

Client EX1LLC

Member #1 and Member #2

188-88-8888

2/13/10

03:11PM

EX1LLC

Example LLC.

All Trading took place in the LLC for 2009, in which a K-1 was issued for this activity.

Taxpayer wanted to maximize the SEP IRA contribution for 2009, so an Administration fee of \$255,035 was required for this.

Individual SEP IRA Contribution Calculation - for a sole proprietorship, partnership or a single member LLC taxed as a sole proprietorship:

Contribution -

A contribution can be made up to 20% of net adjusted businesses profits. Net adjusted business profit is calculated by taking gross self employment income and then subtracting business expenses and then subtracting 1/2 of the self employment tax. In 2009, the maximum contribution is \$49,000.

No trading footnotes are needed for the individual tax return.

Demo

**Label**  
(See instructions.)

**Use the IRS label.**  
Otherwise, please print or type.

**Presidential Election Campaign**

For the year Jan 1 - Dec 31, 2009, or other tax year beginning , 2009, ending , 20		OMB No. 1545-0074
Your first name MI Last name	<b>Your social security number</b>	
Member #1	188-88-8888	
If a joint return, spouse's first name MI Last name	<b>Spouse's social security number</b>	
Member #2	177-77-7777	
Home address (number and street). If you have a P.O. box, see instructions. Apartment no.		You <b>must</b> enter your social security number(s) above. ▲
Any Street		
City, town or post office. If you have a foreign address, see instructions. State ZIP code		Checking a box below will not change your tax or refund.
Houston, TX 77001		
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund? (see instructions) . . . . .		<input type="checkbox"/> You <input type="checkbox"/> Spouse

**Filing Status**

Check only one box.

1 <input type="checkbox"/> Single	4 <input type="checkbox"/> 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 . . . . .
2 <input checked="" type="checkbox"/> Married filing jointly (even if only one had income)	
3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above & full name here . . . . .	5 <input type="checkbox"/> Qualifying widow(er) with dependent child (see instructions)

**Exemptions**

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

6a <input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, <b>do not</b> check box 6a . . . . .	Boxes checked on 6a and 6b . . . . .	2
b <input checked="" type="checkbox"/> Spouse . . . . .	No. of children on 6c who:	
c Dependents:		
(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you
		(4) <input checked="" type="checkbox"/> if qualifying child for child tax credit (see instrs)
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
d Total number of exemptions claimed . . . . .		
2		

**Income**

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

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

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

7 Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . .	7	
8a Taxable interest. Attach Schedule B if required . . . . .	8a	573.
b Tax-exempt interest. <b>Do not</b> include on line 8a . . . . .	8b	
9a Ordinary dividends. Attach Schedule B if required . . . . .	9a	221.
b Qualified dividends (see instrs) . . . . .	9b	221.
10 Taxable refunds, credits, or offsets of state and local income taxes (see instructions) . . . . .	10	
11 Alimony received . . . . .	11	
12 Business income or (loss). Attach Schedule C or C-EZ . . . . .	12	255,035.
13 Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here . . . . .	13	2,427.
14 Other gains or (losses). Attach Form 4797 . . . . .	14	
15a IRA distributions . . . . .	15a	
b Taxable amount (see instrs) . . . . .	15b	
16a Pensions and annuities . . . . .	16a	
b Taxable amount (see instrs) . . . . .	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 in excess of \$2,400 per recipient (see instructions) . . . . .	19	
20a Social security benefits . . . . .	20a	
b Taxable amount (see instrs) . . . . .	20b	
21 Other income . . . . .	21	
22 Add the amounts in the far right column for lines 7 through 21. This is your <b>total income</b> . . . . .	22	258,256.

**Adjusted Gross Income**

23 Educator expenses (see instructions) . . . . .	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	10,037.
28 Self-employed SEP, SIMPLE, and qualified plans . . . . .	28	49,000.
29 Self-employed health insurance deduction (see instructions) . . . . .	29	
30 Penalty on early withdrawal of savings . . . . .	30	
31a Alimony paid b Recipient's SSN . . . . .	31a	
32 IRA deduction (see instructions) . . . . .	32	
33 Student loan interest deduction (see instructions) . . . . .	33	
34 Tuition and fees deduction. Attach Form 8917 . . . . .	34	
35 Domestic production activities deduction. Attach Form 8903 . . . . .	35	
36 Add lines 23 - 31a and 32 - 35 . . . . .	36	59,037.
37 Subtract line 36 from line 22. This is your <b>adjusted gross income</b> . . . . .	37	199,219.

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

• People who check any box on line 39a, 39b, or 40b or who can be claimed as a dependent, see instructions.

• All others:

Single or Married filing separately, \$5,700

Married filing jointly or Qualifying widow(er), \$11,400

Head of household, \$8,350

38 Amount from line 37 (adjusted gross income) 38 199,219.

39a Check if: ☐ You were born before January 2, 1945, ☐ Blind. **Total boxes checked** 39a ☐  
☐ Spouse was born before January 2, 1945, ☐ Blind. 39b ☐

b If your spouse itemizes on a separate return, or you were a dual-status alien, see instrs and ck here 39b ☐

40a Itemized deductions (from Schedule A) or your standard deduction (see left margin) 40a 11,400.

b If you are increasing your standard deduction by certain real estate taxes, new motor vehicle taxes, or a net disaster loss, attach Schedule L and check here (see instructions) 40b ☐

41 Subtract line 40a from line 38 41 187,819.

42 Exemptions. If line 38 is \$125,100 or less and you did not provide housing to a Midwestern displaced individual, multiply \$3,650 by the number on line 6d. Otherwise, see instructions. 42 7,300.

43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- 43 180,519.

44 Tax (see instrs). Check if any tax is from: a ☐ Form(s) 8814 b ☐ Form 4972. 44 38,533.

45 Alternative minimum tax (see instructions). Attach Form 6251 45 0.

46 Add lines 44 and 45 46 38,533.

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 29. 49

50 Retirement savings contributions credit. Attach Form 8880. 50

51 Child tax credit (see instructions). 51

52 Credits from Form: a ☐ 8396 b ☐ 8839 c ☐ 5695 52

53 Other crs from Form: a ☐ 3800 b ☐ 8801 c ☐ 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 38,533.

**Other Taxes**

56 Self-employment tax. Attach Schedule SE. 56 20,073.

57 Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 8919 57

58 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required. 58

59 Additional taxes: a ☐ AEIC payments b ☐ Household employment taxes. Attach Schedule H. 59

60 Add lines 55-59. This is your total tax. 60 58,606.

**Payments**

If you have a qualifying child, attach Schedule EIC.

61 Federal income tax withheld from Forms W-2 and 1099. 61

62 2009 estimated tax payments and amount applied from 2008 return. 62

63 Making work pay and government retiree credit. Attach Schedule M. 63

64a Earned income credit (EIC) 64a

b Nontaxable combat pay election. 64b

65 Additional child tax credit. Attach Form 8812. 65

66 Refundable education credit from Form 8863, line 16. 66

67 First-time homebuyer credit. Attach Form 5405. 67

68 Amount paid with request for extension to file (see instructions). 68

69 Excess social security and tier 1 RRTA tax withheld (see instructions). 69

70 Credits from Form: a ☐ 2439 b ☐ 4136 c ☐ 8801 d ☐ 8885. 70

71 Add lns 61-63, 64a, & 65-70. These are your total pmts 71 0.

**Refund**

Direct deposit? See instructions and fill in 73b, 73c, and 73d or Form 8888.

72 If line 71 is more than line 60, subtract line 60 from line 71. This is the amount you overpaid 72

73a Amount of line 72 you want refunded to you. If Form 8888 is attached, check here. 73a

b Routing number. c Type: ☐ Checking ☐ Savings

d Account number.

74 Amount of line 72 you want applied to your 2010 estimated tax. 74

**Amount You Owe**

75 Amount you owe. Subtract line 71 from line 60. For details on how to pay, see instructions. 75 58,606.

76 Estimated tax penalty (see instructions). 76

**Third Party Designee**

Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete the following. ☐ No

Designee's name z Examples 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

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

Preparer's signature z Examples Date Check if self-employed Preparer's SSN or PTIN

**Paid Preparer's Use Only**

Firm's name (or yours if self-employed) Green & Company CPAs, LLC

54 Danbury Rd., #351 EIN 20-0751653

Ridgefield, CT 06877 Phone no. 877-662-2014

**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

**2009**Attachment  
Sequence No. **08**

Name(s) shown on return

Member #1 and Member #2

Your social security number

188-88-8888

**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. ▶

Bank InterestExample LLC (MTM GAIN)Example LLC (MTM GAIN)**Amount**

415.

79.

79.

**1**

- 2**
- Add the amounts on line 1

573.

- 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. ▶

573.

**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 ▶

Dividend IncomeExample LLC (MTM GAIN)Example LLC (MTM GAIN)

147.

37.

37.

**5**

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

221.

**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 2009, 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

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

- 8**
- During 2009, 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

**SCHEDULE C**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
**(Sole Proprietorship)**

► **Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.**  
► **Attach to Form 1040, 1040NR, or 1041.** ► **See Instructions for Schedule C (Form 1040).**

OMB No. 1545-0074

**2009**

Attachment  
Sequence No. **09**

Name of proprietor

**Member #1**

Social security number (SSN)

**188-88-8888**

**A** Principal business or profession, including product or service (see instructions)

**Administration**

**B** Enter code from instructions

► **523900**

**C** Business name. If no separate business name, leave blank.

**D** Employer ID number (EIN), if any

**E** Business address (including suite or room no.) ►

City, town or post office, state, and ZIP code

**F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ►

**G** Did you 'materially participate' in the operation of this business during 2009? If 'No,' see instructions for limit on losses... ☒ Yes ☐ No

**H** If you started or acquired this business during 2009, check here. ☒

**Part I** **Income**

<b>1</b> Gross receipts or sales. <b>Caution.</b> See the instructions and check the box if: • This income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses. <input type="checkbox"/>	<b>1</b>	<b>255,035.</b>
<b>2</b> Returns and allowances.	<b>2</b>	
<b>3</b> Subtract line 2 from line 1.	<b>3</b>	<b>255,035.</b>
<b>4</b> Cost of goods sold (from line 42 on page 2)	<b>4</b>	
<b>5</b> <b>Gross profit.</b> Subtract line 4 from line 3.	<b>5</b>	<b>255,035.</b>
<b>6</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	<b>6</b>	
<b>7</b> <b>Gross income.</b> Add lines 5 and 6.	<b>7</b>	<b>255,035.</b>

**Part II** **Expenses.** Enter expenses for business use of your home **only** on line 30.

<b>8</b> Advertising.	<b>8</b>		<b>18</b> Office expense.	<b>18</b>	
<b>9</b> Car and truck expenses (see instructions)	<b>9</b>		<b>19</b> Pension and profit-sharing plans	<b>19</b>	
<b>10</b> Commissions and fees.	<b>10</b>		<b>20</b> Rent or lease (see instructions):		
<b>11</b> Contract labor (see instructions)	<b>11</b>		<b>a</b> Vehicles, machinery, and equipment	<b>20a</b>	
<b>12</b> Depletion	<b>12</b>		<b>b</b> Other business property	<b>20b</b>	
<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	<b>13</b>		<b>21</b> Repairs and maintenance	<b>21</b>	
<b>14</b> Employee benefit programs (other than on line 19)	<b>14</b>		<b>22</b> Supplies (not included in Part III)	<b>22</b>	
<b>15</b> Insurance (other than health)	<b>15</b>		<b>23</b> Taxes and licenses	<b>23</b>	
<b>16</b> Interest:			<b>24</b> Travel, meals, and entertainment:		
<b>a</b> Mortgage (paid to banks, etc.)	<b>16a</b>		<b>a</b> Travel	<b>24a</b>	
<b>b</b> Other	<b>16b</b>		<b>b</b> Deductible meals and entertainment (see instructions)	<b>24b</b>	
<b>17</b> Legal & professional services.	<b>17</b>		<b>25</b> Utilities	<b>25</b>	
			<b>26</b> Wages (less employment credits)	<b>26</b>	
			<b>27</b> Other expenses (from line 48 on page 2)	<b>27</b>	
<b>28</b> <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27.	<b>28</b>				
<b>29</b> Tentative profit or (loss). Subtract line 28 from line 7.	<b>29</b>	<b>255,035.</b>			
<b>30</b> Expenses for business use of your home. Attach <b>Form 8829</b> .	<b>30</b>				
<b>31</b> <b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> , and <b>Schedule SE, line 2</b> or on <b>Form 1040NR, line 13</b> (if you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.	<b>31</b>	<b>255,035.</b>			

**32** If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12**, and **Schedule SE, line 2**, or on **Form 1040NR, line 13** (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3**.

• If you checked 32b, you **must** attach **Form 6198**. Your loss may be limited.

**32a** ☐ All investment is at risk.  
**32b** ☐ Some investment is not at risk.

**BAA** For Paperwork Reduction Act Notice, see **Form 1040** instructions.

Schedule **C** (Form 1040) 2009

**SCHEDULE D**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**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

**2009**

Attachment  
Sequence No. **12**

Name(s) shown on return

Member #1 and Member #2

Your social security number

188-88-8888

**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 Investment accounts - various (see attac Various		Various	610,133.	610,878.	-745.
2 Enter your short-term totals, if any, from Schedule D-1, line 2 . . .	2				
3 <b>Total short-term sales price amounts.</b> Add lines 1 and 2 in column (d) . . . . .	3	610,133.			
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824 . . . . .	4				1,269.
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 <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 (f) . . . . .	7				524.

**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					
9 Enter your long-term totals, if any, from Schedule D-1, line 9 . . .	9				
10 <b>Total long-term sales price amounts.</b> Add lines 8 and 9 in column (d) . . . . .	10				
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				1,903.
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 <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 (f). Then go to Part III on page 2 . . . . .	15				1,903.

**BAA For Paperwork Reduction Act Notice, see Form 1040 or Form 1040NR instructions.**

Schedule **D** (Form 1040) 2009

**Part III Summary**

16 Combine lines 7 and 15 and enter the result.....	<b>16</b>	2,427.
If line 16 is:		
<ul style="list-style-type: none"> <li>• 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>• A <b>loss</b>, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22.</li> <li>• <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 Form 1040 through line 43, or Form 1040NR through line 40. Then complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the Instructions for Form 1040 (or in the Instructions for Form 1040NR). <b>Do not</b> complete lines 21 and 22 below.		
<input type="checkbox"/> <b>No.</b> Complete Form 1040 through line 43, or Form 1040NR through line 40. Then 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:	<b>21</b>	
<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>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 Form 1040 through line 43, or Form 1040NR through line 40. Then complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the Instructions for Form 1040 (or in the Instructions for Form 1040NR).		
<input type="checkbox"/> <b>No.</b> Complete the rest of Form 1040 or Form 1040NR.		

Schedule D (Form 1040) 2009

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

Your social security number

Member #1 and Member #2

188-88-8888

**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 P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	Example LLC (MTM GAIN)	P	<input type="checkbox"/>	98-6999998	<input type="checkbox"/>
B	Example LLC (MTM GAIN)	P	<input type="checkbox"/>	98-6999998	<input type="checkbox"/>
C			<input type="checkbox"/>		<input type="checkbox"/>
D			<input type="checkbox"/>		<input type="checkbox"/>

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

**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 Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1
A		
B		
34a Totals		
b Totals		
35 Add columns (d) and (f) of line 34a		35
36 Add columns (c) and (e) of line 34b		36
37 Total estate and trust income or (loss). 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 Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, 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 Form 4835. Also, complete line 42 below.	40	
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18.	41	
42	Reconciliation of farming and fishing income. Enter your gross 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), line 14, code F (see instructions).	42	
43	Reconciliation for real estate professionals. 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	



**SCHEDULE SE**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Self-Employment Tax**

► **Attach to Form 1040.** ► **See Instructions for Schedule SE (Form 1040).**

OMB No. 1545-0074

**2009**

Attachment  
Sequence No. **17**

Name of person with **self-employment** income (as shown on Form 1040)

Member #1

Social security number of person  
with **self-employment** income ►

188-88-8888

**Who Must File Schedule SE**

You must file Schedule SE if:

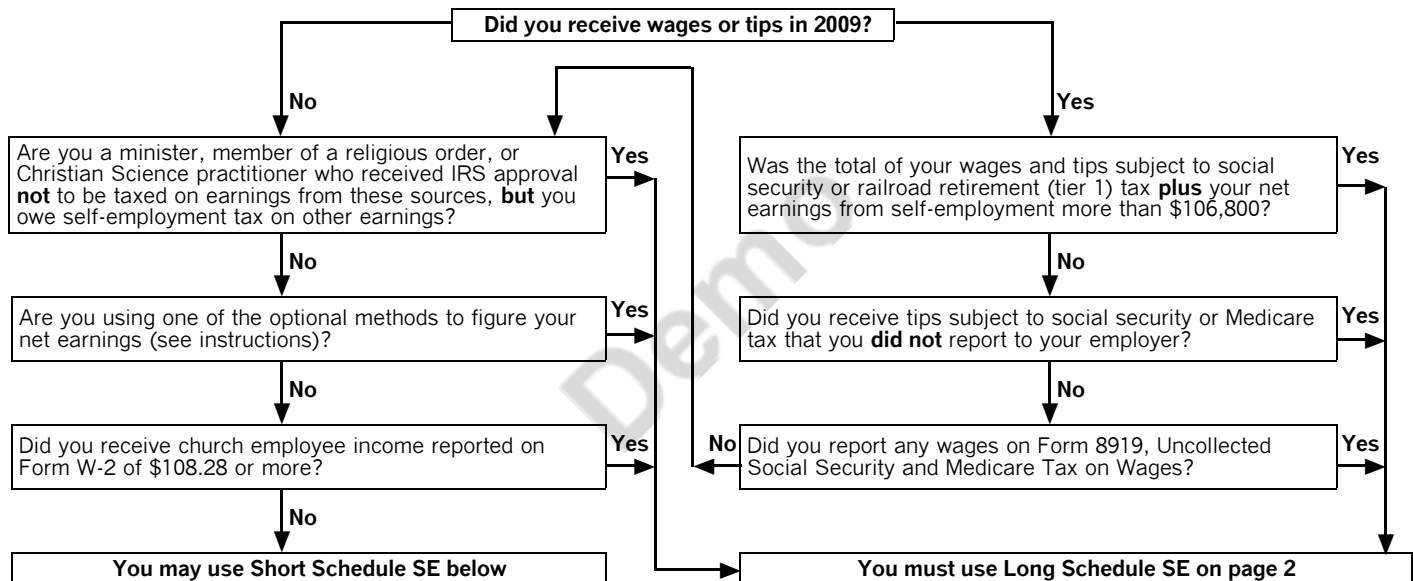
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order **is not** church employee income (see instructions).

**Note.** Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either 'optional method' in Part II of Long Schedule SE (see instructions).

**Exception.** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write 'Exempt - Form 4361' on Form 1040, line 56.

**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

**Note.** Use this flowchart **only** if you must file Schedule SE. If unsure, see *Who Must File Schedule SE*, above.



**Section A – Short Schedule SE. Caution.** Read above to see if you can use Short Schedule SE.

<b>1 a</b> Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A.....	<b>1 a</b>	
<b>b</b> If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code Y.....	<b>1 b</b>	
<b>2</b> Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instrs for types of income to report on this line. See instrs for other income to report.....	<b>2</b>	255,035.
<b>3</b> Combine lns 1a, 1b & 2.....	<b>3</b>	255,035.
<b>4</b> <b>Net earnings from self-employment.</b> Multiply line 3 by 92.35% (.9235). If less than \$400, <b>do not</b> file this schedule; you do not owe self-employment tax. ....►	<b>4</b>	235,525.
<b>5</b> <b>Self-employment tax.</b> If the amount on line 4 is: • \$106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on <b>Form 1040, line 56.</b> • More than \$106,800, multiply line 4 by 2.9% (.029). Then, add \$13,243.20 to the result. Enter the total here and on <b>Form 1040, line 56.</b> .....	<b>5</b>	20,073.
<b>6</b> <b>Deduction for one-half of self-employment tax.</b> Multiply line 5 by 50% (.5). Enter the result here and on <b>Form 1040, line 27.</b> .....	<b>6</b>	10,037.

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

**2009**Attachment  
Sequence No. **32**

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

Your social security number

Member #1 and Member #2

188-88-8888

**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 (minus any amount on Form 8914, line 6), and go to line 2. Otherwise, enter the amount from Form 1040, line 38 (minus any amount on Form 8914, line 6), and go to line 7. (If less than zero, enter as a negative amount.)	1	199,219.
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), lines 5, 6, and 8	3	
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	
6	If Form 1040, line 38, is over \$166,800 (over \$83,400 if married filing separately), enter the amount from line 11 of the <b>Itemized Deductions Worksheet</b> in the Instructions for Schedule A (Form 1040).	6	
7	If filing Schedule L (Form 1040A or 1040), enter as a negative amount the sum of lines 6 and 20 from that schedule	7	
8	Tax refund from Form 1040, line 10 or line 21	8	
9	Investment interest expense (difference between regular tax and AMT)	9	
10	Depletion (difference between regular tax and AMT)	10	
11	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	11	
12	Alternative tax net operating loss deduction	12	
13	Interest from specified private activity bonds exempt from the regular tax	13	
14	Qualified small business stock (7% of gain excluded under section 1202)	14	
15	Exercise of incentive stock options (excess of AMT income over regular tax income)	15	
16	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	16	
17	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	17	
18	Disposition of property (difference between AMT and regular tax gain or loss)	18	
19	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	19	
20	Passive activities (difference between AMT and regular tax income or loss)	20	
21	Loss limitations (difference between AMT and regular tax income or loss)	21	
22	Circulation costs (difference between regular tax and AMT)	22	
23	Long-term contracts (difference between AMT and regular tax income)	23	
24	Mining costs (difference between regular tax and AMT)	24	
25	Research and experimental costs (difference between regular tax and AMT)	25	
26	Income from certain installment sales before January 1, 1987	26	
27	Intangible drilling costs preference	27	
28	Other adjustments, including income-based related adjustments	28	
29	<b>Alternative minimum taxable income.</b> Combine lines 1 through 28. (If married filing separately and line 29 is more than \$216,900, see instructions.)	29	199,219.

**Part II Alternative Minimum Tax**

30	Exemption. (If you were under age 24 at the end of 2009, see instructions.)				
	<b>IF your filing status is . . .</b>	<b>AND line 29 is not over . . .</b>	<b>THEN enter on line 30 . . .</b>		
	Single or head of household . . . . .	\$112,500 . . . . .	\$46,700	}	30
	Married filing jointly or qualifying widow(er) . . . . .	150,000 . . . . .	70,950		
	Married filing separately . . . . .	75,000 . . . . .	35,475		
	If line 29 is <b>over</b> the amount shown above for your filing status, see instructions.				
31	Subtract line 30 from line 29. If more than zero, go to line 32. If zero or less, enter -0- here and on lines 34 and 36 and skip the rest of Part II. . . . .			31	140,574.
32	<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 55 here.</li><li>• <b>All others:</b> If line 31 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 31 by 26% (.26). Otherwise, multiply line 31 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result.</li></ul>			}	32
33	Alternative minimum tax foreign tax credit (see instructions) . . . . .			33	
34	Tentative minimum tax. Subtract line 33 from line 32. . . . .			34	36,316.
35	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) . . . . .			35	38,533.
36	<b>AMT.</b> Subtract line 35 from line 34. If zero or less, enter -0-. Enter here and on Form 1040, line 45. . . . .			36	0.

**BAA For Paperwork Reduction Act Notice, see separate instructions.**

FDIA5312L 08/14/09

Form **6251** (2009)

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

<b>37</b>	Enter the amount from Form 6251, line 31. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions. ....	<b>37</b>	140,574.
<b>38</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 the instructions for the amount to enter. ....	<b>38</b>	2,124.
<b>39</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 the instructions for the amount to enter. ....	<b>39</b>	0.
<b>40</b>	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 38. Otherwise, add lines 38 and 39, 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 the instructions for the amount to enter. ....	<b>40</b>	2,124.
<b>41</b>	Enter the <b>smaller</b> of line 37 or line 40. ....	<b>41</b>	2,124.
<b>42</b>	Subtract line 41 from line 37. ....	<b>42</b>	138,450.
<b>43</b>	If line 42 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 42 by 26% (.26). Otherwise, multiply line 42 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result. ....	<b>43</b>	35,997.
<b>44</b>	Enter: <ul style="list-style-type: none"> <li>• \$67,900 if married filing jointly or qualifying widow(er),</li> <li>• \$33,950 if single or married filing separately, or</li> <li>• \$45,500 if head of household.</li> </ul>	<b>44</b>	67,900.
<b>45</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>45</b>	178,395.
<b>46</b>	Subtract line 45 from line 44. If zero or less, enter -0-. ....	<b>46</b>	0.
<b>47</b>	Enter the <b>smaller</b> of line 37 or line 38. ....	<b>47</b>	2,124.
<b>48</b>	Enter the <b>smaller</b> of line 46 or line 47. ....	<b>48</b>	
<b>49</b>	Subtract line 48 from line 47. ....	<b>49</b>	2,124.
<b>50</b>	Multiply line 49 by 15% (.15). <b>If line 39 is zero or blank, skip lines 51 and 52 and go to line 53. Otherwise, go to line 51.</b>	<b>50</b>	319.
<b>51</b>	Subtract line 47 from line 41. ....	<b>51</b>	
<b>52</b>	Multiply line 51 by 25% (.25). ....	<b>52</b>	
<b>53</b>	Add lines 43, 50, and 52. ....	<b>53</b>	36,316.
<b>54</b>	If line 37 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 37 by 26% (.26). Otherwise, multiply line 37 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result. ....	<b>54</b>	36,549.
<b>55</b>	Enter the <b>smaller</b> of line 53 or line 54 here and on line 32. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 32. Instead, enter it on line 4 of the worksheet in the instructions. ....	<b>55</b>	36,316.

Form 6251 (2009)

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

**2009**Attachment  
Sequence No. **82**

Name(s) shown on tax return

Member #1 and Member #2

Identifying number

188-88-8888

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
	From K-1		3,172.
2	Add the amounts on line 1 in columns (b) and (c) . . . . .	2	3,172.
3	Net gain or (loss). Combine line 2, columns (b) and (c) . . . . .	3	3,172.
4	Form 1099-B adjustments. See instructions and attach schedule. . . . .	4	
5	Combine lines 3 and 4 . . . . .	5	3,172.
<b>Note:</b> 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	3,172.
8	<b>Short-term capital gain or (loss).</b> Multiply line 7 by 40% (.40). Enter here and include on the appropriate line of Schedule D (see instructions) . . . . .	8	1,269.
9	<b>Long-term capital gain or (loss).</b> Multiply line 7 by 60% (.60). Enter here and include on the appropriate line of Schedule D (see instructions) . . . . .	9	1,903.

**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 06/18/09

Form **6781** (2009)

Client EX1LLC

Member #1 and Member #2

188-88-8888

2/13/10

03:11PM

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

Dividend Income	147.
Example LLC (MTM GAIN)	37.
Example LLC (MTM GAIN)	37.
Total	<u>221.</u>

**SEP and Qualified Plans Worksheet (Pub. 560)**

	<u>Taxpayer</u>
A. Plan contribution rate	0.250000
B. Rate in line 1 plus one	1.250000
C. Self-employed rate as a decimal (divide line 1 by line 2)	0.200000
1. Net profit from self-employment	255,035.
2. One-half of self-employment tax	10,037.
3. Subtract line 2 from line 1	244,998.
4. Self-employed rate as a decimal	0.200000
5. Multiply line 3 by line 4	49,000.
6. Multiply \$245,000 by your plan contribution rate	61,250.
7. Enter the smaller of line 5 or line 6	49,000.
8. Contribution dollar limit	49,000.
If you did not make elective deferrals, skip lines 9 - 20 and enter the smaller of line 7 or line 8 on line 21	
9. Allowable elective deferrals, including designated Roth contributions (not more than \$16,500)	
10. Subtract line 9 from line 8	
11. Subtract line 9 from line 3	
12. Enter one-half of line 11	
13. Enter the smallest of line 7, 10, or 12	
14. Subtract line 13 from line 3	
15. Enter the smaller of line 9 or line 14	
If you did not make catch-up contributions, skip line 16 - 18, and go to line 19	
16. Subtract line 15 from line 14	
17. Enter catch-up contributions, including designated Roth contributions (not more than \$5,500)	
18. Enter the smaller of line 16 or line 17	
19. Add lines 13, 15, and 18	
20. Designated Roth contrib. included on lines 9 and 17	
21. Maximum SEP and qualified plan deduction. Subtract line 20 from line 19.	49,000.
Amount deducted on Form 1040	<u>49,000.</u>

**Deduction for Exemptions Worksheet (Form 1040, Line 42)**

- |   |          |        |
|---|----------|--------|
| 1. \$3,650 per exemption on Form 1040, line 6d      |          | 7,300. |
| 2. Enter amount from Form 1040, line 38             | 199,219. |        |
| 3. Threshold for your filing status                 | 250,200. |        |
| 4. Subtract line 3 from line 2                      | 0.       |        |
| 5. Is line 4 more than \$122,500 (\$61,250 if MFS)? |          |        |

Yes. Multiply \$2,433 by the total number of exemptions claimed. Enter the result here and on Form 1040, line 42. Do not complete the rest of this worksheet.

No. Divide line 4 by \$2,500 (\$1,250 if MFS)

- |  |               |
|--|---------------|
| 6. Multiply line 5 by 2% (.02)                               |               |
| 7. Multiply line 1 by line 6                                 |               |
| 8. Divide line 7 by 3  |               |
| 9. Deduction for Exemptions<br>(Subtract line 8 from line 1) | <u>7,300.</u> |

Demo

Client EX1LLC

Member #1 and Member #2

188-88-8888

2/13/10

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

1. Enter the amount from Form 1040, line 43 180,519.
2. Enter the amount from Form 1040, line 9b 221.
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 1,903.
4. Add lines 2 and 3 2,124.
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. 2,124.
7. Subtract line 6 from line 1. If zero or  
less, enter zero. 178,395.
8. Enter the smaller of:  
- The amount on line 1, or  
- \$33,950 if single or married filing separately,  
\$67,900 if married filing jointly or qualifying  
widow(er), \$45,500 if head of household. 67,900.
9. Is the amount on line 7 equal to or more  
than the amount on line 8?  
☒ YES. Skip lines 9 and 10;  
Go to line 11 and check the  
"No" box  
☐ NO. Enter the amount from line 7
10. Subtract line 9 from line 8
11. Are the amounts on lines 6 and 10 the same?  
☐ YES. Skip lines 11 through 14;  
go to line 15  
☒ NO. Enter the smaller of line 1 or  
line 6 2,124.
12. Enter the amount from line 10. (If line 10 is  
blank, enter zero.) 0.
13. Subtract line 12 from line 11. 2,124.
14. Multiply line 13 by 15% (.15) 319.
15. Figure the tax on the amount on line 7.  
(Use the Tax Table or Tax Computation Worksheet) 38,214.
16. Add lines 14 and 15 38,533.
17. Figure the tax on the amount on line 1.  
(Use the Tax Table or Tax Computation Worksheet) 38,809.
18. Tax on all taxable income (including  
capital gain distributions). Enter the  
smaller of line 16 or line 17 here and on  
Form 1040, line 44 38,533.

**Itemized Deductions Worksheet (Schedule A, Line 29)**

1. Add amounts on Schedule A, lines 4, 9, 15,  
19, 20, 27, and 28 1,605.
2. Add amounts on Schedule A, lines 4, 14, & 20, plus  
any gambling losses and casualty or theft losses  
included on line 28 0.
3. Subtract line 2 from line 1 1,605.
4. Multiply line 3 above by 80% (.80) 1,284.
5. Enter amount from Form 1040, line 38 199,219.
6. Enter \$166,800 (\$83,400 if MFS) 166,800.
7. Subtract line 6 from line 5 32,419.
8. Multiply line 7 above by 3% (.03) 973.

Client EX1LLC

Member #1 and Member #2

188-88-8888

2/13/10

03:11PM

**Itemized Deductions Worksheet (Schedule A, Line 29) (continued)**

9. Enter the smaller of line 4 or line 8	973.	
10. Divide line 9 by 1.5	649.	
11. Subtract line 10 from line 9		324.
12. Total Itemized Deductions (Subtract line 11 from line 1)		<u>1,281.</u>

**Net Nonfarm Profit or (Loss) (Schedule SE, Line 2)**

	<u>Taxpayer</u>
Schedule C	255,035.
Schedule E, page 2 (from Sch. K-1)	0.
Other Income (Form 1040, line 21)	0.
Section 1256 contracts	0.
Minister wages	0.
Minister housing allowance	0.
Minister parsonage - utilities	0.
Employee business expenses (2106)	0.
Net nonfarm income adjustment	0.
Total Net Nonfarm Profit or (Loss)	<u>255,035.</u>

**Exemption Worksheet (Form 6251, Line 30)**

1. Enter \$46,700 (\$70,950 if married filing jointly or qualifying widow(er), \$35,475 if married filing separately.)		70,950.
2. Enter your alternative minimum taxable income (AMTI) from Form 6251, line 29.	199,219.	
3. Enter \$112,500 (\$150,000 if married filing jointly or qualifying widow(er), \$75,000 if married filing separately.)	150,000.	
4. Subtract line 3 from line 2.	49,219.	
5. Multiply line 4 by 25% (.25).		12,305.
6. Subtract line 5 from line 1. If this form is for a child under age 18, or a full-time student under age 24, go to line 7. Otherwise enter this amount on Form 6251, line 30 and go to Form 6251, line 31.		58,645.
7. Child's minimum exemption amount.		0.
8. Enter the child's earned income, if any.		0.
9. Add lines 7 and 8.		0.
10. Enter the smaller of line 6 or line 9 here and on Form 6251, line 30.		<u>0.</u>



**2009****Federal Income Tax Summary****Page 1****Client EX1LLC****Member #1 and Member #2****188-88-8888**

2/13/10

3:11 PM

**INCOME**

Interest income.....	573
Dividend income.....	221
Business income.....	255,035
Capital gain or loss.....	2,427
Total income.....	258,256

**ADJUSTMENTS TO INCOME**

One-half of self-employment tax.....	10,037
Self-employed SEP, SIMPLE, qual. plans.....	49,000
Total adjustments.....	59,037
Adjusted gross income.....	199,219

**ITEMIZED DEDUCTIONS**

Taxes.....	1,605
Overall itemized deductions limitation.....	-324
Total itemized deductions.....	1,281

**TAX COMPUTATION**

Standard deduction.....	11,400
Larger of itemized or standard deduction.....	11,400
Income prior to exemption deduction.....	187,819
Exemption deduction.....	7,300
Taxable income.....	180,519
Tax before credits.....	38,533

**CREDITS**

Total credits.....	0
Tax after credits.....	38,533

**OTHER TAXES**

Self-employment tax.....	20,073
Total tax.....	58,606

**PAYMENTS**

Total payments.....	0
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**REFUND OR AMOUNT DUE**

Amount you owe.....	58,606
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**TAX RATES**

Marginal tax rate.....	28.0%
Effective tax rate.....	32.5%

**2009****General Information****Page 1****Client EX1LLC****Member #1 and Member #2****188-88-8888**

2/13/10

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**Forms needed for this return**

Federal: 1040, 1040-ES, 1040-V, Sch B, Sch C, Sch D, Sch E p2, Sch SE, 6251  
6781

**Tax Rates**

	<u>Marginal</u>	<u>Effective</u>
Federal	28.0%	32.5%

**Carryovers to 2010**

None

**Estimates****Federal Estimates**

	<u>Estimate</u>	<u>Overpayment</u>	<u>Balance</u>
4/15/10	16,117.	0.	16,117.
6/15/10	16,117.	0.	16,117.
9/15/10	16,117.	0.	16,117.
1/18/11	16,117.	0.	16,117.
Total	<u>\$ 64,468.</u>	<u>\$ 0.</u>	<u>\$ 64,468.</u>

### Retirement Contributions

- ☐ The taxpayer and spouse saved an estimated \$14,647 by contributing \$49,000 to self-employed retirement plan(s). Ensure that all self-employed retirement plans are fully funded by the due date of the return.
- ☐ Consider making non-deductible traditional IRA contributions. In tax year 2010 and beyond, the \$100,000 traditional to Roth IRA conversion income limit no longer applies. You can maximize that opportunity by making nondeductible traditional IRA contributions and converting the amount(s) to Roth IRAs in subsequent years. However, earnings on the traditional IRA will be subject to tax in the year of conversion.
- ☐ The taxpayer could make a nondeductible traditional IRA contribution of \$5,000 for tax year 2009 and \$5,000 for tax year 2010 (assuming no other changes). The 2009 contribution must be made on or before April 15th, 2010.
- ☐ The spouse could make a nondeductible traditional IRA contribution of \$5,000 for tax year 2009 and \$5,000 for tax year 2010 (assuming no other changes). The 2009 contribution must be made on or before April 15th, 2010.

### Future Tax Savings

- ☐ In 2010 the taxpayer can contribute \$49,000 to a self-employed retirement plan, with estimated tax savings of \$14,627 (assuming no other changes). However, maximum contributions and savings may be reduced if employees also have to be covered.

### Tax Tips

- ☐ Taxable income excluding capital gains and qualified dividends is \$178,395, placing the taxpayer in a 28% marginal tax bracket on ordinary income. Based on 2009 tax rates, ordinary income would have to increase by over \$30,455 in order for any ordinary income to begin being taxed in the 33% bracket. This may be used as a guide in determining the advantages or disadvantages of receiving discretionary ordinary income in 2010.
- ☐ Schedule C for Member #1 (1) : The address of the taxpayer's business is the same as the home address, but no expenses for business use of a home were deducted. If the home is used regularly and exclusively for the business, the taxpayer may qualify for the business use of home deduction.
- ☐ Although the taxpayer is not subject to AMT, tentative minimum tax is currently 94% of regular tax. Consider reviewing next year's income and deduction items to see first if the taxpayer will be subject to AMT, and if AMT applies, review preference and adjustment items to see if any can be postponed or eliminated.