

2/12/13

08:12AM

Full-year TX resident.

This example relates directly to EX1-US for a husband/wife general trading partnership.

All trading took place in the General Partnership and a K-1 was issued for this activity. Since there was no trading on the individual tax return, no trading footnotes are required.

Demo

**2012**

## **Federal Filing Instructions**

**Client EX1-US**

**Partner #1 and Partner #2**

**977-99-9999**

2/11/13

11:30AM

**FORM TO FILE:**

Form 1040 - 2012 U.S. Individual Income Tax Return

**SIGNATURE:**

Both spouses must sign and date Form 1040, page 2.

**PAYMENT:**

No payment is required.

**REFUND:**

You will receive a refund of \$9,378.

**WHEN TO FILE:**

On or before April 15, 2013.

**WHERE TO FILE:**

Department of the Treasury  
Internal Revenue Service Center  
Austin, TX 73301-0002

**Demo**

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

Your first name and initial **Partner #1** Last name **Partner #1**

If a joint return, spouse's first name and initial Last name **Partner #2**

Home address (number and street). If you have a P.O. box, see instructions. **Any Street** Apartment no.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). **Houston, TX 77001**

Foreign country name Foreign province/state/county Foreign postal code

See separate instructions.

Your social security number **977-99-9999**

Spouse's social security number **999-99-9998**

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

**Presidential Election Campaign**

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

**Filing Status**

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

b ☒ Spouse

c Dependents:

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

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

d Total number of exemptions claimed. 2

Boxes checked on 6a and 6b. 2

No. of children on 6c who:

- lived with you. 2
- did not live with you due to divorce or separation (see instrs). 0

Dependents on 6c not entered above. 0

Add numbers on lines above. 2

**Income**

7 Wages, salaries, tips, etc. Attach Form(s) W-2. 120,538.

8a Taxable interest. Attach Schedule B if required. 5,635.

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

9a Ordinary dividends. Attach Schedule B if required. 8,282.

b Qualified dividends. St. 1 1,417.

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

11 Alimony received.

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

13 Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here. 576.

14 Other gains or (losses). Attach Form 4797.

15a IRA distributions. 15a Taxable amount. 15b

16a Pensions and annuities. 16a Taxable amount. 16b

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E. -25,047.

18 Farm income or (loss). Attach Schedule F.

19 Unemployment compensation.

20a Social security benefits. 20a Taxable amount. 20b

21 Other income.

22 Combine the amounts in the far right column for lines 7 through 21. This is your total income. 109,984.

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.

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

25 Health savings account deduction. Attach Form 8889.

26 Moving expenses. Attach Form 3903.

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

28 Self-employed SEP, SIMPLE, and qualified plans.

29 Self-employed health insurance deduction.

30 Penalty on early withdrawal of savings.

31a Alimony paid b Recipient's SSN.

32 IRA deduction.

33 Student loan interest deduction.

34 Tuition and fees. Attach Form 8917.

35 Domestic production activities deduction. Attach Form 8903.

36 Add lines 23 through 35. 0.

37 Subtract line 36 from line 22. This is your adjusted gross income. 109,984.

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

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

• All others:

Single or Married filing separately, \$5,950

Married filing jointly or Qualifying widow(er), \$11,900

Head of household, \$8,700

<b>38</b>	Amount from line 37 (adjusted gross income) .....	<b>38</b>	109,984.
<b>39a</b>	Check <input type="checkbox"/> You were born before January 2, 1948, <input type="checkbox"/> Blind. <b>Total boxes checked.</b> <input type="checkbox"/> <b>39a</b>		
	if: <input type="checkbox"/> Spouse was born before January 2, 1948, <input type="checkbox"/> Blind. <b>39b</b>		
<b>b</b>	If your spouse itemizes on a separate return or you were a dual-status alien, check here .....		
<b>40</b>	Itemized deductions (from Schedule A) or your standard deduction (see left margin) .....	<b>40</b>	12,480.
<b>41</b>	Subtract line 40 from line 38 .....	<b>41</b>	97,504.
<b>42</b>	<b>Exemptions.</b> Multiply \$3,800 by the number on line 6d .....	<b>42</b>	7,600.
<b>43</b>	<b>Taxable income.</b> Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- .....	<b>43</b>	89,904.
<b>44</b>	<b>Tax</b> (see instrs). Check if any from: <b>a</b> <input type="checkbox"/> Form(s) 8814 <b>c</b> <input type="checkbox"/> 962 election <b>b</b> <input type="checkbox"/> Form 4972 .....	<b>44</b>	14,340.
<b>45</b>	<b>Alternative minimum tax</b> (see instructions). Attach Form 6251 .....	<b>45</b>	0.
<b>46</b>	Add lines 44 and 45 .....	<b>46</b>	14,340.
<b>47</b>	Foreign tax credit. Attach Form 1116 if required .....	<b>47</b>	
<b>48</b>	Credit for child and dependent care expenses. Attach Form 2441 .....	<b>48</b>	
<b>49</b>	Education credits from Form 8863, line 19 .....	<b>49</b>	
<b>50</b>	Retirement savings contributions credit. Attach Form 8880 .....	<b>50</b>	
<b>51</b>	Child tax credit. Attach Schedule 8812, if required .....	<b>51</b>	
<b>52</b>	Residential energy credits. Attach Form 5695 .....	<b>52</b>	
<b>53</b>	Other crs from Form: <b>a</b> <input type="checkbox"/> 3800 <b>b</b> <input type="checkbox"/> 8801 <b>c</b> <input type="checkbox"/> .....	<b>53</b>	
<b>54</b>	Add lines 47 through 53. These are your <b>total credits</b> .....	<b>54</b>	
<b>55</b>	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- .....	<b>55</b>	14,340.
<b>56</b>	Self-employment tax. Attach Schedule SE .....	<b>56</b>	
<b>57</b>	Unreported social security and Medicare tax from Form: <b>a</b> <input type="checkbox"/> 4137 <b>b</b> <input type="checkbox"/> 8919 .....	<b>57</b>	
<b>58</b>	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required .....	<b>58</b>	
<b>59a</b>	Household employment taxes from Schedule H .....	<b>59a</b>	
<b>b</b>	First-time homebuyer credit repayment. Attach Form 5405 if required .....	<b>59b</b>	
<b>60</b>	Other taxes. Enter code(s) from instructions .....	<b>60</b>	
<b>61</b>	Add lines 55-60. This is your <b>total tax</b> .....	<b>61</b>	14,340.

**Payments**

If you have a qualifying child, attach Schedule EIC.

<b>62</b>	Federal income tax withheld from Forms W-2 and 1099 .....	<b>62</b>	23,718.
<b>63</b>	2012 estimated tax payments and amount applied from 2011 return .....	<b>63</b>	
<b>64a</b>	<b>Earned income credit (EIC)</b> .....	<b>64a</b>	No
<b>b</b>	Nontaxable combat pay election .....	<b>64b</b>	
<b>65</b>	Additional child tax credit. Attach Schedule 8812 .....	<b>65</b>	
<b>66</b>	American opportunity credit from Form 8863, line 8 .....	<b>66</b>	
<b>67</b>	Reserved .....	<b>67</b>	
<b>68</b>	Amount paid with request for extension to file .....	<b>68</b>	
<b>69</b>	Excess social security and tier 1 RRTA tax withheld .....	<b>69</b>	
<b>70</b>	Credit for federal tax on fuels. Attach Form 4136 .....	<b>70</b>	
<b>71</b>	Credits from Form: <b>a</b> <input type="checkbox"/> 2439 <b>b</b> <input type="checkbox"/> Reserved <b>c</b> <input type="checkbox"/> 8801 <b>d</b> <input type="checkbox"/> 8885 .....	<b>71</b>	
<b>72</b>	Add lines 62, 63, 64a, & 65-71. These are your <b>total pmts.</b> .....	<b>72</b>	23,718.

**Refund**

Direct deposit? See instructions.

<b>73</b>	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you <b>overpaid</b> .....	<b>73</b>	9,378.
<b>74a</b>	Amount of line 73 you want <b>refunded to you</b> . If Form 8888 is attached, check here .....	<b>74a</b>	9,378.
<b>b</b>	Routing number .....	<b>c</b>	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
<b>d</b>	Account number .....		
<b>75</b>	Amount of line 73 you want <b>applied to your 2013 estimated tax</b> .....	<b>75</b>	

**Amount You Owe**

<b>76</b>	<b>Amount you owe.</b> Subtract line 72 from line 61. For details on how to pay see instructions .....	<b>76</b>	
<b>77</b>	<b>Estimated tax penalty</b> (see instructions) .....	<b>77</b>	

**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 Examples** Phone no. **(888) 558-5257** Personal identification number (PIN) **z Examples**

**Sign Here**

Joint return? See instructions.

Keep a copy for your records.

Your signature	Date	Your occupation	Daytime phone number
Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see instrs)
		Trader/Software De	
		Trader/Consultant	

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
<b>z Examples</b>	<b>z Examples</b>			
Firm's name <b>z Examples</b>	Firm's address <b>z Examples</b>	Firm's EIN <b>z Examples</b>	Phone no. <b>z Examples</b>	
<b>Green NFH, LLC</b>	<b>PO Box 1198</b>	<b>45-4365561</b>	<b>(888) 558-5257</b>	
	<b>Robertsdale, AL 36567</b>			

**Underpayment of Estimated Tax by  
Individuals, Estates, and Trusts**

► Information about Form 2210 and its separate instructions is at [www.irs.gov/form2210](http://www.irs.gov/form2210).  
► Attach to Form 1040, 1040A, 1040NR, 1040NR-EZ, or 1041.

Name(s) shown on tax return

Partner #1 and Partner #2

Identifying number

977-99-9999

**Do You Have To File Form 2210?**

Complete lines 1 through 7 below. Is line 7 less than \$1,000?	Yes	<b>Do not file Form 2210.</b> You do not owe a penalty.
No		
Complete lines 8 and 9 below. Is line 6 equal to or more than line 9?	Yes	You do not owe a penalty. <b>Do not file Form 2210</b> (but if box <b>E</b> in Part II applies, you must file page 1 of Form 2210).
No		
You may owe a penalty. Does any box in Part II below apply?	Yes	You <b>must</b> file Form 2210. Does box <b>B, C,</b> or <b>D</b> in Part II apply?
No		
	No	
	Yes	You must figure your penalty.
<b>Do not file Form 2210.</b> You are not required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>do not file Form 2210.</b>		You are <b>not</b> required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>file only page 1 of Form 2210.</b>

**Part I Required Annual Payment**

1	Enter your 2012 tax after credits from Form 1040, line 55 (see instructions if not filing Form 1040).....	1	14,340.
2	Other taxes, including self-employment tax (see instructions).....	2	
3	Refundable credits (see instructions).....	3	0.
4	Current year tax. Combine lines 1, 2, and 3. If less than \$1,000, <b>stop</b> ; you do not owe a penalty. <b>Do not</b> file Form 2210.....	4	14,340.
5	Multiply line 4 by 90% (.90).....	5	12,906.
6	Withholding taxes. <b>Do not</b> include estimated tax payments (see instructions).....	6	23,718.
7	Subtract line 6 from line 4. If less than \$1,000, <b>stop</b> ; you do not owe a penalty. <b>Do not</b> file Form 2210.....	7	-9,378.
8	Maximum required annual payment based on prior year's tax (see instructions).....	8	
9	<b>Required annual payment.</b> Enter the <b>smaller</b> of line 5 or line 8.....	9	

Next: Is line 9 more than line 6?

- ☒ **No.** You **do not** owe a penalty. **Do not** file Form 2210 unless box **E** below applies.
- ☐ **Yes.** You may owe a penalty, but **do not** file Form 2210 unless one or more boxes in Part II below applies.
- If box **B, C,** or **D** applies, you must figure your penalty and file Form 2210.
  - If box **A** or **E** applies (but not **B, C,** or **D**) file only page 1 of Form 2210. You are **not** required to figure your penalty; the IRS will figure it and send you a bill for any unpaid amount. If you want to figure your penalty, you may use Part III or IV as a worksheet and enter your penalty on your tax return, but **file only page 1 of Form 2210.**

**Part II Reasons for Filing.** Check applicable boxes. If none apply, **do not** file Form 2210.

- A** ☐ You request a **waiver** (see instructions) of your entire penalty. You must check this box and file page 1 of Form 2210, but you are not required to figure your penalty.
- B** ☐ You request a **waiver** (see instructions) of part of your penalty. You must figure your penalty and waiver amount and file Form 2210.
- C** ☐ Your income varied during the year and your penalty is reduced or eliminated when figured using the **annualized income installment method**. You must figure the penalty using Schedule AI and file Form 2210.
- D** ☐ Your penalty is lower when figured by treating the federal income tax withheld from your income as paid on the dates it was actually withheld, instead of in equal amounts on the payment due dates. You must figure your penalty and file Form 2210.
- E** ☐ You filed or are filing a joint return for either 2011 or 2012, but not for both years, and line 8 above is smaller than line 5 above. You must file page 1 of Form 2210, but you are **not** required to figure your penalty (unless box **B, C,** or **D** applies).

**Part IV Regular Method** (See the instructions if you are filing Form 1040NR or 1040NR-EZ.)

Section A – Figure Your Underpayment		Payment Due Dates			
		(a) 4/15/12	(b) 6/15/12	(c) 9/15/12	(d) 1/15/13
<b>18</b> <b>Required installments.</b> If box C in Part II applies, enter the amounts from Schedule AI, line 25. Otherwise, enter 25% (.25) of line 9, Form 2210, in each column.	<b>18</b>				
<b>19</b> Estimated tax paid and tax withheld (see the instructions). For column (a) only, also enter the amount from line 19 on line 23. If line 19 is equal to or more than line 18 for all payment periods, stop here; you do not owe a penalty. <b>Do not file Form 2210 unless you checked a box in Part II.</b> <b>Complete lines 20 through 26 of one column before going to line 20 of the next column.</b>	<b>19</b>				
<b>20</b> Enter the amount, if any, from line 26 in the previous column.	<b>20</b>				
<b>21</b> Add lines 19 and 20.	<b>21</b>				
<b>22</b> Add the amounts on lines 24 and 25 in the previous column.	<b>22</b>				
<b>23</b> Subtract line 22 from line 21. If zero or less, enter -0-. For column (a) only, enter the amount from line 19.	<b>23</b>	0.	0.	0.	0.
<b>24</b> If line 23 is zero, subtract line 21 from line 22. Otherwise, enter -0-.	<b>24</b>		0.	0.	
<b>25</b> <b>Underpayment.</b> If line 18 is equal to or more than line 23, subtract line 23 from line 18. Then go to line 20 of the next column. Otherwise, go to line 26.	<b>25</b>				
<b>26</b> <b>Overpayment.</b> If line 23 is more than line 18, subtract line 18 from line 23. Then go to line 20 of the next column.	<b>26</b>				

**Section B – Figure the Penalty** (Use the Worksheet for Form 2210, Part IV, Section B – Figure the Penalty in the instructions).

<b>27</b> <b>Penalty.</b> Enter the total penalty from line 14 of the Worksheet for Form 2210, Part IV, Section B – Figure the Penalty. Also include this amount on Form 1040, line 77; Form 1040A, line 46; Form 1040NR, line 74; Form 1040NR-EZ, line 26; or Form 1041, line 26.	<b>27</b>	
<b>Do not file Form 2210 unless you checked a box in Part II.</b>		

Form 2210 (2012)

**SCHEDULE A**  
**(Form 1040)**Department of the Treasury  
Internal Revenue Service (99)**Itemized Deductions**► Information about Schedule A and its separate instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040).  
► **Attach to Form 1040.**

OMB No. 1545-0074

**2012**Attachment  
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

Partner #1 and Partner #2

977-99-9999

<b>Medical and Dental Expenses</b>	<b>Caution.</b> Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see instructions) .....	1		
2	Enter amount from Form 1040, line 38. ....	2		
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		0.
<b>Taxes You Paid</b>	5 State and local (check only one box):			
	a <input type="checkbox"/> Income taxes, or	5	1,441.	
	b <input checked="" type="checkbox"/> General sales taxes			
6	Real estate taxes (see instructions) .....	6	2,244.	
7	Personal property taxes .....	7	1,196.	
8	Other taxes. List type and amount ► .....	8		
9	Add lines 5 through 8 .....	9		4,881.
<b>Interest You Paid</b>	10 Home mtg interest and points reported to you on Form 1098. ....	10	6,599.	
	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		
<b>Note.</b> Your mortgage interest deduction may be limited (see instructions).	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		6,599.
<b>Gifts to Charity</b>	16 Gifts by cash or check. If you made any gift of \$250 or more, see instrs .....	16	1,000.	
If you made a gift and got a benefit for it, see instructions.	17 Other than by cash or check. If any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if over \$500 .....	17		
	18 Carryover from prior year .....	18		
	19 Add lines 16 through 18 .....	19		1,000.
<b>Casualty and Theft Losses</b>	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.) .....	20		0.
<b>Job Expenses and Certain Miscellaneous Deductions</b>	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		
	23 Other expenses — investment, safe deposit box, etc. List type and amount ► .....	23		
	24 Add lines 21 through 23 .....	24		
	25 Enter amount from Form 1040, line 38. ....	25		
	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		0.
<b>Other Miscellaneous Deductions</b>	28 Other — from list in instructions. List type and amount ► .....	28		0.
<b>Total Itemized Deductions</b>	29 Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40 .....	29		12,480.
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here. ....			<input type="checkbox"/>

**SCHEDULE B**  
**(Form 1040A or 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Interest and Ordinary Dividends**

► Attach to Form 1040A or 1040.

► Information about Schedule B (Form 1040A or 1040) and its instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040)

OMB No. 1545-0074

**2012**

Attachment  
Sequence No. **08**

Name(s) shown on return

Your social security number

Partner #1 and Partner #2

977-99-9999

**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 ►

Example HW GP Trading Partnership

Example HW GP Trading Partnership

ING Direct

**Amount**

4,451.

495.

689.

1

2 Add the amounts on line 1. . . . .

5,635.

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. . . . .

4

5,635.

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

**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 ►

Example HW GP Trading Partnership

Example HW GP Trading Partnership

**Amount**

7,454.

828.

5

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

6

8,282.

**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 2012, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions. . . . .

X

If 'Yes,' are you required to file Form TD F 90-22.1 to report that financial interest or signature authority? See Form TD F 90-22.1 and its instructions for filing requirements and exceptions to those requirements. . . . .

b If you are required to file Form TD F 90-22.1, enter the name of the foreign country where the financial account is located ►

8 During 2012, 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



**SCHEDULE D**  
**(Form 1040)**Department of the Treasury  
Internal Revenue Service (99)**Capital Gains and Losses**▶ **Attach to Form 1040 or Form 1040NR.**▶ Information about Schedule D and its separate instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040).▶ **Use Form 8949 to list your transactions for lines 1, 2, 3, 8, 9, and 10.**

OMB No. 1545-0074

**2012**Attachment  
Sequence No. **12**

Name(s) shown on return

Partner #1 and Partner #2

Your social security number

977-99-9999

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

Complete Form 8949 before completing line 1, 2, or 3. This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price) from Form(s) 8949, Part I, line 2, column (d)	(e) Cost or other basis from Form(s) 8949, Part I, line 2, column (e)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1 Short-term totals from all Forms 8949 with <b>box A</b> checked in <b>Part I</b> .....				
2 Short-term totals from all Forms 8949 with <b>box B</b> checked in <b>Part I</b> .....				
3 Short-term totals from all Forms 8949 with <b>box C</b> checked in <b>Part I</b> .....				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824 .....				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 .....				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your <b>Capital Loss Carryover Worksheet</b> in the instructions .....				6
7 <b>Net short-term capital gain or (loss).</b> Combine lines 1 through 6 in column (h). If you have any long-term capital gain or losses, go to Part II below. Otherwise, go to Part III on page 2 .....				7

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

Complete Form 8949 before completing line 8, 9, or 10. This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price) from Form(s) 8949, Part II, line 4, column (d)	(e) Cost or other basis from Form(s) 8949, Part II, line 4, column (e)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 4, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8 Long-term totals from all Forms 8949 with <b>box A</b> checked in <b>Part II</b> .....				
9 Long-term totals from all Forms 8949 with <b>box B</b> checked in <b>Part II</b> .....				
10 Long-term totals from all Forms 8949 with <b>box C</b> checked in <b>Part II</b> .....				
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824 .....				11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 .....				12 576.
13 Capital gain distributions. See instrs. ....				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your <b>Capital Loss Carryover Worksheet</b> in the instructions .....				14
15 <b>Net long-term capital gain or (loss).</b> Combine lines 8 through 14 in column (h). Then go to Part III on page 2 .....				15 576.

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

Schedule D (Form 1040) 2012

**Part III Summary**

16 Combine lines 7 and 15 and enter the result. ....	<b>16</b>	576.
<ul style="list-style-type: none"> <li>• If line 16 is a <b>gain</b>, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below.</li> <li>• If line 16 is a <b>loss</b>, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22.</li> <li>• If line 16 is <b>zero</b>, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.</li> </ul>		
17 Are lines 15 and 16 <b>both</b> gains?		
<input checked="" type="checkbox"/> <b>Yes.</b> Go to line 18.		
<input type="checkbox"/> <b>No.</b> Skip lines 18 through 21, and go to line 22.		
18 Enter the amount, if any, from line 7 of the <b>28% Rate Gain Worksheet</b> in the instructions. ....	<b>18</b>	0.
19 Enter the amount, if any, from line 18 of the <b>Unrecaptured Section 1250 Gain Worksheet</b> in the instructions. ....	<b>19</b>	
20 Are lines 18 and 19 <b>both</b> zero or blank?		
<input checked="" type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). <b>Do not</b> complete lines 21 and 22 below.		
<input type="checkbox"/> <b>No.</b> Complete the <b>Schedule D Tax Worksheet</b> in the instructions. <b>Do not</b> complete lines 21 and 22 below.		
21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the <b>smaller</b> of:		
<ul style="list-style-type: none"> <li>• The loss on line 16 or</li> <li>• (\$3,000), or if married filing separately, (\$1,500)</li> </ul>	<b>21</b>	
<b>Note.</b> 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"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42).		
<input type="checkbox"/> <b>No.</b> Complete the rest of Form 1040 or Form 1040NR.		

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

Your social security number

Partner #1 and Partner #2

977-99-9999

**Caution:** The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.**Part II Income or Loss From Partnerships and S Corporations****Note.** If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column (e) on line 28 and attach **Form 6198**. See instructions.

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

28	(a) Name	(b) Enter <b>P</b> for partnership; <b>S</b> for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	Example HW GP Trading Partnership	P		99-9999999	
B	UPE	P		99-9999999	
C	Example HW GP Trading Partnership	P		99-9999999	
D					

Passive Income and Loss		Nonpassive Income and Loss		
(f) Passive loss allowed (attach <b>Form 8582</b> if required)	(g) Passive income from <b>Schedule K-1</b>	(h) Nonpassive loss from <b>Schedule K-1</b>	(i) Section 179 expense deduction from <b>Form 4562</b>	(j) Nonpassive income from <b>Schedule K-1</b>
A		21,988.		
B		616.		
C		2,443.		
D				
29 a Totals. . . . .				
b Totals. . . . .		25,047.		
30 Add columns (g) and (j) of line 29a. . . . .			30	
31 Add columns (f), (h), and (i) of line 29b. . . . .			31	-25,047.
32 <b>Total partnership and S corporation income or (loss).</b> Combine lines 30 and 31. Enter the result here and include in the total on line 41 below. . . . .			32	-25,047.

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

33	(a) Name	(b) Employer ID no.
A		
B		

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

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

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

**Part V Summary**

40 Net farm rental income or (loss) from <b>Form 4835</b> . Also, complete line 42 below. . . . .	40	
41 <b>Total income or (loss).</b> Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18. . . . .	41	-25,047.
42 <b>Reconciliation of farming and fishing income.</b> Enter your <b>gross</b> farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), box 14, code F (see instructions). . . . .	42	
43 <b>Reconciliation for real estate professionals.</b> If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules. . . . .	43	

**Alternative Minimum Tax — Individuals**

► Information about Form 6251 and its separate instructions is at [www.irs.gov/form6251](http://www.irs.gov/form6251).  
► Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

**2012**Attachment  
Sequence No. **32**

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

Partner #1 and Partner #2

Your social security number

977-99-9999

**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 7. (If less than zero, enter as a negative amount.)	1	97,504.
2	Medical and dental. Enter the <b>smaller</b> 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), line 9	3	4,881.
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet in the instructions for this line	4	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5	
6	Skip this line. It is reserved for future use	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	<b>Alternative minimum taxable income.</b> Combine lines 1 through 27. (If married filing separately, see instructions.)	28	102,385.

**Part II Alternative Minimum Tax (AMT)**

29	Exemption. See instructions.	29	78,750.
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 31, 33 and 35, and go to line 34.	30	23,635.
31	<ul style="list-style-type: none"> <li>• If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter.</li> <li>• 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.</li> <li>• <b>All others:</b> 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.</li> </ul>	31	5,926.
32	Alternative minimum tax foreign tax credit (see instructions)	32	
33	Tentative minimum tax. Subtract line 32 from line 31.	33	5,926.
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	14,340.
35	<b>AMT.</b> 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 12/12/12

Form **6251** (2012)

**Part III Tax Computation Using Maximum Capital Gains Rates**

Complete Part III only if you are required to do so by line 31 or by the Foreign Earned Income Tax Worksheet in the instructions.

<b>36</b>	Enter the amount from Form 6251, line 30. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions for line 31 .....	<b>36</b>	23,635.
<b>37</b>	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter .....	<b>37</b>	1,993.
<b>38</b>	Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter .....	<b>38</b>	0.
<b>39</b>	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 37. Otherwise, add lines 37 and 38, and enter the <b>smaller</b> of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter .....	<b>39</b>	1,993.
<b>40</b>	Enter the <b>smaller</b> of line 36 or line 39 .....	<b>40</b>	1,993.
<b>41</b>	Subtract line 40 from line 36 .....	<b>41</b>	21,642.
<b>42</b>	If line 41 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 41 by 26% (.26). Otherwise, multiply line 41 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result .....	<b>42</b>	5,627.
<b>43</b>	Enter: <ul style="list-style-type: none"> <li>• \$70,700 if married filing jointly or qualifying widow(er),</li> <li>• \$35,350 if single or married filing separately, or</li> <li>• \$47,350 if head of household.</li> </ul>	<b>43</b>	70,700.
<b>44</b>	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter -0- .....	<b>44</b>	87,911.
<b>45</b>	Subtract line 44 from line 43. If zero or less, enter -0- .....	<b>45</b>	0.
<b>46</b>	Enter the <b>smaller</b> of line 36 or line 37 .....	<b>46</b>	1,993.
<b>47</b>	Enter the <b>smaller</b> of line 45 or line 46 .....	<b>47</b>	
<b>48</b>	Subtract line 47 from line 46 .....	<b>48</b>	1,993.
<b>49</b>	Multiply line 48 by 15% (.15) .....	<b>49</b>	299.
<b>If line 38 is zero or blank, skip lines 50 and 51 and go to line 52. Otherwise, go to line 50.</b>			
<b>50</b>	Subtract line 46 from line 40 .....	<b>50</b>	
<b>51</b>	Multiply line 50 by 25% (.25) .....	<b>51</b>	
<b>52</b>	Add lines 42, 49, and 51 .....	<b>52</b>	5,926.
<b>53</b>	If line 36 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 36 by 26% (.26). Otherwise, multiply line 36 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result .....	<b>53</b>	6,145.
<b>54</b>	Enter the <b>smaller</b> of line 52 or line 53 here and on line 31. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 31. Instead, enter it on line 4 of the worksheet in the instructions for line 31. ....	<b>54</b>	5,926.

Form 6251 (2012)

Form **4562**Department of the Treasury  
Internal Revenue Service (99)**Depreciation and Amortization**  
**(Including Information on Listed Property)**

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

OMB No. 1545-0172

**2012**Attachment  
Sequence No. **179**

Name(s) shown on return

Partner #1 and Partner #2

Identifying number

977-99-9999

Business or activity to which this form relates

Schedule E, Page 2 (K-1) (Business Use of Home) - Example HW GP Trading Partnership

**Part I Election To Expense Certain Property Under Section 179**

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

1	Maximum amount (see instructions) .....	1	500,000.
2	Total cost of section 179 property placed in service (see instructions) .....	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions) .....	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- .....	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions .....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29 .....	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 .....	8	
9	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8 .....	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562 .....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs) ..	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 .....	12	
13	Carryover of disallowed deduction to 2013. Add lines 9 and 10, less line 12. ▶	13	

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

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

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

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

17	MACRS deductions for assets placed in service in tax years beginning before 2012 .....	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here. ▶ <input type="checkbox"/>		

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

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property .....						
b 5-year property .....						
c 7-year property .....						
d 10-year property .....						
e 15-year property .....						
f 20-year property .....						
g 25-year property .....			25 yrs		S/L	
h Residential rental property .....			27.5 yrs	MM	S/L	
i Nonresidential real property .....	Various	19,530.	39 yrs	MM	S/L	481.
				MM	S/L	

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

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

**Part IV Summary** (See instructions.)

21	Listed property. Enter amount from line 28 .....	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions .....	22	481.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs .....	23	

BAA For Paperwork Reduction Act Notice, see separate instructions.

FDIZ0812L 08/19/12

Form **4562** (2012)

2012

Federal Statements

Page 1

Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13

11:30AM

Statement 1  
Form 1040, Line 9b  
Qualified Dividends

Example HW GP Trading Partnership.....	\$	1,275.
Example HW GP Trading Partnership.....		142.
Total	\$	<u>1,417.</u>

Demo

Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13

11:30AM

## Wage Schedule

<u>Taxpayer - Employer</u>	<u>Wages</u>	<u>Federal W/H</u>	<u>FICA</u>	<u>Medi- care</u>	<u>State W/H</u>	<u>Local W/H</u>
w2 1	69,418.	13,256.	3,445.	1,189.		
Total	69,418.	13,256.	3,445.	1,189.	0.	0.
<u>Spouse - Employer</u>	<u>Wages</u>	<u>Federal W/H</u>	<u>FICA</u>	<u>Medi- care</u>	<u>State W/H</u>	<u>Local W/H</u>
W2 2	51,120.	10,462.	2,577.	890.		
Total	51,120.	10,462.	2,577.	890.		0.
Grand Total	120,538.	23,718.	6,022.	2,079.	0.	0.

## Qualified Dividends and Capital Gain Tax Worksheet (Form 1040, Line 44)

1. Enter the amount from Form 1040, line 43 89,904.
2. Enter the amount from Form 1040, line 9b 1,417.
3. Are you filing Schedule D?  
☒ Yes. Enter the smaller of line 15 or 16 of  
Schedule D, but do not enter less than zero  
☐ No. Enter the amount from Form 1040, line 13 576.
4. Add lines 2 and 3 1,993.
5. If you are claiming investment interest expense  
on Form 4952, enter the amount from line 4g of  
that form. Otherwise enter zero. 0.
6. Subtract line 5 from line 4. If zero or  
less, enter zero. 1,993.
7. Subtract line 6 from line 1. If zero or  
less, enter zero. 87,911.
8. Enter:  
\$35,350 if single or married filing separately,  
\$70,700 if married filing jointly or qualifying  
widow(er), \$47,350 if head of household. 70,700.
9. Enter the smaller of line 1 or line 8 70,700.
10. Enter the smaller of line 7 or line 9 70,700.
11. Subtract line 10 from line 9. This amount  
is taxed at 0% 0.
12. Enter the smaller of line 1 or line 6 1,993.
13. Enter the amount from line 11 0.
14. Subtract line 13 from line 12 1,993.
15. Multiply line 14 by 15% (.15) 299.
16. Figure the tax on the amount on line 7.  
(Use the Tax Table or Tax Computation Worksheet) 14,041.
17. Add lines 15 and 16 14,340.
18. Figure the tax on the amount on line 1.  
(Use the Tax Table or Tax Computation Worksheet) 14,541.
19. Tax on all taxable income (including  
capital gain distributions). Enter the  
smaller of line 17 or line 18 here and on  
Form 1040, line 44 14,340.



Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13

11:30AM

**Federal Income Tax Withheld**

W2 2	10,462.
w2 1	13,256.
Total	<u>23,718.</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	109,984.
Tax-exempt interest	0.
Nontaxable combat pay	0.
Nontaxable social security benefits	0.
Nontaxable pensions	0.
Nontaxable IRAs	0.
Prior year refundable credits (refundable portion only)	0.
Additional nontaxable amounts	0.
Total Available Income (not less than zero)	<u>109,984.</u>

Number of Exemptions	2.
----------------------	----

1. State general sales taxes per Tables	1,092.
2. Local general sales taxes per Tables for certain residents of AK, AZ, AR, CO, GA, IL, LA, MO, NC, NY, SC, TN, UT, VA, and WV (based on a rate of 1%)	0.
3. Local general sales tax rate	2.0000
4. If line 2 is zero, enter your state general sales tax rate. Otherwise, skip line 4 and 5, and go to line 6	6.2500
5. Divide line 3 by line 4	0.320000
6. Local general sales taxes. If line 2 is zero, multiply line 1 by line 5. Otherwise, multiply line 2 by line 3.	349.
7. State and local general sales taxes (add lines 1 and 6)	1,441.
8. Sales taxes paid on vehicles, boats, etc.	0.
9. Sales tax deduction when using Tables (add lines 7 and 8)	1,441.

## 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	1,441.
5. Greater of sales taxes paid or Table amount	<u>1,441.</u>

**Long-Term Capital Gain or (Loss) from K-1 (Schedule D part II)**

Example HW GP Trading Partnership - long-term capital gain	518.
Example HW GP Trading Partnership - long-term capital gain	58.
Total Long-term Capital Gain (Loss) from K-1	<u>576.</u>

Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13

11:30AM

**Activity Name: Example HW GP Trading Partnership**

Adjusted basis at beginning of year	0.
Additional amounts invested in current year	123,555.
Current year distributions of money	
Current year distribution of property	
Change in partner's share of liabilities	
UPE	616.
Current year income from partnership	12,423.
Adjusted basis used for basis limitation	136,594.
Loss allowed by basis limitation	22,604.
Adjusted basis at end of year	113,990.

	(A) Current Year loss or deduction	(B) Prior Year Unallowed Basis Loss	(C) Loss Allowable by Basis Limitation	(D) Basis Carryover
<b>Income or Loss</b>				
Ordinary Income (Loss)	21,988.		21,988.	
Regular Tax	21,988.	0.	21,988.	0.

**Deductions**

** Home Office Expense	616.		616.	
Regular Tax	616.	0.	616.	0.

\*\* Reported as Unreimbursed Expenses on form

**Alternative Minimum Tax**

Alt min tax beginning basis	0.
Alt min tax income	12,423.
Current year adjustments to basis	124,171.
Alt min tax basis used for limitation	136,594.
Loss allowed by Alt min tax basis	22,604.
Alt min tax final basis	113,990.

Alt Min Tax Ordinary Income (Loss)	21,988.	0.
------------------------------------	---------	----

Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13

11:30AM

**Activity Name: Example HW GP Trading Partnership**

Adjusted basis at beginning of year	0.
Additional amounts invested in current year	13,728.
Current year distributions of money	
Current year distribution of property	
Change in partner's share of liabilities	
Current year income from partnership	1,381.
Adjusted basis used for basis limitation	15,109.
Loss allowed by basis limitation	2,443.
Adjusted basis at end of year	12,666.

	(A) Current Year loss or deduction	(B) Prior Year Unallowed Basis Loss	(C) Loss Allowable by Basis Limitation	(D) Basis Carryover
<b>Income or Loss</b>				
Ordinary Income (Loss)	2,443.		2,443.	
Regular Tax	2,443.	0.	2,443.	0.

**Deductions**

Regular Tax	0.	0.	0.	0.
-------------	----	----	----	----

**Alternative Minimum Tax**

Alt min tax beginning basis	0.
Alt min tax income	1,381.
Current year adjustments to basis	13,728.
Alt min tax basis used for limitation	15,109.
Loss allowed by Alt min tax basis	2,443.
Alt min tax final basis	12,666.

Alt Min Tax Ordinary Income (Loss)	2,443.	0.
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2012

## Schedule of Loss Limitations

Page 1

Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13

11:30AM

Activity Name: Example HW GP Trading Partnership

	(A) Current Year Amount	(B) Prior Year unallowed Basis loss	(C) Disallowed due to Basis Limitation	(D) Prior Year unallowed At-risk loss	(E) Disallowed due to at-risk Limitation	(F) Prior Year unallowed Passive loss	(G) Disallowed due to Passive loss Limitations	(H) Tax return
Ordinary Income (Loss)	-21,988.							
<b>Net Income (Loss)</b>	<u>-21,988.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>			<u>-21,988.</u>
Home office expense	-616.							-616.
<b>Total Schedule E page 2</b>	<u>-22,604.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>-22,604.</u>
Long-term Capital Gain (Loss)	518.							518.

Activity Name: Example HW GP Trading Partnership

Demo

	(A) Current Year Amount	(B) Prior Year unallowed Basis loss	(C) Disallowed due to Basis Limitation	(D) Prior Year unallowed At-risk loss	(E) Disallowed due to at-risk Limitation	(F) Prior Year unallowed Passive loss	(G) Disallowed due to Passive loss Limitations	(H) Tax return
Ordinary Income (Loss)	-2,443.							
<b>Net Income (Loss)</b>	<u>-2,443.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>			<u>-2,443.</u>
<b>Total Schedule E page 2</b>	<u>-2,443.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>-2,443.</u>
Long-term Capital Gain (Loss)	58.							58.

2012

## Deduction for Business Use of Your Home

Page 1

Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13  
Name of Activity

11:30AM

## Schedule K-1 (Partnerships) - Example HW GP Trading Partnership

## PART 1 - Part of Your Home Used for Business

1) Area of home used for business.....	1)	260
2) Total area of home.....	2)	3,996
3) Percentage of home used for business (divide line 1 by line 2 and show result as percentage).....	3)	6.51%

## PART 2 - Figure Your Allowable Deduction

4) Gross income from business.....	4)	-21,988.
	(a) Direct Expenses	(b) Indirect Expenses
5) Casualty losses.....	5)	
6) Deductible mortgage interest and qualified mortgage insurance premiums.....	6)	7,058.
7) Real estate taxes.....	7)	2,400.
8) Total of lines 5 through 7.....	8)	9,458.
9) Multiply line 8, column (b), by line 3.....	9)	616.
10) Add line 8, column (a), and line 9.....	10)	616.
11) Business expenses not from business use of home.....	11)	
12) Add lines 10 and 11.....	12)	616.
13) Deduction limit. Subtract line 12 from line 4.....	13)	0.
14) Excess mortgage interest and qualified mortgage insurance premiums.....	14)	
15) Insurance.....	15)	900.
16) Rent.....	16)	
17) Repairs and maintenance.....	17)	500.
18) Utilities.....	18)	3,000.
19) Other expenses.....	19)	
20) Add lines 14 through 19.....	20)	4,400.
21) Multiply line 20, column (b) by line 3.....	21)	286.
22) Carryover of operating expenses from prior year.....	22)	
23) Add line 20, column (a), line 21, and line 22.....	23)	286.
24) Allowable operating expenses. Enter the <b>smaller</b> of line 13 or line 23.....	24)	
25) Limit on excess casualty losses and depreciation. Subtract line 24 from line 13.....	25)	
26) Excess casualty losses.....	26)	
27) Depreciation of your home from line 39 below.....	27)	481.
28) Carryover of excess casualty losses and depreciation from prior year.....	28)	
29) Add lines 26 through 28.....	29)	481.
30) Allowable excess casualty losses and depreciation. Enter the <b>smaller</b> of line 25 or line 29.....	30)	
31) Add lines 10, 24, and 30.....	31)	616.
32) Casualty losses included on lines 10 and 30.....	32)	
33) Allowable expenses for business use of your home. (Subtract line 32 from line 31.).....	33)	616.

## PART 3 - Depreciation of Your Home

34) Smaller of adjusted basis or fair market value of home.....	34)	340,000.
35) Basis of land.....	35)	40,000.
36) Basis of building (subtract line 35 from line 34).....	36)	300,000.
37) Business basis of building (multiply line 36 by line 3).....	37)	19,530.
38) Depreciation percentage (from applicable table or method).....	38)	2.461%
39) Depreciation allowable (multiply line 37 by line 38).....	39)	481.

## PART 4 - Carryover of Unallowed Expenses to Next Year

40) Operating expenses. Subtract line 24 from line 23. If less than zero, enter -0-.....	40)	286.
41) Excess casualty losses and depreciation. Subtract line 30 from line 29. If less than zero, enter -0-.....	41)	481.

Example HW GP Trading Partnership  
99-9999999

Partnership Nonpassive	K-1 Input	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Unallowed Passive Loss	Disallowed Passive Loss	Tax Return
<b>SCHEDULE E (page 2)</b>			Qualified	Dividends	1,275	
Ordinary income (loss).....	-21,988.					
Rental real estate income (loss).....						
Other rental income (loss).....						
Section 59(e)(2) expenses.....						
Passive interest expense.....						
Guaranteed payments (nonpassive)...						
Section 179 expense and carryover...						
Disallowed section 179 expense.....						
Net income (loss).....	-21,988.					-21,988.
First passive other.....						
Second passive other.....						
Cost depletion.....						
Percentage depletion.....						
Depletion carryover.....						
Disallowed due to 65% limitation.....						
Unreimbursed expenses (nonpassive).	-616.					-616.
Nonpassive other.....						
Total Schedule E (page 2).....						-22,604.
<b>FORM 4797</b>						
Section 1231 gain (loss).....						
4797 ordinary income.....						
<b>SCHEDULE D</b>						
Short-term capital gain (loss).....						
Long-term capital gain (loss).....	518.					518.
<b>FORM 4952</b>						
Investment interest expense.....						
Other net investment income.....						
<b>SCHEDULE A</b>						
Charitable contributions.....						
Deductions related to portfolio income						
<b>SCHEDULE B</b>						
Interest income (banks, S&L, C/U, etc.).....	4,451.					4,451.
Interest income (U.S. bonds, T-bills, etc.).....						
Ordinary dividends.....	7,454.					7,454.
Tax-exempt interest (total muni-bonds).....						
Tax-exempt interest (in-state bonds).....						
<b>FORM 6251</b>						
Depreciation adjustment after 12/31/86.....						
Adjusted gain or loss.....						
Depreciation (pre-1987).....						
Beneficiary's AMT adjustment.....						
Depletion.....						
Excess intangible drilling costs.....						
<b>MISCELLANEOUS</b>						
Net earnings from self employment (SE).....						
Gross farming income (Sch. E, page 2).....						
Royalties (Sch. E, page 1).....						
Taxes on undistributed capital gains (1040)....						
Credit for income tax withheld.....						
Estimated taxes credited from trust....						
Credits.....						

Example HW GP Trading Partnership  
99-9999999

Partnership Nonpassive	K-1 Input	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Unallowed Passive Loss	Disallowed Passive Loss	Tax Return
<b>SCHEDULE E (page 2)</b>			Qualified	Dividends	142	
Ordinary income (loss).....	-2,443.					
Rental real estate income (loss).....						
Other rental income (loss).....						
Section 59(e)(2) expenses.....						
Passive interest expense.....						
Guaranteed payments (nonpassive)...						
Section 179 expense and carryover...						
Disallowed section 179 expense.....						
Net income (loss).....	-2,443.					-2,443.
First passive other.....						
Second passive other.....						
Cost depletion.....						
Percentage depletion.....						
Depletion carryover.....						
Disallowed due to 65% limitation.....						
Unreimbursed expenses (nonpassive).						
Nonpassive other.....						
Total Schedule E (page 2).....						-2,443.
<b>FORM 4797</b>						
Section 1231 gain (loss).....						
4797 ordinary income.....						
<b>SCHEDULE D</b>						
Short-term capital gain (loss).....						
Long-term capital gain (loss).....	58.					58.
<b>FORM 4952</b>						
Investment interest expense.....						
Other net investment income.....						
<b>SCHEDULE A</b>						
Charitable contributions.....						
Deductions related to portfolio income						
<b>SCHEDULE B</b>						
Interest income (banks, S&L, C/U, etc.).....	495.					495.
Interest income (U.S. bonds, T-bills, etc.).....						
Ordinary dividends.....	828.					828.
Tax-exempt interest (total muni-bonds).....						
Tax-exempt interest (in-state bonds).....						
<b>FORM 6251</b>						
Depreciation adjustment after 12/31/86.....						
Adjusted gain or loss.....						
Depreciation (pre-1987).....						
Beneficiary's AMT adjustment.....						
Depletion.....						
Excess intangible drilling costs.....						
<b>MISCELLANEOUS</b>						
Net earnings from self employment (SE).....						
Gross farming income (Sch. E, page 2).....						
Royalties (Sch. E, page 1).....						
Taxes on undistributed capital gains (1040)....						
Credit for income tax withheld.....						
Estimated taxes credited from trust...						
Credits.....						

	K-1 Input	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Unallowed Passive Loss	Disallowed Passive Loss	Tax Return
<b>SCHEDULE E (page 2)</b>						
Ordinary income (loss).....						
Rental real estate income (loss).....						
Other rental income (loss).....						
Section 59(e)(2) expenses.....						
Passive interest expense.....						
Guaranteed payments (nonpassive)...						
Section 179 expense and carryover...						
Disallowed section 179 expense.....						
Net income (loss).....						
First passive other.....						
Second passive other.....						
Cost depletion.....						
Percentage depletion.....						
Depletion carryover.....						
Disallowed due to 65% limitation.....						
Unreimbursed expenses (nonpassive).						
Nonpassive other.....						
Total Schedule E (page 2).....						-25,047.
<b>FORM 4797</b>						
Section 1231 gain (loss).....						
4797 ordinary income.....						
<b>SCHEDULE D</b>						
Short-term capital gain (loss).....						
Long-term capital gain (loss).....						576.
<b>FORM 4952</b>						
Investment interest expense.....						
Other net investment income.....						
<b>SCHEDULE A</b>						
Charitable contributions.....						
Deductions related to portfolio income						
<b>SCHEDULE B</b>						
Interest income (banks, S&L, C/U, etc.).....						4,946.
Interest income (U.S. bonds, T-bills, etc.).....						
Ordinary dividends.....						8,282.
Tax-exempt interest (total muni-bonds).....						
Tax-exempt interest (in-state bonds).....						
<b>FORM 6251</b>						
Depreciation adjustment after 12/31/86.....						
Adjusted gain or loss.....						
Depreciation (pre-1987).....						
Beneficiary's AMT adjustment.....						
Depletion.....						
Excess intangible drilling costs.....						
<b>MISCELLANEOUS</b>						
Net earnings from self employment (SE).....						
Gross farming income (Sch. E, page 2).....						
Royalties (Sch. E, page 1).....						
Taxes on undistributed capital gains (1040)....						
Credit for income tax withheld.....						
Estimated taxes credited from trust...						
Credits.....						

\* Carries to AMT at-risk/passive worksheets to compute Form 6251, line 18 or 19.



12/31/12

## 2012 Federal Depreciation Schedule

Page 1

Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13

11:30AM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Business Use of Home - Example HW GP Trading Partnership																
Buildings																
1	Residence	Various		300,000	6.51						19,530		S/L MM	39	.02461	481
	Total Buildings			300,000		0	0	0	0	0	19,530	0				481
Land																
2	Land	Various		40,000	6.51						2,604					0
	Total Land			40,000		0	0	0	0	0	2,604	0				0
	Total Depreciation			340,000		0	0	0	0	0	22,134	0				481
	Grand Total Depreciation			340,000		0	0	0	0	0	22,134	0				481

12/31/12

## 2012 Federal Alternative Minimum Tax Depreciation Schedule

Page 1

Client EX1-US

Partner #1 and Partner #2

977-99-9999

2/11/13

11:30AM

No.	Description	Date Acquired	Date Sold	AMT Basis	AMT Prior Depr	AMT Method	AMT Life	AMT Rate	AMT Depr	Reg. Depr	Ownr. Pct	Post-86 Depr Adj	Real Prop Pref	Leas Pers Prop Pref	59 (e)(2) Amort
Business Use of Home - Example HW GP Trading Partnership															
Buildings															
1	Residence	Various		19,530		S/L MM	39	.02461	481	481					0
	Total Buildings			19,530	0				481	481		0	0	0	0
Land															
2	Land	Various		2,604					0	0					0
	Total Land			2,604	0				0	0		0	0	0	0
	Total Depreciation			22,134	0				481	481		0	0	0	0
	Grand Total Depreciation			22,134	0				481	481		0	0	0	0

Demo