

SAMPLE RETURN

Tommy Fulltimer is a fulltimer serving in the church in Utopia. His wife Sally is a nurse. To prepare his income tax for 2022, Tommy gathered the following information.

I. Income:

W-2 for Sally for \$48,900
1099-NEC from the Southern Districts Campus Work for \$24,000
(100% designated as housing allowance)
1099-INT from American Bank for \$64
\$700 from the Church in Portsville – gave conference there June 6-9
\$1,100 from the FTT in Mulligan – taught there March 17-30. (The FTT paid for his plane ticket.)
\$200 from the Church in Bullwhip (Tommy had no contact with Bullwhip)
\$355 from offering box

Total received: \$75,319

Schedule C income:

So. Districts Chinese Work	24,000
Church in Portsville	700
FTT Mulligan	<u>1,100</u>
Total Schedule C income	25,800

II. Housing costs:

Mortgage: $12 \times \$1,105.02 = \$13,260.24$
Utilities: \$786.70
Real estate taxes: \$1412.12
Furnishings: Bought dishwasher for \$328.00
Repairs: \$226.75
Household supplies: \$111.36
Homeowners insurance: \$347.22
Cleaning service: \$1,080.00
Gardener: \$360.00
Wallpapering: \$261.82

Total housing costs: \$18,174.21

Excludible housing allowance: 16,734.21
(All costs except the cleaning service and the gardener)

III. Allocation:

$$\frac{\text{Exempt income (housing allowance)}}{\text{Total Schedule C income}} = \frac{16,734}{25,800} = 64.86\%$$

Disallowed portion: 64.86%

IV. Expenses

A. Auto expenses:

Gasoline:	\$2,297.68	Total mileage:	13,230
Insurance:	\$ 789.74	Business mileage:	8,793 (4,487 Jan – June)
Repairs:	\$ 653.39		
Auto Club:	\$ 65.00	Business use:	$\frac{8,793}{13,230} = 66.46\%$
Car washes:	\$ 80.00		
DMV:	\$ 338.00		

(Registration: \$78; VLF (personal property tax) \$260)

Total expenses: \$4,223.81

Interest on car loan: \$154.39

Parking (business): \$ 12.00

Standard mileage rate (2022): 4,487 x \$0.585 = 2,625 (Jan-Jun);
4306 x \$0.625 = 2,691 (Jul-Dec). Total: 5,316
plus the business portion of interest and taxes (154 + 260 = 414 x
66.46% = 275) plus parking (\$12) = 5,603

Actual expenses: \$4,224 + interest 154 = 4,378 X 66.46% = 2,910
depreciation 2,073 X 66.46% = 1,378
2,910 + 1,378 + parking \$12 = 4,300

The standard mileage rate is better.

B. Travel and Meals:

Airfare to Portsville: \$428.00

Per diem: Portsville – \$55/day x 3 days = \$165
Mulligan – \$98/day x 13 days = 1,274

Local meals (restaurant meals): \$352.47

Total meals: \$1791 (100% deductible in 2022)

C. Other expenses:

Home phone: \$734.24
(Basic rate: \$18.73/mo; business toll calls: \$29.57)
Cellular phone (business use): \$417.90
Internet: \$239.40
Total business phone: 686.87

Books:	\$ 325.63
Computer (business portion):	\$ 749.38
Supplies:	\$ 358.03
Conference fees:	\$ 370.00
Contributions:	\$ 2,650.00

Total expenses on Schedule C:

Auto	5,603	
Travel	428	
Meals	1,791	
Telephone	687	
Books	326	
Office Expense	749	(Computer deducted under de minimis safe harbor)
Supplies	358	
Conferences	<u>370</u>	
Total expenses (before allocation)	10,312	

D. Disallowed expenses

Total expenses 10,312 x 66.46% = 6,853 disallowed

Total deductible expenses: 10,312 – 6,853 = 3,459

V. Self-employment income:

Net income from Schedule C:	
Income	25,800
Less housing allowance	- 16,734
Less deductible expenses	<u>- 3,459</u>
Net Schedule C income	5,607

SE adjustment:	
Housing allowance:	16,734
Less disallowed expenses:	<u>- 6,689</u>
SE adjustment	10,045

SE income:	
Net Schedule C income	5,607
SE adjustment	<u>10,045</u>
Total SE Income	15,652

SE tax from Schedule SE	2,211
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Deduction for one-half SE tax	1,106
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VI. Qualified Business Income Deduction (QBID)

Schedule C income	5,607
Less SE tax deduction	<u>-1,106</u>
Qualified business income	4,501
	<u>X 20%</u>
QBI deduction	900

VI. Estimated taxes

Total tax from line 24	5,001
W-2 withholding	<u>- 3,269</u>
Shortage	1,732

Divided by 4	\$433/quarter
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Form **1040**

Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

2022

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

Filing Status

- Single
- Married filing jointly
- Married filing separately (MFS)
- Head of household (HOH)
- Qualifying surviving spouse (QSS)

Check only one box.

If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Your first name and middle initial TOMMY	Last name FULLTIMER	Your social security number ***-**-5678
If joint return, spouse's first name and middle initial SALLY	Last name FULLTIMER	Spouse's social security number ***-**-5568
Home address (number and street). If you have a P.O box, see instructions. 15578 MAPLE AVE		Apt. no.
City, town or post office. If you have a foreign address, also complete spaces below. UTOPIA		State CA
		ZIP code 95555
Foreign country name	Foreign province/state/county	Foreign postal code
		<input type="checkbox"/> You <input type="checkbox"/> Spouse

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.

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1958 Are blind **Spouse:** Was born before January 2, 1958 Is blind

Dependents (see instructions):	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions):	
If more than four dependents, see instr. and check here <input type="checkbox"/>	(1) First name	Last name	Child tax credit	Credit for other dependents

	Income		
	1a Total amount from Form(s) W-2, box 1 (see instructions)	48,900	1a
	b Household employee wages not reported on Form(s) W-2		1b
	c Tip income not reported on line 1a (see instructions)		1c
	d Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d
	e Taxable dependent care benefits from Form 2441, line 26		1e
	f Employer-provided adoption benefits from Form 8839, line 29		1f
	g Wages from Form 8919, line 6		1g
	h Other earned income (see instructions)		1h
	i Nontaxable combat pay election (see instructions) 1i		
	z Add lines 1a through 1h	48,900	1z
Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.	2a Tax-exempt interest		2a
	b Taxable interest	64	2b
Attach Sch. B if required.	3a Qualified dividends		3a
	b Ordinary dividends		3b
	4a IRA distributions		4a
	b Taxable amount		4b
	5a Pensions and annuities		5a
	b Taxable amount		5b
	6a Soc. sec. ben.		6a
	b Taxable amount		6b
	c If you elect to use the lump-sum election method, check here (see instructions) <input type="checkbox"/>		
	7 Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>		7
	8 Other income from Schedule 1, line 10	5,607	8
	9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	54,571	9
	10 Adjustments to income from Schedule 1, line 26	1,106	10
	11 Subtract line 10 from line 9. This is your adjusted gross income	53,465	11
	12 Standard deduction or itemized deductions (from Schedule A)	25,900	12
	13 Qualified business income deduction from Form 8995 or Form 8995-A	900	13
	14 Add lines 12 and 13	26,800	14
	15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income	26,665	15

Tax and Credits	16	Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972	16	2,790
	17	Amount from Schedule 2, line 3	17	
	18	Add lines 16 and 17	18	2,790
	19	Child tax credit or credit for other dependents from Schedule 8812	19	
	20	Amount from Schedule 3, line 8	20	
	21	Add lines 19 and 20	21	
	22	Subtract line 21 from line 18. If zero or less, enter -0-	22	2,790
	23	Other taxes, including self-employment tax, from Schedule 2, line 21	23	2,211
24	Add lines 22 and 23. This is your total tax	24	5,001	

Payments	25	Federal income tax withheld from:		
	a	Form(s) W-2	25a	3,269
	b	Form(s) 1099	25b	
	c	Other forms (see instructions)	25c	
	d	Add lines 25a through 25c	25d	3,269
	26	2022 estimated tax payments and amount applied from 2021 return	26	
	27	Earned income credit (EIC)	27	
	28	Additional child tax credit from Schedule 8812	28	
	29	American opportunity credit from Form 8863, line 8	29	
	30	Reserved for future use	30	
31	Amount from Schedule 3, line 15	31		
32	Add lines 27, 28, 29 and 31. These are your total other payments and refundable credits	32		
33	Add lines 25d, 26, and 32. These are your total payments	33	3,269	

Refund	34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34	
	35a	Amount of line 34 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	35a	
	b	Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	d	Account number <input type="text"/>		
36	Amount of line 34 you want applied to your 2023 estimated tax	36		

Amount You Owe	37	Subtract line 33 from line 24. This is the amount you owe . For details on how to pay, go to www.irs.gov/Payments or see instructions	37	1,732
	38	Estimated tax penalty (see instructions)	38	

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 **LINDA DONG, EA** Phone no. **626-288-8558** Personal identification number (PIN) **55719**

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 complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see instr.)
CHRISTIAN MINISTER		CHRISTIAN MINISTER	
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see instr.)
		NURSE	

Preparer's name	Preparer's signature	Date	PTIN	Check if:
LINDA DONG, EA		01/10/23	*****	<input checked="" type="checkbox"/> Self-employed
Firm's name	Firm's address		Firm's EIN	
LINDA DONG, EA	1734 Bluestone Ln Monterey Park CA 91755			

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2022

Attachment
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

TOMMY & SALLY FULLTIMER

Your social security number

*****-**-5678**

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions): _____		
3	Business income or (loss). Attach Schedule C	3	5,607
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss	8a	()
b	Gambling	8b	
c	Cancellation of debt	8c	
d	Foreign earned income exclusion from Form 2555	8d	()
e	Income from Form 8853	8e	
f	Income from Form 8889	8f	
g	Alaska Permanent Fund dividends	8g	
h	Jury duty pay	8h	
i	Prizes and awards	8i	
j	Activity not engaged in for profit income	8j	
k	Stock options	8k	
l	Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property	8l	
m	Olympic and Paralympic medals and USOC prize money (see instructions)	8m	
n	Section 951(a) inclusion (see instructions)	8n	
o	Section 951A(a) inclusion (see instructions)	8o	
p	Section 461(l) excess business loss adjustment	8p	
q	Taxable distributions from an ABLÉ account (see instructions)	8q	
r	Scholarship and fellowship grants not reported on Form W-2	8r	
s	Nontaxable amount of Medicaid waiver payments included on Form 1040, line 1a or 1d	8s	()
t	Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan	8t	
u	Wages earned while incarcerated	8u	
z	Other income. List type and amount: _____	8z	
9	Total other income. Add lines 8a through 8z	9	
10	Combine lines 1 through 7 and 9. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8	10	5,607

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

Schedule 1 (Form 1040) 2022

Part II Adjustments to Income

11	Educator expenses	11	
12	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106	12	
13	Health savings account deduction. Attach Form 8889	13	
14	Moving expenses for members of the Armed Forces. Attach Form 3903	14	
15	Deductible part of self-employment tax. Attach Schedule SE	15	1,106
16	Self-employed SEP, SIMPLE, and qualified plans	16	
17	Self-employed health insurance deduction	17	
18	Penalty on early withdrawal of savings	18	
19a	Alimony paid	19a	
b	Recipient's SSN		
c	Date of original divorce or separation agreement (see instructions):		
20	IRA deduction	20	
21	Student loan interest deduction	21	
22	Reserved for future use	22	
23	Archer MSA deduction	23	
24	Other adjustments:		
a	Jury duty pay (see instructions)	24a	
b	Deductible expenses related to income reported on line 8l from the rental of personal property engaged in for profit	24b	
c	Nontaxable amount of the value of Olympic and Paralympic medals and USOC prize money reported on line 8m	24c	
d	Reforestation amortization and expenses	24d	
e	Repayment of supplemental unemployment benefits under the Trade Act of 1974	24e	
f	Contributions to section 501(c)(18)(D) pension plans	24f	
g	Contributions by certain chaplains to section 403(b) plans	24g	
h	Attorney fees and court costs for actions involving certain unlawful discrimination claims (see instructions)	24h	
i	Attorney fees and court costs you paid in connection with an award from the IRS for information you provided that helped the IRS detect tax law violations	24i	
j	Housing deduction from Form 2555	24j	
k	Excess deductions of section 67(e) expenses from Schedule K-1 (Form 1041)	24k	
z	Other adjustments. List type and amount:	24z	
25	Total other adjustments. Add lines 24a through 24z	25	
26	Add lines 11 through 23 and 25. These are your adjustments to income . Enter here and on Form 1040 or 1040-SR, line 10, or Form 1040-NR, line 10a	26	1,106

**SCHEDULE 2
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Taxes

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2022

Attachment
Sequence No. **02**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

TOMMY & SALLY FULLTIMER

Your social security number

*****-**-5678**

Part I Tax

1	Alternative minimum tax. Attach Form 6251	1	
2	Excess advance premium tax credit repayment. Attach Form 8962	2	
3	Add lines 1 and 2. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 17	3	

Part II Other Taxes

4	Self-employment tax. Attach Schedule SE	4		2,211
5	Social security and Medicare tax on unreported tip income. Attach Form 4137	5		
6	Uncollected social security and Medicare tax on wages. Attach Form 8919	6		
7	Total additional social security and Medicare tax. Add lines 5 and 6	7		
8	Additional tax on IRAs or other tax-favored accounts. Attach Form 5329 if required. If not required, check here <input type="checkbox"/>	8		
9	Household employment taxes. Attach Schedule H	9		
10	Repayment of first-time homebuyer credit. Attach Form 5405 if required	10		
11	Additional Medicare Tax. Attach Form 8959	11		
12	Net investment income tax. Attach Form 8960	12		
13	Uncollected social security and Medicare or RRTA tax on tips or group-term life insurance from Form W-2, box 12	13		
14	Interest on tax due on installment income from the sale of certain residential lots and timeshares	14		
15	Interest on the deferred tax on gain from certain installment sales with a sales price over \$150,000	15		
16	Recapture of low-income housing credit. Attach Form 8611	16		

(continued on page 2)

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

Schedule 2 (Form 1040) 2022

Part II Other Taxes (continued)

17 Other additional taxes:			
a Recapture of other credits. List type, form number, and amount: _____	17a		
b Recapture of federal mortgage subsidy, if you sold your home see instructions _____	17b		
c Additional tax on HSA distributions. Attach Form 8889 _____	17c		
d Additional tax on an HSA because you didn't remain an eligible individual. Attach Form 8889 _____	17d		
e Additional tax on Archer MSA distributions. Attach Form 8853 _____	17e		
f Additional tax on Medicare Advantage MSA distributions. Attach Form 8853 _____	17f		
g Recapture of a charitable contribution deduction related to a fractional interest in tangible personal property _____	17g		
h Income you received from a nonqualified deferred compensation plan that fails to meet the requirements of section 409A _____	17h		
i Compensation you received from a nonqualified deferred compensation plan described in section 457A _____	17i		
j Section 72(m)(5) excess benefits tax _____	17j		
k Golden parachute payments _____	17k		
l Tax on accumulation distribution of trusts _____	17l		
m Excise tax on insider stock compensation from an expatriated corporation _____	17m		
n Look-back interest under section 167(g) or 460(b) from Form 8697 or 8866 _____	17n		
o Tax on non-effectively connected income for any part of the year you were a nonresident alien from Form 1040-NR _____	17o		
p Any interest from Form 8621, line 16f, relating to distributions from, and dispositions of, stock of a section 1291 fund _____	17p		
q Any interest from Form 8621, line 24 _____	17q		
z Any other taxes. List type and amount: _____	17z		
18 Total additional taxes. Add lines 17a through 17z _____		18	
19 Reserved for future use _____		19	
20 Section 965 net tax liability installment from Form 965-A _____	20		
21 Add lines 4, 7 through 16, and 18. These are your total other taxes . Enter here and on Form 1040 or 1040-SR, line 23, or Form 1040-NR, line 23b _____		21	2,211

SCHEDULE C

(Form 1040)

Profit or Loss From Business

(Sole Proprietorship)

OMB No. 1545-0074

2022

Attachment Sequence No. **09**

Department of the Treasury
Internal Revenue Service

Go to www.irs.gov/ScheduleC for instructions and the latest information.
Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor **TOMMY FULLTIMER** Social security number (SSN) *****-**-5678**

A Principal business or profession, including product or service (see instructions) **CHRISTIAN MINISTRY** **B** Enter code from instructions **541990**

C Business name. If no separate business name, leave blank. **D** Employer ID number (EIN) (see instr.)

E Business address (including suite or room no.) **15578 MAPLE AVE**
City, town or post office, state, and ZIP code **UTOPIA CA 95555**

F Accounting method: (1) Cash (2) Accrual (3) Other (specify)

G Did you "materially participate" in the operation of this business during 2022? If "No," see instructions for limit on losses Yes No

H If you started or acquired this business during 2022, check here

I Did you make any payments in 2022 that would require you to file Form(s) 1099? See instructions Yes No

J If "Yes," did you or will you file required Form(s) 1099? Yes No

Part I Income

1 Gross receipts or sales. See instructions for line 1 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 <input type="checkbox"/>	1	25,800
2 Returns and allowances	2	16,734
3 Subtract line 2 from line 1	3	9,066
4 Cost of goods sold (from line 42)	4	
5 Gross profit. Subtract line 4 from line 3	5	9,066
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7 Gross income. Add lines 5 and 6	7	9,066

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

8 Advertising	8		18 Office expense (see instructions)	18	749
9 Car and truck expenses (see instructions)	9	5,603	19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21 Repairs and maintenance	21	
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	358
15 Insurance (other than health)	15		23 Taxes and licenses	23	
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	428
b Other	16b		b Deductible meals (see instructions)	24b	1,791
17 Legal and professional services	17		25 Utilities	25	
			26 Wages (less employment credits)	26	
			27a Other expenses (from line 48)	27a	-5,470
			b Reserved for future use	27b	

28 **Total expenses** before expenses for business use of home. Add lines 8 through 27a **3,459**

29 Tentative profit or (loss). Subtract line 28 from line 7 **5,607**

30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions.
Simplified method filers only: Enter the total square footage of (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30 **30**

31 **Net profit or (loss).** Subtract line 30 from line 29. **5,607**

- If a profit, enter on both **Schedule 1 (Form 1040), line 3**, and on **Schedule SE, line 2**. (If you checked the box on line 1, see instructions.) Estates and trusts, enter on **Form 1041, line 3**.
- If a loss, you **must** go to line 32.

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 **Schedule 1 (Form 1040), line 3**, and on **Schedule SE, line 2**. (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.

TOMMY FULLTIMER

***-**-5678

Schedule C (Form 1040) 2022

CHRISTIAN MINISTRY

Part III Cost of Goods Sold (see instructions)

33	Method(s) used to value closing inventory: a <input type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)	
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input type="checkbox"/> No
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35
36	Purchases less cost of items withdrawn for personal use	36
37	Cost of labor. Do not include any amounts paid to yourself	37
38	Materials and supplies	38
39	Other costs	39
40	Add lines 35 through 39	40
41	Inventory at end of year	41
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43	When did you place your vehicle in service for business purposes? (month/day/year)	01/01/19
44	Of the total number of miles you drove your vehicle during 2022, enter the number of miles you used your vehicle for:	
a	Business	8,793
b	Commuting (see instructions)	
c	Other	4,437
45	Was your vehicle available for personal use during off-duty hours?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
46	Do you (or your spouse) have another vehicle available for personal use?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
47a	Do you have evidence to support your deduction?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," is the evidence written?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

BOOKS AND PUBLICATIONS	326
CONFERENCE FEES	370
BUSINESS TELEPHONE	687
EXP RELATED TO EXEMPT INCOME	-6,853

48 Total other expenses. Enter here and on line 27a	48	-5,470
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**SCHEDULE SE
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Self-Employment Tax

Go to www.irs.gov/ScheduleSE for instructions and the latest information.

Attach to Form 1040, 1040-SR, or 1040-NR.

OMB No. 1545-0074

2022

Attachment
Sequence No. **17**

Name of person with self-employment income (as shown on Form 1040, 1040-SR, or 1040-NR)

Social security number of person

TOMMY FULLTIMER

with **self-employment** income *****-**-5678**

Part I Self-Employment Tax

Note: If your only income subject to self-employment tax is **church employee income**, see instructions for how to report your income and the definition of church employee income.

A If you are a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361, but you had \$400 or more of **other** net earnings from self-employment, check here and continue with Part I

Skip lines 1a and 1b if you use the farm optional method in Part II. See instructions.

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A **1a**

b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code AH **1b** ()

Skip line 2 if you use the nonfarm optional method in Part II. See instructions.

2 Net profit or (loss) from Schedule C, line 31; and Schedule K-1 (Form 1065), box 14, code A (other than farming). See instructions for other income to report or if you are a minister or member of a religious order **2 15,652**

3 Combine lines 1a, 1b, and 2 **3 15,652**

4a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3 **4a 14,455**

Note: If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.

b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here **4b**

c Combine lines 4a and 4b. If less than \$400, **stop**; you don't owe self-employment tax. **Exception:** If less than \$400 and you had **church employee income**, enter -0- and continue **4c 14,455**

5a Enter your **church employee income** from Form W-2. See instructions for definition of church employee income **5a**

b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0- **5b 0**

6 Add lines 4c and 5b **6 14,455**

7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2022 **7 147,000**

8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$147,000 or more, skip lines 8b through 10, and go to line 11 **8a**

b Unreported tips subject to social security tax from Form 4137, line 10 **8b**

c Wages subject to social security tax from Form 8919, line 10 **8c**

d Add lines 8a, 8b, and 8c **8d**

9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 **9 147,000**

10 Multiply the **smaller** of line 6 or line 9 by 12.4% (0.124) **10 1,792**

11 Multiply line 6 by 2.9% (0.029) **11 419**

12 **Self-employment tax.** Add lines 10 and 11. Enter here and on **Schedule 2 (Form 1040), line 4** **12 2,211**

13 **Deduction for one-half of self-employment tax.** Multiply line 12 by 50% (0.50). Enter the result here and on **Schedule 1 (Form 1040), line 15** **13 1,106**

Part II Optional Methods To Figure Net Earnings (see instructions)

Farm Optional Method. You may use this method **only** if **(a)** your gross farm income¹ wasn't more than \$9,060, **or (b)** your net farm profits² were less than \$6,540.

14 Maximum income for optional methods **14 6,040**

15 Enter the **smaller** of: two-thirds (²/₃) of gross farm income¹ (not less than zero) **or** \$6,040. Also include this amount on line 4b above **15**

Nonfarm Optional Method. You may use this method **only** if **(a)** your net nonfarm profits³ were less than \$6,540 and also less than 72.189% of your gross nonfarm income,⁴ **and (b)** you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution:** You may use this method no more than five times.

16 Subtract line 15 from line 14 **16**

17 Enter the **smaller** of: two-thirds (²/₃) of gross nonfarm income⁴ (not less than zero) **or** the amount on line 16. Also, include this amount on line 4b above **17**

¹ From Sch. F, line 9; and Sch. K-1 (Form 1065), box 14, code B.

³ From Sch. C, line 31; and Sch. K-1 (Form 1065), box 14, code A.

² From Sch. F, line 34; and Sch. K-1 (Form 1065), box 14, code A — minus the amount you would have entered on line 1b had you not used the optional method.

⁴ From Sch. C, line 7; and Sch. K-1 (Form 1065), box 14, code C.

Form **8995**

Qualified Business Income Deduction Simplified Computation

OMB No. 1545-2294

2022

Department of the Treasury
Internal Revenue Service

Attach to your tax return.

Attachment
Sequence No. **55**

Go to www.irs.gov/Form8995 for instructions and the latest information.

Name(s) shown on return

TOMMY & SALLY FULLTIMER

Your taxpayer identification number

*****-**-5678**

Note. You can claim the qualified business income deduction only if you have qualified business income from a qualified trade or business, real estate investment trust dividends, publicly traded partnership income, or a domestic production activities deduction passed through from an agricultural or horticultural cooperative. See instructions.

Use this form if your taxable income, before your qualified business income deduction, is at or below \$170,050 (\$340,100 if married filing jointly), and you aren't a patron of an agricultural or horticultural cooperative.

1	(a) Trade, business, or aggregation name	(b) Taxpayer identification number	(c) Qualified business income or (loss)
i	CHRISTIAN MINISTRY	***-**-5678	4,501
ii			
iii			
iv			
v			
2	Total qualified business income or (loss). Combine lines 1i through 1v, column (c)	4,501	
3	Qualified business net (loss) carryforward from the prior year	()	
4	Total qualified business income. Combine lines 2 and 3. If zero or less, enter -0-	4,501	
5	Qualified business income component. Multiply line 4 by 20% (0.20)		900
6	Qualified REIT dividends and publicly traded partnership (PTP) income or (loss) (see instructions)		
7	Qualified REIT dividends and qualified PTP (loss) carryforward from the prior year	()	
8	Total qualified REIT dividends and PTP income. Combine lines 6 and 7. If zero or less, enter -0-	0	
9	REIT and PTP component. Multiply line 8 by 20% (0.20)		
10	Qualified business income deduction before the income limitation. Add lines 5 and 9		900
11	Taxable income before qualified business income deduction (see instructions)	27,565	
12	Net capital gain (see instructions)		
13	Subtract line 12 from line 11. If zero or less, enter -0-	27,565	
14	Income limitation. Multiply line 13 by 20% (0.20)		5,513
15	Qualified business income deduction. Enter the smaller of line 10 or line 14. Also enter this amount on the applicable line of your return (see instructions)		900
16	Total qualified business (loss) carryforward. Combine lines 2 and 3. If greater than zero, enter -0-	(0)	
17	Total qualified REIT dividends and PTP (loss) carryforward. Combine lines 6 and 7. If greater than zero, enter -0-	()	

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8995** (2022)

Form 1040	Auto Worksheet	2022
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Name **TOMMY & SALLY FULLTIMER** Taxpayer Identification Number *****-**-5678**

Description **CHRISTIAN MINISTRY** Form/Schedule **C** Unit number **1**

	Asset Listing Number	Date	Description
Vehicle 1	4	01/01/19	TOYOTA CAMRY
Vehicle 2			
Vehicle 3			
Vehicle 4			

General Information

	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4
1. Total mileage	13,230			
2a. Business miles before 7/1 (58.5 cents per mile)	4,487			
2b. Business miles after 6/30 (62.5 cents per mile)	4,306			
3. Commuting mileage				
4. Other mileage	4,437			
5. Business use percentage	66.46 %	%	%	%

Actual Expenses

6. Parking fees and tolls	12			
7 a. Gasoline	2,298			
b. Oil				
c. Repairs	653			
d. Maintenance				
e. Tires				
f. Car washes	80			
g. Insurance	790			
h. Interest	154			
i. Registration	78			
j. Licenses				
k. Property taxes	260			
l. Other vehicle expenses	65			
m. Vehicle rentals (net of inclusion amount)				
8. Total expenses. Add lines 7a - 7m	4,378			
9. Business use percentage from line 5	66.46 %	%	%	%
10. Business use portion of actual expenses	2,910			
11. Depreciation	1,378			
12. Total actual expense allowable. Add lines 6, 10 and 11	4,300			

Standard Mileage Rate Method

13. Business mileage (line 2) multiplied by applicable rate	5,316			
14. Parking fees and tolls from line 6	12			
15. Line 7h and 7k (Int & taxes) multiplied by bus pct (line 5)	275			
16. Standard mileage rate	5,603			

Allowable Deduction	Vehicle expense 5,603	Vehicle rentals	Vehicle depreciation	Total allowable deduction 5,603
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