

Caution: DRAFT FORM

This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site (www.irs.gov).

If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

**Social Security and Medicare Tax
 on Unreported Tip Income**
 ▶ See instructions on back.
 ▶ Attach to Form 1040.

Name of person who received tips (as shown on Form 1040). If married, complete a separate Form 4137 for each spouse with unreported tips. **Social security number**

Name(s) of employer(s) to whom you were required to, but did not, report your tips:

1	Total cash and charge tips you received in 2006 (see instructions)	1		
2	Total cash and charge tips you reported to your employer in 2006	2		
3	Subtract line 2 from line 1. This amount is income you must include in the total on Form 1040, line 7	3		
4	Cash and charge tips you received but did not report to your employer because the total was less than \$20 in a calendar month (see instructions)	4		
5	Unreported tips subject to Medicare tax. Subtract line 4 from line 3. Enter here and on line 2 of Schedule U below	5		
6	Maximum amount of wages (including tips) subject to social security tax	6	94,200	00
7	Total social security wages and social security tips (total of boxes 3 and 7 on Form(s) W-2) or railroad retirement (tier 1) compensation	7		
8	Subtract line 7 from line 6. If line 7 is more than line 6, enter -0- here and on line 9 and go to line 11	8		
9	Unreported tips subject to social security tax. Enter the smaller of line 5 or line 8 here and on line 1 of Schedule U below. If you received tips as a federal, state, or local government employee, see instructions	9		
10	Multiply line 9 by .062	10		
11	Multiply line 5 by .0145	11		
12	Add lines 10 and 11. Enter the result here and on Form 1040, line 59 ▶	12		

For Paperwork Reduction Act Notice, see instructions on back. Form **4137** (2006)

Do Not Detach

**SCHEDULE U
 (Form 1040)** **U.S. Schedule of Unreported Tip Income** **2006**
 Department of the Treasury For crediting to your social security record

Note: The amounts you report below are for your social security record. This record is used to figure any benefits, based on your earnings, payable to you and your dependents or your survivors. Fill in each item accurately and completely.

Print or type name of person who received tip income (as shown on Form 1040) **Social security number**

Address (number, street, and apt. no., or P.O. box if mail is not delivered to your home) Occupation

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

1	Unreported tips subject to social security tax. Enter the amount from line 9 (Form 4137) above ▶	1		
2	Unreported tips subject to Medicare tax. Enter the amount from line 5 (Form 4137) above ▶	2		

Please do not write in this space

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