

Form	1040	Department of the Treasury — Internal Revenue Service (99)	U.S. Individual Income Tax Return	2016	OMB No. 1545-0074	IRS Use Only — Do not write or staple in this space.
For the year Jan. 1 - Dec. 31, 2016, or other tax year beginning , 2016, ending , 20					See separate instructions.	
Your first name and initial			Last name		Your social security number	
JOE SAMPLE					555-44-5555	
If a joint return, spouse's first name and initial			Last name		Spouse's social security number	
Home address (number and street). If you have a P.O. box, see instructions.					Apt. no.	
12345 Avenue of the Stars						
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).					Presidential Election Campaign	
Down Home, SD 57049					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.	
Foreign country name					Foreign province/state/county	
					Foreign postal code	
					You Spouse	
Filing Status						
1		<input checked="" type="checkbox"/> Single				
2		<input 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. ▶				
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. ▶				
5		<input type="checkbox"/> Qualifying widow(er) with dependent child				
Check only one box.						
Exemptions						
6a		<input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a. . . . .				
b		<input type="checkbox"/> 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 credit (see instructions)
If more than four dependents, see instructions and check here . . . ▶ <input type="checkbox"/>						
d Total number of exemptions claimed . . . . .		Boxes checked on 6a and 6b . . . . . 1				
		No. of children on 6c who:				
		• lived with you . . . . .				
		• did not live with you due to divorce or separation (see instructions) . . . . .				
		Dependents on 6c not entered above . . . . .				
		Add numbers on lines above . . . . . 1				
Income						
7		Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . . 205,000.				
8a		Taxable interest. Attach Schedule B if required. . . . . 3,677.				
b Tax-exempt interest. Do not include on line 8a . . . . .		8b				
9a		Ordinary dividends. Attach Schedule B if required . . . . . 18,325.				
b		Qualified dividends. . . . . St. 1. 9b 13,625.				
10		Taxable refunds, credits, or offsets of state and local income taxes. . . . . 10				
11		Alimony received. . . . . 11				
12		Business income or (loss). Attach Schedule C or C-EZ . . . . . 12				
13		Capital gain or (loss). Attach Schedule D if required. If not required, check here . . . . . 85,835.				
14		Other gains or (losses). Attach Form 4797. . . . . 10,377.				
15a		IRA distributions . . . . . 15a		b Taxable amount . . . . . 15b		
16a		Pensions and annuities. . . . . 16a		b Taxable amount . . . . . 16b		
17		Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E. . . . . -1,461.				
18		Farm income or (loss). Attach Schedule F. . . . . 18				
19		Unemployment compensation. . . . . 19				
20a		Social security benefits. . . . . 20a		b Taxable amount . . . . . 20b		
21		Other income. List type and amount . . . . . 21				
22		Combine the amounts in the far right column for lines 7 through 21. This is your total income . . . . . 321,753.				
Adjusted Gross Income						
23		Educator expenses. . . . . 23				
24		Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ. . . . . 24				
25		Health savings account deduction. Attach Form 8889 . . . . . 25				
26		Moving expenses. Attach Form 3903. . . . . 26				
27		Deductible part of self-employment tax. Attach Schedule SE. . . . . 27				
28		Self-employed SEP, SIMPLE, and qualified plans . . . . . 28				
29		Self-employed health insurance deduction . . . . . 29				
30		Penalty on early withdrawal of savings. . . . . 30				
31a		Alimony paid b Recipient's SSN. . . . . ▶		31 a		
32		IRA deduction. . . . . 32				
33		Student loan interest deduction . . . . . 33				
34		Tuition and fees. Attach Form 8917. . . . . 34				
35		Domestic production activities deduction. Attach Form 8903 . . . . . 35				
36		Add lines 23 through 35. . . . . 36 0.				
37		Subtract line 36 from line 22. This is your adjusted gross income. . . . . 37 321,753.				
BAA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. FDIA0112L 12/05/16 Form 1040 (2016)						

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, \$6,300
  - Married filing jointly or Qualifying widow(er), \$12,600
  - Head of household, \$9,300

38	Amount from line 37 (adjusted gross income).....	38	321,753.
39a	Check <input type="checkbox"/> You were born before January 2, 1952, <input type="checkbox"/> Blind. <input type="checkbox"/> Total boxes checked <input type="checkbox"/> 39a <input type="checkbox"/>		
	if: <input type="checkbox"/> Spouse was born before January 2, 1952, <input type="checkbox"/> Blind. <input type="checkbox"/>		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here. ....	39b	<input type="checkbox"/>
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin).....	40	6,300.
41	Subtract line 40 from line 38.....	41	315,453.
42	Exemptions. If line 38 is \$155,650 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instrs.....	42	2,025.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-.....	43	313,428.
44	Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 c <input type="checkbox"/> b <input type="checkbox"/> Form 4972.....	44	74,884.
45	Alternative minimum tax (see instructions). Attach Form 6251.....	45	0.
46	Excess advance premium tax credit repayment. Attach Form 8962.....	46	
47	Add lines 44, 45, and 46.....	47	74,884.
48	Foreign tax credit. Attach Form 1116 if required.....	48	
49	Credit for child and dependent care expenses. Attach Form 2441.....	49	
50	Education credits from Form 8863, line 19.....	50	
51	Retirement savings contributions credit. Attach Form 8880.....	51	
52	Child tax credit. Attach Schedule 8812, if required.....	52	
53	Residential energy credits. Attach Form 5695.....	53	
54	Other crs from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54	
55	Add lines 48 through 54. These are your total credits.....	55	
56	Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-.....	56	74,884.

Other Taxes

57	Self-employment tax. Attach Schedule SE.....	57	
58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919.....	58	
59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required.....	59	
60a	Household employment taxes from Schedule H.....	60a	
b	First-time homebuyer credit repayment. Attach Form 5405 if required.....	60b	
61	Health care: individual responsibility (see instructions) Full-year coverage <input checked="" type="checkbox"/>	61	
62	Taxes from: a <input checked="" type="checkbox"/> Form 8959 b <input checked="" type="checkbox"/> Form 8960 c <input type="checkbox"/> Instrs; enter code(s).....	62	4,482.
63	Add lines 56 through 62. This is your total tax.....	63	79,366.

Payments

If you have a qualifying child, attach Schedule EIC.

64	Federal income tax withheld from Forms W-2 and 1099.....	64	30,795.
65	2016 estimated tax payments and amount applied from 2015 return.....	65	
66a	Earned income credit (EIC).....	66a	
b	Nontaxable combat pay election. ....	66b	
67	Additional child tax credit. Attach Schedule 8812.....	67	
68	American opportunity credit from Form 8863, line 8.....	68	
69	Net premium tax credit. Attach Form 8962.....	69	
70	Amount paid with request for extension to file.....	70	
71	Excess social security and tier 1 RRTA tax withheld.....	71	
72	Credit for federal tax on fuels. Attach Form 4136.....	72	
73	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	73	
74	Add lines 64, 65, 66a, and 67 through 73. These are your total payments.....	74	30,795.

Refund

Direct deposit? See instructions.

75	If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid.....	75	
76a	Amount of line 75 you want refunded to you. If Form 8888 is attached, check here. <input type="checkbox"/>	76a	
b	Routing number.....	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
d	Account number.....		
77	Amount of line 75 you want applied to your 2017 estimated tax.....	77	

Amount You Owe

78	Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions.....	78	48,571.
79	Estimated tax penalty (see instructions).....	79	

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	Phone no.	Personal identification number (PIN)
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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 accurately list all amounts and sources of income I received during the tax year. 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
		SALES	(605) 111-3333
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Non-Paid Preparer	6/07/17		
Firm's name				Firm's EIN
Firm's address				Phone no.

**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/scheduled](http://www.irs.gov/scheduled).

► **Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.**

OMB No. 1545-0074

**2016**

Attachment  
Sequence No. **12**

Name(s) shown on return

JOE SAMPLE

Your social security number

555-44-5555

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

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

	<b>(d)</b> Proceeds (sales price)	<b>(e)</b> Cost (or other basis)	<b>(g)</b> Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	<b>(h) Gain or (loss)</b> Subtract column (e) from column (d) and combine the result with column (g)
<b>1a</b> Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b.....				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked.....				
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked.....				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked.....				
<b>4</b> Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824.....				<b>4</b>
<b>5</b> Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1....				<b>5</b>
<b>6</b> Short-term capital loss carryover. Enter the amount, if any, from line 8 of your <b>Capital Loss Carryover Worksheet</b> in the instructions.....				<b>6</b>
<b>7</b> <b>Net short-term capital gain or (loss).</b> Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back.....				<b>7</b>

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

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

	<b>(d)</b> Proceeds (sales price)	<b>(e)</b> Cost (or other basis)	<b>(g)</b> Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	<b>(h) Gain or (loss)</b> Subtract column (e) from column (d) and combine the result with column (g)
<b>8a</b> Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b.....				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked.....				
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked.....				
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked.....				
<b>11</b> 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.....				<b>11</b> 85,835.
<b>12</b> Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1....				<b>12</b>
<b>13</b> Capital gain distributions. See the instrs. ....				<b>13</b>
<b>14</b> Long-term capital loss carryover. Enter the amount, if any, from line 13 of your <b>Capital Loss Carryover Worksheet</b> in the instructions.....				<b>14</b>
<b>15</b> <b>Net long-term capital gain or (loss).</b> Combine lines 8a through 14 in column (h). Then go to Part III on the back.....				<b>15</b> 85,835.

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

**Schedule D (Form 1040) 2016**

**Part III Summary**

<b>16</b> Combine lines 7 and 15 and enter the result .....	<b>16</b>	85,835.
<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>		
<b>17</b> 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.		
<b>18</b> Enter the amount, if any, from line 7 of the <b>28% Rate Gain Worksheet</b> in the instructions .....	<b>18</b>	0.
<b>19</b> Enter the amount, if any, from line 18 of the <b>Unrecaptured Section 1250 Gain Worksheet</b> in the instructions .....	<b>19</b>	58,260.
<b>20</b> Are lines 18 and 19 <b>both</b> zero or blank?  <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). <b>Don't</b> complete lines 21 and 22 below.  <input checked="" type="checkbox"/> <b>No.</b> Complete the <b>Schedule D Tax Worksheet</b> in the instructions. <b>Don't</b> complete lines 21 and 22 below.		
<b>21</b> 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.		
<b>22</b> 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.		

Schedule D (Form 1040) 2016

**SCHEDULE E**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Supplemental Income and Loss**

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)  
▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Information about Schedule E and its separate instructions is at [www.irs.gov/schedulee](http://www.irs.gov/schedulee).

OMB No. 1545-0074

**2016**

Attachment  
Sequence No. **13**

Name(s) shown on return

JOE SAMPLE

Your social security number

555-44-5555

**Part I** **Income or Loss From Rental Real Estate and Royalties** Note: If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

**A** Did you make any payments in 2016 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☒ No

**B** If 'Yes,' did you or will you file required Forms 1099? ☐ Yes ☐ No

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

**A** 34512 Dark Avenue, Down Home, SD 57049

**B**

**C**

**1 b** Type of Property  
(from list below)

**A** 1

**B**

**C**

**2** For each rental real estate property listed above, report the number of fair rental and personal use days. Check the **QJV** box only if you meet the requirements to file as a qualified joint venture. See instructions.

Fair Rental Days

Personal Use Days

QJV

**A**

255

**B**

**C**

**Type of Property:**

1 Single Family Residence

3 Vacation/Short-Term Rental

5 Land

7 Self-Rental

2 Multi-Family Residence

4 Commercial

6 Royalties

8 Other (describe)

**Income:**

**Properties:**

**A**

**B**

**C**

**3** Rents received **3** 8,500.

**4** Royalties received **4**

**Expenses:**

**5** Advertising **5**

**6** Auto and travel (see instructions) **6**

**7** Cleaning and maintenance **7** 1,038.

**8** Commissions **8**

**9** Insurance **9**

**10** Legal and other professional fees **10**

**11** Management fees **11**

**12** Mortgage interest paid to banks, etc (see instructions) **12**

**13** Other interest **13**

**14** Repairs **14** 877.

**15** Supplies **15**

**16** Taxes **16** 3,817.

**17** Utilities **17** 197.

**18** Depreciation expense or depletion **18** 4,032.

**19** Other (list) **19**

**20** Total expenses. Add lines 5 through 19 **20** 9,961.

**21** Subtract line 20 from line 3 (rents) and/ or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198. **21** -1,461.

**22** Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions) **22** -1,461.

**23 a** Total of all amounts reported on line 3 for all rental properties. **23a** 8,500.

**b** Total of all amounts reported on line 4 for all royalty properties. **23b**

**c** Total of all amounts reported on line 12 for all properties. **23c**

**d** Total of all amounts reported on line 18 for all properties. **23d** 4,032.

**e** Total of all amounts reported on line 20 for all properties. **23e** 9,961.

**24** **Income.** Add positive amounts shown on line 21. Do not include any losses. **24**

**25** **Losses.** Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here. **25** -1,461.

**26** **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2. **26** -1,461.

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

FDIZ2301L 08/23/16

Schedule E (Form 1040) 2016

**Sales of Business Property**  
(Also Involuntary Conversions and Recapture Amounts  
Under Sections 179 and 280F(b)(2))▶ Attach to your tax return.  
▶ Information about Form 4797 and its separate instructions is at [www.irs.gov/form4797](http://www.irs.gov/form4797).

OMB No. 1545-0184

**2016**Attachment  
Sequence No. **27**

Name(s) shown on return

JOE SAMPLE

Identifying number

555-44-5555

- 1 Enter the gross proceeds from sales or exchanges reported to you for 2016 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions. .... 1 197,600.

**Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft – Most Property Held More Than 1 Year** (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
	EDPA Land	1/01/01	9/13/16	30,747.		26,458.	4,289.

- 3 Gain, if any, from Form 4684, line 39 ..... 3
- 4 Section 1231 gain from installment sales from Form 6252, line 26 or 37. .... 4
- 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824. .... 5
- 6 Gain, if any, from line 32, from other than casualty or theft. .... 6 81,546.
- 7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: ..... 7 85,835.

**Partnerships (except electing large partnerships) and S corporations.** Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

**Individuals, partners, S corporation shareholders, and all others.** If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

- 8 Nonrecaptured net section 1231 losses from prior years. See instructions ..... 8
- 9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions. .... 9

**Part II Ordinary Gains and Losses** (see instructions)

- 10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):


- 11 Loss, if any, from line 7. .... 11
- 12 Gain, if any, from line 7 or amount from line 8, if applicable. .... 12
- 13 Gain, if any, from line 31. .... 13 10,377.
- 14 Net gain or (loss) from Form 4684, lines 31 and 38a. .... 14
- 15 Ordinary gain from installment sales from Form 6252, line 25 or 36. .... 15
- 16 Ordinary gain or (loss) from like-kind exchanges from Form 8824. .... 16
- 17 Combine lines 10 through 16. .... 17 10,377.
- 18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:
- a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from 'Form 4797, line 18a.' See instructions. .... 18a
- b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14. .... 18b 10,377.

BAA For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2016)

**Part III** Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255  
(see instructions)

19(a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A EDPA Dwelling		1/01/01	9/13/16
B EDPA Carpet/Flooring		6/18/14	9/13/16
C EDPA Fences		3/18/11	9/13/16
D EDPA Roof		8/01/09	9/13/16

  

These columns relate to the properties on lines 19A through 19D		Property A	Property B	Property C	Property D
20	Gross sales price ( <b>Note:</b> See line 1 before completing.)	20 123,006.	11,145.	15,768.	16,934.
21	Cost or other basis plus expense of sale.	21 105,836.	9,591.	13,561.	14,579.
22	Depreciation (or depletion) allowed or allowable.	22 54,853.	5,359.	5,018.	3,407.
23	Adjusted basis. Subtract line 22 from line 21.	23 50,983.	4,232.	8,543.	11,172.
24	Total gain. Subtract line 23 from line 20.	24 72,023.	6,913.	7,225.	5,762.
25 If section 1245 property:					
a	Depreciation allowed or allowable from line 22.	25a	5,359.	5,018.	
b	Enter the <b>smaller</b> of line 24 or 25a.	25b	5,359.	5,018.	
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975 (see instrs.)	26a			
b	Applicable percentage multiplied by the <b>smaller</b> of line 24 or line 26a. See instructions.	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e.	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the <b>smaller</b> of line 26c or 26d.	26e			
f	Section 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f.	26g	0.		0.
27 If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).					
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage. See instructions.	27b			
c	Enter the <b>smaller</b> of line 24 or 27b.	27c			
28 If section 1254 property:					
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion. See instructions.	28a			
b	Enter the <b>smaller</b> of line 24 or 28a.	28b			
29 If section 1255 property:					
a	Applicable percentage of payments excluded from income under section 126. See instructions.	29a			
b	Enter the <b>smaller</b> of line 24 or 29a. See instrs.	29b			

**Summary of Part III Gains.** Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24.	30	91,923.
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13.	31	10,377.
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6.	32	81,546.

**Part IV** Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less  
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years.	33	
34 Recomputed depreciation. See instructions.	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report.	35	

**Additional Medicare Tax**

- If any line does not apply to you, leave it blank. See separate instructions.  
 ► Attach to Form 1040, 1040NR, 1040-PR, or 1040-SS.  
 ► Information about Form 8959 and its instructions is at [www.irs.gov/form8959](http://www.irs.gov/form8959).

Name(s) shown on return

JOE SAMPLE

Your social security number

555-44-5555

**Part I Additional Medicare Tax on Medicare Wages**

1	Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5...	1	205,000.	
2	Unreported tips from Form 4137, line 6.	2		
3	Wages from Form 8919, line 6.	3		
4	Add lines 1 through 3.	4	205,000.	
5	Enter the following amount for your filing status: Married filing jointly. \$250,000 Married filing separately. \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	5	200,000.	
6	Subtract line 5 from line 4. If zero or less, enter -0-	6		5,000.
7	Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II.	7		45.

**Part II Additional Medicare Tax on Self-Employment Income**

8	Self-employment income from Schedule SE (Form 1040), Section A, line 4, or Section B, line 6. If you had a loss, enter -0- (Form 1040-PR and Form 1040-SS filers, see instructions.)	8		
9	Enter the following amount for your filing status: Married filing jointly. \$250,000 Married filing separately. \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	9		
10	Enter the amount from line 4.	10		
11	Subtract line 10 from line 9. If zero or less, enter -0-	11		
12	Subtract line 11 from line 8. If zero or less, enter -0-	12		
13	Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III.	13		

**Part III Additional Medicare Tax on Railroad Retirement Tax Act (RRTA) Compensation**

14	Railroad retirement (RRTA) compensation and tips from Form(s) W-2, box 14 (see instructions).	14		
15	Enter the following amount for your filing status: Married filing jointly. \$250,000 Married filing separately. \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	15		
16	Subtract line 15 from line 14. If zero or less, enter -0-	16		
17	Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV.	17		

**Part IV Total Additional Medicare Tax**

18	Add lines 7, 13, and 17. Also include this amount on Form 1040, line 62, (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions) and go to Part V.	18		45.
----	---	----	--	-----

**Part V Withholding Reconciliation**

19	Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6.	19	3,018.	
20	Enter the amount from line 1.	20	205,000.	
21	Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages.	21	2,973.	
22	Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages.	22		45.
23	Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions).	23		
24	<b>Total Additional Medicare Tax withholding.</b> Add lines 22 and 23. Also include this amount with federal income tax withholding on Form 1040, line 64 (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions).	24		45.

**Net Investment Income Tax –  
Individuals, Estates, and Trusts**

▶ Attach to your tax return.  
▶ Information about Form 8960 and its separate instructions is at [www.irs.gov/form8960](http://www.irs.gov/form8960).

OMB No. 1545-2227

**2016**

Attachment  
Sequence No. **72**

Name(s) shown on your tax return

JOE SAMPLE

Your social security number or EIN

555-44-5555

**Part I Investment Income**

- ☐ Section 6013(g) election (see instructions)  
☐ Section 6013(h) election (see instructions)  
☐ Regulations section 1.1411-10(g) election (see instructions)

1	Taxable interest (see instructions) .....	1	3,677.
2	Ordinary dividends (see instructions) .....	2	18,325.
3	Annuities (see instructions) .....	3	
4a	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions) .....	4a	-1,461.
b	Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions) .....	4b	
c	Combine lines 4a and 4b .....	4c	-1,461.
5a	Net gain or loss from disposition of property (see instructions) .....	5a	96,212.
b	Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions) .....	5b	
c	Adjustment from disposition of partnership interest or S corporation stock (see instructions) .....	5c	
d	Combine lines 5a through 5c .....	5d	96,212.
6	Adjustments to investment income for certain CFCs and PFICs (see instructions) .....	6	
7	Other modifications to investment income (see instructions) .....	7	
8	Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7 .....	8	116,753.

**Part II Investment Expenses Allocable to Investment Income and Modifications**

9a	Investment interest expenses (see instructions) .....	9a	
b	State, local, and foreign income tax (see instructions) .....	9b	
c	Miscellaneous investment expenses (see instructions) .....	9c	
d	Add lines 9a, 9b, and 9c .....	9d	
10	Additional modifications (see instructions) .....	10	
11	Total deductions and modifications. Add lines 9d and 10 .....	11	

**Part III Tax Computation**

12	Net investment income. Subtract Part II, line 11 from Part I, line 8. Individuals complete lines 13-17. Estates and trusts complete lines 18a-21. If zero or less, enter -0- .....	12	116,753.
<b>Individuals:</b>			
13	Modified adjusted gross income (see instructions) .....	13	321,753.
14	Threshold based on filing status (see instructions) .....	14	200,000.
15	Subtract line 14 from line 13. If zero or less, enter -0- .....	15	121,753.
16	Enter the smaller of line 12 or line 15 .....	16	116,753.
17	Net investment income tax for individuals. Multiply line 16 by 3.8% (.038). <b>Enter here and include on your tax return</b> (see instructions) .....	17	4,437.
<b>Estates and Trusts:</b>			
18a	Net investment income (line 12 above) .....	18a	
b	Deductions for distributions of net investment income and deductions under section 642(c) (see instructions) .....	18b	
c	Undistributed net investment income. Subtract line 18b from 18a (see instructions). If zero or less, enter -0- .....	18c	
19a	Adjusted gross income (see instructions) .....	19a	
b	Highest tax bracket for estates and trusts for the year (see instructions) .....	19b	
c	Subtract line 19b from line 19a. If zero or less, enter -0- .....	19c	
20	Enter the smaller of line 18c or line 19c .....	20	
21	Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (.038). <b>Enter here and include on your tax return</b> (see instructions) .....	21	

## JOE SAMPLE

## Unrecaptured Section 1250 Gain (Schedule D, Line 19)

- |   |            |
|---|------------|
| 1. For each section 1250 property in Part III of Form 4797, enter the smaller of line 22 or line 24   | See Line 3 |
| 2. Enter the amount from Form 4797, line 26g for the property on line 1   | See Line 3 |
| 3. Total unrecaptured section 1250 gain from Form 4797, Part III or other related forms   | 58,260.    |
| 4. Enter the total unrecaptured section 1250 gain included on line 26 or line 37 of Form(s) 6252 of trade or business property held more than one year  | 0.         |
| 5. Enter the total of any amounts reported on Schedules K-1 from a partnership or an S corporation as "unrecaptured section 1250 gain"  | 0.         |
| 6. Add lines 3 through 5  | 58,260.    |
| 7. Enter the smaller of line 6 or the gain from Form 4797, line 7   | 58,260.    |
| 8. Enter the amount, if any, from Form 4797, line 8   | 0.         |
| 9. Subtract line 8 from line 7. If zero or less, enter zero   | 58,260.    |
| 10. Enter the amount of any gain from the sale or exchange of an interest in a partnership attributable to unrecaptured section 1250 gain   | 0.         |
| 11. Enter the total of any amounts reported to you on a Schedule K-1, Form 1099-DIV, or Form 2439 as "unrecaptured section 1250 gain" from an estate, trust, real estate investment trust, or mutual fund (or other regulated investment company)   | 0.         |
| 12. Enter the total of any unrecaptured section 1250 gain from sales (including installment sales) or other dispositions of section 1250 property held more than 1 year for which an entry was not made in part I of Form 4797 for the year of sale | 0.         |
| 13. Add lines 9 through 12  | 58,260.    |
| 14. If you had any section 1202 gain or collectibles gain the total of lines 1 through 4 of the 28% Rate Gain Worksheet.  | 0.         |
| 15. Enter the loss, if any, from Schedule D, line 7. If Schedule D, line 7 is zero or a gain, enter zero  | 0.         |
| 16. Enter your long-term capital loss carryovers from schedule D line 14, and schedule K-1 (Form 1041) box 11, code C   | 0.         |
| 17. Combine lines 14 through 16. If the result is zero or a gain, enter zero. If the result is a loss, enter it as a positive amount  | 0.         |
| 18. Unrecaptured section 1250 gain. Subtract line 17 from line 13. If zero or less, enter zero. Enter the result here and on Schedule D, line 19  | 58,260.    |

2016

## 2016 Schedule D Tax Worksheet

JOE SAMPLE

Complete this worksheet only if line 18 or line 19 of Schedule D is more than zero. Otherwise, complete the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040, line 44 (or in the Instructions for Form 1040NR, line 42) to figure your tax. Before completing this worksheet, complete Form 1040 through line 43 (or Form 1040NR through line 41).

**Exception:** Don't use the Qualified Dividends and Capital Gain Tax Worksheet or this worksheet to figure your tax if:

- Line 15 or line 16 of Schedule D is zero or less and you have no qualified dividends on Form 1040, line 9b (or Form 1040NR, line 10b); or
- Form 1040, line 43 (or Form 1040NR, line 41) is zero or less.

Instead, see the instructions for Form 1040, line 44 (or Form 1040NR, line 42).

1. Enter your taxable income from Form 1040, line 43 (or Form 1040NR, line 41). (However, if you're filing Form 2555 or 2555-EZ (relating to foreign earned income), enter instead the amount from line 3 of the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040, line 44) ..... **1.** 313,428.
  2. Enter your qualified dividends from Form 1040, line 9b (or Form 1040NR, line 10b) ... **2.** 13,625.
  3. Enter the amount from Form 4952 (used to figure investment interest expense deduction), line 4g ..... **3.** \_\_\_\_\_
  4. Enter the amount from Form 4952, line 4e\* ..... **4.** \_\_\_\_\_
  5. Subtract line 4 from line 3. If zero or less, enter -0- ... **5.** 0.
  6. Subtract line 5 from line 2. If zero or less, enter -0-\*\* ..... **6.** 13,625.
  7. Enter the **smaller** of line 15 or line 16 of Sch D. .... **7.** 85,835.
  8. Enter the **smaller** of line 3 or line 4 ..... **8.** 0.
  9. Subtract line 8 from line 7. If zero or less, enter -0-\*\* ..... **9.** 85,835.
  10. Add lines 6 and 9 ..... **10.** 99,460.
  11. Add lines 18 and 19 of Schedule D\*\* ..... **11.** 58,260.
  12. Enter the **smaller** of line 9 or line 11 ..... **12.** 58,260.
  13. Subtract line 12 from line 10 ..... **13.** 41,200.
  14. Subtract line 13 from line 1. If zero or less, enter -0- ..... **14.** 272,228.
  15. Enter:
    - \$37,650 if single or married filing separately;
    - \$75,300 if married filing jointly or qualifying widow(er); or
    - \$50,400 if head of household
 ..... **15.** 37,650.
  16. Enter the **smaller** of line 1 or line 15 ..... **16.** 37,650.
  17. Enter the **smaller** of line 14 or line 16 ..... **17.** 37,650.
  18. Subtract line 10 from line 1. If zero or less, enter -0- ... **18.** 213,968.
  19. Enter the **larger** of line 17 or line 18 ..... **19.** 213,968.
  20. Subtract line 17 from line 16. This amount is taxed at 0% ..... **20.** 0.
- If lines 1 and 16 are the same, skip lines 21 through 41 and go to line 42. Otherwise, go to line 21.**
21. Enter the **smaller** of line 1 or line 13 ..... **21.** 41,200.
  22. Enter the amount from line 20 (if line 20 is blank, enter -0-) ..... **22.** 0.
  23. Subtract line 22 from line 21. If zero or less, enter -0- ..... **23.** 41,200.
  24. Enter:
    - \$415,050 if single;
    - \$233,475 if married filing separately;
    - \$466,950 if married filing jointly or qualifying widow(er); or
    - \$441,000 if head of household
 ..... **24.** 415,050.
  25. Enter the smaller of line 1 or line 24 ..... **25.** 313,428.
  26. Add lines 19 and 20 ..... **26.** 213,968.
  27. Subtract line 26 from line 25. If zero or less, enter -0- ..... **27.** 99,460.
  28. Enter the **smaller** of line 23 or line 27 ..... **28.** 41,200.
  29. Multiply line 28 by 15% (.15) ..... **29.** 6,180.
  30. Add lines 22 and 28 ..... **30.** 41,200.
- If lines 1 and 30 are the same, skip lines 31 through 41 and go to line 42. Otherwise, go to line 31.**

2016

2016 Schedule D Tax Worksheet - *Continued*

JOE SAMPLE

31. Subtract line 30 from line 21. .... 31. 0.
32. Multiply line 31 by 20% (.20) ..... 32. 0.
- If Schedule D, line 19, is zero or blank, skip lines 33 through 38 and go to line 39. Otherwise, go to line 33.**
33. Enter the **smaller** of line 9 above or Schedule D, line 19. .... 33. 58,260.
34. Add lines 10 and 19. .... 34. 313,428.
35. Enter the amount from line 1 above. .... 35. 313,428.
36. Subtract line 35 from line 34. If zero or less, enter -0-. .... 36. 0.
37. Subtract line 36 from line 33. If zero or less, enter -0-. .... 37. 58,260.
38. Multiply line 37 by 25% (.25) ..... 38. 14,565.
- If Schedule D, line 18, is zero or blank, skip lines 39 through 41 and go to line 42. Otherwise, go to line 39.**
39. Add lines 19, 20, 28, 31 and 37. .... 39. \_\_\_\_\_
40. Subtract line 39 from line 1. .... 40. \_\_\_\_\_
41. Multiply line 40 by 28% (.28) ..... 41. \_\_\_\_\_
42. Figure the tax on the amount on **line 19**. If the amount on line 19 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 19 is \$100,000 or more, use the Tax Computation Worksheet. .... 42. 54,139.
43. Add lines 29, 32, 38, 41, and 42. .... 43. 74,884.
44. Figure the tax on the amount on **line 1**. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet. .... 44. 86,960.
45. **Tax on all taxable income (including capital gains and qualified dividends).** Enter the **smaller** of line 43 or line 44. Also include this amount on Form 1040, line 44 (or Form 1040NR, line 42). (If you're filing Form 2555 or 2555-EZ, do not enter this amount on Form 1040, line 44. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet in the Form 1040 instructions). .... 45. 74,884.

\* If applicable, enter instead the smaller amount you entered on the dotted line next to line 4e of Form 4952.

\*\*If you're filing Form 2555 or 2555-EZ, see the footnote in the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040, line 44, before completing this line.

## JOE SAMPLE

## 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>
STATE OF SOUTH DAKOTA	205,000.	30,750.	7,347.	3,018.		
Grand Total	<u>205,000.</u>	<u>30,750.</u>	<u>7,347.</u>	<u>3,018.</u>	<u>0.</u>	<u>0.</u>

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

1. \$4,050 per exemption on Form 1040, line 6d 4,050.
2. Enter amount from Form 1040, line 38 321,753.
3. Threshold for your filing status 259,400.
4. Subtract line 3 from line 2 62,353.
5. Is line 4 more than \$122,500 (\$61,250 if MFS)?
  - Yes. Enter -0- on Form 1040, line 42. Do not complete the rest of this worksheet.
  - No. Divide line 4 by \$2,500 (\$1,250 if MFS) 25.
6. Multiply line 5 by 2% (.02) 0.50
7. Multiply line 1 by line 6 2,025.
8. Deduction for Exemptions 2,025.  
(Subtract line 7 from line 1)

## Federal Income Tax Withheld

STATE OF SOUTH DAKOTA 30,750.  
 Additional Medicare Tax Withholding (Form 8959) 45.  
 Total 30,795.