

Tax Return Project
ACCT 426, Fall 2019
Instructor: Jenny Wing Liu, CPA, MST

Problem: Attached

Requirements:

1. Prepare the 2018 federal income tax return on the appropriate IRS forms. You are required to make manual entries (okay to type on PDF forms) on IRS forms to receive any credit. Print out from any tax return preparation software is **not** acceptable for grading purposes. Copies of the forms and instructions are available at www.irs.gov.
2. Use the sequence numbers in the upper right-hand corner of the official IRS forms for the property order.
3. Prepare a brief top sheet summarizing the factual information in the format of the tax formula. You must use Excel spreadsheet to prepare this summary.
4. Do not calculate next year's estimated tax or any late filing or late payment penalty or interest, if there is a balance due.

Grading and Due Date: See Syllabus

Strategy:

1. Download a copy of the Form 1040 instructions from the IRS website. It will be helpful to figure out the forms, schedules and worksheets needed to complete this project.
2. You might want to start with page 1 of the 1040 and manually make entries (pencil recommended). You may then need to do subsidiary forms (e.g., Schedule A, Schedule B, etc.)
3. Based on the information given, download the recipient instructions of the form, which will give you instructions how and where to include the information on the tax return. For example, the information given includes a W-2 form. Download the W-2 form instructions for recipients, which would tell you how to include the W-2 information on Form 1040.
4. Go through the information given to figure out the applicable subsidiary forms, such as Schedule A, Schedule B, Schedule D, etc. needed.
5. All information given is useful for the tax return. Start early, because this is a time consuming project.

Tax Return Project
ACCT 426, Fall 2019
Instructor: Jenny Wing Liu, CPA, MST

Frank and Mary Carter are new clients to the firm. Frank is an attorney and Mary is a consultant. We will be preparing their 2018 Federal income tax return.

Frank and Mary will be filing jointly and have the following personal information:

	Social Security #	Date of Birth
Frank Carter	476-48-8888	1/22/1958
Mary Carter	746-58-9999	6/17/1962
Son:		
Thomas Carter	231-88-9876	1/5/2003

Address: 735 Carnegie Street, San Bernardino, CA 92408

They have given us the attached documents for their tax return.

They have also supplied the following information:

1. Frank is an employee of Inland Attorney At Law Inc, and Frank received a W-2 from the company. The W-2 form has the following information.
2. Frank is a sole shareholder of Inland Attorney At Law Inc. The company is an S corporation. Frank received a Schedule K-1 for the pass-thru income from the corporation. Frank materially participated in the business for the year.
3. Frank and Mary received interest income from National Bank for their money market account. They also received dividend income from Boeing Company stock they owned. They included the Form 1099s they received.

Frank and Mary had the following stock sales in 2018. The investment broker reported the stock basis information to the IRS.

Description	Date Acquired	Date Sold	Quantity	Proceeds	Cost
Amazon	01/26/2013	02/16/2018	50 shares	\$64,772	\$14,994
Starbucks	01/04/2017	05/24/2018	400 shares	\$23,000	\$23,212

4. Mary is a consultant working as a sole proprietor. Mary uses cash basis accounting for the activity, and Mary materially participates in the activity during 2018. Mary did not make any payments in 2018 that would require her to file any 1099 forms. She has given us her business income and expenses information for the year.
5. Frank and Mary bought a residential rental property in 2018.

Address: 3010 Olive Street, Los Angeles, CA 90001
Purchase date: 8/1/2018

Purchase price: \$550,000.

The cost is broken down between land and building as follows:

Land	\$110,000
Building	\$440,000

They have given us the following information related to the rental property.

Rental income	\$15,000
Advertising	\$250
Insurance	\$625
Repairs	\$90
Mortgage interest expense	\$3,250
Property taxes	\$3,300

6. They received income tax refund from the State of California from their 2017 tax return filed in 2018. They were not subject to AMT for federal income tax purposes in prior year, and they had the tax benefit of deducting the state income tax payment on their prior year's federal tax return.
7. They provided us the following additional information related to 2018. On their personal residence they paid \$2,850 in property taxes and \$6,800 in mortgage interest. On their personal autos, they paid \$1,080 in DMV fees and the portion based on the value of the vehicles is \$425. They made cash donations to the American Red Cross of \$20,000 and non-cash donations to Salvation Army of \$300.
8. Thomas is a high school sophomore living at home with his parents. He did not work, nor did he have any other income.
9. Frank and Mary do not have any overpayments applied to 2018 from prior year.
10. Frank and Mary made four equal payments of \$7,500 each to the IRS for the tax year 2018 on 4/15/2018, 6/15/2018, 9/15/2018, and 12/15/2018 respectively.

Mary Carter's Consulting Activity for 2018 are shown below.

Income Statement
January 1, 2018 - December 31, 2018

Income	
Gross receipts	\$ 95,000
Expenses	
Liability Insurance	\$ 4,500
Office supplies	850
Office lease	12,000
Legal and professional fees	9,500
Office expense	300
Taxes and licenses	900
Travel	750
Conference	1,300
Marketing	2,200
Total expenses	<u>\$ 32,300</u>

Notes:

1. Mary uses cash basis accounting for the activity.
2. Mary materially participates in the activity during 2018.
4. Mary did not make any payments in 2018 that would require her to file any Form 1099.

		a Employee's social security number		This information is being furnished to the Internal Revenue Service, if you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.			
b Employer identification number (EIN)		1 Wages, tips, other compensation 80,945.00		2 Federal income tax withheld 9925.00			
c Employer's name, address, and ZIP code Inland Attorney At Law Inc.		3 Social security wages 80,945.00		4 Social security tax withheld 5,019.00			
		5 Medicare wages and tips 80,945.00		6 Medicare tax withheld 1,174.00			
		7 Social security tips		8 Allocated tips			
d Control number		9 Verification code		10 Dependent care benefits			
e Employee's first name and Initial Last name Frank Carter		11 Nonqualified plans		12a See instructions for box 12			
		13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b			
		14 Other CA SDI 810.00		12c			
				12d			
f Employee's address and ZIP code		16 State wages, tips, etc. 80,945.00		17 State income tax 5,019.00		18 Local wages, tips, etc.	
15 State Employer's state ID number CA						19 Local income tax	
						20 Locality name	

Form **W-2** Wage and Tax Statement

2018

Department of the Treasury—Internal Revenue Service

Safe, accurate, FAST! Use



Copy C—For EMPLOYEE'S RECORDS (See Notice to Employee on the back of Copy B.)

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		Payer's RTN (optional)	OMB No. 1545-0112		2018	Interest Income
National Bank P.O. Box 3908, Los Angeles, CA 92401						
PAYER'S TIN		RECIPIENT'S TIN		1 Interest Income		Copy B For Recipient
		476-48-8888		\$ 4885.00		
				2 Early withdrawal penalty		
RECIPIENT'S name		3 Interest on U.S. Savings Bonds and Treas. obligations		4 Federal income tax withheld		This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Frank Carter				\$		
Street address (including apt. no.)		6 Foreign tax paid		5 Investment expenses		
735 Carnegie Street				\$		
City or town, state or province, country, and ZIP or foreign postal code		8 Tax-exempt interest		7 Foreign country or U.S. possession		
San Bernardino, CA 92408				\$		
		10 Market discount		9 Specified private activity bond interest		
FATCA filing requirement		11 Bond premium		10 Market discount		
<input type="checkbox"/>				\$		
Account number (see instructions)		12 Bond premium on Treasury obligations		11 Bond premium		
				\$		
		13 Bond premium on tax-exempt bond		14 Tax-exempt and tax credit bond CUSIP no.		
				\$		
		15 State		16 State identification no.		
				\$		
				17 State tax withheld		
				\$		

Instructions for Recipient

The information provided may be different for covered and noncovered securities. For a description of covered securities, see the Instructions for Form 8949. For a taxable covered security acquired at a premium, unless you notified the payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to amortize the premium under section 171, or for a tax-exempt covered security acquired at a premium, your payer generally must report either (1) a net amount of interest that reflects the offset of the amount of interest paid to you by the amount of premium amortization allocable to the payment(s), or (2) a gross amount for both the interest paid to you and the premium amortization allocable to the payment(s). If you did notify your payer that you did not want to amortize the premium on a taxable covered security, then your payer will only report the gross amount of interest paid to you. For a noncovered security acquired at a premium, your payer is only required to report the gross amount of interest paid to you.

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)). However, the issuer has reported your complete TIN to the IRS.

FATCA filing requirement. If the FATCA filing requirement box is checked, the payer is reporting on this Form 1099 to satisfy its chapter 4 account reporting requirement. You also may have a filing requirement. See the Instructions for Form 8938.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Box 1. Shows taxable interest paid to you during the calendar year by the payer. This does not include interest shown in box 3. May also show the total amount of the credits from clean renewable energy bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, qualified school construction bonds, and build America bonds that must be included in your interest income. These amounts were treated as paid to you during 2018 on the credit allowance dates (March 15, June 15, September 15, and December 15). For more information, see Form 8912. See the Instructions above for a taxable covered security acquired at a premium.

Box 2. Shows interest or principal forfeited because of early withdrawal of time savings. You may deduct this amount to figure your adjusted gross income on your income tax return. See the Instructions for Form 1040 to see where to take the deduction.

Box 3. Shows interest on U.S. Savings Bonds, Treasury bills, Treasury bonds, and Treasury notes. This may or may not all be taxable. See Pub. 550. This interest is exempt from state and local income taxes. This interest is not included in box 1. See the Instructions above for a taxable covered security acquired at a premium.

Box 4. Shows backup withholding. Generally, a payer must backup withhold if you did not furnish your taxpayer identification number (TIN) or you did not furnish the correct TIN to the payer. See Form W-9. Include this amount on your income tax return as tax withheld.

Box 5. Any amount shown is your share of investment expenses of a single-class REMIC. This amount is included in box 1.

Box 6. Shows foreign tax paid. You may be able to claim this tax as a deduction or a credit on your Form 1040. See your Form 1040 Instructions.

Box 7. Shows the country or U.S. possession to which the foreign tax was paid.

Box 8. Shows tax-exempt interest paid to you during the calendar year by the payer. See how to report this amount in the Instructions for Form 1040. This amount may be subject to backup withholding. See box 4. See the Instructions above for a tax-exempt covered security acquired at a premium.

Box 9. Shows tax-exempt interest subject to the alternative minimum tax. This amount is included in box 8. See the Instructions for Form 6251. See the Instructions above for a tax-exempt covered security acquired at a premium.

Box 10. For a taxable or tax-exempt covered security, if you made an election under section 1278(b) to include market discount in income as it accrues and you notified your payer of the election in writing in accordance with Regulations section 1.6045-1(n)(5), shows the market discount that accrued on the debt instrument during the year while held by you, unless it was reported on Form 1099-OID. For a taxable or tax-exempt covered security acquired on or after January 1, 2015, accrued market discount will be calculated on a constant yield basis unless you notified your payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to make a constant yield election for market discount under section 1276(b). Report the accrued market discount on your income tax return as directed in the Instructions for Form 1040. Market discount on a tax-exempt security is includible in taxable income as interest income.

(Continued on the back of Copy 2.)

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. Boeing Company		1a Total ordinary dividends \$ 5,600.00		OMB No. 1545-0110 2018 Form 1099-DIV	Dividends and Distributions Copy B For Recipient This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.	
		1b Qualified dividends \$ 5,600.00				
		2a Total capital gain distr. \$				2b Unrecap. Sec. 1250 gain \$
PAYER'S TIN	RECIPIENT'S TIN 476-48-8888	2c Section 1202 gain \$		2d Collectibles (28%) gain \$		
RECIPIENT'S name Frank Carter		3 Nondividend distributions \$		4 Federal income tax withheld \$		
Street address (including apt. no.) 735 Carnegie Street		5 Section 199A dividends \$		6 Investment expenses \$		
City or town, state or province, country, and ZIP or foreign postal code San Bernardino, CA 92408		7 Foreign tax paid \$		8 Foreign country or U.S. possession \$		
		9 Cash liquidation distributions \$		10 Noncash liquidation distributions \$		
		11 Exempt-interest dividends \$		12 Specified private activity bond interest dividends \$		
		FATCA filing requirement <input type="checkbox"/>				
Account number (see instructions)		13 State	14 State identification no.	15 State tax withheld \$		

Form **1099-DIV**

(keep for your records)

www.irs.gov/Form1099DIV

Department of the Treasury - Internal Revenue Service

Instructions for Recipient

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)). However, the issuer has reported your complete TIN to the IRS.

FATCA filing requirement. If the FATCA filing requirement box is checked, the payer is reporting on this Form 1099 to satisfy its chapter 4 account reporting requirement. You also may have a filing requirement. See the Instructions for Form 8938.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Box 1a. Shows total ordinary dividends that are taxable. Include this amount on the "Ordinary dividends" line of Form 1040. Also, report it on Schedule B (1040), if required.

Box 1b. Shows the portion of the amount in box 1a that may be eligible for reduced capital gains rates. See the Form 1040 Instructions for how to determine this amount and where to report.

The amount shown may be dividends a corporation paid directly to you as a participant (or beneficiary of a participant) in an employee stock ownership plan (ESOP). Report it as a dividend on your Form 1040 but treat it as a plan distribution, not as investment income, for any other purpose.

Box 2a. Shows total capital gain distributions from a regulated investment company (RIC) or real estate investment trust (REIT). See *How To Report* in the Instructions for Schedule D (Form 1040). But, if no amount is shown in boxes 2c–2d and your only capital gains and losses are capital gain distributions, you may be able to report the amounts shown in box 2a on your Form 1040 rather than Schedule D. See the Form 1040 instructions.

Box 2b. Shows the portion of the amount in box 2a that is unrecaptured section 1250 gain from certain depreciable real property. See the Unrecaptured Section 1250 Gain Worksheet—Line 19 in the Instructions for Schedule D (Form 1040).

Box 2c. Shows the portion of the amount in box 2a that is section 1202 gain from certain small business stock that may be subject to an exclusion. See the Schedule D (Form 1040) instructions.

Box 2d. Shows 28% rate gain from sales or exchanges of collectibles. If required, use this amount when completing the 28% Rate Gain Worksheet—Line 18 in the Instructions for Schedule D (Form 1040).

Box 3. Shows the part of the distribution that is nontaxable because it is a return of your cost (or other basis). You must reduce your cost (or other basis) by this amount for figuring gain or loss when you sell your stock. But if you get back all your cost (or other basis), report future distributions as capital gains. See Pub. 550.

Box 4. Shows backup withholding. A payer must backup withhold on certain payments if you did not give your TIN to the payer. See Form W-9, Request for Taxpayer Identification Number and Certification, for information on backup withholding. Include this amount on your income tax return as tax withheld.

Box 5. Shows dividends eligible for the 20% qualified business income deduction under section 199A. See the Instructions for Form 1040.

Box 6. Shows your share of expenses of a nonpublicly offered RIC, generally a nonpublicly offered mutual fund. This amount is included in box 1a.

Box 7. Shows the foreign tax that you may be able to claim as a deduction or a credit on Form 1040. See the Form 1040 instructions.

Box 8. This box should be left blank if a RIC reported the foreign tax shown in box 7.

Boxes 9 and 10. Shows cash and noncash liquidation distributions.

Box 11. Shows exempt-interest dividends from a mutual fund or other RIC paid to you during the calendar year. See the Instructions for Form 1040 for where to report. This amount may be subject to backup withholding. See *Box 4* above.

Box 12. Shows exempt-interest dividends subject to the alternative minimum tax. This amount is included in box 11. See the Instructions for Form 6251.

Boxes 13–15. State income tax withheld reporting boxes.

Nominees. If this form includes amounts belonging to another person, you are considered a nominee recipient. You must file Form 1099-DIV (with a Form 1096) with the IRS for each of the other owners to show their share of the income, and you must furnish a Form 1099-DIV to each. A spouse is not required to file a nominee return to show amounts owned by the other spouse. See the 2018 General Instructions for Certain Information Returns.

Future developments. For the latest information about developments related to Form 1099-DIV and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form1099DIV.

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. State of California		1 Unemployment compensation \$	OMB No. 1545-0120 2018 Form 1099-G	Copy B For Recipient This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.	
		2 State or local income tax refunds, credits, or offsets \$ 1,237.00			
PAYER'S TIN	RECIPIENT'S TIN 476-48-8888	3 Box 2 amount is for tax year	4 Federal income tax withheld \$		
RECIPIENT'S name Frank and Mary Carter Street address (including apt. no.) 735 Carnegie Street City or town, state or province, country, and ZIP or foreign postal code San Bernardino, CA 92408		5 RTAA payments \$	6 Taxable grants \$		
		7 Agriculture payments \$	8 If checked, box 2 is trade or business income <input type="checkbox"/>		
		9 Market gain \$			
Account number (see instructions)		10a State	10b State identification no.		11 State income tax withheld \$

Form **1099-G**

(keep for your records)

www.irs.gov/Form1099G

Department of the Treasury - Internal Revenue Service

Instructions for Recipient

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)). However, the issuer has reported your complete TIN to the IRS.

Account number. May show an account or other unique number the payer has assigned to distinguish your account.

Box 1. Shows the total unemployment compensation paid to you this year. Combine the box 1 amounts from all Forms 1099-G and report the total as income on the unemployment compensation line of your tax return. Except as explained below, this is your taxable amount. If you are married filing jointly, each spouse must figure his or her taxable amount separately. If you expect to receive these benefits in the future, you can ask the payer to withhold federal income tax from each payment. Or, you can make estimated tax payments. For details, see Form 1040-ES. If you made contributions to a governmental unemployment compensation program or to a governmental paid family leave program and received a payment from that program, the payer must issue a separate Form 1099-G to report this amount to you. If you itemize deductions, you may deduct your contributions on Schedule A (Form 1040) as taxes paid. If you do not itemize, you only need to include in income the amount that is in excess of your contributions.

Box 2. Shows refunds, credits, or offsets of state or local income tax you received. It may be taxable to you if you deducted the state or local income tax paid on Schedule A (Form 1040). Even if you did not receive the amount shown, for example, because: (a) it was credited to your state or local estimated tax, (b) it was offset against federal or state debts, (c) it was offset against other offsets, or (d) you made a charitable contribution from your refund, it is still taxable if it was deducted. If you received interest on this amount, you may receive Form 1099-INT for the interest. However, the payer may include interest of less than \$600 in the blank box next to box 9 on Form 1099-G. Regardless of whether the

interest is reported to you, report it as interest income on your tax return. See your tax return instructions.

Box 3. Identifies the tax year for which the box 2 refunds, credits, or offsets shown were made. If there is no entry in this box, the refund is for 2017 taxes.

Box 4. Shows backup withholding or withholding you requested on unemployment compensation, Commodity Credit Corporation (CCC) loans, or certain crop disaster payments. Generally, a payer must backup withhold on certain payments if you did not give your taxpayer identification number to the payer. See Form W-9 for information on backup withholding. Include this amount on your income tax return as tax withheld.

Box 5. Shows reemployment trade adjustment assistance (RTAA) payments you received. Include on Form 1040 on the "Other Income" line. See the Form 1040 instructions.

Box 6. Shows taxable grants you received from a federal, state, or local government.

Box 7. Shows your taxable Department of Agriculture payments. If the payer shown is anyone other than the Department of Agriculture, it means the payer has received a payment, as a nominee, that is taxable to you. This may represent the entire agricultural subsidy payment received on your behalf by the nominee, or it may be your pro rata share of the original payment. See Pub. 225 and the Instructions for Schedule F (Form 1040) for information about where to report this income. Partnerships, see Form 8825 for how to report.

Box 8. If this box is checked, the amount in box 2 is attributable to an income tax that applies exclusively to income from a trade or business and is not a tax of general application. If taxable, report the amount in box 2 on Schedule C or F (Form 1040), as appropriate.

Box 9. Shows market gain on CCC loans whether repaid using cash or CCC certificates. See the Instructions for Schedule F (Form 1040).

Boxes 10a-11. State income tax withheld reporting boxes.

Future developments. For the latest information about developments related to Form 1099-G and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form1099G.

Schedule K-1 (Form 1120S)

2018

Department of the Treasury Internal Revenue Service

For calendar year 2018, or tax year

beginning / / 2018 ending / /

Shareholder's Share of Income, Deductions, Credits, etc. See back of form and separate instructions.

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 4 columns: Line number, Description, Amount, and Other information. Includes rows for Ordinary business income (loss), Net rental real estate income (loss), Interest income, Dividends, Capital gains, and Deductions.

Part I Information About the Corporation

Form section for Part I: Corporation's employer identification number, name, address, city, state, and ZIP code, and IRS Center where corporation filed return.

Part II Information About the Shareholder

Form section for Part II: Shareholder's identifying number, name, address, city, state, and ZIP code, and percentage of stock ownership for tax year.

Large empty box for additional information, with 'For IRS Use Only' written vertically on the left side.

* See attached statement for additional information.

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

	<i>Report on</i>	<i>Code</i>	<i>Report on</i>	
1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:		O Backup withholding	See the Shareholder's Instructions	
	<i>Report on</i>	P Other credits	See the Shareholder's Instructions	
Passive loss	See the Shareholder's Instructions	14. Foreign transactions		
Passive income	Schedule E, line 28, column (h)	A Name of country or U.S. possession	} Form 1116, Part I	
Nonpassive loss	See the Shareholder's Instructions	B Gross income from all sources		
Nonpassive income	Schedule E, line 28, column (k)	C Gross income sourced at shareholder level		
2. Net rental real estate income (loss)	See the Shareholder's Instructions	<i>Foreign gross income sourced at corporate level</i>		
3. Other net rental income (loss)		D Section 951A category	} Form 1116, Part I	
Net income	Schedule E, line 28, column (h)	E Foreign branch category		
Net loss	See the Shareholder's Instructions	F Passive category		
4. Interest income	Form 1040, line 2b	G General category		
5a. Ordinary dividends	Form 1040, line 3b	H Other		
5b. Qualified dividends	Form 1040, line 3a	<i>Deductions allocated and apportioned at shareholder level</i>		
6. Royalties	Schedule E, line 4	I Interest expense	Form 1116, Part I	
7. Net short-term capital gain (loss)	Schedule D, line 5	J Other	Form 1116, Part I	
8a. Net long-term capital gain (loss)	Schedule D, line 12	<i>Deductions allocated and apportioned at corporate level to foreign source income</i>		
8b. Collectibles (28%) gain (loss)	28% Rate Gain Worksheet, line 4 (Schedule D instructions)	K Section 951A category	} Form 1116, Part I	
8c. Unrecaptured section 1250 gain	See the Shareholder's Instructions	L Foreign branch category		
9. Net section 1231 gain (loss)	See the Shareholder's Instructions	M Passive category		
10. Other income (loss)		N General category		
Code		O Other		
A Other portfolio income (loss)	See the Shareholder's Instructions	<i>Other information</i>		
B Involuntary conversions	See the Shareholder's Instructions	P Total foreign taxes paid	Form 1116, Part II	
C Sec. 1256 contracts & straddles	Form 6781, line 1	Q Total foreign taxes accrued	Form 1116, Part II	
D Mining exploration costs recapture	See Pub. 535	R Reduction in taxes available for credit	Form 1116, line 12	
E Section 951A income	} See the Shareholder's Instructions	S Foreign trading gross receipts	Form 8873	
F Section 965(a) inclusion		T Extraterritorial income exclusion	Form 8873	
G Subpart F income other than sections 951A and 965 inclusion		U Section 965 information	See the Shareholder's Instructions	
H Other income (loss)		V Other foreign transactions	See the Shareholder's Instructions	
11. Section 179 deduction	See the Shareholder's Instructions	15. Alternative minimum tax (AMT) items		
12. Other deductions		A Post-1986 depreciation adjustment	} See the Shareholder's Instructions and the instructions for Form 6251	
A Cash contributions (60%)	} See the Shareholder's Instructions	B Adjusted gain or loss		
B Cash contributions (30%)				
C Noncash contributions (50%)				
D Noncash contributions (30%)				
E Capital gain property to a 50% organization (30%)				
F Capital gain property (20%)				
G Contributions (100%)		C Depletion (other than oil & gas)	} See the Shareholder's Instructions	
H Investment interest expense	Form 4952, line 1	D Oil, gas, & geothermal—gross income		
I Deductions—royalty income	Schedule E, line 19	E Oil, gas, & geothermal—deductions		
J Section 59(e)(2) expenditures	See the Shareholder's Instructions	F Other AMT items		
K Section 965(c) deduction	See the Shareholder's Instructions	16. Items affecting shareholder basis		
L Deductions—portfolio (other)	Schedule A, line 16	A Tax-exempt interest income	Form 1040, line 2a	
M Preproductive period expenses	See the Shareholder's Instructions	B Other tax-exempt income	} See the Shareholder's Instructions	
N Commercial revitalization deduction from rental real estate activities	See Form 8582 Instructions	C Nondeductible expenses		
O Reforestation expense deduction through R	See the Shareholder's Instructions	D Distributions		
P through R	Reserved for future use	E Repayment of loans from shareholders		
S Other deductions	See the Shareholder's Instructions	17. Other information		
13. Credits		A Investment income	Form 4952, line 4a	
A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	} See the Shareholder's Instructions	B Investment expenses	Form 4952, line 5	
B Low-income housing credit (other) from pre-2008 buildings				
C Low-income housing credit (section 42(j)(5)) from post-2007 buildings				
D Low-income housing credit (other) from post-2007 buildings				
E Qualified rehabilitation expenditures (rental real estate)				
F Other rental real estate credits				
G Other rental credits				
H Undistributed capital gains credit		Schedule 5 (Form 1040), line 74, box a	C Qualified rehabilitation expenditures (other than rental real estate)	See the Shareholder's Instructions
I Biofuel producer credit		} See the Shareholder's Instructions	D Basis of energy property	See the Shareholder's Instructions
J Work opportunity credit				
K Disabled access credit				
L Empowerment zone employment credit				
M Credit for increasing research activities				
N Credit for employer social security and Medicare taxes				
		E Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8	
		F Recapture of low-income housing credit (other)	Form 8611, line 8	
		G Recapture of investment credit	See Form 4255	
		H Recapture of other credits	See the Shareholder's Instructions	
		I Look-back interest—completed long-term contracts	See Form 8697	
		J Look-back interest—income forecast method	See Form 8866	
		K Dispositions of property with section 179 deductions	} See the Shareholder's Instructions	
		L Recapture of section 179 deduction		
		M through U		
		V Section 199A income		
		W Section 199A W-2 wages		
		X Section 199A unadjusted basis	} See the Shareholder's Instructions	
		Y Section 199A REIT dividends		
		Z Section 199A PTP income		
		AA Excess taxable income		
		AB Excess business interest income		
		AC Other information		