

2/16/11

02:57PM

EX12F-CA

During 2010, Joe had total trading proceeds of approximately \$100,000 and total roundtrip trades of only 200 per review of the TradeLog reports. Trading was very sporadic and not continuous throughout the 2010 tax year. There were several months where Joe did not have any trading activity in 2010. Joe does not qualify as a trader in commodities for 2010 due to limited number of trades and frequency of trading activity. Since Joe doesn't qualify for trader tax status, he is forced to file as a normal "investor". Therefore, Joe may NOT report his trading business expenses on Schedule C. Instead, he must report these expenses as "itemized deductions" on Schedule A. "Investment interest expenses" are limited on Form 4952 and "investment expenses" are subject to "Miscellaneous Itemized Deduction" limitations (deductible if more than 2% of Taxpayer's adjusted gross income (AGI)).

Joe has negative taxable income, so his trading business expenses are entirely wasted for this year or any other year. Joe does have a carryover of his Investment Interest Expense.

No trader footnotes provided with this return since Taxpayer did not qualify for trader status in 2010.

Demo

Name, Address, and SSN

For the year Jan 1 - Dec 31, 2010, or other tax year beginning , 2010, ending , 20

OMB No. 1545-0074

Your social security number

999-99-9999

Joe Investor

Commodity Loss Ex 12

If a joint return, spouse's first name

MI

Last name

Spouse's social security number

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

any street

Apartment no.

City, town or post office. If you have a foreign address, see instructions.

Los Angeles, CA 90025

State

ZIP code

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

▲

Checking a box below will not change your tax or refund.

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund?

X

You

Spouse

Filing Status

1

X

Single

2

Married filing jointly (even if only one had income)

3

Married filing separately. Enter spouse's SSN above & 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

X

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) if child under age 17 qualifying for child tax cr (see instrs)

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 instrs)

Dependents on 6c not entered above

Add numbers on lines above

1

If more than four dependents, see instructions and check here

d Total number of exemptions claimed

1

Income

7

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

7

8a

Taxable interest. Attach Schedule B if required

8a

62.

b

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

8b

9a

Ordinary dividends. Attach Schedule B if required

9a

897.

b

Qualified dividends

9b

897.

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). Att Sch D if reqd. If not reqd, ck here.

13

-3,000.

14

Other gains or (losses). Attach Form 4797

14

15a

IRA distributions

15a

b Taxable amount

15b

16a

Pensions and annuities

16a

b Taxable amount

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

21

22

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

22

-2,041.

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.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

Adjusted Gross Income

23

Educator expenses

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

One-half 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

Tuition and fees. Attach Form 8917

34

35

Domestic production activities deduction. Attach Form 8903

35

36

Add lines 23 - 31a and 32 - 35

36

0.

37

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

37

-2,041.

BAA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

FDIA0112L 12/22/10

Form **1040** (2010)

Tax and Credits

38	Amount from line 37 (adjusted gross income)	38	-2,041.
39a	Check if: <input type="checkbox"/> You were born before January 2, 1946, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a		
	<input type="checkbox"/> Spouse was born before January 2, 1946, <input type="checkbox"/> Blind. 39b <input type="checkbox"/>		
	b If your spouse itemizes on a separate return, or you were a dual-status alien, check here. 39b <input type="checkbox"/>		
40	Itemized deductions (from Schedule A) or your standard deduction (see instructions)	40	10,024.
41	Subtract line 40 from line 38.	41	-12,065.
42	Exemptions. Multiply \$3,650 by the number on line 6d.	42	3,650.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	0.
44	Tax (see instrs). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972.	44	0.
45	Alternative minimum tax (see instructions). Attach Form 6251.	45	0.
46	Add lines 44 and 45.	46	0.
47	Foreign tax credit. Attach Form 1116 if required.	47	
48	Credit for child and dependent care expenses. Attach Form 2441.	48	
49	Education credits from Form 8863, line 23.	49	
50	Retirement savings contributions credit. Attach Form 8880.	50	
51	Child tax credit (see instructions).	51	
52	Residential energy credits. Attach Form 5695.	52	
53	Other crs from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
54	Add lines 47 through 53. These are your total credits	54	
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-.	55	0.
56	Self-employment tax. Attach Schedule SE.	56	
57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919.	57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required.	58	
59a	<input type="checkbox"/> Form(s) W-2, box 9 b <input type="checkbox"/> Schedule H c <input type="checkbox"/> Form 5405, line 16.	59	
60	Add lines 55-59. This is your total tax	60	0.

Other Taxes**Payments**

If you have a qualifying child, attach Schedule EIC.

61	Federal income tax withheld from Forms W-2 and 1099.	61	
62	2010 estimated tax payments and amount applied from 2009 return.	62	
63	Making work pay credit. Attach Schedule M.	63	
64a	Earned income credit (EIC) No	64a	
	b Nontaxable combat pay election. 64b <input type="checkbox"/>		
65	Additional child tax credit. Attach Form 8812.	65	
66	American opportunity credit from Form 8863, line 14.	66	
67	First-time homebuyer credit from Form 5405, line 10.	67	
68	Amount paid with request for extension to file.	68	
69	Excess social security and tier 1 RRTA tax withheld.	69	
70	Credit for federal tax on fuels. Attach Form 4136.	70	
71	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> 8839 c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885.	71	
72	Add lns 61-63, 64a, & 65-71. These are your total pmts	72	0.

Refund

Direct deposit? See instructions.

73	If line 72 is more than line 60, subtract line 60 from line 72. This is the amount you overpaid	73	
74a	Amount of line 73 you want refunded to you . If Form 8888 is attached, check here. <input type="checkbox"/> 74a		
	b Routing number. c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	d Account number.		
75	Amount of line 73 you want applied to your 2011 estimated tax	75	

Amount You Owe

76	Amount you owe. Subtract line 72 from line 60. For details on how to pay see instructions.	76	0.
77	Estimated tax penalty (see instructions).	77	

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 z WebGuideExamples	Phone no. 877-662-2014	Personal identification number (PIN)
---	-------------------------------	--

Sign Here

Joint return? See instructions.

Keep a copy for your records.

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
z WebGuideExamples		Investor	
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	

Paid Preparer's Use Only

Print/Type preparer's name z WebGuideExamples	Preparer's signature z WebGuideExamples	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name Green & Company CPAs, LLC	Firm's address 54 Danbury Rd., #351 Ridgefield, CT 06877	Firm's EIN 20-0751653	Phone no. 877-662-2014	

SCHEDULE A
(Form 1040)Department of the Treasury
Internal Revenue Service (99)**Itemized Deductions**

OMB No. 1545-0074

2010Attachment
Sequence No. **07**▶ **Attach to Form 1040.**▶ **See Instructions for Schedule A (Form 1040).**

Name(s) shown on Form 1040

Your social security number

Joe Investor Commodity Loss Ex 12

999-99-9999

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see instructions)	1	5,342.	
2	Enter amount from Form 1040, line 38 2 -2,041.			
3	Multiply line 2 by 7.5% (.075)	3		
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4		5,342.
Taxes You Paid	5 State and local (check only one box):			
	a <input type="checkbox"/> Income taxes, or	5	326.	
	b <input checked="" type="checkbox"/> General sales taxes			
6	Real estate taxes (see instructions)	6		
7	New motor vehicle taxes from line 11 of the worksheet on page 2 (for certain vehicles purchased in 2009). Skip this line if you checked box 5b.	7		
8	Other taxes. List type and amount ▶	8		
9	Add lines 5 through 8	9		326.
Interest You Paid	10 Home mtg interest and points reported to you on Form 1098	10		
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying number, and address ▶			

	-----	11		

	12 Points not reported to you on Form 1098. See instrs for spcl rules	12		
	13 Mortgage insurance premiums (see instructions)	13		
	14 Investment interest. Attach Form 4952 if required. (See instrs.)	14		
	15 Add lines 10 through 14	15		0.
Gifts to Charity	16 Gifts by cash or check. If you made any gift of \$250 or more, see instrs	16	985.	
	17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	17		
	18 Carryover from prior year	18	985.	
	19 Add lines 16 through 18	19		0.
	Disallowed contributions -1,970.			
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)	20		0.
Job Expenses and Certain Miscellaneous Deductions	21 Unreimbursed employee expenses — job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ▶	21		

	22 Tax preparation fees	22	755.	
	23 Other expenses — investment, safe deposit box, etc. List type and amount ▶			
	See Statement 1	23	3,601.	
	24 Add lines 21 through 23	24	4,356.	
	25 Enter amount from Form 1040, line 38 25 -2,041.			
	26 Multiply line 25 by 2% (.02)	26		
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27		4,356.
Other Miscellaneous Deductions	28 Other — from list in instructions. List type and amount ▶			

	-----	28		0.
Total Itemized Deductions	29 Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40	29		10,024.
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here.			

SCHEDULE B
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)

Interest and Ordinary Dividends

► **Attach to Form 1040A or 1040.**

► **See Instructions.**

OMB No. 1545-0074

2010

Attachment
Sequence No. **08**

Name(s) shown on return

Joe Investor Commodity Loss Ex 12

Your social security number

999-99-9999

Part I
Interest

(See
instructions for
Form 1040A,
or Form 1040,
line 8a.)

Note. If you
received a Form
1099-INT, Form
1099-OID, or
substitute statement
from a brokerage
firm, list the firm's
name as the payer
and enter the total
interest shown on
that form.

- 1** List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address

Interactive Brokers

Amount

62.

1

- 2** Add the amounts on line 1

62.

- 3** Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815

3

- 4** Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a

62.

Note. If line 4 is over \$1,500, you must complete Part III.

Amount

Part II
Ordinary Dividends

(See
instructions for
Form 1040A, or
Form 1040,
line 9a.)

Note. If you
received a Form
1099-DIV or
substitute statement
from a brokerage
firm, list the firm's
name as the payer
and enter the
ordinary dividends
shown on that form.

- 5** List name of payer

Schwab

897.

5

- 6** Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a

897.

Note. If line 6 is over \$1,500, you must complete Part III.

Part III
Foreign Accounts and Trusts

(See
instructions.)

You must complete this part if you **(a)** had over \$1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes No

- 7a** At any time during 2010, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See instructions for exceptions and filing requirements for Form TD F 90-22.1

X

- b** If 'Yes,' enter the name of the foreign country

- 8** During 2010, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions

X

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

FDIA0401L 10/15/10

Schedule **B** (Form 1040) 2010

SCHEDULE D
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return

Capital Gains and Losses

► **Attach to Form 1040 or Form 1040NR.** ► **See Instructions for Schedule D (Form 1040).**
► **Use Schedule D-1 to list additional transactions for lines 1 and 8.**

OMB No. 1545-0074

2010

Attachment
Sequence No. **12**

Your social security number

Joe Investor Commodity Loss Ex 12

999-99-9999

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

(a) Description of property (Example: 100 shares XYZ Co)	(b) Date acquired (Mo, day, yr)	(c) Date sold (Mo, day, yr)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1					
2 Enter your short-term totals, if any, from Schedule D-1, line 2 . . .	2				
3 Total short-term sales price amounts. Add lines 1 and 2 in column (d)	3				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824	4				-31,674.
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	5				
6 Short-term capital loss carryover. Enter the amount, if any, from line 10 of your Capital Loss Carryover Worksheet in the instructions	6				-31,674.
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (f)	7				-63,348.

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

(a) Description of property (Example: 100 shares XYZ Co)	(b) Date acquired (Mo, day, yr)	(c) Date sold (Mo, day, yr)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
8 Google stock - Schwab investment a/c Various	Various	Various	875,105.	859,739.	15,366.
9 Enter your long-term totals, if any, from Schedule D-1, line 9 . . .	9				
10 Total long-term sales price amounts. Add lines 8 and 9 in column (d)	10		875,105.		
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824	11				-47,512.
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	12				
13 Capital gain distributions. See instrs	13				
14 Long-term capital loss carryover. Enter the amount, if any, from line 15 of your Capital Loss Carryover Worksheet in the instructions	14				-32,146.
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (f). Then go to Part III on page 2	15				-64,292.

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

Schedule **D** (Form 1040) 2010

Part III Summary

16 Combine lines 7 and 15 and enter the result.	16	-127,640.
<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22. 		
17 Are lines 15 and 16 both gains?		
<input type="checkbox"/> Yes. Go to line 18.		
<input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet in the instructions.	18	
19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet in the instructions.	19	
20 Are lines 18 and 19 both zero or blank?		
<input type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040, line 44 (or in the Instructions for Form 1040NR, line 42). Do not complete lines 21 and 22 below.		
<input type="checkbox"/> No. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Schedule D Tax Worksheet in the instructions. Do not complete lines 21 and 22 below.		
21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of:		
<ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) 	21	-3,000.
Note. When figuring which amount is smaller, treat both amounts as positive numbers.		
22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b?		
<input type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040, line 44 (or in the Instructions for Form 1040NR, line 42).		
<input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.		

Form **6251**Department of the Treasury
Internal Revenue Service (99)**Alternative Minimum Tax — Individuals**▶ See separate instructions.
▶ Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

2010Attachment
Sequence No. **32**

Name(s) shown on Form 1040 or Form 1040NR

Your social security number

Joe Investor Commodity Loss Ex 12

999-99-9999

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41 and go to line 2. Otherwise, enter the amount from Form 1040, line 38 and go to line 6. (If less than zero, enter as a negative amount.)	1	-12,065.
2	Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4 or 2.5% (.025) of Form 1040, line 38. If zero or less, enter -0-	2	
3	Taxes from Schedule A (Form 1040), lines 5, 6, and 8	3	326.
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet in the instructions	4	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5	4,356.
6	If filing Schedule L (Form 1040A or 1040), enter as a negative amount the sum of lines 6 and 17 from that schedule.	6	
7	Tax refund from Form 1040, line 10 or line 21	7	
8	Investment interest expense (difference between regular tax and AMT)	8	
9	Depletion (difference between regular tax and AMT)	9	
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	10	
11	Alternative tax net operating loss deduction	11	
12	Interest from specified private activity bonds exempt from the regular tax	12	
13	Qualified small business stock (7% of gain excluded under section 1202)	13	
14	Exercise of incentive stock options (excess of AMT income over regular tax income)	14	
15	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	15	
16	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	16	
17	Disposition of property (difference between AMT and regular tax gain or loss)	17	
18	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	18	
19	Passive activities (difference between AMT and regular tax income or loss)	19	
20	Loss limitations (difference between AMT and regular tax income or loss)	20	
21	Circulation costs (difference between regular tax and AMT)	21	
22	Long-term contracts (difference between AMT and regular tax income)	22	
23	Mining costs (difference between regular tax and AMT)	23	
24	Research and experimental costs (difference between regular tax and AMT)	24	
25	Income from certain installment sales before January 1, 1987	25	
26	Intangible drilling costs preference	26	
27	Other adjustments, including income-based related adjustments	27	
28	Alternative minimum taxable income. Combine lines 1 through 27. (If married filing separately and line 28 is more than \$219,900, see instructions.)	28	-7,383.

Part II Alternative Minimum Tax (AMT)

29	Exemption. (If you were under age 24 at the end of 2010, see instructions.)														
	<table border="0"> <tr> <td>IF your filing status is . . .</td> <td>AND line 28 is not over . . .</td> <td>THEN enter on line 29 . . .</td> </tr> <tr> <td>Single or head of household</td> <td>\$112,500</td> <td>\$47,450</td> </tr> <tr> <td>Married filing jointly or qualifying widow(er)</td> <td>150,000</td> <td>72,450</td> </tr> <tr> <td>Married filing separately</td> <td>75,000</td> <td>36,225</td> </tr> </table>	IF your filing status is . . .	AND line 28 is not over . . .	THEN enter on line 29 . . .	Single or head of household	\$112,500	\$47,450	Married filing jointly or qualifying widow(er)	150,000	72,450	Married filing separately	75,000	36,225	29	47,450.
IF your filing status is . . .	AND line 28 is not over . . .	THEN enter on line 29 . . .													
Single or head of household	\$112,500	\$47,450													
Married filing jointly or qualifying widow(er)	150,000	72,450													
Married filing separately	75,000	36,225													
	If line 28 is over the amount shown above for your filing status, see instructions.														
30	Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 33 and 35 and skip the rest of Part II	30	0.												
31	<ul style="list-style-type: none"> If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter. If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on page 2 and enter the amount from line 54 here. All others: If line 30 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 30 by 26% (.26). Otherwise, multiply line 30 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result. 	31													
32	Alternative minimum tax foreign tax credit (see instructions)	32													
33	Tentative minimum tax. Subtract line 32 from line 31.	33	0.												
34	Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 47). If you used Schedule J to figure your tax, the amount from line 44 of Form 1040 must be refigured without using Schedule J (see instructions).	34													
35	AMT. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	35	0.												

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

FDIA5312L 12/21/10

Form **6251** (2010)

Form **6781**Department of the Treasury
Internal Revenue Service**Gains and Losses From Section 1256
Contracts and Straddles**

► Attach to your tax return.

OMB No. 1545-0644

2010Attachment
Sequence No. **82**

Name(s) shown on tax return

Joe Investor Commodity Loss Ex 12

Identifying number

999-99-9999

Check all applicable boxes (see instructions).

A
B

Mixed straddle election

Straddle-by-straddle identification election

C
D

Mixed straddle account election

Net section 1256 contracts loss election

Part I Section 1256 Contracts Marked to Market

1	(a) Identification of account	(b) (Loss)	(c) Gain
	Interactive Brokers - futures a/c	79,186.	
2	Add the amounts on line 1 in columns (b) and (c).....	2	79,186.
3	Net gain or (loss). Combine line 2, columns (b) and (c).....	3	-79,186.
4	Form 1099-B adjustments. See instructions and attach schedule.....	4	
5	Combine lines 3 and 4.....	5	-79,186.
	Note: If line 5 shows a net gain, skip line 6 and enter the gain on line 7. Partnerships and S corporations, see instructions.		
6	If you have a net section 1256 contracts loss and checked box D above, enter the amount of loss to be carried back. Enter the loss as a positive number.....	6	
7	Combine lines 5 and 6.....	7	-79,186.
8	Short-term capital gain or (loss). Multiply line 7 by 40% (.40). Enter here and include on the appropriate line of Schedule D (see instructions).....	8	-31,674.
9	Long-term capital gain or (loss). Multiply line 7 by 60% (.60). Enter here and include on the appropriate line of Schedule D (see instructions).....	9	-47,512.

Part II Gains and Losses From Straddles. Attach a separate schedule listing each straddle and its components.**Section A – Losses From Straddles**

(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Loss. If column (e) is more than (d), enter difference. Otherwise, enter -0-	(g) Unrecognized gain on offsetting positions	(h) Recognized loss. If column (f) is more than (g), enter difference. Otherwise, enter -0-
10							
11a	Enter the short-term portion of losses from line 10, column (h), here and include on the appropriate line of Schedule D (see instructions).....						11a
b	Enter the long-term portion of losses from line 10, column (h), here and include on the appropriate line of Schedule D (see instructions).....						11b

Section B – Gains From Straddles

(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Gain. If column (d) is more than (e), enter difference. Otherwise, enter -0-	
12						
13a	Enter the short-term portion of gains from line 12, column (f), here and include on the appropriate line of Schedule D (see instructions).....					13a
b	Enter the long-term portion of gains from line 12, column (f), here and include on the appropriate line of Schedule D (see instructions).....					13b

Part III Unrecognized Gains From Positions Held on Last Day of Tax Year. Memo Entry Only (see instructions)

(a) Description of property	(b) Date acquired	(c) Fair market value on last business day of tax year	(d) Cost or other basis as adjusted	(e) Unrecognized gain. If column (c) is more than (d), enter difference. Otherwise, enter -0-
14				

BAA For Paperwork Reduction Act Notice, see separate instructions.

FDIZ1601L 06/02/10

Form **6781** (2010)

2010

Federal Statements

Page 1

Client EX12F-CA

Joe Investor Commodity Loss Ex 12

999-99-9999

2/16/11

02:57PM

Statement 1
Schedule A, Line 23
Other Expenses

Depreciation.....	\$	693.
Investor - publications.....		1,144.
Online information ser.....		1,699.
Schwab - investment a/c.....		65.
Total	\$	<u>3,601.</u>

Demo

Client EX12F-CA

Joe Investor Commodity Loss Ex 12

999-99-9999

2/16/11

02:57PM

**Form 1040, Line 9b
Qualified Dividends**

Schwab

	897.
Total	<u>897.</u>

**Schedule A, Line 1
Medical and Dental Expenses**

Doctors, Dentists, and Nurses	205.
Insurance Premiums	4,815.
Prescription Medicines and Drugs	322.
	<u>5,342.</u>

State and Local Taxes (Schedule A, Line 5)

State and Local Sales Taxes Using the Optional Sales Tax Tables

Available Income:

Adjusted gross income per Form 1040	-2,041.
Tax-exempt interest	0.
Nontaxable combat pay	0.
Nontaxable social security benefits	0.
Nontaxable pensions	0.
Nontaxable IRAs	0.
Economic recovery payments	0.
Prior year refundable credits (refundable portion only)	0.
Additional nontaxable amounts	0.
Total Available Income (not less than zero)	<u>0.</u>

Number of Exemptions

1.

1. State general sales taxes per Tables 326.
2. Local general sales taxes per Tables for residents of AK, AZ, AR, CO, GA, IL, LA, MO, NC, NY, SC, TN, UT, and VA plus residents of Los Angeles County (based on 1% rate) 43.
3. Local general sales tax rate
4. If line 2 is zero, enter your state general sales tax rate. Otherwise, skip line 4 and 5, and go to line 6
5. Divide line 3 by line 4
6. Local general sales taxes. If line 2 is zero, multiply line 1 by line 5. Otherwise, multiply line 2 by line 3. 0.
7. State and local general sales taxes (add lines 1 and 6) 326.
8. Sales taxes paid on vehicles, boats, etc. 0.
9. Sales tax deduction when using Tables (add lines 7 and 8) 326.

Client EX12F-CA

Joe Investor Commodity Loss Ex 12

999-99-9999

2/16/11

02:57PM

State and Local Taxes (Schedule A, Line 5) (continued)

State and Local Sales Tax Deduction
(Greater of Taxes Paid or Table Amount)

1. General sales taxes paid	0.
2. Use taxes paid	0.
3. Total actual taxes paid (add lines 1 and 2)	0.
4. Sales taxes using Tables	326.
5. Greater of sales taxes paid or Table amount	<u>326.</u>

**Schedule A, Line 16
Contributions by Cash or Check**

<u>985.</u>
<u>985.</u>

**Capital Loss Carryover Worksheet
(IRS Publication 550)**

1. Enter the amount from Form 1040, line 41 or Form 1040NR, line 39. -12,065.
2. Enter the loss from Schedule D, line 21. 3,000.
3. Combine lines 1 and 2 (but not less than zero). 0.
4. Enter the smaller of line 2 or line 3. 0.

Note: If line 7 of Schedule D is a loss,
go to line 5; otherwise, enter zero
on line 5 and go to line 9.

5. Enter the loss from Schedule D, line 7. 63,348.
6. Enter gain from Schedule D, line 15. 0.
7. Add lines 4 and 6. 0.
8. Short-term capital loss carryover to 2011.
Subtract line 7 from line 5. 63,348.

Note: If line 15 of Schedule D is a loss,
go to line 9; otherwise, skip
lines 9 through 13.

9. Enter the loss from Schedule D, line 15. 64,292.
10. Enter gain from Schedule D, line 7. 0.
11. Subtract line 5 from line 4. 0.
12. Add lines 10 and 11. 0.
13. Long-term capital loss carryover to 2011.
Subtract line 12 from line 9. 64,292.

2010

Worksheet For Limit on Charitable Contributions

Client EX12F-CA

Joe Investor Commodity Loss Ex 12

999-99-9999

2/16/11

02:57PM

2010 Contributions

1.	If you are a qualified farmer or rancher, enter any QCCs eligible for the 100% limit.	1	
2.	Enter any QCCs not entered on line 1. Do not include this amount on line 3, 4, 5, 6, or 8.	2	
3.	Enter your contributions to 50% limit organizations. (Include contributions of capital gain property if you reduced the property's fair market value. Do not include contributions of capital gain property deducted at fair market value.) Do not include any contributions you entered on line 1 or 2.	3	985.
4.	Enter your contributions to 50% limit organizations of capital gain property deducted at fair market value.	4	
5.	Enter your contributions (other than of capital gain property) to qualified organizations that are not 50% limit organizations.	5	
6.	Enter your contributions "for the use of" any qualified organization. (But do not enter here any amount that must be entered on line 8.)	6	
7.	Add lines 5 and 6.	7	
8.	Enter your contributions of capital gain property to or for the use of any qualified organization. (But do not enter here any amount entered on line 3 or 4.)	8	
9.	Enter your adjusted gross income.	9	-2,041.
10.	Multiply line 9 by 0.5. This is your 50% limit.	10	

Contributions to 50% limit organizations

		Deduct this year	Carryover
11.	Enter the smaller of line 3 or line 10.	11	
12.	Subtract line 11 from line 3.	12	985.
13.	Subtract line 11 from line 10.	13	

Contributions not to 50% limit organizations

14.	Add lines 3 and 4.	14	985.
15.	Multiply line 9 by 0.3. This is your 30% limit.	15	
16.	Subtract line 14 from line 10.	16	
17.	Enter the smallest of line 7, 15, or 16.	17	
18.	Subtract line 17 from line 7.	18	
19.	Subtract line 17 from line 15.	19	

Contributions of capital gain property to 50% limit organizations

20.	Enter the smallest of line 4, 13, or 15.	20	
21.	Subtract line 20 from line 4.	21	
22.	Subtract line 17 from line 16.	22	
23.	Subtract line 20 from line 15.	23	

Other contributions of capital gain property

24.	Multiply line 9 by 0.2. This is your 20% limit.	24	
25.	Enter the smallest of line 8, 19, 22, 23 or 24.	25	
26.	Subtract line 25 from line 8.	26	
27.	Add lines 11, 17, 20, and 25.	27	
28.	Subtract line 27 from line 10.	28	
29.	Enter the smaller of line 2 or line 28.	29	
30.	Subtract line 29 from line 2.	30	
31.	Subtract line 27 from line 9.	31	

32.	Enter the smaller of line 1 or line 31.	32	
33.	Add lines 27, 29, and 32. Enter the total here and on Schedule A (Form 1040), line 16 or line 17, whichever is appropriate.	33	
34.	Subtract line 32 from line 1.	34	
35.	Add lines 12, 18, 21, 26, 30, and 34. Carry this amount forward to Schedule A (Form 1040) next year.	35	985.

2010

Worksheet For Limit on Charitable Contributions

Client EX12F-CA

Joe Investor Commodity Loss Ex 12

999-99-9999

2/16/11

02:57PM

Contribution Carryovers

1. If you are a qualified farmer or rancher, enter any QCCs eligible for the 100% limit.	1	
2. Enter any QCCs not entered on line 1. Do not include this amount on line 3, 4, 5, 6, or 8.	2	
3. Enter your contributions to 50% limit organizations. (Include contributions of capital gain property if you reduced the property's fair market value. Do not include contributions of capital gain property deducted at fair market value.) Do not include any contributions you entered on line 1 or 2.	3	985.
4. Enter your contributions to 50% limit organizations of capital gain property deducted at fair market value.	4	
5. Enter your contributions (other than of capital gain property) to qualified organizations that are not 50% limit organizations.	5	
6. Enter your contributions "for the use of" any qualified organization. (But do not enter here any amount that must be entered on line 8.) .	6	
7. Add lines 5 and 6.	7	
8. Enter your contributions of capital gain property to or for the use of any qualified organization. (But do not enter here any amount entered on line 3 or 4.) .	8	
9. Enter your adjusted gross income.	9	-2,041.
10. Multiply line 9 by 0.5. This is your 50% limit.	10	

Contributions to 50% limit organizations

		Deduct this year	Carryover
11. Enter the smaller of line 3 or line 10.	11		
12. Subtract line 11 from line 3.	12		985.
13. Subtract line 11 from line 10.	13		

Contributions not to 50% limit organizations

14. Add lines 3 and 4.	14	985.	
15. Multiply line 9 by 0.3. This is your 30% limit.	15		
16. Subtract line 14 from line 10.	16		
17. Enter the smallest of line 7, 15, or 16.	17		
18. Subtract line 17 from line 7.	18		
19. Subtract line 17 from line 15.	19		

Contributions of capital gain property to 50% limit organizations

20. Enter the smallest of line 4, 13, or 15.	20		
21. Subtract line 20 from line 4.	21		
22. Subtract line 17 from line 16.	22		
23. Subtract line 20 from line 15.	23		

Other contributions of capital gain property

24. Multiply line 9 by 0.2. This is your 20% limit.	24		
25. Enter the smallest of line 8, 19, 22, 23 or 24.	25		
26. Subtract line 25 from line 8.	26		
27. Add lines 11, 17, 20, and 25.	27		
28. Subtract line 27 from line 10.	28	N/A.	
29. Enter the smaller of line 2 or line 28.	29		N/A.
30. Subtract line 29 from line 2.	30		N/A.
31. Subtract line 27 from line 9.	31	N/A.	
32. Enter the smaller of line 1 or line 31.	32	N/A.	
33. Add lines 27, 29, and 32. Enter the total here and on Schedule A (Form 1040), line 16 or line 17, whichever is appropriate.	33		
34. Subtract line 32 from line 1.	34		N/A.
35. Add lines 12, 18, 21, 26, 30, and 34. Carry this amount forward to Schedule A (Form 1040) next year.	35		985.

2010**Contribution Summary**

Client EX12F-CA

Joe Investor Commodity Loss Ex 12

999-99-9999

Order of Utilization		Amount Available	Amount Used	Carryover Before Conversion to NOL	Amount Converted to NOL	Carryover to Next Year
2010 Contributions	50% limitation	985.		985.		985.
	30% limitation					
	30% capital gain					
	20% capital gain					
50% Carryovers	2005					Expired
	2006					
	2007					
	2008					
	2009	985.		985.		985.
30% Carryovers	2005					Expired
	2006					
	2007					
	2008					
	2009					
30% Capital Gain Carryovers	2005					Expired
	2006					
	2007					
	2008					
	2009					
20% Capital Gain Carryovers	2005					Expired
	2006					
	2007					
	2008					
	2009					
Conservation contributions (50%)						
Conservation contributions (100%)						
Totals		1,970.		1,970.		1,970.

12/31/10

2010 Federal Summary Depreciation Schedule

Page 1

Client EX12F-CA

Joe Investor Commodity Loss Ex 12

999-99-9999

2/16/11

02:57PM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179/ SDA	Prior 179/ SDA/ Depr.	Method	Life	Current Depr.
Schedule A (2%)										
Machinery and Equipment										
1	Computers for investor	Various		3,466				S/L	5	693
	Total Machinery and Equipment			3,466		0	0			693
	Total Depreciation			3,466		0	0			693
	Grand Total Depreciation			3,466		0	0			693

Demo

California Nonresident or Part-Year Resident Income Tax Return 2010**Long Form**

FORM

540NR C1 Side 1

APE

P
AC
A
R
RP999-99-9999 COMM 10
JOE I COMMODITYLOSSEXANY ST
LOS ANGELES CA 90025 01-01-1960

Filing Status	1	<input checked="" type="checkbox"/>	Single
	2	<input type="checkbox"/>	Married/RDP filing jointly (see instructions)
	3	<input type="checkbox"/>	Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here . . .
	4	<input type="checkbox"/>	Head of household (with qualifying person) (see instructions)
	5	<input type="checkbox"/>	Qualifying widow(er) with dependent child. Enter year spouse/RDP died
If your California filing status is different from your federal filing status, check the box here <input type="checkbox"/>			

6 If someone can claim you (or your spouse/RDP) as a dependent, check the box here (see instructions) • 6 ☐

Exemptions	▶	For line 7, line 8, line 9, and line 10: Multiply the amount you enter in the box by the pre-printed dollar amount for that line.	Whole dollars only
7	Personal: If you checked 1, 3, or 4 above, enter 1 in the box. If you checked 2 or 5, enter 2. If you checked the box on line 6, see instructions.	7	<input type="text" value="1"/> X \$99 = \$ 99 .
8	Blind: If you (or your spouse/RDP) are visually impaired, enter 1; if both are visually impaired, enter 2.	8	<input type="text"/> X \$99 = \$.
9	Senior: If you (or your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2	9	<input type="text"/> X \$99 = \$.
10	Dependents: Enter name and relationship. Do not include yourself or your spouse/RDP.		
	_____ Total dependent exemptions . . . • 10 <input type="text"/>	10	X \$99 = \$.
11	Exemption amount: Add line 7 through line 10.	11	\$ 99 .

	12	Total California wages from all your Form(s) W-2, box 16	• 12	_____
Total Taxable Income	13	Enter federal AGI from Form 1040, line 37; 1040A, line 21; 1040EZ, line 4; 1040NR, line 36; or 1040NR-EZ, line 10	13	-2,041 .
	14	California adjustments — subtractions. Enter the amount from Schedule CA (540NR), line 37, column B.	• 14	51,057 .
	15	Subtract line 14 from line 13. If less than zero, enter the result in parentheses (see instructions).	15	(53,098 .)
	16	California adjustments — additions. Enter the amount from Schedule CA (540NR), line 37, column C.	• 16	_____
	17	Adjusted gross income from all sources. Combine line 15 and line 16.	• 17	-53,098 .
	18	Enter the larger of: Your California itemized deductions from Schedule CA (540NR), line 43; OR Your California standard deduction (see instructions).	• 18	9,698 .
	19	Subtract line 18 from line 17. This is your total taxable income . If less than zero, enter -0-	19	0 .

California Taxable Income	31	Tax. Check the box if from: <input type="checkbox"/> Tax Table <input type="checkbox"/> Tax Rate Schedule <input type="checkbox"/> FTB 3800 <input type="checkbox"/> FTB 3803. . . • 31	<input checked="" type="radio"/>	31	_____
	32	CA adjusted gross income from Schedule CA (540NR), Part IV, line 45	• 32	-53,098 .	
	35	CA Taxable Income from Schedule CA (540NR), Part IV, line 49	• 35	_____	
	36	CA Tax Rate. Divide line 31 by line 19.	36	_____	
	37	CA Tax Before Exemption Credits. Multiply line 35 by line 36.	37	_____	
	38	CA Exemption Credit Percentage. Divide line 35 by line 19. If more than 1, enter 1.0000	38	_____	
	39	CA Prorated Exemption Credits. Multiply line 11 by line 38. If the amount on line 13 is more than \$162,186 (see instructions)	39	_____	
	40	CA Regular Tax Before Credits. Subtract line 39 from line 37. If less than zero, enter -0-	40	0 .	
	41	Tax (see instructions). Check the box if from: <input type="checkbox"/> Schedule G-1 <input checked="" type="radio"/> Form FTB 5870A.	• 41	_____	
	42	Add line 40 and line 41.	• 42	_____	

50 Enter the amount from Side 1, line 42..... 50 _____

Special Credits

51 Credit for joint custody head of household (see instructions) .. ● 51 _____
52 Credit for dependent parent (see instructions)..... ● 52 _____
53 Credit for senior head of household (see instructions)..... ● 53 _____
54 Credit percentage. Divide line 35 by line 19.
If more than 1, enter 1.0000 (see instructions) 54 _____

55 Credit amount (see instructions)..... ● 55 _____

56 New jobs credit, amount generated (see instructions)..... ● 56 _____

57 New jobs credit, amount claimed (see instructions)..... ● 57 _____

58 Enter credit name _____ code no. _____ and amount ► 58 _____

59 Enter credit name _____ code no. _____ and amount ► 59 _____
60 To claim more than two credits (see instructions)..... ● 60 _____
61 Nonrefundable renter's credit (see instructions)..... ● 61 _____
62 Add line 55 and line 57 through line 61. These are your total credits..... 62 _____
63 Subtract line 62 from line 50. If less than zero, enter -0- 63 _____ 0.

Other Taxes

71 Alternative minimum tax. Attach Schedule P (540NR)..... ● 71 _____
72 Mental Health Services Tax (see instructions)..... ● 72 _____
73 Other taxes and credit recapture (see instructions) ● 73 _____

74 Add line 63, line 71, line 72, and line 73. This is your total tax ● 74 _____

Payments

81 California income tax withheld (see instructions) ● 81 _____
82 2010 CA estimated tax and other payments (see instructions)..... ● 82 _____
83 Real estate or other withholding (see instructions)..... ● 83 _____
84 Excess SDI (or VPDI). To see if you qualify (see instructions)..... ● 84 _____

Child and Dependent Care Expenses Credit (see instructions). Attach form FTB 3506.

85 Qualifying person's social security number..... ● 85 _____
86 Qualifying person's social security number..... ● 86 _____
87 Enter the amount from form FTB 3506, Part III, line 8..... ● 87 _____
88 Child and Dependent Care Expenses Credit from form FTB 3506, Part III, line 12..... ● 88 _____
89 Add line 81, line 82, line 83, line 84, and line 88.
These are your total payments..... 89 _____

Overpaid Tax/Tax Due

101 Overpaid tax. If line 89 is more than line 74, subtract line 74 from line 89..... 101 _____
102 Amount of line 101 you want applied to your 2011 estimated tax ● 102 _____
103 Overpaid tax available this year. Subtract line 102 from line 101..... ● 103 _____
104 Tax due. If line 89 is less than line 74, subtract line 89 from line 74 104 _____

		Code	Amount
Contributions	California Seniors Special Fund. See instructions.....	● 400	_____
	Alzheimer's Disease/Related Disorders Fund.....	● 401	_____
	California Fund for Senior Citizens.....	● 402	_____
	Rare and Endangered Species Preservation Program.....	● 403	_____
	State Children's Trust Fund for the Prevention of Child Abuse.....	● 404	_____
	California Breast Cancer Research Fund.....	● 405	_____
	California Firefighters' Memorial Fund.....	● 406	_____
	Emergency Food For Families Fund.....	● 407	_____
	California Peace Officer Memorial Foundation Fund.....	● 408	_____
	California Sea Otter Fund.....	● 410	_____
	California Cancer Research Fund.....	● 413	_____
	Arts Council Fund.....	● 415	_____
	California Police Activities League (CALPAL) Fund.....	● 416	_____
	California Veterans Homes Fund.....	● 417	_____
	Safely Surrendered Baby Fund.....	● 418	_____
120 Add code 400 through code 418. This is your total contribution.....		● 120	_____

Amount You Owe	121 AMOUNT YOU OWE. Add line 104 and line 120 (see instructions). Do not send cash. Mail to: FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001	● 121	_____
	Pay Online - Go to ftb.ca.gov and search for web pay .		

Interest and Penalties	122 Interest, late return penalties, and late payment penalties.....	122	_____
	123 Underpayment of estimated tax. Check the box: <input type="checkbox"/> FTB 5805 attached <input type="checkbox"/> FTB 5805F attached.....	● 123	_____
	124 Total amount due (see instructions). Enclose, but do not staple, any payment.....	124	_____

Refund and Direct Deposit	125 REFUND OR NO AMOUNT DUE. Subtract line 120 from line 103. Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0002	● 125	_____
----------------------------------	--	-------	-------

Fill in the information to authorize direct deposit of your refund into one or two accounts. **Do not** attach a voided check or a deposit slip (see instructions). **Have you verified the routing and account numbers?** Use whole dollars only.

All or the following amount of my refund (line 125) is authorized for direct deposit into the account shown below:

_____	<input type="checkbox"/> Checking	_____	_____
_____	<input type="checkbox"/> Savings	_____	_____
● Routing number	● Type	● Account number	● 126 Direct deposit amount

The remaining amount of my refund (line 125) is authorized for direct deposit into the account shown below:

_____	<input type="checkbox"/> Checking	_____	_____
_____	<input type="checkbox"/> Savings	_____	_____
● Routing number	● Type	● Account number	● 127 Direct deposit amount

Important: Attach a copy of your complete federal income tax return.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Your signature	Spouse's/RDP's signature (if a joint tax return, both must sign)	Daytime phone number (optional)
X	X	
Your email address (optional). Enter only one email address.		

Sign Here

It is unlawful to forge a spouse's/RDP's signature.

Joint tax return? (see instructions.)

Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)		Date
Z WEBGUIDEEXAMPLES		
Firm's name (or yours if self-employed)	Firm's address	● Paid Preparer's PTIN/SSN
GREEN & COMPANY CPAS, LLC	54 DANBURY RD., #351	● FEIN
RIDGEFIELD, CT 06877		20-0751653
Do you want to allow another person to discuss this tax return with us (see instructions)?.....		● <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Z WEBGUIDEEXAMPLES		877-662-2014
Print Third Party Designee's Name		Telephone Number

2010

California Adjustments – Nonresidents or Part-Year Residents

CA (540NR)

Important: Attach this schedule behind Long Form 540NR, Side 3 as a supporting California Schedule.

Name(s) as shown on return

SSN or ITIN

JOE INVESTOR COMMODITY LOSS EX 12

999-99-9999

Part I Residency Information. Complete all lines that apply to you and your spouse/RDP.

During 2010:

	Yourself	Spouse/RDP
1 a I was domiciled in (enter state or country).....	N/A	
b I was in the military and stationed in (enter state or country)	N/A	
2 I became a California resident (enter the state of prior residence and date of move).....	N/A	
3 I became a nonresident (enter new state of residence and date of move).....	N/A	
4 I was a nonresident of CA the entire year (enter state or country of residence).....	N/A	
5 The number of days I spent in California (for any purpose) is:.....	N/A	
6 I owned a home/property in California (enter 'Yes' or 'No').....	NO	

Before 2010:

7 I was a California resident for the period of (enter dates).....	N/A	
8 I entered California on (enter date)	N/A	
9 I left California on (enter date).....	N/A	

Part II Income Adjustment Schedule

Section A – Income

	A Federal Amounts (taxable amounts from your federal return)	B Subtractions See instructions (difference between CA & federal law)	C Additions See instructions (difference between CA & federal law)	D Total Amounts Using CA Law As If You Were a CA Resident (subtract column B from column A; add column C to the result)	E CA Amounts (income earned or received as a CA resident and income earned or received from CA sources as a nonresident)
7 Wages, salaries, tips, etc. See instructions before making an entry in column B or C.....	7				
8 Taxable interest b	8a 62.			62.	62.
9 Ordinary dividends. See instructions. b 897.	9a 897.			897.	897.
10 Taxable refunds, credits, or offsets of state and local income taxes. Enter the same amount in column A and column B.	10				
11 Alimony received. See instructions.	11				
12 Business income or (loss).....	12				
13 Capital gain or (loss). See instructions.	13 -3,000.			-3,000.	-3,000.
14 Other gains or (losses).....	14				
15 IRA distributions. See instructions. a	15b				
16 Pensions & annuities. See instructions. a	16b				
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc.	17				
18 Farm income or (loss).....	18				
19 Unemployment compensation.	19				
20 Social security benefits a	20b				
21 Other income. a California lottery winnings b Disaster loss carryover from FTB 3805V c Federal NOL (Form 1040, line 21) d NOL carryover from FTB 3805V e NOL from FTB 3805D, FTB 3805Z, FTB 3806, FTB 3807, or FTB 3809 f Other (describe):	21	a b c 51,057. d e f	a b c d e f	21 -51057.	21 -51057.
22a Total: Combine line 7 through line 21 in each column. Continue to Side 2	22a -2,041.	51,057.		-53,098.	-53,098.

Income Adjustment Schedule**Section B – Adjustments to Income**

	A	B	C	D	E
	Federal Amounts (taxable amounts from your federal return)	Subtractions See instructions (difference between CA & federal law)	Additions See instructions (difference between CA & federal law)	Total Amounts Using CA Law As If You Were a CA Resident (subtract column B from column A; add column C to the result)	CA Amounts (income earned or received as a CA resident and income earned or received from CA sources as a nonresident)
22b Enter totals from Schedule CA (540NR), Side 1, line 22a, column A through column E	22 b -2,041.	51,057.		-53,098.	-53,098.
23 Educator Expenses	23				
24 Certain business expenses of reservists, performing artists, and fee-basis government officials	24				
25 Health savings account deduction	25				
26 Moving expenses	26				
27 One-half of self-employment tax	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				
31 a Alimony paid. b Enter recipient's: SSN _____ Last name _____	31 a				
32 IRA deduction	32				
33 Student loan interest deduction	33				
34 Tuition and fees	34				
35 Domestic production activities deduction	35				
36 Add line 23 through line 31a and line 32 through line 35 in each column, A through E	36				
37 Total. Subtract line 36 from line 22b in each column, A through E. See instructions	37 -2,041.	51,057.		-53,098.	-53,098.

Part III – Adjustments to Federal Itemized Deductions

38 Federal Itemized Deductions. Add the amounts on federal Schedule A (Form 1040), lines 4, 9, 15, 19, 20, 27, and 28 (or Schedule A (Form 1040NR), lines 3, 7, 8, 15, and 16)	38	10,024.
39 Enter total of federal Schedule A (Form 1040), line 5 (State Disability Insurance, and state and local income tax, or General Sales Tax), line 7 (new motor vehicle tax), and line 8 (foreign taxes only). See instructions	39	326.
40 Subtract line 39 from line 38	40	9,698.
41 Other adjustments including California lottery losses. See instructions. Specify	41	
42 Combine line 40 and line 41	42	9,698.
43 Is your federal AGI (Long Form 540NR, line 13) more than the amount shown below for your filing status?		
Single or married/RDP filing separately	\$162,186	
Head of household	\$243,283	
Married/RDP filing jointly or qualifying widow(er)	\$324,376	
No. Transfer the amount on line 42 to line 43.		
Yes. Complete the Itemized Deductions Worksheet in the instructions for Schedule CA (540NR), line 43	43	9,698.
44 Enter the larger of the amount on line 43 or your standard deduction listed below		
Single or married/RDP filing separately	\$3,670	
Married/RDP filing jointly, head of household, or qualifying widow(er)	\$7,340	
	44	9,698.

Part IV – California Taxable Income

45 California AGI. Enter your California AGI from line 37, column E	45	-53,098.
46 Enter your deductions from line 44	46	9,698.
47 Deduction Percentage. Divide line 37, column E by line 37, column D. Carry the decimal to four places. If the result is greater than 1.0000, enter 1.0000. If less than zero, enter -0-	47	1.0000
48 California Itemized/Standard Deductions. Multiply line 46 by the percentage on line 47	48	9,698.
49 California Taxable Income. Subtract line 48 from line 45. Transfer this amount to Long Form 540NR, line 35. If less than zero, enter -0-	49	0.

SCHEDULE

California Capital Gain or Loss Adjustment

D (540NR)

Name(s) as shown on return

SSN or ITIN

JOE INVESTOR COMMODITY LOSS EX 12

999-99-9999

[illegible]

2010

Alternative Minimum Tax and Credit Limitations – Nonresidents or Part-Year Residents

P (540NR)

Attach this schedule to Long Form 540NR.

Names as shown on Long Form 540NR

Your SSN or ITIN

JOE INVESTOR COMMODITY LOSS EX 12

999-99-9999

Part I Alternative Minimum Taxable Income (AMTI) Important: See instructions for information regarding California/federal differences.

1	If you itemized deductions, go to line 2. If you did not itemize deductions, enter your standard deduction from Long Form 540NR, line 18, and go to line 6.	1	
2	Medical and dental expense. Enter the smaller of Schedule A (Form 1040), line 4, or 2-1/2% (.025) of Form 1040, line 37.	2	
3	Personal property taxes and real property taxes. See instructions.	3	
4	Certain interest on a home mortgage not used to buy, build, or improve your home. See instructions.	4	
5	Miscellaneous itemized deductions. See instructions.	5	4,356.
6	Refund of personal property taxes and real property taxes. See instructions. Do not include your state income tax refund on this line.	6	
7	Investment interest expense adjustment. See instructions.	7	
8	Post-1986 depreciation. See instructions.	8	
9	Adjusted gain or loss. See instructions.	9	
10	Incentive stock options and California qualified stock options (CQSOs). See instructions.	10	
11	Passive activities adjustment. See instructions.	11	
12	Beneficiaries of estates and trusts. Enter the amount from Schedule K-1 (541), line 12a.	12	
13	Other. Enter the amount, if any, for each item, a through o, and enter the total on line 13. See instructions.		
a	Appreciated contribution carryover.	a	
b	Circulation expenditures.	b	
c	Depletion.	c	
d	Depreciation (pre-1987).	d	
e	Installment sales.	e	
f	Intangible drilling costs.	f	
g	Long-term contracts.	g	
h	Loss limitations.	h	
i	Mining costs.	i	
j	Patron's adjustment.	j	
k	Pollution control facilities.	k	
l	Qualified small business stock.	l	
m	Research and experimental costs.	m	
n	Tax shelter farm activities.	n	
o	Related adjustments.	o	
	Add amounts on line a through line o.	13	
14	Total Adjustments and Preferences. Combine line 1 through line 13.	14	4,356.
15	Enter taxable income from Long Form 540NR, line 19. See instructions.	15	-62,796.
16	Net operating loss (NOL) deduction from Schedule CA (540NR), line 21d and line 21e, column B. Enter as a positive amount.	16	51,057.
17	Alternative Minimum Taxable Income (AMTI) exclusion. See instructions.	17	0.
18	If your federal adjusted gross income (AGI) is less than the amount for your filing status (listed below), skip this line and go to line 19. If you itemized deductions and your federal AGI is more than the amount for your filing status, see instructions.	18	
	Single or married/RDP filing separately		\$162,186
	Married/RDP filing jointly or qualifying widow(er)		\$324,376
	Head of household		\$243,283
19	Combine line 14 through line 18.	19	-7,383.
20	Alternative minimum tax NOL deduction. See instructions.	20	
21	Alternative Minimum Taxable Income. Subtract line 20 from line 19 (if married/RDP filing separately and line 21 is more than \$308,159, see instructions).	21	-7,383.

Part II Alternative Minimum Tax (AMT)**22 Exemption Amount.** (If this schedule is for a certain child under age 24, see instructions.)**If your filing status is:****And line 21 is not over:****Enter on line 22:**

Single or head of household	\$223,669	\$59,646
Married/RDP filing jointly or qualifying widow(er)	298,224	79,526
Married/RDP filing separately	149,111	39,762

If Part I, line 21 is more than the amount shown above for your filing status, see instructions **22** 59,646.**23** Subtract line 22 from Part I, line 21. If zero or less, enter 0 **23** **24** Total Tentative Minimum Tax (TMT). Multiply line 23 by 7.25% (.0725) **24** **25** California adjusted gross income (AGI) from Schedule CA (540NR), line 45 **25** -53,098.**26** NOL adjustment, if any, included on Schedule CA (540NR), line 21, column E. Enter as a positive number **26** 51,057.**27** Alternative Minimum Tax Income (AMTI) exclusion. See instructions **27** **28** Combine line 25 through line 27 **28** -2,041.**29 Adjustments and Preferences.** See instructions before completing.

a Investment interest expense	k Intangible drilling costs
b Post-1986 depreciation	l Long-term contracts
c Adjusted gain or loss	m Loss limitations
d Incentive stock options and QSOs	n Mining costs
e Passive activities	o Patron's adjustment
f Beneficiaries of estates and trusts	p Pollution control facilities
g Circulation expenditures	q Qualified small business stock
h Depletion	r Research and experimental costs
i Depreciation (pre-1987)	s Tax shelter farm activities
j Installment sales	t Related adjustments

Add line a through line t and enter total here **29** **30** Combine line 28 and line 29 **30** -2,041.**31** California Alternative Minimum Tax (AMT) net operating loss (NOL) deduction. See instructions **31** -1,837.**32 California AMT AGI.** Subtract line 31 from line 30. If you did not itemize deductions, enter the result here and on line 40 and skip line 33 through line 39. If you itemized deductions, enter the result here and continue to line 33 **32** -204.**33** Itemized deductions (before federal AGI limitation and proration). Enter the amount from Schedule CA (540NR), line 42 **33** 9,698.**34 Itemized deductions included in Part I.**

a Medical and dental expense, enter amount from Part I, line 2	a <u></u>
b Personal property taxes and real property taxes, enter amount from Part I, line 3	b <u></u>
c Interest on home mortgage, enter amount from Part I, line 4	c <u></u>
d Miscellaneous itemized deductions, enter amount from Part I, line 5	d <u>4,356.</u>
e Investment interest expense adjustment, enter amount from Part I, line 7	e <u></u>

Combine line a through line e **34** -4,356.**35** Total AMT Itemized Deductions. Combine line 33 and line 34 **35** 5,342.**36** Total AMTI. Enter the amount from Part I, line 21 **36** -7,383.**37** Total AMT AGI. Add line 35 and line 36 **37** -2,041.**38** AMT Itemized Deduction Percentage. Divide line 32 by line 37. Do not enter more than 1.0000 **38** 0.1000**39** Prorated AMT Itemized Deductions. Multiply line 35 by line 38 **39** 534.**40** California AMTI. Subtract line 39 from line 32 **40** -738.**41** Total TMT. Enter the amount from line 24 **41** **42** California AMT Rate. Divide line 41 by amount from Part I, line 21 **42** **43** California TMT. Multiply line 40 by line 42 **43** **44** Regular Tax. Enter the amount from Long Form 540NR, line 37 **44** **45 Alternative Minimum Tax.** Subtract line 44 from line 43. If zero or less enter -0- here and on Long Form 540NR, line 71. Continue to Part III to figure your allowable credits. (If you have a carryover credit for solar energy or commercial solar energy, also enter the result on Side 3, Part III, Section C, line 23 or 24). If you make estimated tax payments for taxable year 2011, enter amount from line 45 on the 2011 Form 540-ES, Estimated Tax Worksheet, line 16 **45** 0.

Part III Credits that Reduce Tax **Note:** Be sure to attach your credit forms to Long Form 540NR.

		(a) Credit amount	(b) Credit used this year	(c) Tax balance that may be offset by credits	(d) Credit carryover
1	Enter the amount from Long Form 540NR, line 42				
2	Enter the tentative minimum tax from Side 2, Part II, line 43				
Section A — Credits that reduce excess tax.					
3	Subtract line 2 from line 1. If zero or less enter -0- and see instructions. This is your excess tax which may be offset by credits. ...			0.	
A1 Credits that reduce excess tax and have no carryover provisions.					
4	Code: 162 Prison inmate labor credit (FTB 3507)....				
5	Code: 169 Enterprise zone employee credit (FTB 3553)				
6	Code: _____ New Home Credit or First Time Buyer Credit				
A2 Credits that reduce excess tax and have carryover provisions. See instructions.					
7	Code: _____ Credit Name: _____				
8	Code: _____ Credit Name: _____				
9	Code: _____ Credit Name: _____				
10	Code: _____ Credit Name: _____				
11	Code: 188 Credit for prior year alternative minimum tax.....				
Section B — Credits that may reduce tax below tentative minimum tax.					
12	If Part III, line 3 is zero, enter the amount from line 1. If line 3 is more than zero, enter the total of line 2 and the last entry in column (c).....				
B1 Credits that reduce net tax and have no carryover provisions.					
13	Code: 170 Credit for joint custody head of household Credit from _____ x Percentage _____ = 13 See line 51 instructions on Long Form 540NR.				
14	Code: 173 Credit for dependent parent Credit from _____ x Percentage _____ = 14 See line 52 instructions on Long Form 540NR.				
15	Code: 163 Credit for senior head of household Credit from _____ x Percentage _____ = 15 See line 53 instructions on Long Form 540NR.				
16	Nonrefundable renter's credit.....				
B2 Credits that reduce net tax and have carryover provisions. See instructions.					
17	Code: _____ Credit Name: _____				
18	Code: _____ Credit Name: _____				
19	Code: _____ Credit Name: _____				
20	Code: _____ Credit Name: _____				
B3 Other state tax credit					
21	Code: 187 Other state tax credit				
Section C — Credits that may reduce alternative minimum tax.					
22	Enter your alternative minimum tax from Side 2, Part II, line 45				
23	Code: 180 Solar energy credit carryover from Section B2, column (d)				
24	Code: 181 Commercial solar energy credit carryover from Section B2, column (d)				
25	Adjusted AMT. Enter the balance from line 24, column (c) here and on Long Form 540NR, line 71.....				

2010

Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations – Individuals, Estates, and Trusts

3805V

Attach to your California tax return.

Name(s) as shown on return

SSN or ITIN

999-99-9999

FEIN

JOE INVESTOR COMMODITY LOSS EX 12

Part I Computation of Current Year NOL for Individuals, Estates, and Trusts. If you do not have a current year NOL, go to Part II.

Section A – California Residents Only (Nonresidents go to Section B.)

1	Adjusted gross income from 2010 Form 540, line 17. If negative, use brackets. Estates and Trusts, begin on line 3.	1	_____
2	Itemized deductions or standard deduction from 2010 Form 540, line 18.	2	_____
3a	Combine line 1 and line 2. (Estates and Trusts, enter taxable income, see instructions.) If negative, use brackets. If positive, enter -0- here and on line 27. Do not complete the rest of Section A. You do not have a current year NOL. Complete Part II and Part III if you have a carryover from prior years.	3a	_____
3b	2010 designated disaster loss included in line 3a. Enter as a positive number.	3b	_____
3c	Combine line 3a and line 3b. If negative, use brackets and continue to line 4. If zero or more, do not complete the rest of Part I. Enter the amount from line 3b, if any, in Part III, line 3, column (d) and complete Part II and Part III as instructed.	3c	_____
Enter amounts on line 4 through line 26 as if they were all positive numbers. See instructions.			
4	Nonbusiness capital losses.	4	_____
5	Nonbusiness capital gains. See instructions.	5	_____
6	If line 4 is more than line 5, enter the difference; otherwise, enter -0-.	6	_____
7	If line 4 is less than line 5, enter the difference; otherwise, enter -0-.	7	_____
8	Nonbusiness deductions.	8	_____
9	Nonbusiness income other than capital gains.	9	_____
10	Add line 7 and line 9.	10	_____
11	If line 8 is more than line 10, enter the difference; otherwise, enter -0-.	11	_____
12	If line 8 is less than line 10, enter the difference; otherwise, enter -0-.	12	_____
13	Business capital losses.	13	_____
14	Business capital gains.	14	_____
15	Add line 12 and line 14.	15	_____
16	If line 13 is more than line 15, enter the difference; otherwise, enter -0-.	16	_____
17	Add line 6 and line 16.	17	_____
18	Enter the loss, if any, from line 8 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 9, column (c), of Schedule D (541). If you do not have a loss on that line (and do not have an R&TC Section 18152.5 exclusion), skip line 18 through line 23 and enter on line 24 the amount from line 17.	18	_____
19	R&TC Section 18152.5 exclusion. Enter as a positive number.	19	_____
20	Subtract line 19 from line 18. If zero or less, enter -0-.	20	_____
21	Enter the loss, if any, from line 9 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 10 of Schedule D (541). Enter as a positive number.	21	_____
22	If line 20 is more than line 21, enter the difference; otherwise, enter -0-.	22	_____
23	If line 21 is more than line 20, enter the difference; otherwise enter -0-.	23	_____
24	Subtract line 22 from line 17. If zero or less, enter -0-.	24	_____
25	NOL and disaster loss carryovers from prior years. See instructions.	25	_____
26	Add lines 11, 19, 23, 24, and 25.	26	_____
27	2010 NOL carryover. Combine line 3c and line 26. If more than zero, enter -0-. You do not have a current year NOL to carryover.	27	_____

Section B – Nonresidents and Part-Year Residents Only – Computation of Current Year California NOL

		A Enter total amounts as if you were a CA resident for entire year.	B Enter amounts earned or received from CA sources if you were a nonresident for the entire year.	C Enter amounts earned or received during the portion of the year you were a CA resident.	D Enter amounts earned or received from CA sources during the portion of the year you were a nonresident.	E Total Combine columns C and D.
1	Adjusted gross income. See instructions. If negative, use brackets	1 (53,098.)	(53,098.)			
2	Itemized deductions or standard deduction. See instructions	2 (9,698.)	(9,698.)			
3a	Combine line 1 and line 2. If negative, use brackets. If positive, enter -0- here and on line 27. Complete Part II and Part III if you have a carryover from prior years. . .	3a (62,796.)	(62,796.)			
b	2010 designated disaster loss included in line 3a. Enter as a positive number	3b				
c	Combine line 3a and line 3b. If negative, use brackets and continue to line 4	3c (62,796.)	(62,796.)			
Enter amounts on line 4 through line 26 as if they were all positive numbers.						
4	Nonbusiness capital losses	4 63,820. .	63,820. .			
5	Nonbusiness capital gains.	5 15,366. .	15,366. .			
6	If line 4 is more than line 5, enter the difference; otherwise, enter -0- . .	6 48,454. .	48,454. .			
7	If line 4 is less than line 5, enter the difference; otherwise, enter -0- . .	7 0. .	0. .			
8	Nonbusiness deductions	8 9,698. .	9,698. .			
9	Nonbusiness income other than capital gains	9 959. .	959. .			
10	Add line 7 and line 9.	10 959. .	959. .			
11	If line 8 is more than line 10, enter the difference; otherwise, enter -0- . .	11 8,739. .	8,739. .			
12	If line 8 is less than line 10, enter the difference; otherwise, enter -0- . .	12 0. .	0. .			
13	Business capital losses.	13 79,186. .	79,186. .			
14	Business capital gains	14				
15	Add line 12 and line 14.	15				
16	If line 13 is more than line 15, enter the difference; otherwise, enter -0-	16 79,186. .	79,186. .			
17	Add line 6 and line 16.	17 127,640. .	127,640. .			
18	Enter the loss, if any, from line 4 of Schedule D (540NR) worksheet for nonresidents and part-year residents. If you do not have a loss on that line (and do not have an R&TC Section 18152.5 exclusion), skip line 18 through line 23 and enter on line 24 the amount from line 17.	18 127,640. .	127,640. .			
19	R&TC Section 18152.5 exclusion. Enter as a positive number	19				
20	Subtract line 19 from line 18. If zero or less, enter -0-	20 127,640. .	127,640. .			
21	Enter the loss, if any, from line 5 of Schedule D (540NR) worksheet for nonresidents and part-year residents. Enter as a positive number.	21 3,000. .	3,000. .			
22	If line 20 is more than line 21, enter the difference; otherwise, enter -0-	22 124,640. .	124,640. .			
23	If line 21 is more than line 20, enter the difference; otherwise, enter -0-	23 0. .	0. .			
24	Subtract line 22 from line 17. If zero or less, enter -0-	24 3,000. .	3,000. .			
25	NOL and disaster loss carryovers from prior years.	25 51,057. .	51,057. .			
26	Add lines 11, 19, 23, 24, and 25. .	26 62,796. .	62,796. .			
27	2010 NOL carryover. Combine line 3c and line 26. If more than zero, enter -0-	27 0. .	0. .			

Part II Determine 2010 Modified Taxable Income (MTI). Be sure to read the instructions for Part II.

1 Taxable income. See instructions.	1	(62,796.)
Enter amounts on line 2 through line 4 as if they were all positive numbers.		
2 Capital loss deduction included in line 1.	2	-3,000.
3 Disaster loss carryover included in line 1.	3	
4 NOL carryover included in line 1.	4	51,057.
5 MTI. Combine line 1 through line 4. If line 5 is zero or less, enter -0-.	5	0.

Part III NOL Carryover and Disaster Loss Carryover Limitations. See Instructions.

		(g) Available balance	
1 MTI from Part II, line 5. If the taxpayers modified adjusted gross income is \$300,000 or more, see instructions.	1		

Prior Year NOLs

(a) Year of loss	(b) Code	(c) Type of NOL* See below	(d) Initial Loss	(e) Carryover from 2009	(f) Amount used in 2010		(h) Carryover to 2011 subtract column (f) from column (e)
2 2002		GEN	51,057.	51,057.	0.	0.	51,057.

Current Year NOLs

3 2010		DIS					
4 2010							
2010							
2010							
2010							

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

5 NOL carryover. Add the carryover amounts in column (h) that are not the result of a disaster loss.	5	51,057.
6 Disaster loss carryover. Enter the total loss carryover amounts in column (h) that are the result of disaster losses.	6	

2010

Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations – Individuals, Estates, and Trusts

3805V

Attach to your California tax return.

Name(s) as shown on return

SSN or ITIN

999-99-9999

FEIN

JOE INVESTOR COMMODITY LOSS EX 12

Part I Computation of Current Year NOL for Individuals, Estates, and Trusts. If you do not have a current year NOL, go to Part II.

Section A – California Residents Only (Nonresidents go to Section B.)

- 1 Adjusted gross income from 2010 Form 540, line 17. If negative, use brackets. Estates and Trusts, begin on line 3. **1** _____
- 2 Itemized deductions or standard deduction from 2010 Form 540, line 18. **2** _____
- 3a Combine line 1 and line 2. (Estates and Trusts, enter taxable income, see instructions.) If negative, use brackets. If positive, enter -0- here and on line 27. **Do not** complete the rest of Section A. You do not have a current year NOL. Complete Part II and Part III if you have a carryover from prior years. **3a** _____
- 3b 2010 designated disaster loss included in line 3a. Enter as a positive number. **3b** _____
- 3c Combine line 3a and line 3b. If negative, use brackets and continue to line 4. If zero or more, **do not** complete the rest of Part I. Enter the amount from line 3b, if any, in Part III, line 3, column (d) and complete Part II and Part III as instructed. **3c** _____

Enter amounts on line 4 through line 26 as if they were all **positive** numbers. See instructions.

- 4 Nonbusiness capital losses. **4** _____
- 5 Nonbusiness capital gains. See instructions. **5** _____
- 6 If line 4 is more than line 5, enter the difference; otherwise, enter -0- **6** _____
- 7 If line 4 is less than line 5, enter the difference; otherwise, enter -0- **7** _____
- 8 Nonbusiness deductions. **8** _____
- 9 Nonbusiness income other than capital gains. **9** _____
- 10 Add line 7 and line 9. **10** _____
- 11 If line 8 is more than line 10, enter the difference; otherwise, enter -0- **11** _____
- 12 If line 8 is less than line 10, enter the difference; otherwise, enter -0- **12** _____
- 13 Business capital losses. **13** _____
- 14 Business capital gains. **14** _____
- 15 Add line 12 and line 14. **15** _____
- 16 If line 13 is more than line 15, enter the difference; otherwise, enter -0- **16** _____
- 17 Add line 6 and line 16. **17** _____
- 18 Enter the loss, if any, from line 8 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 9, column (c), of Schedule D (541). If you do not have a loss on that line (and do not have an R&TC Section 18152.5 exclusion), skip line 18 through line 23 and enter on line 24 the amount from line 17. **18** _____
- 19 R&TC Section 18152.5 exclusion. Enter as a positive number. **19** _____
- 20 Subtract line 19 from line 18. If zero or less, enter -0- **20** _____
- 21 Enter the loss, if any, from line 9 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 10 of Schedule D (541). Enter as a positive number. **21** _____
- 22 If line 20 is more than line 21, enter the difference; otherwise, enter -0- **22** _____
- 23 If line 21 is more than line 20, enter the difference; otherwise enter -0- **23** _____
- 24 Subtract line 22 from line 17. If zero or less, enter -0- **24** _____
- 25 NOL and disaster loss carryovers from prior years. See instructions. **25** _____
- 26 Add lines 11, 19, 23, 24, and 25. **26** _____
- 27 **2010 NOL carryover.** Combine line 3c and line 26. If more than zero, enter -0-. You do not have a current year NOL to carryover. **27** _____

Section B – Nonresidents and Part-Year Residents Only – Computation of Current Year California NOL

AMT COPY

		A Enter total amounts as if you were a CA resident for entire year.	B Enter amounts earned or received from CA sources if you were a nonresident for the entire year.	C Enter amounts earned or received during the portion of the year you were a CA resident.	D Enter amounts earned or received from CA sources during the portion of the year you were a nonresident.	E Total Combine columns C and D.
1	Adjusted gross income. See instructions. If negative, use brackets	1 (53,098.)				
2	Itemized deductions or standard deduction. See instructions	2 (9,698.)				
3a	Combine line 1 and line 2. If negative, use brackets. If positive, enter -0- here and on line 27. Complete Part II and Part III if you have a carryover from prior years. . .	3a (62,796.)	(7,383.)			
b	2010 designated disaster loss included in line 3a. Enter as a positive number	3b				
c	Combine line 3a and line 3b. If negative, use brackets and continue to line 4	3c (62,796.)	(7,383.)			
Enter amounts on line 4 through line 26 as if they were all positive numbers.						
4	Nonbusiness capital losses	4 63,820. .	63,820. .			
5	Nonbusiness capital gains.	5 15,366. .	15,366. .			
6	If line 4 is more than line 5, enter the difference; otherwise, enter -0- . .	6 48,454. .	48,454. .			
7	If line 4 is less than line 5, enter the difference; otherwise, enter -0- . .	7 0. .	0. .			
8	Nonbusiness deductions	8 9,698. .	5,342. .			
9	Nonbusiness income other than capital gains	9 959. .	959. .			
10	Add line 7 and line 9.	10 959. .	959. .			
11	If line 8 is more than line 10, enter the difference; otherwise, enter -0- . .	11 8,739. .	4,383. .			
12	If line 8 is less than line 10, enter the difference; otherwise, enter -0- . .	12 0. .	0. .			
13	Business capital losses.	13 79,186. .	79,186. .			
14	Business capital gains	14				
15	Add line 12 and line 14.	15				
16	If line 13 is more than line 15, enter the difference; otherwise, enter -0-	16 79,186. .	79,186. .			
17	Add line 6 and line 16.	17 127,640. .	127,640. .			
18	Enter the loss, if any, from line 4 of Schedule D (540NR) worksheet for nonresidents and part-year residents. If you do not have a loss on that line (and do not have an R&TC Section 18152.5 exclusion), skip line 18 through line 23 and enter on line 24 the amount from line 17.	18 127,640. .	127,640. .			
19	R&TC Section 18152.5 exclusion. Enter as a positive number	19				
20	Subtract line 19 from line 18. If zero or less, enter -0-	20 127,640. .	127,640. .			
21	Enter the loss, if any, from line 5 of Schedule D (540NR) worksheet for nonresidents and part-year residents. Enter as a positive number.	21 3,000. .	3,000. .			
22	If line 20 is more than line 21, enter the difference; otherwise, enter -0-	22 124,640. .	124,640. .			
23	If line 21 is more than line 20, enter the difference; otherwise, enter -0-	23 0. .	0. .			
24	Subtract line 22 from line 17. If zero or less, enter -0-	24 3,000. .	3,000. .			
25	NOL and disaster loss carryovers from prior years.	25 51,057. .				
26	Add lines 11, 19, 23, 24, and 25. .	26 62,796. .	7,383. .			
27	2010 NOL carryover. Combine line 3c and line 26. If more than zero, enter -0-	27 0. .	0. .			

Part II Determine 2010 Modified Taxable Income (MTI). Be sure to read the instructions for Part II. ALT. MIN. TAX

1	Taxable income. See instructions. AMTI, BEFORE ATNOLD. (SCH. P, LINE 19)	1	(7,383.)
Enter amounts on line 2 through line 4 as if they were all positive numbers.			
2	Capital loss deduction included in line 1.	2	3,000.
3	Disaster loss carryover included in line 1.	3	
4	NOL carryover included in line 1.	4	
5	MTI. Combine line 1 through line 4. If line 5 is zero or less, enter -0- MODIFIED AMTI	5	0.
ATNOLD LIMITATION PERCENTAGE			90

Part III NOL Carryover and Disaster Loss Carryover Limitations. See Instructions.

NOTE: LINE 1, AMTI BEFORE ATNOLD INCLUDES THE LINE 3 AND/OR LINE 4 NOL C/O AMOUNTS. NO ADDITIONAL ADD BACK IS REQUIRED.

NOTE: LINE 1, AMTI BEFORE ATNOLD INCLUDES THE LINE 3 AND/OR LINE 4 NOL C/O AMOUNTS. NO ADDITIONAL ADD BACK IS REQUIRED.					(g) Available balance	
1	MTI from Part II, line 5. If the taxpayers modified adjusted gross income is \$300,000 or more, see instructions	1				

Prior Year NOLs

(a) Year of loss	(b) Code	(c) Type of NOL* See below	(d) Initial Loss	(e) Carryover from 2009	(f) Amount used in 2010		(h) Carryover to 2011 subtract column (f) from column (e)
2 2002		GEN	51,018.	51,018.	0.	0.	51,018.
2006		GEN	62.	62.	0.	0.	62.

Current Year NOLs

3 2010		DIS					
4 2010							
2010							
2010							
2010							

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

5	NOL carryover. Add the carryover amounts in column (h) that are not the result of a disaster loss.	5	
6	Disaster loss carryover. Enter the total loss carryover amounts in column (h) that are the result of disaster losses	6	

2010

Federal Income Tax Summary

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Client EX12F-CA

Joe Investor Commodity Loss Ex 12

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	2010	2009	Diff
INCOME			
Interest income.....	62	62	0
Dividend income.....	897	897	0
Capital gain or loss.....	-3,000	-3,000	0
Total income.....	-2,041	-2,041	0
ADJUSTMENTS TO INCOME			
Total adjustments.....	0	0	0
Adjusted gross income.....	-2,041	-2,041	0
ITEMIZED DEDUCTIONS			
Medical & dental.....	5,342	5,342	0
Taxes.....	326	285	41
Miscellaneous (subject to 2% of AGI).....	4,356	4,356	0
Total itemized deductions.....	10,024	9,983	41
TAX COMPUTATION			
Standard deduction.....	5,700	5,700	0
Larger of itemized or standard deduction.....	10,024	9,983	41
Income prior to exemption deduction.....	-12,065	-12,024	-41
Exemption deduction.....	3,650	3,650	0
Taxable income.....	-15,715	-15,674	-41
Tax before credits.....	0	0	0
CREDITS			
Total credits.....	0	0	0
Tax after credits.....	0	0	0
OTHER TAXES			
Total tax.....	0	0	0
PAYMENTS			
Total payments.....	0	0	0
REFUND OR AMOUNT DUE			
Amount you owe.....	0	0	0
TAX RATES			
Marginal tax rate.....	0.0%	0.0%	0.0%

Demo

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California Income Tax Summary

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Joe Investor Commodity Loss Ex 12

999-99-9999

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	2010	2009	Diff
FEDERAL ADJUSTED GROSS INCOME			
Federal adjusted gross income.....	-2,041	-2,041	0
CALIFORNIA SUBTRACTIONS			
Net operating loss carryover.....	51,057	51,057	0
Total subtractions from federal AGI.....	51,057	51,057	0
ADJUSTED GROSS INCOME			
Adjusted gross income.....	-53,098	-53,098	0
ITEMIZED DEDUCTIONS			
Federal itemized deductions.....	10,024	9,983	41
Less state, local and foreign taxes.....	326	285	41
California itemized deductions.....	9,698	9,698	0
California standard deduction.....	3,670	3,637	33
TAX COMPUTATION			
Total taxable income.....	0	0	0
Tax.....	0	0	0
California adjusted gross income.....	-53,098	0	-53,098
California source income deduction ratio	100.00%	0.00%	100.00%
Exemption credits.....	0	98	-98
Net tax.....	0	0	0
PAYMENTS			
California income tax withheld.....	0	0	0
Total payments.....	0	0	0
REFUND OR AMOUNT DUE			
Amount overpaid.....	0	0	0
Amount you owe.....	0	0	0
TAX RATES			
Marginal tax rate.....	0.0%	0.0%	0.0%

2010**General Information****Page 1****Client EX12F-CA****Joe Investor Commodity Loss Ex 12****999-99-9999**

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Forms needed for this return

Federal: 1040, Sch A, Sch B, Sch D, 6251, 6781

California: 540NR, Sch CA-NR, Sch D (540NR), Sch P-NR, 3805V

Tax Rates

	<u>Marginal</u>	<u>Effective</u>
Federal	0.%	0.%
California	0.%	0.%

Carryovers to 2011Federal Carryovers

Short-Term Capital Loss	63,348.
Long-Term Capital Loss	64,292.
Contributions (50%)	1,970.

California Carryovers

Prior Net Operating Loss	51,057.
Prior AMT Net Operating Loss	51,080.
Contributions (50%)	1,970.
Prior Net Operating Loss (CA source)	51,057.
State Capital Loss	127,640.
AMT State Capital Loss	127,640.

Future Tax Savings

- ☐ If the medical insurance premiums currently being paid by the taxpayer are for a high deductible health plan, consideration should be given to opening a Health Savings Account (HSA) under IRC Section 223. Qualified HSA contributions provide for an above-the-line deduction. In 2011, the policy must have an annual deductible of at least \$1,200 (\$2,400 for family coverage) and maximum out-of-pocket expenses not exceeding \$5,950 (\$11,900 for family coverage). If the taxpayer participates for the entire year, contributions up to the amount of the annual deductible, but not exceeding \$3,050 (\$6,150 for family coverage) could be deducted on the tax return. In 2011, catch-up contributions of \$1,000 can be made by taxpayers between age 55 and 65. Distributions and earnings from HSA's are not taxed provided they are used to pay qualified medical expenses.

Tax Tips

- ☐ Taxable income is \$-15,715, placing the taxpayer in a 0% marginal tax bracket. Based on 2010 tax rates, income would have to increase by over \$15,715 in order for any income to begin being taxed in the 10% bracket. This may be used as a guide in determining the advantages or disadvantages of receiving discretionary income in 2011.
- ☐ The taxpayer has a long-term capital loss carryover. Since long-term capital gains are taxed at a lower rate than short-term capital gains, it is more advantageous to use short-term gains to offset the carryover. If the taxpayer plans on recognizing gains in 2011 and has a choice between recognizing short-term gains or long-term gains, an overall greater tax savings will be realized by recognizing short-term gains up to the amount of the loss carryover.

Compliance Tips

- ☐ You cannot deduct a cash contribution, regardless of the amount, unless you keep as a record of the contribution a bank record (such as a canceled check, a bank copy of a canceled check, or a bank statement containing the name of the charity, the date, and the amount) or a written communication from the charity. The written communication must include the name of the charity, date of the contribution, and amount of the contribution.

Compliance Tips (continued)

- ☐ Under audit, charitable contributions of \$250 or more require a written receipt, letter, postcard, or email from the organization to substantiate the donation. A cancelled check is not sufficient evidence for a cash donation of \$250 or more. The receipt should show the date of the donation, the dollar amount of the money gift or description of the property donated, and the estimated value of goods or services received in return for the donation. In figuring whether a gift is \$250 or more, separate and regular donations of less than \$250 to the same organization do not need to be combined.

Schedule A Comparison Flags

- ☐ Schedule A medical and dental expenses before the 7.5% AGI limitation are 37% lower than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A medical and dental expenses after the 7.5% AGI limitation are 36% lower than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A state and local taxes are 63% lower than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A total taxes paid are 90% lower than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A cash or check contributions are 33% lower than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A contribution carryover is 86% lower than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A other 2% miscellaneous deductions are 185% higher than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A total miscellaneous deductions before the 2% AGI limitation are 180% higher than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A total miscellaneous deductions after the 2% AGI limitation are 175% higher than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.
- ☐ Schedule A total itemized deductions are 39% lower than the typical amount deducted by taxpayers claiming the deduction, with similar AGI.

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Schedule A Analysis

Client EX12F-CA

Joe Investor Commodity Loss Ex 12

999-99-9999

2/16/11 AGI Range Used for This Analysis Under \$5,000	This Return		Typical Return*		02:57PM This Return's Deviation From Typical
	Amounts	% of AGI	Amounts	% of AGI	
AGI					
Adjusted gross income	-2,041.	N/A	2,447.	N/A	
MEDICAL AND DENTAL EXPENSES					
Medical and dental expenses before limitation	5,342.	-261.73%	8,518.	348.12%	-37.29% **
Medical and dental expenses after limitation	5,342.	-261.73%	8,333.	340.53%	-35.89% **
TAXES PAID DEDUCTION					
State and local taxes	326.	-15.97%	892.	36.45%	-63.45% **
Real estate taxes			3,351.	136.95%	
New motor vehicle taxes					
Personal property taxes			245.	10.0%	
Other taxes			957.	39.1%	
Total taxes paid deduction	326.	-15.97%	3,385.	138.34%	-90.37% **
INTEREST PAID DEDUCTION					
Home mortgage interest on Form 1098			10,808.	441.68%	
Home mortgage interest not on Form 1098			10,300.	420.93%	
Deductible points			198.	8.1%	
Qualified mortgage insurance premiums			1,360.	55.56%	
Investment interest deduction			3,827.	156.4%	
Total interest paid deduction			10,851.	443.46%	
CHARITABLE CONTRIBUTIONS					
Cash or check contributions	985.	-48.26%	1,468.	59.98%	-32.9% **
Other than cash contributions			670.	27.38%	
Carryover from prior years	985.	-48.26%	6,849.	279.9%	-85.62% **
Allowable charitable contributions			677.	27.68%	
CASUALTY AND THEFT LOSSES					
Casualty or theft loss deduction			2,601.	106.28%	
MISCELLANEOUS DEDUCTIONS SUBJECT TO 2% LIMITATION					
Unreimbursed employee business expenses			4,430.	181.04%	
Other deductions	4,356.	-213.42%	1,531.	62.58%	+184.52% **
Total miscellaneous deductions before limitation	4,356.	-213.42%	1,557.	63.64%	+179.77% **
Total miscellaneous deductions after limitation	4,356.	-213.42%	1,583.	64.7%	+175.17% **
OTHER MISCELLANEOUS DEDUCTIONS					
Gambling loss deduction			1,975.	80.72%	
Other deductions			1,769.	72.28%	
Total other miscellaneous deductions			8,570.	350.23%	
TOTAL ITEMIZED DEDUCTIONS					
Total itemized deductions after limitation	10,024.	-491.13%	16,539.	675.9%	-39.39% **

* Typical amounts are estimates derived from IRS Table 2.1 - Individual Income Tax Returns with Itemized Deductions (Tax Year 2008), posted on the IRS website. Generally, this analysis expresses the typical deduction as a percentage of the taxpayers actual AGI. However, for taxpayers whose AGI is under \$5,000, the typical column reflects average AGI and itemized deductions and does not fluctuate, because actual AGI for these taxpayers could be negative.

** Above or below the user specified range.