

**Prepared For:**

MICHAEL T. HARBUCK

03/16/2012

**Today's Savings**

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- \* There are many education tax breaks available, including two credits, two deductions, and even three ways to exclude funds from being taxed in the first place. Using one or more of your options enabled you to reduce your taxes this year by: \$290.00
- \* Because you qualified for a \$56 Earned Income Credit (EIC) this year, you saved: \$56.00
- \* In simple terms, the Marginal Tax Rate is the tax rate that you pay on your last dollar of taxable income. It is the highest federal tax bracket that affects your tax calculation. The Effective Tax Rate is the percentage of your total income that you paid in taxes. For 2011, your Marginal Tax Rate is 10% and your Effective Tax Rate is 1%.

**Total Savings** ..... **\$346.00**

**Filing, Refund and Balance Due Information**

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<b>Tax Return</b>	<b>efile</b>	<b>Refund / (Balance Due)</b>	<b>Summary</b>	<b>Message</b>
Federal	Yes	\$585.00	Refund	\$585.00 See the Filing Checklist for instructions.

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# H&R Block ADVANTAGE<sup>®</sup>

## 2011 Tax Return Summary

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### Federal Year over Year Comparison

<b>INCOME</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Change(\$)</b>
Wages, salaries, tips	\$7,485	\$0	\$7,485
Unemployment compensation	\$5,447	\$0	\$5,447
Total income	\$12,932	\$0	\$12,932
<b>ADJUSTED GROSS INCOME</b>			
Total income less total adjustments	\$12,932	\$0	\$12,932
<b>TAXABLE INCOME</b>			
Standard deductions	\$5,800	\$0	\$5,800
Exemptions	\$3,700	\$0	\$3,700
Taxable income	\$3,432	\$0	\$3,432
<b>TAX COMPUTATION</b>			
Income tax	\$343	\$0	\$343
Tax before credits	\$343	\$0	\$343
<b>CREDITS</b>			
Education credits	\$174	\$0	\$174
Total credits	\$174	\$0	\$174
Tax after credits	\$169	\$0	\$169
<b>OTHER TAXES</b>			
Total tax	\$169	\$0	\$169
<b>PAYMENTS</b>			
Federal withholding	\$582	\$0	\$582
Earned income credit	\$56	\$0	\$56
American opportunity credit	\$116	\$0	\$116
Total payments	\$754	\$0	\$754
<b>REFUND</b>			
Overpayment	\$585	\$0	\$585
Refund due	\$585	\$0	\$585
<b>OTHER COMPUTATIONS</b>			
Alternative minimum taxable income	\$12,932	\$0	\$12,932
Marginal tax bracket	10%		
Effective tax bracket	1%		
Filing status	Single		

Declaration Control Number (DCN)

00 - [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] - 2

MICHAEL T HARBUCK

**Tax Return Signature/Consent to Disclosure  
On-Line Self Select PIN without Direct Debit**

**Perjury Statement**

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

**Consent to Disclosure**

I consent to allow my Intermediate Service Provider, transmitter, or Electronic Return Originator (ERO) to send my return to IRS and to receive the following information from IRS: a) an acknowledgement of receipt or reason for rejection of transmission; b) an indication of any refund offset; c) the reason for any delay in processing or refund; and, d) the date of any refund.

**I am signing this Tax Return and Electronic Funds Withdrawal Consent, if applicable, by entering my Self Select PIN below.**

Taxpayer's PIN: ..... 41711 Date: ..... 03/16/2012  
Taxpayer's Date of Birth: ..... 04/27/1972  
Taxpayer's Prior Year Adjusted Gross Income: ..... 0.  
Taxpayer's Prior year PIN ..... \_\_\_\_\_  
Taxpayer's Electronic Filing PIN ..... 78062  
Spouse's PIN: ..... \_\_\_\_\_  
Spouse's Date of Birth: ..... \_\_\_\_\_  
Spouse's Prior Year Adjusted Gross Income: ..... \_\_\_\_\_  
Spouse's Prior year PIN ..... \_\_\_\_\_  
Spouse's Electronic Filing PIN ..... \_\_\_\_\_

**DO NOT**

**FILE**

**2011 Federal Tax Return Filing Instructions**

**FOR THE YEAR ENDING**

**December 31, 2011**

<b>Prepared for</b>	MICHAEL T HARBUCK																
<b>Tax Summary</b>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Gross Income .....</td> <td style="text-align: right;">\$ 12,932</td> </tr> <tr> <td>Adjusted Gross Income .....</td> <td style="text-align: right;">\$ 12,932</td> </tr> <tr> <td>Total Deductions .....</td> <td style="text-align: right;">\$ 9,500</td> </tr> <tr> <td>Total Taxable Income .....</td> <td style="text-align: right;">\$ 3,432</td> </tr> <tr> <td>Total Tax .....</td> <td style="text-align: right;">\$ 169</td> </tr> <tr> <td>Total Payments .....</td> <td style="text-align: right;">\$ 754</td> </tr> <tr> <td>Refund Amount .....</td> <td style="text-align: right;">\$ 585</td> </tr> <tr> <td>Amount You Owe .....</td> <td style="text-align: right;">\$ 0</td> </tr> </table>	Gross Income .....	\$ 12,932	Adjusted Gross Income .....	\$ 12,932	Total Deductions .....	\$ 9,500	Total Taxable Income .....	\$ 3,432	Total Tax .....	\$ 169	Total Payments .....	\$ 754	Refund Amount .....	\$ 585	Amount You Owe .....	\$ 0
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Amount You Owe .....	\$ 0																
<b>Make check payable to</b>	United States Treasury																
<b>Mailing Address</b>	Since you are filing your return electronically and you chose to use an electronic signature, you do not mail your return.																

**Instructions**

STEP 1 - Once your e-filed return has been accepted, you will receive an e-mail

STEP 2 - Keep a copy

Print a copy of the return for your records.

Please attach a copy of each W-2, W-2G, 1099G and 1099R to your return.

**MICHAEL T HARBUCK**  
**131 JERGO ROAD**  
**WINTER PARK, FL 32792**

OMB No. 1545-0074

**Your social security number**  
**417-11-1274**

**Spouse's social security number**

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

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

Foreign country name Foreign province/country Foreign postal code

**Filing status**

1  Single

2  Married filing jointly (even if only one had income)

3  Married filing separately. Enter spouse's SSN above & full name below.

4  Head of household (with qualifying person). (See instructions.)  
 If the qualifying person is a child but not your dependent, enter this child's name here. ▶

5  Qualifying widow(er) with dependent child (see instructions)

**Exemptions**

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

b  **Spouse**

(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 cr. (see instr.)

If more than six dependents, see instructions.

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 instr.): \_\_\_\_\_

Dependents on 6c not entered above: \_\_\_\_\_

Add numbers on lines above: **1**

d Total number of exemptions claimed.

**Income**

7 Wages, salaries, tips, etc. Attach Form(s) W-2. **7 7,485.**

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

8a **Taxable** interest. Attach Schedule B if required. **8a**

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

9a Ordinary dividends. Attach Schedule B if required. **9a**

b Qualified dividends (see instructions). **9b**

10 Capital gain distributions (see instructions). **10**

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

11a IRA distributions. **11a**

11b Taxable amount (see instructions). **11b**

12a Pensions and annuities. **12a**

12b Taxable amount (see instructions). **12b**

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

13 Unemployment compensation and Alaska Permanent Fund dividends. **13 5,447.**

14a Social security benefits. **14a**

14b Taxable amount (see instructions). **14b**

15 Add lines 7 through 14b (far right column). This is your **total income.** **15 12,932.**

**Adjusted gross income**

16 Educator expenses (see instructions). **16**

17 IRA deduction (see instructions). **17**

18 Student loan interest deduction (see instructions). **18**

19 Tuition and fees. Attach Form 8917. **19**

20 Add lines 16 through 19. These are your **total adjustments.** **20**

21 Subtract line 20 from line 15. This is your **adjusted gross income.** **21 12,932.**

**Tax, credits, and payments**

<b>22</b>	Enter the amount from line 21 (adjusted gross income).	22	<b>12,932.</b>
<b>23a</b>	Check <input type="checkbox"/> You were born before January 2, 1947, <input type="checkbox"/> Blind <input type="checkbox"/> Spouse was born before January 2, 1947, <input type="checkbox"/> Blind <b>Total boxes checked</b> ▶ 23a <input type="checkbox"/>		
<b>b</b>	If you are married filing separately and your spouse itemizes deductions, check here ▶ 23b <input type="checkbox"/>		
<b>24</b>	Enter your <b>standard deduction</b> .	24	<b>5,800.</b>
<b>25</b>	Subtract line 24 from line 22. If line 24 is more than line 22, enter - 0- .	25	<b>7,132.</b>
<b>26</b>	<b>Exemptions.</b> Multiply \$3,700 by the number on line 6d.	26	<b>3,700.</b>
<b>27</b>	Subtract line 26 from line 25. If line 26 is more than line 25, enter - 0- . This is your <b>taxable income</b> .	▶ 27	<b>3,432.</b>
<b>28</b>	<b>Tax</b> , including any alternative minimum tax (see instructions).	28	<b>343.</b>
<b>29</b>	Credit for child and dependent care expenses. Attach Form 2441.	29	
<b>30</b>	Credit for the elderly or the disabled. Attach Schedule R.	30	
<b>31</b>	Education credits from Form 8863, line 23.	31	<b>174.</b>
<b>32</b>	Retirement savings contributions credit. Attach Form 8880.	32	
<b>33</b>	Child tax credit (see instructions).	33	
<b>34</b>	Add lines 29 through 33. These are your <b>total credits</b> .	34	<b>174.</b>
<b>35</b>	Subtract line 34 from line 28. If line 34 is more than line 28, enter - 0- . This is your <b>total tax</b> .	35	<b>169.</b>
<b>36</b>	Federal income tax withheld from Forms W-2 and 1099.	36	<b>582.</b>
<b>37</b>	2011 estimated tax payments and amount applied from 2010 return.	37	
<b>38a</b>	<b>Earned income credit (EIC).</b>	38a	<b>56.</b>
<b>b</b>	Nontaxable combat pay election. 38b		
<b>39</b>	Additional child tax credit. Attach Form 8812.	39	
<b>40</b>	American opportunity credit from Form 8863, line 14.	40	<b>116.</b>
<b>41</b>	Add lines 36, 37, 38a, 39, and 40. These are your <b>total payments</b> .	▶ 41	<b>754.</b>

**Standard Deduction for -**  
 ● People who check any box on line 23a or 23b or who can be claimed as a dependent, see instr.  
 ● All others:  
 Single or Married filing separately, \$5,800  
 Married filing jointly or Qualifying widow(er), \$11,600  
 Head of household, \$8,500

If you have a qualifying child, attach Schedule EIC.

**Refund**

<b>42</b>	If line 41 is more than line 35, subtract line 35 from line 41. This is the amount you <b>overpaid</b> .	42	<b>585.</b>
<b>43a</b>	Amount of line 42 you want <b>refunded to you</b> . If Form 8888 is attached, check here ▶ <input type="checkbox"/> 43a <b>585.</b>		
<b>b</b>	Routing number <input type="text" value="102000076"/> ▶ <b>c</b> Type: <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings		
<b>d</b>	Account number <input type="text" value="7606600729"/>		
<b>44</b>	Amount of line 42 you want <b>applied to your 2012 estimated tax</b> .	44	

**Amount you owe**

<b>45</b>	<b>Amount you owe.</b> Subtract line 41 from line 35. For details on how to pay, see instructions.	▶ 45	
<b>46</b>	Estimated tax penalty(see instructions).	46	

**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 \_\_\_\_\_ Phone no. \_\_\_\_\_ Personal ID number (PIN) ▶

**Sign here**

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 the taxpayer) is based on all information of which the preparer has any knowledge.

Joint return? See page 13. <input type="checkbox"/>	Your signature _____	Date _____	Your occupation <b>MECHANIC</b>	Daytime phone number _____
Keep a copy for your records. <input type="checkbox"/>	Spouse's signature. If a joint return, <b>both</b> must sign. _____	Date _____	Spouse's occupation _____	If the IRS sent you an ID 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 _____
Firm's name ▶ _____	Firm's EIN ▶ _____		Phone no. _____	
Firm's address ▶ _____				

**Education Credits (American Opportunity and Lifetime Learning Credits)**

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions to find out if you are eligible to take the credits.  
▶ Attach to Form 1040 or Form 1040A.

Name(s) shown on return  
**MICHAEL T HARBUCK**

Your social security number  
**417-11-1274**



You cannot take both an education credit and the tuition and fees deduction (see Form 8917) for the **same student** for the same year.

**Part I American Opportunity Credit**

**Caution:** You cannot take the American opportunity credit for more than **4** tax years for the **same student**.

1	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions). Do not enter more than \$4,000 for each student.	(d) Subtract \$2,000 from the amount in column (c). If zero or less, enter -0-	(e) Multiply the amount in column (d) by 25% (.25)	(f) If column (d) is zero, enter the amount from column (c). Otherwise, add \$2,000 to the amount in column (e).
	<u>MICHAEL</u> <u>HARBUCK</u>	<b>417-11-1274</b>	<b>290.</b>			<b>290.</b>
<b>2</b>	<b>Tentative American opportunity credit.</b> Add the amounts on line 1, column (f). If you are taking the lifetime learning credit for a different student, go to Part II; otherwise, go to Part III					<b>290.</b>

**Part II Lifetime Learning Credit**

**Caution:** You cannot take the American opportunity credit and the lifetime learning credit for the **same student** in the same year.

3	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions)
<b>4</b>	Add the amounts on line 3, column (c), and enter the total.		<b>4</b>
<b>5</b>	Enter the <b>smaller</b> of line 4 or \$10,000		<b>5</b>
<b>6</b>	<b>Tentative lifetime learning credit.</b> Multiply line 5 by 20% (.20). If you have an entry on line 2, go to Part III; otherwise go to Part IV.		<b>6</b>

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

**FILE**

**Part III Refundable American Opportunity Credit**

7	Enter the amount from line 2 . . . . .		7	290.
8	Enter: \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er) . . . . .	8	90,000.	
9	Enter the amount from Form 1040, line 38, or Form 1040A, line 22. If you are filing Form 2555, 2555- EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter . . . . .	9	12,932.	
10	Subtract line 9 from line 8. If zero or less, <b>stop</b> ; you cannot take any education credit . . . . .	10	77,068.	
11	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er) . . . . .	11	10,000.	
12	If line 10 is: <ul style="list-style-type: none"> <li>• Equal to or more than line 11, enter 1.000 on line 12 . . . . .</li> <li>• Less than line 11, divide line 10 by line 11. Enter the result as a decimal (rounded to at least three places) . . . . .</li> </ul>		12	1.000
13	Multiply line 7 by line 12. <b>Caution:</b> If you were under age 24 at the end of the year <b>and</b> meet the conditions on page 4 of the instructions, you <b>cannot</b> take the refundable American opportunity credit. Skip line 14, enter the amount from line 13 on line 15, and check this box <input type="checkbox"/> . . . . .		13	290.
14	<b>Refundable American opportunity credit.</b> Multiply line 13 by 40% (.40). Enter the amount here and on Form 1040, line 66, or Form 1040A, line 40. Then go to line 15 below . . . . .		14	116.

**Part IV Nonrefundable Education Credits**

15	Subtract line 14 from line 13 . . . . .		15	174.
16	Enter the amount from line 6, if any. If you have no entry on line 6, skip lines 17 through 22, and enter the amount from line 15 on line 6 of the Credit Limit Worksheet (see instructions) . . . . .		16	
17	Enter: \$122,000 if married filing jointly; \$61,000 if single, head of household, or qualifying widow(er) . . . . .	17		
18	Enter the amount from Form 1040, line 38, or Form 1040A, line 22. If you are filing Form 2555, 2555- EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter . . . . .	18		
19	Subtract line 18 from line 17. If zero or less, skip lines 20 and 21, and enter zero on line 22. . . . .	19		
20	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er) . . . . .	20		
21	If line 19 is: <ul style="list-style-type: none"> <li>• Equal to or more than line 20, enter 1.000 on line 21 and go to line 22</li> <li>• Less than line 20, divide line 19 by line 20. Enter the result as a decimal (rounded to at least three places) . . . . .</li> </ul>		21	
22	Multiply line 16 by line 21. Enter here and on line 1 of the Credit Limit Worksheet (see instructions) . . . . .		22	
23	<b>Nonrefundable education credits.</b> Enter the amount from line 11 of the Credit Limit Worksheet (see instructions) here and on Form 1040, line 49, or Form 1040A, line 31 . . . . .		23	174.

**FILE**

# Credit Limit Worksheet

Name **MICHAEL T HARBUCK**

SSN **417-11-1274**

## Credit Limit Worksheet - Form 2441, Line 10

1. Enter the amount from Form 1040, line 46, Form 1040A, line 28; or Form 1040NR, line 44. . . . . 1. \_\_\_\_\_
2. Enter the amount from Form 1040, line 47, or Form 1040NR, line 45; Form 1040A filers, enter - 0- . . . . . 2. \_\_\_\_\_
3. Subtract line 2 from line 1. Also enter this amount on Form 2441, line 10. But if zero or less,  
**Stop**; you cannot take this credit . . . . . 3. \_\_\_\_\_

## Credit Limit Worksheet - Schedule R, Line 21

1. Enter the amount from Form 1040, line 46 or Form 1040A, line 28 . . . . . 1. \_\_\_\_\_
2. Enter the total of any amounts from Form 1040, line 47 and 48 or Form 1040A, line 29. . . . . 2. \_\_\_\_\_
3. Subtract line 2 from line 1. Enter this amount on Schedule R, line 21. But if zero or less, **STOP**, you cannot  
take this credit . . . . . 3. \_\_\_\_\_

## Credit Limit Worksheet - Form 8863, Line 23

### Nonrefundable lifetime learning credit

1. Enter the amount from Form 8863, line 22 . . . . . 1. \_\_\_\_\_ **0.**
2. Enter the amount from Form 1040, line 46, or Form 1040A, line 28 . . . . . 2. \_\_\_\_\_ **343.**
3. Enter the total, if any, of your credits from:
  - Form 1040, lines 47, 48, and the amount from Schedule R entered on line 53
  - Form 1040A, lines 29 and 30 } 3. \_\_\_\_\_ **0.**
4. Subtract line 3 from line 2 . . . . . 4. \_\_\_\_\_ **343.**
5. **Nonrefundable lifetime learning credit.** Enter the **smaller** of line 1 or line 4 . . . . . 5. \_\_\_\_\_ **0.**

### Nonrefundable American opportunity credit

6. Enter the amount from Form 8863, line 15 . . . . . 6. \_\_\_\_\_ **174.**
7. Enter the amount from Form 1040, line 46, or Form 1040A, line 28. . . . . 7. \_\_\_\_\_ **343.**
8. Enter the total, if any, of your credits from:
  - Form 1040, lines 47, 48, and the amount from Schedule R entered on line 53,  
and the amount from line 5 above
  - Form 1040A, lines 29 and 30, and the amount from line 5 above } 8. \_\_\_\_\_ **0.**
9. Subtract line 8 from line 7 . . . . . 9. \_\_\_\_\_ **343.**
10. **Nonrefundable American opportunity credit.** Enter the **smaller** of line 6 or line 9 . . . . . 10. \_\_\_\_\_ **174.**
11. **Nonrefundable education credits.** Add line 5 and line 10. Enter here and on Form 8863, line 23 . . . . . 11. \_\_\_\_\_ **174.**

**Worksheet 1. Investment Income If You Are Filing Form 1040**

Use this worksheet to figure investment income for the earned income credit when you file Form 1040.

Keep for Your Records

**Interest and Dividends**

1. Enter any amount from Form 1040, line 8a . . . . .	1.	<u>0</u>
2. Enter any amount from Form 1040, line 8b, plus any amount on Form 8814, line 1b . . . . .	2.	<u>0</u>
3. Enter any amount from Form 1040, line 9a . . . . .	3.	<u>0</u>
4. Enter the amount from Form 1040, line 21, that is from Form 8814 if you are filing that form to report your child's interest and dividend income on your return (If your child received an Alaska Permanent Fund dividend, use Worksheet 2, on the next page, to figure the amount to enter on this line.) . . . . .	4.	<u>0</u>

**Capital Gain Net Income**

5. Enter the amount from Form 1040, line 13. If the amount on that line is a loss, enter - 0- . . . . .	5.	<u>0</u>
6. Enter any gain from Form 4797, Sales of Business Property, line 7. If the amount on that line is a loss, enter - 0- . (But, if you complete lines 8 and 9 of Form 4797, enter the amount from line 9 instead.) . . . . .	6.	<u>0</u>
7. Subtract line 6 of this worksheet from line 5 of this worksheet. (If the result is less than zero, enter - 0- .)	7.	<u>0</u>

**Royalties and Rental Income from Personal Property**

8. Enter any royalty income from Schedule E, line 23d, plus any income from the rental of personal property shown on Form 1040, line 21 . . . . .	8.	<u>0</u>
9. Enter any expenses from Schedule E, line 20, related to royalty income, plus any expenses from the rental of personal property deducted on Form 1040, line 36 . . . . .	9.	<u>0</u>
10. Subtract the amount on line 9 of this worksheet from the amount on line 8. (If the result is less than zero, enter zero.) . . . . .	10.	<u>0</u>

**Passive Activities**

11. Enter the total of any net income from passive activities (such as income included on Schedule E, lines 26, 29a (col. (g)), 34a (col. (d)), or 40). (See instructions below for lines 11 and 12.) . . . . .	11.	<u>0</u>
12. Enter the total of any losses from passive activities (such as losses included on Schedule E, lines 26, 29b (col. (f)), 34b (col. (c)), or 40). (See instructions below for lines 11 and 12.) . . . . .	12.	<u>0</u>
13. Combine the amounts on lines 11 and 12 of this worksheet. (If the result is less than zero, enter - 0- .)	13.	<u>0</u>
14. Add the amounts on lines 1, 2, 3, 4, 7, 10, and 13. Enter the total. This is your Investment Income . . . . .	14.	<u>0</u>

15. Is the amount on line 14 more than \$3,150?

- Yes. You cannot take the credit.
- No. Go to Step 3 of the Form 1040 instructions for lines 64a and 64b to find out if you can take the credit (unless you are using this publication to find out if the you can take the credit; in that case, go to Rule 7, next.)

Instructions for lines 11 and 12. In figuring the amount to enter on lines 11 and 12, do not take into account any royalty income (or loss) included on line 26 of Schedule E or any amount included in your earned income. To find out if the income on line 26 or line 40 of Schedule E is from a passive activity, see the Schedule E instructions. If any of the rental real estate income (or loss) included on Schedule E, line 26, is not from a passive activity, print "NPA" and the amount of that income (or loss) on the dotted line next to line 26.

**Worksheet 2. Earned Income**

1. Enter amount from Form 1040, line 7* . . . . .	1.	<u>7,485</u>
2. Subtract, if included on line 7, any:		
• Taxable scholarship or fellowship grant not reported on a Form W-2.		
• Amount paid to an inmate in a penal institution for work (put "PRI" and the amount subtracted on the dotted line next to line 7 of Form 1040).		
• Amount received as a pension or annuity from a non qualified deferred compensation plan or a nongovernmental section 457 plan (put "DFC" and the amount subtracted on the dotted line next to line 7 of Form 1040). This amount may be shown in box 11 of the Form W-2. If taxpayer received such an amount but box 11 is blank, contact the employer for the amount received as a pension or annuity.	2.	<u>0</u>
3. Add all of your nontaxable combat pay (and your spouse's if filing jointly) if you elect to include it in earned income.** Also enter this amount on Form 1040, line 66b. See Combat pay, Nontaxable on this page . . . . .	3.	<u>0</u>
4. EARNED INCOME . . . . .	4.	<u>7,485</u>

\*Church Employees. Determine how much of the amount on Form 1040, line 7, was also reported on Schedule SE, line 5a. Subtract that amount from the amount on Form 1040, line 7, and enter the result on line 1.

\*\* The election cannot be made on the return of a taxpayer whose tax year ended before October 5, 2005, due to his or her death.

Clergy. The following instructions apply to ministers, members of religious orders who have not taken a vow of poverty, and Christian Science practitioners. If you are filing Schedule SE and the amount on line 2 of that schedule includes an amount that was also reported on Form 1040, line 7:

- Determine how much of the amount on Form 1040, line 7, was also reported on Schedule SE, line 2.
- Subtract that amount from the amount on Form 1040, line 7. Enter the result on line 1.

**Worksheet B. - Earned Income Credit (EIC) - Lines 64a and 64b**

**PART 1 Self-Employed and People With Church Employee Income Filing Schedule SE**

- 1a. Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies . . . . . 1a. \_\_\_\_\_
- b. Enter any amount from Schedule SE, Section B, line 4b, and line 5a . . . . . b. \_\_\_\_\_
- c. Combine lines 1a and 1b . . . . . c. \_\_\_\_\_
- d. Enter the amount from Schedule SE, Section A, line 6, or Section B, line 13, whichever applies . . . . . d. \_\_\_\_\_
- e. Subtract line 1d from 1c. . . . . e. \_\_\_\_\_

**PART 2 Self-Employed NOT Required to File Schedule SE**

- 2a. Enter any net farm profit (or loss) from Schedule F, line 34, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A\* . . . . . 2a. \_\_\_\_\_
- b. Enter any 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\* . . . . . b. \_\_\_\_\_
- c. Combine lines 2a and 2b . . . . . c. \_\_\_\_\_

**PART 3 Statutory Employees Filing Schedule C or C-EZ**

- 3. Enter the amount from Schedule C, line 1c, or Schedule C- EZ, line 1c, that you are filing as a statutory employee . . . . . 3. \_\_\_\_\_

**PART 4 All Filers Using EIC Worksheet B**

- 4a. Enter your earned income from Worksheet 2, line 4 . . . . . 4a. 7,485
- b. Combine lines 1e, 2c, 3, and 4a. **This is the total earned income.** . . . . . b. 7,485

5. If you have:
- 3 or more qualifying children, is line 4b less than \$43,998 (\$49,078 if married filing jointly)?
  - 2 qualifying children, is line 4b less than \$40,964 (\$46,044 if married filing jointly)?
  - 1 qualifying child, is line 4b less than \$36,052 (\$41,132 if married filing jointly)?
  - No qualifying children, is line 4b less than \$13,660 (\$18,740 if married filing jointly)?
- Yes.** Enter the amount from line 4b on line 6.  **No. STOP** You cannot take the credit.

**PART 5 All Filers Using Worksheet B**

- 6. Enter the total earned income from Part 4, line 4b, of this worksheet . . . . . 6. 7,485
- 7. Look up the amount on line 6 above in the EIC Table in the Appendix to find the credit. Enter the credit here. . . . . 7. 464  
If line 7 is zero, **STOP** You cannot take the credit.
- 8. Enter the amount from Form 1040, line 38. . . . . 8. 12,932
- 9. Are the amounts on lines 8 and 6 the same?  
 **Yes.** Skip line 10; enter the amount from line 7 on line 11.  **No.** Go to line 10.

**PART 6 Filers Who Answered "No" on Line 9**

10. If you have:
- No qualifying children, is the amount on line 8 less than \$7,600 (\$12,700 if married filing jointly)?
  - 1 or more qualifying children, is the amount on line 8 less than \$16,700 (\$21,800 if married filing jointly)?
- Yes.** Leave line 10 blank; enter the amount from line 7 on line 11.
- No.** Look up the amount on line 8 in the EIC Table in the Appendix to find the credit. Enter the credit here . . . . . 10. 56  
Look at the amounts on lines 10 and 7. Then, enter the **smaller** amount on line 11.

**PART 7 Your Earned Income Credit**

- 11. **This is the earned income credit** . . . . . 11. 56

Enter this amount on Form 1040, line 64a.

**Reminder -**

If you have a qualifying child, complete and attach Schedule EIC.



If your EIC for a year after 1996 was reduced or disallowed, see page 50 to find out if you must file Form 8862 to take the credit for 2011.