

Department of the Treasury Internal Revenue Service

U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), or Puerto Rico. For the year Jan. 1-Dec. 31, 2007, or other tax year beginning , 2007, and ending , 2007.

2007

2008

Personal information section including name, address, and social security numbers.

Part I Total Tax and Credits

- 1 Filing status. Check the box for your filing status. See page 4 of the instructions.
2 Qualifying children. Complete only if you are a bona fide resident of Puerto Rico and you are claiming the additional child tax credit.

Table with 4 columns: (a) First name, Last name, (b) Child's social security number, (c) Child's relationship to you.

Summary section with lines 3 through 14, including tax amounts and credits.

Third Party Designee section with fields for name, phone, and identification number.

Sign Here section with signature lines for taxpayer and spouse, and date/phone number fields.

Paid Preparer's Use Only section with fields for preparer's signature, date, SSN/PTIN, and firm information.

2008

2008

2009

2008

**Part II Bona Fide Residents of Puerto Rico Claiming Additional Child Tax Credit**—See page 5 of the instructions.

|   |  |   |  |  |
|---|--|---|--|--|
| 1 | Income derived from sources within Puerto Rico . . . . .   | 1 |  |  |
| 2 | Withheld social security and Medicare taxes from Forms 499R-2/W-2PR (attach copy of form(s))   | 2 |  |  |
| 3 | <b>Additional child tax credit.</b> Use the worksheet on page 6 of the instructions to figure the amount to enter here and on page 1, line 8 . . . . . | 3 |  |  |

**Part III Profit or Loss From Farming** --See the instructions for Schedule F (Form 1040)

|                    |                        |
|--------------------|------------------------|
| Name of proprietor | Social security number |
|--------------------|------------------------|

**Note.** If you are filing a joint return and both you and your spouse had a profit or loss from farming, you must **each** complete and attach a **separate** Part III (see *Joint returns* on page 4 of the instructions).

**Section A—Farm Income—Cash Method**

Complete Sections A and B. (Accrual method taxpayers, complete Sections B and C, and Section A, line 11.)  
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes.

|    |  |    |                |  |
|----|--|----|----------------|--|
| 1  | Sales of livestock and other items you bought for resale . . . . .   | 1  |                |  |
| 2  | Cost or other basis of livestock and other items reported on line 1  | 2  |                |  |
| 3  | Subtract line 2 from line 1 . . . . .  | 3  |                |  |
| 4  | Sales of livestock, produce, grains, and other products you raised . . . . .   | 4  |                |  |
| 5a | Total cooperative distributions (Form(s) 1099-PATR). . . . .   | 5a |                |  |
|    |  | 5b | Taxable amount |  |
| 6  | Agricultural program payments received . . . . .   | 6  |                |  |
| 7  | Commodity Credit Corporation loans reported under election (or forfeited). . . . .   | 7  |                |  |
| 8  | Crop insurance proceeds . . . . .  | 8  |                |  |
| 9  | Custom hire (machine work) income . . . . .  | 9  |                |  |
| 10 | Other income . . . . .   | 10 |                |  |
| 11 | <b>Gross farm income.</b> Add amounts in the right column for lines 3 through 10. If accrual method taxpayer, enter the amount from Section C, line 50 . . . . . | 11 |                |  |

**Section B—Farm Expenses—Cash and Accrual Method**

Do not include personal or living expenses (such as taxes, insurance, or repairs on your home) that did not produce farm income. Reduce the amount of your farm expenses by any reimbursements before entering the expenses below.

|    |  |     |  |  |    |  |     |  |  |
|----|--|-----|--|--|----|--|-----|--|--|
| 12 | Car and truck expenses (attach <b>Form 4562</b> ) . . . . .  | 12  |  |  | 25 | Pension and profit-sharing plans . . . . .   | 25  |  |  |
| 13 | Chemicals . . . . .  | 13  |  |  | 26 | Rent or lease:                               |     |  |  |
| 14 | Conservation expenses . . . . .  | 14  |  |  | a  | Vehicles, machinery, and equipment . . . . . | 26a |  |  |
| 15 | Custom hire (machine work)   | 15  |  |  | b  | Other (land, animals, etc.)                  | 26b |  |  |
| 16 | Depreciation and section 179 expense deduction not claimed elsewhere (attach <b>Form 4562</b> if required) . . . . . | 16  |  |  | 27 | Repairs and maintenance                      | 27  |  |  |
| 17 | Employee benefit programs other than on line 25. . . . .   | 17  |  |  | 28 | Seeds and plants purchased                   | 28  |  |  |
| 18 | Feed purchased . . . . .   | 18  |  |  | 29 | Storage and warehousing                      | 29  |  |  |
| 19 | Fertilizers and lime . . . . .   | 19  |  |  | 30 | Supplies purchased . . . . .                 | 30  |  |  |
| 20 | Freight and trucking . . . . .   | 20  |  |  | 31 | Taxes . . . . .                              | 31  |  |  |
| 21 | Gasoline, fuel, and oil . . . . .  | 21  |  |  | 32 | Utilities . . . . .                          | 32  |  |  |
| 22 | Insurance (other than health)  | 22  |  |  | 33 | Veterinary, breeding, and medicine . . . . . | 33  |  |  |
| 23 | Interest:  |     |  |  | 34 | Other expenses (specify):                    |     |  |  |
| a  | Mortgage (paid to banks, etc.)   | 23a |  |  | a  | .....  | 34a |  |  |
| b  | Other . . . . .  | 23b |  |  | b  | .....  | 34b |  |  |
| 24 | Labor hired . . . . .  | 24  |  |  | c  | .....  | 34c |  |  |
|    |  |     |  |  | d  | .....  | 34d |  |  |
|    |  |     |  |  | e  | .....  | 34e |  |  |
| 35 | <b>Total expenses.</b> Add lines 12 through 34e . . . . .  | 35  |  |  |    |  | 35  |  |  |
| 36 | <b>Net farm profit or (loss).</b> Subtract line 35 from line 11. Enter the result here and in Part V, line 1         | 36  |  |  |    |  | 36  |  |  |

Section C—Farm Income—Accrual Method

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes on any of the lines below.

Table with 5 columns: Line number, Description, Sub-column, Line number, and Amount. Rows include Sales of livestock (37), Total cooperative distributions (38a), Agricultural program payments (39), Commodity Credit Corporation loans (40), Crop insurance proceeds (41), Custom hire (42), Other farm income (43), Inventory of livestock (45-48), and Gross farm income (50).

\*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 48 is larger than the amount on line 47, subtract line 47 from line 48. Enter the result on line 49. Add lines 44 and 49. Enter the total on line 50 and on Part III, line 11.

Part IV Profit or Loss From Business (Sole Proprietorship) --See the instructions for Schedule C (Form 1040)

Name of proprietor Social security number

Note. If you are filing a joint return and both you and your spouse had a profit or loss from a business, you must each complete and attach a separate Part IV (see Joint returns on page 4 of the instructions).

Section A—Income

Table with 5 columns: Line number, Description, Sub-column, Line number, and Amount. Rows include Gross receipts (1), Inventory at beginning (2a-2g), Gross profit (3), Other income (4), and Gross income (5).

Section B—Expenses

Table with 5 columns: Line number, Description, Sub-column, Line number, and Amount. Rows include Advertising (6), Car and truck expenses (7), Commissions and fees (8), Contract labor (9), Depletion (10), Depreciation (11), Employee benefit programs (12), Insurance (13), Interest (14), Legal services (15), Office expense (16), Pension (17), Rent or lease (18a-18b), Repairs (19), Supplies (20), Taxes (21), Travel (22a-22b), Utilities (23), Wages (24), Other expenses (25a-25b), Total expenses (26), and Net profit or loss (27).

**Part V Self-Employment Tax**—If you had church employee income, see page 3 of the instructions before you begin.

|  |  |
|--|--|
| Name of person with self-employment income | Social security number of person with self-employment income ▶ |
|--|--|

**Note.** If you are filing a joint return and both you and your spouse had self-employment income, you must **each** complete a separate Part V.

**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 V

|  |           |                   |         |
|--|-----------|-------------------|---------|
| <b>1</b> Net farm profit or (loss) from Part III, line 36, and your distributive share from farm partnerships. <b>Note.</b> Skip this line if you use the farm optional method (see page 7 of the instructions)  | <b>1</b>  |                   |         |
| <b>2</b> Net nonfarm profit or (loss) from Part IV, line 27, and your distributive share from nonfarm partnerships. Ministers and members of religious orders, see page 3 for amounts to report on this line. See page 6 for other income to report. <b>Note.</b> Skip this line if you use the nonfarm optional method (see page 8 of the instructions) | <b>2</b>  |                   |         |
| <b>3</b> Combine lines 1 and 2   | <b>3</b>  |                   |         |
| <b>4a</b> If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3  | <b>4a</b> |                   |         |
| <b>b</b> If you elect one or both of the optional methods, enter the total of lines 2 and 4 of Part VI here  | <b>4b</b> |                   |         |
| <b>c</b> Combine lines 4a and 4b. If less than \$400, <b>stop</b> ; you do not owe self-employment tax. <b>Exception.</b> If less than \$400 and you had church employee income, enter -0- and continue ▶  | <b>4c</b> |                   |         |
| <b>5a</b> Enter your church employee income from Form(s) W-2, W-2AS, W-2CM, W-2GU, W-2VI, or 499R-2/W-2PR. See page 3 for definition of church employee income   | <b>5a</b> |                   |         |
| <b>b</b> Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-   | <b>5b</b> |                   |         |
| <b>6</b> Net earnings from self-employment. Add lines 4c and 5b ▶  | <b>6</b>  |                   |         |
| <b>7</b> Maximum amount of combined wages and self-employment earnings subject to social security tax for 2007   | <b>7</b>  | <del>97,500</del> | 00      |
| <b>8a</b> Total social security wages and tips from Form(s) W-2, W-2AS, W-2CM, W-2GU, W-2VI, or 499R-2/W-2PR. If <del>97,500</del> or more, skip lines 8b through 10, and go to line 11  | <b>8a</b> |                   | 102,000 |
| <b>b</b> Unreported tips subject to social security tax from Form 4137, line 9 (see page 7 of the instructions)  | <b>8b</b> |                   |         |
| <b>c</b> Wages subject to social security tax from Form 8919, line 10 (see page 7 of the instructions)   | <b>8c</b> |                   |         |
| <b>d</b> Add lines 8a, 8b, and 8c  | <b>8d</b> |                   |         |
| <b>9</b> Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 ▶  | <b>9</b>  |                   |         |
| <b>10</b> Multiply the smaller of line 6 or line 9 by 12.4% (.124)   | <b>10</b> |                   |         |
| <b>11</b> Multiply line 6 by 2.9% (.029)   | <b>11</b> |                   |         |
| <b>12</b> Self-employment tax. Add lines 10 and 11. Enter here and on line 3 of Part I   | <b>12</b> |                   |         |

2008

102,000

**Part VI Optional Methods To Figure Net Earnings**—See pages 7 and 8 of the instructions for limitations.

**Note.** If you are filing a joint return and both you and your spouse choose to use an optional method to figure net earnings, you must **each** complete and attach a separate Part VI.

|  |          |       |    |
|--|----------|-------|----|
| <b>Farm Optional Method</b>  |          |       |    |
| <b>1</b> Maximum income for optional methods   | <b>1</b> | 1,600 | 00 |
| <b>2</b> Enter the smaller of: two-thirds (2/3) of gross farm income (Part III, line 11, plus your distributive share from farm partnerships), but not less than zero; or \$1,600. Also include this amount on Part V, line 4b, above                                  | <b>2</b> |       |    |
| <b>Nonfarm Optional Method</b>   |          |       |    |
| <b>3</b> Subtract line 2 from line 1   | <b>3</b> |       |    |
| <b>4</b> Enter the smaller of: two-thirds (2/3) of gross nonfarm income (Part IV, line 5, plus your distributive share from nonfarm partnerships), but not less than zero; or the amount on Part VI, line 3, above. Also include this amount on Part V, line 4b, above | <b>4</b> |       |    |