
17 Utilities	17		200.
18 Depreciation expense or depletion	18 35.	200.	130.
19 Other (list) ▶	19		
20 Total expenses. Add lines 5 through 19	20 8,310.	6,980.	8,390.
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 1,190.	1,420.	1,210.
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 36,400.	
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 16,200.	
d Total of all amounts reported on line 18 for all properties	23d 365.	
e Total of all amounts reported on line 20 for all properties	23e 32,015.	
24 Income. Add positive amounts shown on line 21. Do not include any losses.	24 4,385.	
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 Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26 4,385.	

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

Schedule E (Form 1040) 2012

**SCHEDULE E
(Form 1040)**

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

OMB No. 1545-0074

2012

Attachment
Sequence No. **13**

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040NR, or Form 1041. ▶ See separate instructions.

Name(s) shown on return

Your social security number
600-00-1007

RENTAL INVESTOR & LUCKY GAMBLER

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 2012 that would require you to file Form(s) 1099? (see instructions) Yes No
B If "Yes," did you or will you file all required Forms 1099? Yes No

1a Physical address of each property (street, city, state, and ZIP code)
A **123 FOURTH ST COLUMBUS OH 43228**
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 1		A 366	0	
B		B		
C		C		

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	8,900.		
4 Royalties received	4	0.		

Expenses:

5 Advertising	5	35.		
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7	200.		
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	5,600.		
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16	2,500.		
17 Utilities	17			
18 Depreciation expense or depletion	18			
19 Other (list) ▶	19			
20 Total expenses. Add lines 5 through 19.	20	8,335.		
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	565.		
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 Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			

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

Schedule E (Form 1040) 2012

Name(s) shown on return. Do not enter name and social security number if shown on page 1.

Your social security number 600-00-1007

RENTAL INVESTOR & LUCKY GAMBLER

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 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.

Table with 5 columns: (a) Name, (b) Enter P for partnership; S for S corporation, (c) Check if foreign partnership, (d) Employer identification number, (e) Check if any amount is not at risk. Row A: ABC COMPANY, P, 52-655555.

Summary table for Part II with columns for Passive Income and Loss (f, g) and Nonpassive Income and Loss (h, i, j). Totals: 4,385.

Part III Income or Loss From Estates and Trusts

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

Summary table for Part III with columns for Passive Income and Loss (c, d) and Nonpassive Income and Loss (e, f). Totals: (blank).

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.

Part V Summary

Summary table for Part V with rows 40-43. Row 40: Net farm rental income or (loss) from Form 4835. Row 41: Total income or (loss). Row 42: Reconciliation of farming and fishing income. Row 43: Reconciliation for real estate professionals.

Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.
▶ Information about Form 5329 and its separate instructions is at www.irs.gov/form5329.

Attachment
Sequence No. **29**

Name of individual subject to additional tax. If married filing jointly, see instructions. LUCKY GAMBLER		Your social security number 600-00-1017
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	Apt. no.
	City, town or post office, state, and ZIP code. If you have a foreign address, also complete the space below.	If this is an amended return, check here <input type="checkbox"/>
	Foreign country name	Foreign province/state/county
	Foreign postal code	

If you **only** owe the additional 10% tax on early distributions, you may be able to report this tax directly on Form 1040, line 58, or Form 1040NR, line 56, without filing Form 5329. See the instructions for Form 1040, line 58, or for Form 1040NR, line 56.

Part I Additional Tax on Early Distributions

Complete this part if you took a taxable distribution before you reached age 59½ from a qualified retirement plan (including an IRA) or modified endowment contract (unless you are reporting this tax directly on Form 1040 or Form 1040NR- see above). You may also have to complete this part to indicate that you qualify for an exception to the additional tax on early distributions or for certain Roth IRA distributions (see instructions).

1 Early distributions included in income. For Roth IRA distributions, see instructions	1	12,200.
2 Early distributions included on line 1 that are not subject to the additional tax (see instructions). Enter the appropriate exception number from the instructions: <u>12</u>	2	2,200.
3 Amount subject to additional tax. Subtract line 2 from line 1	3	10,000.
4 Additional tax. Enter 10% (.10) of line 3. Include this amount on Form 1040, line 58, or Form 1040NR, line 56	4	1,000.
Caution: If any part of the amount on line 3 was a distribution from a SIMPLE IRA, you may have to include 25% of that amount on line 4 instead of 10% (see instructions).		

Part II Additional Tax on Certain Distributions From Education Accounts

Complete this part if you included an amount in income, on Form 1040 or Form 1040NR, line 21, from a Coverdell education savings account (ESA) or a qualified tuition program (QTP).

5 Distributions included in income from Coverdell ESAs and QTPs	5	
6 Distributions included on line 5 that are not subject to the additional tax (see instructions)	6	
7 Amount subject to additional tax. Subtract line 6 from line 5	7	
8 Additional tax. Enter 10% (.10) of line 7. Include this amount on Form 1040, line 58, or Form 1040NR, line 56	8	

Part III Additional Tax on Excess Contributions to Traditional IRAs

Complete this part if you contributed more to your traditional IRAs for 2012 than is allowable or you had an amount on line 17 of your 2011 Form 5329.

9 Enter your excess contributions from line 16 of your 2011 Form 5329 (see instructions). If zero, go to line 15	9	
10 If your traditional IRA contributions for 2012 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	10	
11 2012 traditional IRA distributions included in income (see instructions)	11	
12 2012 distributions of prior year excess contributions (see instructions)	12	
13 Add lines 10, 11, and 12	13	
14 Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0-	14	
15 Excess contributions for 2012 (see instructions)	15	
16 Total excess contributions. Add lines 14 and 15	16	
17 Additional tax. Enter 6% (.06) of the smaller of line 16 or the value of your traditional IRAs on December 31, 2012 (including 2012 contributions made in 2013). Include this amount on Form 1040, line 58, or Form 1040NR, line 56	17	

Part IV Additional Tax on Excess Contributions to Roth IRAs

Complete this part if you contributed more to your Roth IRAs for 2012 than is allowable or you had an amount on line 25 of your 2011 Form 5329.

18 Enter your excess contributions from line 24 of your 2011 Form 5329 (see instructions). If zero, go to line 23	18	
19 If your Roth IRA contributions for 2012 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19	
20 2012 distributions from your Roth IRAs (see instructions)	20	
21 Add lines 19 and 20	21	
22 Prior year excess contributions. Subtract line 21 from line 18. If zero or less, enter -0-	22	
23 Excess contributions for 2012 (see instructions)	23	
24 Total excess contributions. Add lines 22 and 23	24	
25 Additional tax. Enter 6% (.06) of the smaller of line 24 or the value of your Roth IRAs on December 31, 2012 (including 2012 contributions made in 2013). Include this amount on Form 1040, line 58, or Form 1040NR, line 56	25	

SCHEDULE EIC
(Form 1040A or 1040)

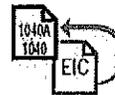
Department of the Treasury
Internal Revenue Service (99)

Earned Income Credit

Qualifying Child Information

▶ Complete and attach to Form 1040A or 1040 only if you have a qualifying child.

▶ Information about Schedule EIC (Form 1040A or 1040) and its instructions is at www.irs.gov/form1040.



OMB No. 1545-0074

2012

Attachment
Sequence No. **43**

Name(s) shown on return

Your social security number

RENTAL INVESTOR & LUCKY GAMBLER

600-00-1007

Before you begin:

- See the instructions for Form 1040A, lines 38a and 38b, or Form 1040, lines 64a and 64b, to make sure that (a) you can take the EIC, and (b) you have a qualifying child.
- Be sure the child's name on line 1 and social security number (SSN) on line 2 agree with the child's social security card. Otherwise, at the time we process your return, we may reduce or disallow your EIC. If the name or SSN on the child's social security card is not correct, call the Social Security Administration at 1-800-772-1213.



- If you take the EIC even though you are not eligible, you may not be allowed to take the credit for up to 10 years. See separate instructions for details.
- It will take us longer to process your return and issue your refund if you do not fill in all lines that apply for each qualifying child.

Qualifying Child Information

Child 1

Child 2

Child 3

	Child 1	Child 2	Child 3
1 Child's name If you have more than three qualifying children, you only have to list three to get the maximum credit.	First name: SLOT Last name: MACHINE	First name: BLACK Last name: JACK	First name: POKER Last name: TABLE
2 Child's SSN The child must have an SSN as defined in the instructions for Form 1040A, lines 38a and 38b, or Form 1040, lines 64a and 64b, unless the child was born and died in 2012. If your child was born and died in 2012 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate, death certificate, or hospital medical records.	600-00-2007	600-00-3007	600-00-4007
3 Child's year of birth If born after 1993 and the child was younger than you (or your spouse, if filing jointly), skip lines 4a and 4b; go to line 5.	Year 2002	Year 2000	Year 1998
4 a Was the child under age 24 at the end of 2012, a student, and younger than you (or your spouse, if filing jointly)?	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. Go to line 4b.	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. Go to line 4b.	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. Go to line 4b.
b Was the child permanently and totally disabled during any part of 2012?	<input checked="" type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.
5 Child's relationship to you (for example, son, daughter, grandchild, niece, nephew, foster child, etc.)	DAUGHTER	SON	SON
6 Number of months child lived with you in the United States during 2012 • If the child lived with you for more than half of 2012 but less than 7 months, enter "7." • If the child was born or died in 2012 and your home was the child's home for more than half the time he or she was alive during 2012, enter "12."	<u>12</u> months Do not enter more than 12 months.	<u>12</u> months Do not enter more than 12 months.	<u>12</u> months Do not enter more than 12 months.

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

Schedule EIC (Form 1040A or 1040) 2012

Schedule 8812
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)

Child Tax Credit

► Information about Schedule 8812 and its separate instructions is at www.irs.gov/form1040.
► Attach to Form 1040, Form 1040A, or Form 1040NR.

OMB No. 1545-0074

2012
Attachment
Sequence No. **47**

Name(s) shown on return

RENTAL INVESTOR & LUCKY GAMBLER

Your social security number

600-00-1007

Part I Filers Who Have Certain Child Dependents with an ITIN (Individual Taxpayer Identification Number)



Complete this part only for each dependent who has an ITIN and for whom you are claiming the child tax credit. If your dependent does not qualify for the credit, you cannot include that dependent in the calculation of this credit.

Answer the following questions for each dependent listed on Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c, who has an ITIN (Individual Taxpayer Identification Number) and that you indicated qualified for the child tax credit by checking column (4) for that dependent.

- A** For the first dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.
 Yes No
- B** For the second dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.
 Yes No
- C** For the third dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.
 Yes No
- D** For the fourth dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.
 Yes No

Note. If you have more than four dependents identified with an ITIN and listed as a qualifying child for the child tax credit, see the instructions and check here

Part II Additional Child Tax Credit Filers

1	1040 filers: Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040, line 51). 1040A filers: Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040A, line 33). 1040NR filers: Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040NR, line 48). If you used Pub. 972, enter the amount from line 8 of the Child Tax Credit Worksheet in the publication.		1	4,000.
2	Enter the amount from Form 1040, line 51, Form 1040A, line 33, or Form 1040NR, line 48.		2	0.
3	Subtract line 2 from line 1. If zero, stop ; you cannot take this credit.		3	4,000.
4a	Earned income (see separate instructions).	4a		3,500.
b	Nontaxable combat pay (see separate instructions).	4b		
5	Is the amount on line 4a more than \$3,000? <input type="checkbox"/> No. Leave line 5 blank and enter - 0- on line 6. <input checked="" type="checkbox"/> Yes. Subtract \$3,000 from the amount on line 4a. Enter the result.	5		500.
6	Multiply the amount on line 5 by 15% (.15) and enter the result. Next. Do you have three or more qualifying children? <input type="checkbox"/> No. If line 6 is zero, stop; you cannot take this credit. Otherwise, skip Part II and enter the smaller of line 3 or line 6 on line 13. <input checked="" type="checkbox"/> Yes. If line 6 is equal to or more than line 3, skip Part II and enter the amount from line 3 on line 13. Otherwise, go to line 7.	6		75.

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

Schedule 8812 (Form 1040A or 1040) 2012

Part III Certain Filers Who Have Three or More Qualifying Children

7	Withheld social security and Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If you worked for a railroad, see separate instructions	7	198.
8	1040 filers: Enter the total of the amounts from Form 1040, lines 27 and 57, plus any taxes that you identified using code "UT" and entered on line 60. 1040A filers: Enter -0-. 1040NR filers: Enter the total of the amounts from Form 1040NR, lines 27 and 55, plus any taxes that you identified using code "UT" and entered on line 59.	8	0.
9	Add lines 7 and 8	9	198.
10	1040 filers: Enter the total of the amounts from Form 1040, lines 64a and 69. 1040A filers: Enter the total of the amount from Form 1040A, line 38a, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 41 (see separate instructions). 1040NR filers: Enter the amount from Form 1040NR, line 65.	10	1,586.
11	Subtract line 10 from line 9. If zero or less, enter -0-	11	0.
12	Enter the larger of line 6 or line 11 Next, enter the smaller of line 3 or line 12 on line 13.	12	75.

Part IV Additional Child Tax Credit

13	This is your additional child tax credit	13	75.
----	--	----	-----

Enter this amount on
Form 1040, line 65,
Form 1040A, line 39, or
Form 1040NR, line 63.

1040
1040A
1040NR

DRAFT

DRAFT

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.

Name(s) shown on return

Identifying number

RENTAL INVESTOR & LUCKY GAMBLER

600-00-1007

Part I 2011 Passive Activity Loss

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see Special Allowance for Rental Real Estate Activities in the instructions.)			
1a Activities with net income (enter the amount from Worksheet 1, column (a))	1a	3,195.	
b Activities with net loss (enter the amount from Worksheet 1, column (b)).	1b	()	
c Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c	()	
d Combine lines 1a, 1b, and 1c	1d	3,195.	
Commercial Revitalization Deductions From Rental Real Estate Activities			
2a Commercial revitalization deductions from Worksheet 2, column (a)	2a	()	
b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b	()	
c Add lines 2a and 2b	2c	()	
All Other Passive Activities			
3a Activities with net income (enter the amount from Worksheet 3, column (a))	3a	1,190.	
b Activities with net loss (enter the amount from Worksheet 3, column (b))	3b	4,600.	
c Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c	()	
d Combine lines 3a, 3b, and 3c	3d	(3,410.)	
4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used	4	(215.)	

- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

5 Enter the smaller of the loss on line 1d or the loss on line 4	5	
6 Enter \$150,000. If married filing separately, see instructions	6	
7 Enter modified adjusted gross income, but not less than zero (see instructions) Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.	7	
8 Subtract line 7 from line 6	8	
9 Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see instructions	9	
10 Enter the smaller of line 5 or line 9 If line 2c is a loss, go to Part III. Otherwise, go to line 15.	10	

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12 Enter the loss from line 4	12	
13 Reduce line 12 by the amount on line 10	13	
14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15 Add the income, if any, on lines 1a and 3a and enter the total	15	4,385.
16 Total losses allowed from all passive activities for 2011. Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return	16	4,385.

KBA For Paperwork Reduction Act Notice, see instructions.

Form 8582 (2011)

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.

Worksheet 1 - For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
123 SECOND ST	1,420			1,420	
123 THIRD ST	1,210			1,210	
123 FOURTH ST	565			565	
Total. Enter on Form 8582, lines 1a, 1b, and 1c	3,195				

Worksheet 2 - For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3 - For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
123 FIRST ST	1,190			1,190	
ABC COMPANY		4,600			4,600
Total. Enter on Form 8582, lines 3a, 3b, and 3c	1,190	4,600			

Worksheet 4 - Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column(c) from column(a)
Total			1.00		

Worksheet 5 - Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
ABC COMPANY	SCH E LN28	4,600	1.00000	215
Total		4,600	1.00	215

Worksheet 6 - Allowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
ABC COMPANY	SCH E LN28	4,600	215	4,385
Total		4,600	215	4,385

Worksheet 7 - Activities With Losses Reported on Two or More Forms or Schedules (See instructions.)

Name of activity:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Total			1.00		

Paid Preparer's Earned Income Credit Checklist

▶ For more information about Form 8867, see www.irs.gov/form8867
▶ To be completed by preparer and filed with Form 1040, 1040A, or 1040EZ.

Taxpayer name(s) shown on return

RENTAL INVESTOR

Taxpayer's social security number

600-00-1007

For the definitions of the following terms, see **Pub. 596**.

- Investment Income
- Qualifying Child
- Earned Income
- Full-time Student

Part I All Taxpayers

1 Enter preparer's name and PTIN ▶ **KAREN TAXPRO P47777777**

2 Is the taxpayer's filing status married filing separately? Yes No

▶ If you checked "Yes" on line 2, stop; the taxpayer cannot take the EIC. Otherwise, continue.

3 Does the taxpayer (and the taxpayer's spouse if filing jointly) have a social security number (SSN) that allows him or her to work or is valid for EIC purposes? See the instructions before answering Yes No

▶ If you checked "No" on line 3, stop; the taxpayer cannot take the EIC. Otherwise, continue.

4 Is the taxpayer filing Form 2555 or Form 2555-EZ (relating to the exclusion of foreign earned income)? Yes No

▶ If you checked "Yes" on line 4, stop; the taxpayer cannot take the EIC. Otherwise, continue.

5a Was the taxpayer a nonresident alien for any part of 2011? Yes No

▶ If you checked "Yes" on line 5a, go to line 5b. Otherwise, skip line 5b and go to line 6.

b Is the taxpayer's filing status married filing jointly? Yes No

▶ If you checked "Yes" on line 5a and "No" on line 5b, stop; the taxpayer cannot take the EIC. Otherwise, continue.

6 Is the taxpayer's investment income more than \$3,150? See Rule 6 in Pub. 596 before answering Yes No

▶ If you checked "Yes" on line 6, stop; the taxpayer cannot take the EIC. Otherwise, continue.

7 Could the taxpayer, or the taxpayer's spouse if filing jointly, be a qualifying child of another person for 2011? If the taxpayer's filing status is married filing jointly, check "No". Otherwise, see Rule 10 (Rule 13 if the taxpayer does not have a qualifying child) in Pub. 596 before answering Yes No

▶ If you checked "Yes" on line 7, stop; the taxpayer cannot take the EIC. Otherwise, go to Part II or Part III, whichever applies.



Information provided by: **RENTAL INVESTOR**
Information provided in person.

Part II Taxpayers With a Child

Caution. If there is more than one child, complete lines 8 through 14 for one child before going to the next column.

	Child 1	Child 2	Child 3
8	SLOT MACHINE	BLACK JACK	POKER TABLE
9	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
11	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
12	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
13a	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
13c	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know
14	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
15	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Note. If you checked "No" on line 13c or 14 but there is more than one child, complete lines 8 through 14 for the other child(ren) (but for no more than three qualifying children). Also do this if you checked "Don't know" on line 13c and the taxpayer is not taking the EIC based on this child.

Part III Taxpayers Without a Qualifying Child

16 Was the taxpayer's main home, and the main home of the taxpayer's spouse if filing jointly, in the United States for more than half the year? (Military personnel on extended active duty outside the United States are considered to be living in the United States during that duty period. See Pub. 596.)

Yes No

If you checked "No" on line 16, stop; the taxpayer cannot take the EIC. Otherwise, continue.

17 Was the taxpayer, or the taxpayer's spouse if filing jointly, at least age 25 but under age 65 at the end of 2011?

Yes No

If you checked "No" on line 17, stop; the taxpayer cannot take the EIC. Otherwise, continue.

18 Is the taxpayer, or the taxpayer's spouse if filing jointly, eligible to be claimed as a dependent on anyone else's federal income tax return for 2011? If the taxpayer's filing status is married filing jointly, check "No"

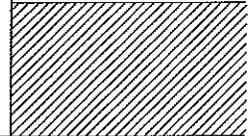
Yes No

If you checked "Yes" on line 18, stop; the taxpayer cannot take the EIC. Otherwise, continue.

19 Are the taxpayer's earned income and adjusted gross income each less than the limit that applies to the taxpayer for 2011? See Pub. 596 for the limit

Yes No

If you checked "No" on line 19, stop; the taxpayer cannot take the EIC. If you checked "Yes" on line 19, the taxpayer can take the EIC. If the taxpayer's EIC was reduced or disallowed for a year after 1996, see Pub. 596 to find out if Form 8862 must be filed. Go to line 20.



Part IV Due Diligence Requirements

20 Did you complete Form 8867 based on current information provided by the taxpayer or reasonably obtained by you?

Yes No

21 Did you complete the EIC worksheet found in the Form 1040, 1040A, or 1040EZ instructions (or your own worksheet that provides the same information as the 1040, 1040A, or 1040EZ worksheet)?

Yes No

22 Did you comply with knowledge requirements? (To comply with the knowledge requirements, you must not know or have reason to know that any information used to determine the taxpayer's eligibility for, and the amount of, the EIC is incorrect. You may not ignore the implications of information furnished to or known by you, and you must make reasonable inquiries if the information furnished appears to be incorrect, inconsistent, or incomplete. At the time you make these inquiries, you must document in your files the inquiries you made and the responses you received.)

Yes No

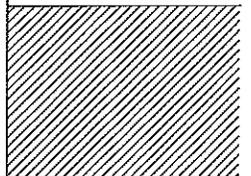
23 Did you keep the following records?

- Form 8867,
The EIC worksheet(s) or your own worksheet(s),
A record of how, when, and from whom the information used to prepare the form and worksheet(s) was obtained, and
Copies of any documents provided by the taxpayer and on which you relied to complete the form and the worksheet

Yes No

If you checked "Yes" on lines 20, 21, 22, and 23, submit Form 8867 in the manner required, and keep the records described on line 23 for 3 years (see instructions), you have complied with all the due diligence requirements.

If you checked "No" on lines 20, 21, 22, or 23, you have not complied with all the due diligence requirements and may have to pay a \$500 penalty for each failure to comply.



Depreciation and Amortization
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to your tax return.

Attachment
Sequence No. **179**

Name(s) shown on return

Business or activity to which this form relates

Identifying number

RENTAL INVESTOR

SCH E P1 SINGL FMLY RESIDENCE

600-00-1007

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13	Carryover of disallowed deduction to 2013. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instr.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		1,000		5HY	200 DB	200
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	200
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

KBA For Paperwork Reduction Act Notice, see separate instructions.

Election Not to Take Special Depreciation Allowance

The above taxpayer(s) elect not to have the additional special depreciation allowance apply to the following classes of property:

3 Year	<input type="checkbox"/>
5 Year	<input checked="" type="checkbox"/>
7 Year	<input type="checkbox"/>
10 Year	<input type="checkbox"/>
15 Year	<input type="checkbox"/>
20 Year	<input type="checkbox"/>
Autos and other listed property used more than 50% in a qualified business use	<input type="checkbox"/>
Residential Rental Property	<input type="checkbox"/>
Non-Residential Real Property	<input type="checkbox"/>