

TAX YEAR: 2019

PROCESS DATE: 12/17/2019

CLIENT : 257-00-4723 MIKE E SATCHER
SPOUSE : 253-00-4714 SHEILA A SATCHER

BIRTH DATE : 03/10/1970 Age:49
BIRTH DATE : 01/15/1972 Age:47

ADDRESS : 1462 ELLIS ST
: AUGUSTA GA 30906

PREPARER : 0

Phone #1: (706) 868-1298

Phone #2: -

Phone #3: -

STATUS : 2

FED TYPE: Regular Tax

ST TYPE : Regular Tax

E-MAIL : SATCHMO@HOTMAIL.COM

PREPARER FEE :

ELECTRONIC :

TOTAL FEES :

EFFECTIVE RATE: 1.04%

DEPENDENT NAME	BIRTH DATE	AGE	SSN	RELATIONSHIP	MONTHS
LAUREN W SATCHER	03/01/1999	20	254-00-4568	DAUGHTER	12

LISTING OF FORMS FOR THIS RETURN

FORM 1040

SCHEDULE 1 (ADDITIONAL INCOME AND ADJUSTMENTS TO INCOME)

SCHEDULE 3 (NONREFUNDABLE CREDITS)

FORM 1099-R (RETIREMENT DISTRIBUTIONS)

SCHEDULE A (ITEMIZED DEDUCTIONS)

SCHEDULE D (CAPITAL GAINS/LOSSES)

FORM 5329 (TAX ON EARLY RETIREMENT DISTRIBUTIONS)

CHILD TAX CREDIT WORKSHEET

FORM 8863 (EDUCATION CREDITS)

FORM 8867 (DUE DILIGENCE CHECKLIST)

FORM 8949 (SALES AND OTHER DISPOSITIONS OF CAPITAL ASSETS)

STUDENT LOAN INTEREST DEDUCTION WORKSHEET

SALE OF HOME WORKSHEET

* QUICK SUMMARY *

SUMMARY	FEDERAL
FILING STATUS	2
TOTAL INCOME	124900
TOTAL ADJUSTMENTS	2500
ADJUSTED GROSS INCOME	122400
DEDUCTIONS	27241
EXEMPTIONS	0
TAXABLE INCOME	95159
TAX	2989
CREDITS	2000
PAYMENTS	4500
REFUND	3511
AMOUNT DUE	0

CLIENT : MIKE SATCHER
SPOUSE : SHEILA SATCHER

257-00-4723
253-00-4714

PREPARER : 0 DATE : 12/17/2019

* 1099-R INCOME FORMS SUMMARY *

	[T/S]	PAYER	GROSS DIST	TAXABLE AMT	FED WITH	STATE WITH ST
1.	T	EAGLE FINANCIAL	35000	35000	3500	0 GA
		TOTALS.....	35000	35000	3500	0

Filing Status ☐ Single ☒ Married filing jointly ☐ Married filing separately (MFS) ☐ Head of household (HOH) ☐ Qualifying widow(er) (QW)

Check only one box. If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial MIKE E		Last name SATCHER	Your social security number 257-00-4723
If joint return, spouse's first name and middle initial SHEILA A		Last name SATCHER	Spouse's social security number 253-00-4714
Home address (number and street). If you have a P.O. box, see instructions. 1462 ELLIS ST			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
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). AUGUSTA, GA 30906			
Foreign country name		Foreign province/state/county	Foreign postal code
If more than four dependents, see instructions and ✓ here ▶ ☐			

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, 1955 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1955 ☐ Is blind

Dependents (see instructions):		(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions):	
(1) First name	Last name			Child tax credit	Credit for other dependents
LAUREN W	SATCHER	254-00-4568	DAUGHTER	☐	☒
				☐	☐
				☐	☐
				☐	☐

Standard Deduction for—

- Single or Married filing separately, \$12,200
- Married filing jointly or Qualifying widow(er), \$24,400
- Head of household, \$18,350
- If you checked any box under **Standard Deduction**, see instructions.

1 Wages, salaries, tips, etc. Attach Form(s) W-2		1	
2a Tax-exempt interest	2a	b Taxable interest. Attach Sch. B if required	2b
3a Qualified dividends	3a	b Ordinary dividends. Attach Sch. B if required	3b
4a IRA distributions	4a	b Taxable amount	4b 35000
c Pensions and annuities	4c	d Taxable amount	4d
5a Social security benefits	5a	b Taxable amount	5b
6 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐			6 89900
7a Other income from Schedule 1, line 9			7a
b Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your total income ▶			7b 124900
8a Adjustments to income from Schedule 1, line 22			8a 2500
b Subtract line 8a from line 7b. This is your adjusted gross income ▶			8b 122400
9 Standard deduction or itemized deductions (from Schedule A)	9 27241		
10 Qualified business income deduction. Attach Form 8995 or Form 8995-A	10		
11a Add lines 9 and 10			11a 27241
b Taxable income. Subtract line 11a from line 8b. If zero or less, enter -0-			11b 95159

12a	Tax (see inst.) Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐ _____	12a	2989																	
b	Add Schedule 2, line 3, and line 12a and enter the total	12b	2989																	
13a	Child tax credit or credit for other dependents	13a	500																	
b	Add Schedule 3, line 7, and line 13a and enter the total	13b	2000																	
14	Subtract line 13b from line 12b. If zero or less, enter -0-	14	989																	
15	Other taxes, including self-employment tax, from Schedule 2, line 10	15	0																	
16	Add lines 14 and 15. This is your total tax	16	989																	
17	Federal income tax withheld from Forms W-2 and 1099 FORM 1099	17	3500																	
18	Other payments and refundable credits:																			
a	Earned income credit (EIC)	18a																		
b	Additional child tax credit. Attach Schedule 8812	18b																		
c	American opportunity credit from Form 8863, line 8	18c	1000																	
d	Schedule 3, line 14	18d																		
e	Add lines 18a through 18d. These are your total other payments and refundable credits	18e	1000																	
19	Add lines 17 and 18e. These are your total payments	19	4500																	
Refund	20 If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you overpaid	20	3511																	
	21a Amount of line 20 you want refunded to you . If Form 8888 is attached, check here ☐	21a	3511																	
Direct deposit? See instructions.	b Routing number <table border="1"><tr><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td></tr></table> c Type: ☐ Checking ☐ Savings	X	X	X	X	X	X	X	X	X	X									
X	X	X	X	X	X	X	X	X	X											
	d Account number <table border="1"><tr><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td></tr></table>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X			
X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X					
	22 Amount of line 20 you want applied to your 2020 estimated tax	22																		
Amount You Owe	23 Amount you owe. Subtract line 19 from line 16. For details on how to pay, see instructions	23																		
	24 Estimated tax penalty (see instructions)	24																		

Third Party Designee

(Other than paid preparer)

Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. ☐ **Yes.** Complete below. ☐ **No**

Designee's name ▶

Phone no. ▶

Personal identification 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 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 inst.)

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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 inst.)

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Phone no. (706) 868-1298

Email address SATCHMO@HOTMAIL.COM

Paid Preparer Use Only

Preparer's name

Preparer's signature

Date

PTIN

Check if:

- ☐
- 3rd Party Designee
-
- ☐
- Self-employed

Firm's name ▶

Phone no.

Firm's address ▶

Firm's EIN ▶

Go to www.irs.gov/Form1040 for instructions and the latest information.Form **1040** (2019)

QNA

SCHEDULE 1
(Form 1040 or 1040-SR)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

► **Attach to Form 1040 or 1040-SR.**
► **Go to www.irs.gov/Form1040 for instructions and the latest information.**

OMB No. 1545-0074

2019
Attachment
Sequence No. **01**

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

MIKE & SHEILA SATCHER

Your social security number

257-00-4723

At any time during 2019, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency?

☐ **Yes** ☐ **No**

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	
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. List type and amount ►	8	
9	Combine lines 1 through 8. Enter here and on Form 1040 or 1040-SR, line 7a	9	

Part II Adjustments to Income

10	Educator expenses	10	
11	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106	11	
12	Health savings account deduction. Attach Form 8889	12	
13	Moving expenses for members of the Armed Forces. Attach Form 3903	13	
14	Deductible part of self-employment tax. Attach Schedule SE	14	
15	Self-employed SEP, SIMPLE, and qualified plans	15	
16	Self-employed health insurance deduction	16	
17	Penalty on early withdrawal of savings	17	
18a	Alimony paid	18a	
b	Recipient's SSN		
c	Date of original divorce or separation agreement (see instructions) ►		
19	IRA deduction	19	
20	Student loan interest deduction	20	2500
21	Reserved for future use	21	
22	Add lines 10 through 21. These are your adjustments to income . Enter here and on Form 1040 or 1040-SR, line 8a	22	2500

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

Schedule 1 (Form 1040 or 1040-SR) 2019

QNA

SCHEDULE 3
(Form 1040 or 1040-SR)

Department of the Treasury
Internal Revenue Service

Additional Credits and Payments

► **Attach to Form 1040 or 1040-SR.**
► **Go to www.irs.gov/Form1040 for instructions and the latest information.**

OMB No. 1545-0074

2019
Attachment
Sequence No. **03**

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

MIKE & SHEILA SATCHER

Your social security number

257-00-4723

Part I Nonrefundable Credits

1	Foreign tax credit. Attach Form 1116 if required	1	
2	Credit for child and dependent care expenses. Attach Form 2441	2	
3	Education credits from Form 8863, line 19	3	1500
4	Retirement savings contributions credit. Attach Form 8880	4	
5	Residential energy credit. Attach Form 5695	5	
6	Other credits from Form: a ☐ 3800 b ☐ 8801 c ☐	6	
7	Add lines 1 through 6. Enter here and include on Form 1040 or 1040-SR, line 13b	7	1500

Part II Other Payments and Refundable Credits

8	2019 estimated tax payments and amount applied from 2018 return	8	
9	Net premium tax credit. Attach Form 8962	9	
10	Amount paid with request for extension to file (see instructions)	10	
11	Excess social security and tier 1 RRTA tax withheld	11	
12	Credit for federal tax on fuels. Attach Form 4136	12	
13	Credits from Form: a ☐ 2439 b ☒ Reserved c ☐ 8885 d ☐	13	
14	Add lines 8 through 13. Enter here and on Form 1040 or 1040-SR, line 18d	14	

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

Schedule 3 (Form 1040 or 1040-SR) 2019

QNA

SCHEDULE A
(Form 1040 or 1040-SR)Department of the Treasury
Internal Revenue Service (99)**Itemized Deductions**► Go to www.irs.gov/ScheduleA for instructions and the latest information.

► Attach to Form 1040 or 1040-SR.

Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

OMB No. 1545-0074

2019Attachment
Sequence No. **07**

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

Your social security number

MIKE & SHEILA SATCHER

257-00-4723

**Medical
and
Dental
Expenses****Caution:** Do not include expenses reimbursed or paid by others.

- 1 Medical and dental expenses (see instructions) **1**
- 2 Enter amount from Form 1040 or 1040-SR,
line 8b **2**
- 3 Multiply line 2 by 10% (0.10) **3**
- 4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- **4**

**Taxes You
Paid**

- 5 State and local taxes.

a State and local income taxes or general sales taxes. You may include
either income taxes or general sales taxes on line 5a, but not both. If
you elect to include general sales taxes instead of income taxes,
check this box ► ☒

5a 1656

b State and local real estate taxes (see instructions)

5b 2650

c State and local personal property taxes

5c 515

d Add lines 5a through 5c

5d 4821

e Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing
separately)

5e 4821

- 6 Other taxes. List type and amount ►

6

- 7 Add lines 5e and 6

7 4821**Interest You
Paid****Caution:** Your
mortgage interest
deduction may be
limited (see
instructions).

- 8 Home mortgage interest and points. If you didn't use all of your home
-
- mortgage loan(s) to buy, build, or improve your home, see
-
- instructions and check this box ►
- ☐

a Home mortgage interest and points reported to you on Form 1098. See
instructions if limited

8a 9620

b Home mortgage interest not reported to you on Form 1098. If paid to
the person from whom you bought the home, see instructions and
show that person's name, identifying no., and address
►

8b

c Points not reported to you on Form 1098. See instructions for special
rules

8c

d Reserved

8d

e Add lines 8a through 8c

8e 9620

- 9 Investment interest. Attach Form 4952 if required. See instructions

9

- 10 Add lines 8e and 9

10 9620**Gifts to
Charity****Caution:** If you
made a gift and
got a benefit for it,
see instructions.

- 11 Gifts by cash or check. If you made any gift of \$250 or more, see
-
- instructions

11 12800

- 12 Other than by cash or check. If you made any gift of \$250 or more,
-
- see instructions. You
- must**
- attach Form 8283 if over \$500.

12

- 13 Carryover from prior year

13

- 14 Add lines 11 through 13

14 12800**Casualty and
Theft Losses**

- 15 Casualty and theft loss(es) from a federally declared disaster (other than net qualified
-
- disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See
-
- instructions

15**Other
Itemized
Deductions**

- 16 Other—from list in instructions. List type and amount ►

16**Total
Itemized
Deductions**

- 17 Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on
-
- Form 1040 or 1040-SR, line 9

17 27241

- 18 If you elect to itemize deductions even though they are less than your standard
-
- deduction, check this box ►
- ☐

For Paperwork Reduction Act Notice, see the Instructions for Forms 1040 and 1040-SR.

Schedule A (Form 1040 or 1040-SR) 2019

QNA

SCHEDULE D
(Form 1040 or 1040-SR)

Department of the Treasury
Internal Revenue Service (99)

Capital Gains and Losses

- Attach to Form 1040, 1040-SR, or 1040-NR.
► Go to www.irs.gov/ScheduleD for instructions and the latest information.
► Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074

2019

Attachment
Sequence No. **12**

Name(s) shown on return

MIKE & SHEILA SATCHER

Your social security number

257-00-4723

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? ☐ Yes ☐ No

If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses—Generally Assets Held One Year or Less (see instructions)

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.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a 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 .				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6 ()
7 Net short-term capital gain or (loss). 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				7

Part II Long-Term Capital Gains and Losses—Generally Assets Held More Than One Year (see instructions)

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.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a 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 .				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	200600	98200		102400
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked	256000	180000	- 76000	
11 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				11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14 (12500)
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column (h). Then go to Part III on the back				15 89900

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

Schedule D (Form 1040 or 1040-SR) 2019

Part III Summary

16	Combine lines 7 and 15 and enter the result	16	89900
	• If line 16 is a gain, enter the amount from line 16 on Form 1040 or 1040-SR, line 6; or Form 1040-NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040 or 1040-SR, line 6; or Form 1040-NR, line 14. Then go to line 22.		
17	Are lines 15 and 16 both gains? ☒ Yes. Go to line 18. ☐ No. Skip lines 18 through 21, and go to line 22.		
18	If you are required to complete the 28% Rate Gain Worksheet (see instructions), enter the amount, if any, from line 7 of that worksheet ►	18	
19	If you are required to complete the Unrecaptured Section 1250 Gain Worksheet (see instructions), enter the amount, if any, from line 18 of that worksheet ►	19	
20	Are lines 18 and 19 both zero or blank? ☒ Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Forms 1040 and 1040-SR, line 12a (or in the instructions for Form 1040-NR, line 42). Don't complete lines 21 and 22 below. ☐ No. Complete the Schedule D Tax Worksheet in the instructions. Don't complete lines 21 and 22 below.		
21	If line 16 is a loss, enter here and on Form 1040 or 1040-SR, line 6; or Form 1040-NR, line 14, the smaller of: • The loss on line 16; or • (\$3,000), or if married filing separately, (\$1,500) } 	21	()
	Note: When figuring which amount is smaller, treat both amounts as positive numbers.		
22	Do you have qualified dividends on Form 1040 or 1040-SR, line 3a; or Form 1040-NR, line 10b? ☐ Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Forms 1040 and 1040-SR, line 12a (or in the instructions for Form 1040-NR, line 42). ☐ No. Complete the rest of Form 1040, 1040-SR, or 1040-NR.		

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side

MIKE & SHEILA SATCHER

Social security number or taxpayer identification number

257-00-4723

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II

Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

☒ **(D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)

☐ **(E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS

☐ **(F)** Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	1500 SHARES ACCO	01/12/2002	03/01/2019	30000	25000			5000
	500 SHARES BP OIL	02/13/2001	04/02/2019	32000	18000			14000
	2100 SHARES RCS	05/19/2003	05/20/2019	56000	32000			24000
	6000 SHARES GOOGLE	03/06/2004	08/02/2019	82600	23200			59400
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ►				200600	98200			102400

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on other side

MIKE & SHEILA SATCHER

Social security number or taxpayer identification number

257-00-4723

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Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

☐ **(D)** Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)

☐ **(E)** Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS

☒ **(F)** Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	MAIN HOME	11/10/2009	05/02/2019	256000	180000	H	- 76000	
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ►				256000	180000		- 76000	

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

**Additional Taxes on Qualified Plans
(Including IRAs) and Other Tax-Favored Accounts**▶ **Attach to Form 1040, 1040-SR, or 1040-NR.**▶ **Go to www.irs.gov/Form5329 for instructions and the latest information.**

OMB No. 1545-0074

2019
Attachment
Sequence No. **29**

Name of individual subject to additional tax. If married filing jointly, see instructions.

MIKE E SATCHER**Your social security number****257-00-4723****Fill in Your Address Only
if You Are Filing This
Form by Itself and Not
With Your Tax Return**

Home address (number and street), or P.O. box if mail is not delivered to your home

Apt. no.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete the spaces below. See instructions.

If this is an amended
return, check here ☐

Foreign country name

Foreign province/state/county

Foreign postal code

If you **only** owe the additional 10% tax on early distributions, you may be able to report this tax directly on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57, without filing Form 5329. See the instructions for Schedule 2 (Form 1040 or 1040-SR), line 6, or for Form 1040-NR, line 57.**Part I Additional Tax on Early Distributions.** Complete this part if you took a taxable distribution before you reached age 59½ from a qualified retirement plan (including an IRA) or modified endowment contract (unless you are reporting this tax directly on Form 1040, 1040-SR, or 1040-NR—see above). You also may have to complete this part to indicate that you qualify for an exception to the additional tax on early distributions or for certain Roth IRA distributions. See instructions.

1	Early distributions included in income. For Roth IRA distributions, see instructions	1	35000
2	Early distributions included on line 1 that are not subject to the additional tax (see instructions). Enter the appropriate exception number from the instructions: 08	2	35000
3	Amount subject to additional tax. Subtract line 2 from line 1	3	
4	Additional tax. Enter 10% (0.10) of line 3. Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57 Caution: If any part of the amount on line 3 was a distribution from a SIMPLE IRA, you may have to include 25% of that amount on line 4 instead of 10%. See instructions.	4	

Part II Additional Tax on Certain Distributions From Education Accounts and ABLER Accounts. Complete this part if you included an amount in income, on Schedule 1 (Form 1040 or 1040-SR), line 8, or Form 1040-NR, line 21, from a Coverdell education savings account (ESA), a qualified tuition program (QTP), or an ABLER account.

5	Distributions included in income from a Coverdell ESA, a QTP, or an ABLER account	5	
6	Distributions included on line 5 that are not subject to the additional tax (see instructions)	6	
7	Amount subject to additional tax. Subtract line 6 from line 5	7	
8	Additional tax. Enter 10% (0.10) of line 7. Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57	8	

Part III Additional Tax on Excess Contributions to Traditional IRAs. Complete this part if you contributed more to your traditional IRAs for 2019 than is allowable or you had an amount on line 17 of your 2018 Form 5329.

9	Enter your excess contributions from line 16 of your 2018 Form 5329. See instructions. If zero, go to line 15	9	
10	If your traditional IRA contributions for 2019 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	10	
11	2019 traditional IRA distributions included in income (see instructions)	11	
12	2019 distributions of prior year excess contributions (see instructions)	12	
13	Add lines 10, 11, and 12	13	
14	Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0-	14	
15	Excess contributions for 2019 (see instructions)	15	
16	Total excess contributions. Add lines 14 and 15	16	
17	Additional tax. Enter 6% (0.06) of the smaller of line 16 or the value of your traditional IRAs on December 31, 2019 (including 2019 contributions made in 2020). Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57	17	

Part IV Additional Tax on Excess Contributions to Roth IRAs. Complete this part if you contributed more to your Roth IRAs for 2019 than is allowable or you had an amount on line 25 of your 2018 Form 5329.

18	Enter your excess contributions from line 24 of your 2018 Form 5329. See instructions. If zero, go to line 23	18	
19	If your Roth IRA contributions for 2019 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19	
20	2019 distributions from your Roth IRAs (see instructions)	20	
21	Add lines 19 and 20	21	
22	Prior year excess contributions. Subtract line 21 from line 18. If zero or less, enter -0-	22	
23	Excess contributions for 2019 (see instructions)	23	
24	Total excess contributions. Add lines 22 and 23	24	
25	Additional tax. Enter 6% (0.06) of the smaller of line 24 or the value of your Roth IRAs on December 31, 2019 (including 2019 contributions made in 2020). Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57	25	

Part V Additional Tax on Excess Contributions to Coverdell ESAs. Complete this part if the contributions to your Coverdell ESAs for 2019 were more than is allowable or you had an amount on line 33 of your 2018 Form 5329.

26	Enter the excess contributions from line 32 of your 2018 Form 5329. See instructions. If zero, go to line 31	26	
27	If the contributions to your Coverdell ESAs for 2019 were less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	27	
28	2019 distributions from your Coverdell ESAs (see instructions)	28	
29	Add lines 27 and 28	29	
30	Prior year excess contributions. Subtract line 29 from line 26. If zero or less, enter -0-	30	
31	Excess contributions for 2019 (see instructions)	31	
32	Total excess contributions. Add lines 30 and 31	32	
33	Additional tax. Enter 6% (0.06) of the smaller of line 32 or the value of your Coverdell ESAs on December 31, 2019 (including 2019 contributions made in 2020). Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57	33	

Part VI Additional Tax on Excess Contributions to Archer MSAs. Complete this part if you or your employer contributed more to your Archer MSAs for 2019 than is allowable or you had an amount on line 41 of your 2018 Form 5329.

34	Enter the excess contributions from line 40 of your 2018 Form 5329. See instructions. If zero, go to line 39	34	
35	If the contributions to your Archer MSAs for 2019 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	35	
36	2019 distributions from your Archer MSAs from Form 8853, line 8	36	
37	Add lines 35 and 36	37	
38	Prior year excess contributions. Subtract line 37 from line 34. If zero or less, enter -0-	38	
39	Excess contributions for 2019 (see instructions)	39	
40	Total excess contributions. Add lines 38 and 39	40	
41	Additional tax. Enter 6% (0.06) of the smaller of line 40 or the value of your Archer MSAs on December 31, 2019 (including 2019 contributions made in 2020). Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57	41	

Part VII Additional Tax on Excess Contributions to Health Savings Accounts (HSAs). Complete this part if you, someone on your behalf, or your employer contributed more to your HSAs for 2019 than is allowable or you had an amount on line 49 of your 2018 Form 5329.

42	Enter the excess contributions from line 48 of your 2018 Form 5329. If zero, go to line 47	42	
43	If the contributions to your HSAs for 2019 are less than the maximum allowable contribution, see instructions. Otherwise, enter -0-	43	
44	2019 distributions from your HSAs from Form 8889, line 16	44	
45	Add lines 43 and 44	45	
46	Prior year excess contributions. Subtract line 45 from line 42. If zero or less, enter -0-	46	
47	Excess contributions for 2019 (see instructions)	47	
48	Total excess contributions. Add lines 46 and 47	48	
49	Additional tax. Enter 6% (0.06) of the smaller of line 48 or the value of your HSAs on December 31, 2019 (including 2019 contributions made in 2020). Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57	49	

Part VIII Additional Tax on Excess Contributions to an ABLE Account. Complete this part if contributions to your ABLE account for 2019 were more than is allowable.

50	Excess contributions for 2019 (see instructions)	50	
51	Additional tax. Enter 6% (0.06) of the smaller of line 50 or the value of your ABLE account on December 31, 2019. Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57	51	

Part IX Additional Tax on Excess Accumulation in Qualified Retirement Plans (Including IRAs). Complete this part if you did not receive the minimum required distribution from your qualified retirement plan.

52	Minimum required distribution for 2019 (see instructions)	52	
53	Amount actually distributed to you in 2019	53	
54	Subtract line 53 from line 52. If zero or less, enter -0-	54	
55	Additional tax. Enter 50% (0.50) of line 54. Include this amount on Schedule 2 (Form 1040 or 1040-SR), line 6, or Form 1040-NR, line 57	55	

Sign Here Only if You Are Filing This Form by Itself and Not With Your Tax Return

Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature _____ ▶ Date _____

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶	Firm's EIN ▶			
Firm's address ▶	Phone no.			

Education Credits
(American Opportunity and Lifetime Learning Credits)

▶ Attach to Form 1040 or 1040-SR.

▶ Go to www.irs.gov/Form8863 for instructions and the latest information.

Your social security number

MIKE & SHEILA SATCHER

257-00-4723

*Complete a separate Part III on page 2 for each student for whom you're claiming either credit before you complete Parts I and II.***Part I Refundable American Opportunity Credit**

1	After completing Part III for each student, enter the total of all amounts from all Parts III, line 30 . . .	1	2500
2	Enter: \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er)	2	180000
3	Enter the amount from Form 1040 or 1040-SR, line 8b. If you're filing Form 2555 or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter	3	122400
4	Subtract line 3 from line 2. If zero or less, stop ; you can't take any education credit	4	57600
5	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	5	20000
6	If line 4 is: • Equal to or more than line 5, enter 1.000 on line 6 • Less than line 5, divide line 4 by line 5. Enter the result as a decimal (rounded to at least three places)	6	1.000
7	Multiply line 1 by line 6. Caution: If you were under age 24 at the end of the year and meet the conditions described in the instructions, you can't take the refundable American opportunity credit; skip line 8, enter the amount from line 7 on line 9, and check this box ☐	7	2500
8	Refundable American opportunity credit. Multiply line 7 by 40% (0.40). Enter the amount here and on Form 1040 or 1040-SR, line 18c. Then go to line 9 below	8	1000

Part II Nonrefundable Education Credits

9	Subtract line 8 from line 7. Enter here and on line 2 of the Credit Limit Worksheet (see instructions)	9	1500
10	After completing Part III for each student, enter the total of all amounts from all Parts III, line 31. If zero, skip lines 11 through 17, enter -0- on line 18, and go to line 19	10	
11	Enter the smaller of line 10 or \$10,000	11	
12	Multiply line 11 by 20% (0.20)	12	
13	Enter: \$136,000 if married filing jointly; \$68,000 if single, head of household, or qualifying widow(er)	13	
14	Enter the amount from Form 1040 or 1040-SR, line 8b. If you're filing Form 2555 or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter	14	
15	Subtract line 14 from line 13. If zero or less, skip lines 16 and 17, enter -0- on line 18, and go to line 19	15	
16	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	16	
17	If line 15 is: • Equal to or more than line 16, enter 1.000 on line 17 and go to line 18 • Less than line 16, divide line 15 by line 16. Enter the result as a decimal (rounded to at least three places)	17	
18	Multiply line 12 by line 17. Enter here and on line 1 of the Credit Limit Worksheet (see instructions) ▶	18	
19	Nonrefundable education credits. Enter the amount from line 7 of the Credit Limit Worksheet (see instructions) here and on Schedule 3 (Form 1040 or 1040-SR), line 3	19	1500

Name(s) shown on return

MIKE & SHEILA SATCHER

Your social security number

257-00-4723



Complete Part III for each student for whom you're claiming either the American opportunity credit or lifetime learning credit. Use additional copies of page 2 as needed for each student.

Part III Student and Educational Institution Information. See instructions.

20 Student name (as shown on page 1 of your tax return) LAUREN W SATCHER	21 Student social security number (as shown on page 1 of your tax return) 254-00-4568
22 Educational institution information (see instructions)	
a. Name of first educational institution UNIVERSITY OF GEORGIA	b. Name of second educational institution (if any)
(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. 210 JACKSON ST ATHENS GA 30609	(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions.
(2) Did the student receive Form 1098-T from this institution for 2019? ☒ Yes ☐ No	(2) Did the student receive Form 1098-T from this institution for 2019? ☐ Yes ☐ No
(3) Did the student receive Form 1098-T from this institution for 2018 with box 2 filled in and box 7 checked? ☐ Yes ☒ No	(3) Did the student receive Form 1098-T from this institution for 2018 with box 2 filled in and box 7 checked? ☐ Yes ☐ No
(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3) . You can get the EIN from Form 1098-T or from the institution. 5 8 - 3 2 1 6 5 4 0	(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3) . You can get the EIN from Form 1098-T or from the institution. _____
23 Has the Hope Scholarship Credit or American opportunity credit been claimed for this student for any 4 tax years before 2019? ☐ Yes — Stop! Go to line 31 for this student. ☒ No — Go to line 24.	
24 Was the student enrolled at least half-time for at least one academic period that began or is treated as having begun in 2019 at an eligible educational institution in a program leading towards a postsecondary degree, certificate, or other recognized postsecondary educational credential? See instructions. ☒ Yes — Go to line 25. ☐ No — Stop! Go to line 31 for this student.	
25 Did the student complete the first 4 years of postsecondary education before 2019? See instructions. ☐ Yes — Stop! Go to line 31 for this student. ☒ No — Go to line 26.	
26 Was the student convicted, before the end of 2019, of a felony for possession or distribution of a controlled substance? ☐ Yes — Stop! Go to line 31 for this student. ☒ No — Complete lines 27 through 30 for this student.	



You *can't* take the American opportunity credit and the lifetime learning credit for the *same student* in the same year. If you complete lines 27 through 30 for this student, don't complete line 31.

American Opportunity Credit

27 Adjusted qualified education expenses (see instructions). Don't enter more than \$4,000	27	4000
28 Subtract \$2,000 from line 27. If zero or less, enter -0-	28	2000
29 Multiply line 28 by 25% (0.25)	29	500
30 If line 28 is zero, enter the amount from line 27. Otherwise, add \$2,000 to the amount on line 29 and enter the result. Skip line 31. Include the total of all amounts from all Parts III, line 30, on Part I, line 1	30	2500

Lifetime Learning Credit

31 Adjusted qualified education expenses (see instructions). Include the total of all amounts from all Parts III, line 31, on Part II, line 10	31	
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Paid Preparer's Due Diligence Checklist

Earned Income Credit (EIC), American Opportunity Tax Credit (AOTC), Child Tax Credit (CTC) (including the Additional Child Tax Credit (ACTC)) and Credit for Other Dependents (ODC), and Head of Household (HOH) Filing Status

► To be completed by preparer and filed with Form 1040, 1040-SR, 1040-NR, 1040-PR, or 1040-SS.
► Go to www.irs.gov/Form8867 for instructions and the latest information.

Taxpayer name(s) shown on return

MIKE E & SHEILA A SATCHER

Taxpayer identification number

257-00-4723

Enter preparer's name and PTIN

Part I Due Diligence Requirements

Please check the appropriate box for the credit(s) and/or HOH filing status claimed on the return and complete the related Parts I–V for the benefit(s) claimed (check all that apply).

☐ EIC ☒ CTC/ACTC/ODC ☒ AOTC ☐ HOH

	Yes	No	N/A
1 Did you complete the return based on information for tax year 2019 provided by the taxpayer or reasonably obtained by you?	☒	☐	
2 If credits are claimed on the return, did you complete the applicable EIC and/or CTC/ACTC/ODC worksheets found in the Form 1040, 1040-SR, 1040-NR, 1040-PR, or 1040-SS instructions, and/or the AOTC worksheet found in the Form 8863 instructions, or your own worksheet(s) that provides the same information, and all related forms and schedules for each credit claimed?	☒	☐	☐
3 Did you satisfy the knowledge requirement? To meet the knowledge requirement, you must do both of the following. • Interview the taxpayer, ask questions, and contemporaneously document the taxpayer's responses to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status. • Review information to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status and to compute the amount(s) of any credit(s)	☒	☐	
4 Did any information provided by the taxpayer or a third party for use in preparing the return, or information reasonably known to you, appear to be incorrect, incomplete, or inconsistent? (If "Yes," answer questions 4a and 4b. If "No," go to question 5.)	☐	☒	
a Did you make reasonable inquiries to determine the correct, complete, and consistent information?	☐	☐	
b Did you contemporaneously document your inquiries? (Documentation should include the questions you asked, whom you asked, when you asked, the information that was provided, and the impact the information had on your preparation of the return.)	☐	☐	
5 Did you satisfy the record retention requirement? To meet the record retention requirement, you must keep a copy of your documentation referenced in 4b, a copy of this Form 8867, a copy of any applicable worksheet(s), a record of how, when, and from whom the information used to prepare Form 8867 and any applicable worksheet(s) was obtained, and a copy of any document(s) provided by the taxpayer that you relied on to determine eligibility for the credit(s) and/or HOH filing status or to compute the amount(s) of the credit(s) List those documents, if any, that you relied on. _____ _____ _____	☒	☐	
6 Did you ask the taxpayer whether he/she could provide documentation to substantiate eligibility for the credit(s) and/or HOH filing status and the amount(s) of any credit(s) claimed on the return if his/her return is selected for audit?	☒	☐	
7 Did you ask the taxpayer if any of these credits were disallowed or reduced in a previous year? (If credits were disallowed or reduced, go to question 7a; if not, go to question 8.)	☒	☐	☐
a Did you complete the required recertification Form 8862?	☐	☐	☐
8 If the taxpayer is reporting self-employment income, did you ask questions to prepare a complete and correct Schedule C (Form 1040 or 1040-SR)?	☐	☐	☒

For Paperwork Reduction Act Notice, see separate instructions.

Part II Due Diligence Questions for Returns Claiming EIC (If the return does not claim EIC, go to Part III.)

	Yes	No	N/A
9a Have you determined that the taxpayer is, in fact, eligible to claim the EIC for the number of qualifying children claimed, or is eligible to claim the EIC without a qualifying child? (Skip 9b and 9c if the taxpayer is claiming the EIC and does not have a qualifying child.)	☐	☐	
b Did you ask the taxpayer if the child lived with the taxpayer for over half of the year, even if the taxpayer has supported the child the entire year?	☐	☐	
c Did you explain to the taxpayer the rules about claiming the EIC when a child is the qualifying child of more than one person (tiebreaker rules)?	☐	☐	☐

Part III Due Diligence Questions for Returns Claiming CTC/ACTC/ODC (If the return does not claim CTC, ACTC, or ODC, go to Part IV.)

	Yes	No	N/A
10 Have you determined that each qualifying person for the CTC/ACTC/ODC is the taxpayer's dependent who is a citizen, national, or resident of the United States?	☒	☐	
11 Did you explain to the taxpayer that he/she may not claim the CTC/ACTC if the taxpayer has not lived with the child for over half of the year, even if the taxpayer has supported the child, unless the child's custodial parent has released a claim to exemption for the child?	☒	☐	☐
12 Did you explain to the taxpayer the rules about claiming the CTC/ACTC/ODC for a child of divorced or separated parents (or parents who live apart), including any requirement to attach a Form 8332 or similar statement to the return?	☒	☐	☐

Part IV Due Diligence Questions for Returns Claiming AOTC (If the return does not claim AOTC, go to Part V.)

	Yes	No
13 Did the taxpayer provide substantiation for the credit, such as a Form 1098-T and/or receipts for the qualified tuition and related expenses for the claimed AOTC?	☒	☐

Part V Due Diligence Questions for Claiming HOH (If the return does not claim HOH filing status, go to Part VI.)

	Yes	No
14 Have you determined that the taxpayer was unmarried or considered unmarried on the last day of the tax year and provided more than half of the cost of keeping up a home for the year for a qualifying person?	☐	☐

Part VI Eligibility Certification**► You will have complied with all due diligence requirements for claiming the applicable credit(s) and/or HOH filing status on the return of the taxpayer identified above if you:**

- Interview the taxpayer, ask adequate questions, contemporaneously document the taxpayer's responses on the return or in your notes, review adequate information to determine if the taxpayer is eligible to claim the credit(s) and/or HOH filing status and to compute the amount(s) of the credit(s);
- Complete this Form 8867 truthfully and accurately and complete the actions described in this checklist for any applicable credit(s) claimed and HOH filing status, if claimed;
- Submit Form 8867 in the manner required; **and**
- Keep all five of the following records for 3 years from the latest of the dates specified in the Form 8867 instructions under *Document Retention*.
 - A copy of this Form 8867.
 - The applicable worksheet(s) or your own worksheet(s) for any credit(s) claimed.
 - Copies of any documents provided by the taxpayer on which you relied to determine the taxpayer's eligibility for the credit(s) and/or HOH filing status and to compute the amount(s) of the credit(s).
 - A record of how, when, and from whom the information used to prepare this form and the applicable worksheet(s) was obtained.
 - A record of any additional information you relied upon, including questions you asked and the taxpayer's responses, to determine the taxpayer's eligibility for the credit(s) and/or HOH filing status and to compute the amount(s) of the credit(s).

► If you have not complied with all due diligence requirements, you may have to pay a \$530 penalty for each failure to comply related to a claim of an applicable credit or HOH filing status.

	Yes	No
15 Do you certify that all of the answers on this Form 8867 are, to the best of your knowledge, true, correct, and complete?	☒	☐

Child Tax Credit and Credit for Other Dependents Worksheet

Before you begin:

✓ Figure the amount of any credits you are claiming on Schedule 3, lines 1 through 4; Form 5695, Part II, line 30*; Form 8910, line 15**; Form 8936; or Schedule R.

*See the Form 5695 instructions to see if line 30 (nonbusiness energy property credit) applies for 2019.

**See the Form 8910 instructions to see if line 15 (alternative motor vehicle credit for personal use part of vehicle) applies for 2019.

Part 1

1. Number of qualifying children under 17 with the required social security number:
 $\underline{0} \times \$2,000$. Enter the result. 1
2. Number of other dependents, including qualifying children who are not under 17 or who do not have the required social security number: $\underline{1} \times \$500$.
 Enter the result. 2 500

Caution: Do not include yourself, your spouse, or anyone who is not a U.S. citizen, U.S. national, or U.S. resident alien. Also, do not include anyone you included on line 1.
3. Add lines 1 and 2 3 500
4. Enter the amount from Form 1040 or 1040-SR, line 8b, or Form 1040-NR, line 35. 4 122400
5. **1040 and 1040-SR filers.** Enter the total of any—
 • Exclusion of income from Puerto Rico; and
 • Amounts from Form 2555, lines 45 and 50 and Form 4563, line 15. 5
1040-NR filers. Enter -0-.
6. Add lines 4 and 5. Enter the total. 6 122400
7. Enter the amount shown below for your filing status.
 • Married filing jointly—\$400,000
 • All other filing statuses—\$200,000 7 400000
8. Is the amount on line 6 more than the amount on line 7?
☒ **No.** Leave line 8 blank. Enter -0- on line 9.
☐ **Yes.** Subtract line 7 from line 6.
 If the result is not a multiple of \$1,000, increase it to the next multiple of \$1,000.
 For example, increase \$425 to \$1,000, increase \$1,025 to \$2,000, etc. 8
9. Multiply the amount on line 8 by 5% (0.05). Enter the result. 9 0
10. Is the amount on line 3 more than the amount on line 9?
☐ **No.** STOP
 You cannot take the child tax credit or credit for other dependents on Form 1040 or 1040-SR, line 13a, or Form 1040-NR, line 49. You also cannot take the additional child tax credit on Form 1040 or 1040-SR, line 18b, or Form 1040-NR, line 64. Complete the rest of your Form 1040, Form 1040-SR, or Form 1040-NR.
☒ **Yes.** Subtract line 9 from line 3. Enter the result.
 Go to Part 2 on the next page. 10 500

QNA

Child Tax Credit and Credit for Other Dependents Worksheet—Continued**Part 2**

11. Enter the amount from Form 1040 or 1040-SR, line 12b, or Form 1040-NR, line 45.

11

2989

12. Add the following amounts from:

Form 1040 or 1040-SR	or	Form 1040-NR	
Schedule 3, line 1		Line 46	+ _____
Schedule 3, line 2		Line 47	+ _____
Schedule 3, line 3		-----	+ 1500
Schedule 3, line 4		Line 48	+ _____
Form 5695, line 30*			+ _____
Form 8910, line 15**			+ _____
Form 8936, line 23			+ _____
Schedule R, line 22			+ _____

Enter the total.

12

1500

*See the Form 5695 instructions to see if line 30 (nonbusiness energy property credit) applies for 2019.

**See the Form 8910 instructions to see if line 15 (alternative motor vehicle credit for personal use part of vehicle) applies for 2019.

13. Subtract line 12 from line 11

13

1489

14. Are you claiming any of the following credits?

- Mortgage interest credit, Form 8396.
- Adoption credit, Form 8839.
- Residential energy efficient property credit, Form 5695, Part I.
- District of Columbia first-time homebuyer credit, Form 8859.

☒ **No.** Enter -0-.

☐ **Yes.** If you are filing Form 2555, enter -0-.
Otherwise, complete the Line 14 Worksheet, later, to figure the amount to enter here.

14

0

15. Subtract line 14 from line 13. Enter the result.

15

1489

16. Is the amount on line 10 of this worksheet more than the amount on line 15?

☐ **No.** Enter the amount from line 10.

☒ **Yes.** Enter the amount from line 15.
See the **TIP** below.

This is your child tax credit and credit for other dependents.

16

500

Enter this amount on
Form 1040, line 13a;
Form 1040-SR, line 13a;
or Form 1040-NR, line 49.



You may be able to take the **additional child tax credit** on Form 1040 or 1040-SR, line 18b, or Form 1040-NR, line 64, only if you answered "Yes" on line 16 and line 1 is more than zero.

- First, complete your Form 1040 or Form 1040-SR through line 18a (also complete Schedule 3, line 11) or Form 1040-NR through line 63 (also complete line 67).
- Then, use Schedule 8812 to figure any additional child tax credit.



MIKE & SHEILA SATCHER
State and Local General Sales Tax Deduction
Worksheet—Line 5a

257-00-4723

Keep for Your Records



Instead of using this worksheet, you can find your deduction by using the Sales Tax Deduction Calculator at [IRS.gov/SalesTax](https://www.irs.gov/SalesTax).

Before you begin: See the instructions for line 1 of the worksheet if you:

- ☒ Lived in more than one state during 2018, or
- ☒ Had any **nontaxable** income in 2018.

Zip: **30906** State: **GA** County: **RICHMOND** City: **AUGUSTA** Days Lived in: **All**

1. Enter your **state** general sales taxes from the 2018 Optional State Sales Tax Table 1. \$ 740

Next. If, for all of 2018, you lived only in Connecticut, the District of Columbia, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Jersey, or Rhode Island, skip lines 2 through 5, enter -0- on line 6, and go to line 7. Otherwise, go to line 2.

2. Did you live in Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi, Missouri, New York, North Carolina, South Carolina, Tennessee, Utah, or Virginia in 2018?

☐ **No.** Enter -0-.

☒ **Yes.** Enter your base **local** general sales taxes from the 2018 Optional Local Sales Tax Tables.

2. \$ 229

3. Did your locality impose a **local** general sales tax in 2018? Residents of California and Nevada, see the instructions for line 3 of the worksheet.

☐ **No.** Skip lines 3 through 5, enter -0- on line 6, and go to line 7.

☒ **Yes.** Enter your **local** general sales tax rate, but omit the percentage sign. For example, if your local general sales tax rate was 2.5%, enter 2.5. If your local general sales tax rate changed or you lived in more than one locality in the same state during 2018, see the instructions for line 3 of the worksheet

3. 4.0000

4. Did you enter -0- on line 2?

☒ **No.** Skip lines 4 and 5 and go to line 6.

☐ **Yes.** Enter your **state** general sales tax rate (shown in the table heading for your state), but omit the percentage sign. For example, if your state general sales tax rate is 6%, enter 6.0

4. _____

5. Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places) 5. _____

6. Did you enter -0- on line 2?

☒ **No.** Multiply line 2 by line 3.

☐ **Yes.** Multiply line 1 by line 5. If you lived in more than one locality in the same state during 2018, see the instructions for line 6 of the worksheet.

6. \$ 916

7. Enter your state and local general sales taxes paid on specified items, if any. See the instructions for line 7 of the worksheet 7. \$ _____

8. **Deduction for general sales taxes.** Add lines 1, 6, and 7. Enter the result here and the total from all your state and local general sales tax deduction worksheets, if you completed more than one, on Schedule A, line 5a. Be sure to check the **box** on that line 8. \$ 1656

Worksheet 2. Applying the Deduction Limits

Caution: Don't use this worksheet to figure the contributions you can deduct this year if you have a carryover of a charitable contribution from an earlier year.

Step 1. Enter any qualified conservation contributions (QCCs) made during the year.		
1. If you are a qualified farmer or rancher, enter any QCCs subject to the limit based on 100% of adjusted gross income (AGI)	1	
2. Enter any QCCs not entered on line 1	2	
Step 2. Enter your other charitable contributions made during the year.		
3. Enter cash contributions payable for California wildfires that you elect to treat as qualified contributions	3	
4. Enter your contributions of capital gain property "for the use of" any qualified organization	4	
5. Enter your other contributions "for the use of" any qualified organization. Don't include any contributions you entered on a previous line	5	
6. Enter your contributions of capital gain property to qualified organizations that aren't 50% limit organizations. Don't include any contributions you entered on a previous line	6	
7. Enter your other contributions to qualified organizations that aren't 50% limit organizations. Don't include any contributions you entered on a previous line	7	
8. Enter your contributions of capital gain property to 50% limit organizations deducted at fair market value. Don't include any contributions you entered on a previous line	8	
9. Enter your noncash contributions to 50% limit organizations other than capital gain property you deducted at fair market value. Be sure to include contributions of capital gain property to 50% limit organizations if you reduced the property's fair market value. Don't include any contributions you entered on a previous line	9	
10. Enter your cash contributions to 50% limit organizations. Don't include any contributions you entered on a previous line	10	12800
Step 3. Figure your deduction for the year (if any result is zero or less, enter -0-)		
11. Enter your adjusted gross income (AGI)	11	122400
<i>Cash contributions subject to the limit based on 60% of AGI</i> (If line 10 is zero, enter -0- on lines 12 through 14)		
12. Multiply line 11 by 0.6	12	73440
13. Deductible amount. Enter the smaller of line 10 or line 12	13	12800
14. Carryover. Subtract line 13 from line 10	14	
<i>Noncash contributions subject to the limit based on 50% of AGI</i> (If line 9 is zero, enter -0- on lines 15 through 18)		
15. Multiply line 11 by 0.5	15	
16. Subtract line 13 from line 15	16	
17. Deductible amount. Enter the smaller of line 9 or line 16	17	
18. Carryover. Subtract line 17 from line 9	18	
<i>Contributions (other than capital gain property) subject to limit based on 30% of AGI</i> (If lines 5 and 7 are both zero, enter -0- on lines 19 through 25)		
19. Multiply line 11 by 0.5	19	
20. Add lines 8, 9, and 10	20	
21. Subtract line 20 from line 19	21	
22. Multiply line 11 by 0.3	22	
23. Add lines 5 and 7	23	
24. Deductible amount. Enter the smallest of line 21, 22, or 23	24	
25. Carryover. Subtract line 24 from line 23	25	
<i>Contributions of capital gain property subject to limit based on 30% of AGI</i> (If line 8 is zero, enter -0- on lines 26 through 31)		
26. Multiply line 11 by 0.5	26	
27. Add lines 9 and 10	27	
28. Subtract line 27 from line 26	28	
29. Multiply line 11 by 0.3	29	
30. Deductible amount. Enter the smallest of line 8, 28, or 29	30	
31. Carryover. Subtract line 30 from line 8	31	
<i>Contributions subject to the limit based on 20% of AGI</i> (If lines 4 and 6 are both zero, enter -0- on lines 32 through 41)		
32. Multiply line 11 by 0.5	32	
33. Add lines 13, 17, 24, and 30	33	
34. Subtract line 33 from line 32	34	
35. Multiply line 11 by 0.3	35	
36. Subtract line 24 from line 35	36	
37. Subtract line 30 from line 35	37	
38. Multiply line 11 by 0.2	38	
39. Add lines 4 and 6	39	
40. Deductible amount. Enter the smallest of line 34, 36, 37, 38, or 39	40	
41. Carryover. Subtract line 40 from line 39	41	
<i>QCCs subject to limit based on 50% of AGI</i> (If line 2 is zero, enter -0- on lines 42 through 46)		
42. Multiply line 11 by 0.5	42	
43. Add lines 13, 17, 24, 30, and 40	43	
44. Subtract line 43 from line 42	44	
45. Deductible amount. Enter the smaller of line 2 or line 44	45	
46. Carryover. Subtract line 45 from line 2	46	

Note: Worksheet 2 continues on the next page.

QNA

QNA

Qualified Dividends and Capital Gain Tax Worksheet—Line 12a

Keep for Your Records

**Before you begin:**

- ✓ See the earlier instructions for line 12a to see if you can use this worksheet to figure your tax.
- ✓ Before completing this worksheet, complete Form 1040 or 1040-SR through line 11b.
- ✓ If you don't have to file Schedule D and you received capital gain distributions, be sure you checked the box on Form 1040 or 1040-SR, line 6.

1.	Enter the amount from Form 1040 or 1040-SR, line 11b. However, if you are filing Form 2555 (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet	1.	95159
2.	Enter the amount from Form 1040 or 1040-SR, line 3a*	2.	
3.	Are you filing Schedule D?*		
	☒ Yes. Enter the smaller of line 15 or 16 of Schedule D. If either line 15 or 16 is blank or a loss, enter -0-.	3.	89900
	☐ No. Enter the amount from Form 1040 or 1040-SR, line 6.		
4.	Add lines 2 and 3	4.	89900
5.	If filing Form 4952 (used to figure investment interest expense deduction), enter any amount from line 4g of that form. Otherwise, enter -0-	5.	
6.	Subtract line 5 from line 4. If zero or less, enter -0-	6.	89900
7.	Subtract line 6 from line 1. If zero or less, enter -0-	7.	5259
8.	Enter: \$39,375 if single or married filing separately, \$78,750 if married filing jointly or qualifying widow(er), \$52,750 if head of household.	8.	78750
9.	Enter the smaller of line 1 or line 8	9.	78750
10.	Enter the smaller of line 7 or line 9	10.	5259
11.	Subtract line 10 from line 9. This amount is taxed at 0%	11.	73491
12.	Enter the smaller of line 1 or line 6	12.	89900
13.	Enter the amount from line 11	13.	73491
14.	Subtract line 13 from line 12	14.	16409
15.	Enter: \$434,550 if single, \$244,425 if married filing separately, \$488,850 if married filing jointly or qualifying widow(er), \$461,700 if head of household.	15.	488850
16.	Enter the smaller of line 1 or line 15	16.	95159
17.	Add lines 7 and 11	17.	78750
18.	Subtract line 17 from line 16. If zero or less, enter -0-	18.	16409
19.	Enter the smaller of line 14 or line 18	19.	16409
20.	Multiply line 19 by 15% (0.15)	20.	2461
21.	Add lines 11 and 19	21.	89900
22.	Subtract line 21 from line 12	22.	
23.	Multiply line 22 by 20% (0.20)	23.	
24.	Figure the tax on the amount on line 7. If the amount on line 7 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 7 is \$100,000 or more, use the Tax Computation Worksheet	24.	528
25.	Add lines 20, 23, and 24	25.	2989
26.	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	26.	12656
27.	Tax on all taxable income. Enter the smaller of line 25 or 26. Also include this amount on the entry space on Form 1040 or 1040-SR, line 12a. If you are filing Form 2555, don't enter this amount on the entry space on Form 1040 or 1040-SR, line 12a. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet	27.	2989

* If you are filing Form 2555, see the footnote in the Foreign Earned Income Tax Worksheet before completing this line.

Worksheet 1. **Adjusted Basis of Home Sold**

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**Caution:** See the Worksheet 1 Instructions before you use this worksheet.

1.	Enter the purchase price of the home sold. (If you filed Form 2119 when you originally acquired that home to postpone gain on the sale of a previous home before May 7, 1997, enter the adjusted basis of the new home from that Form 2119.)	1.	<u>180000</u>
2.	Seller-paid points for home bought after 1990 (see Seller-paid points). Do not include any seller-paid points you already subtracted to arrive at the amount entered on line 1	2.	<u> </u>
3.	Subtract line 2 from line 1	3.	<u>180000</u>
4.	Settlement fees or closing costs (see Settlement fees or closing costs). If line 1 includes the adjusted basis of the new home from Form 2119, skip lines 4a–4g and 5; go to line 6.		
a.	Abstract and recording fees	4a.	<u> </u>
b.	Legal fees (including fees for title search and preparing documents)	4b.	<u> </u>
c.	Survey fees	4c.	<u> </u>
d.	Title insurance	4d.	<u> </u>
e.	Transfer or stamp taxes	4e.	<u> </u>
f.	Amounts that the seller owed that you agreed to pay (back taxes or interest, recording or mortgage fees, and sales commissions)	4f.	<u> </u>
g.	Other	4g.	<u> </u>
5.	Add lines 4a through 4g	5.	<u> </u>
6.	Cost of additions and improvements. Do not include any additions and improvements included on line 1	6.	<u> </u>
7.	Special tax assessments paid for local improvements, such as streets and sidewalks	7.	<u> </u>
8.	Other increases to basis	8.	<u> </u>
9.	Add lines 3, 5, 6, 7, and 8	9.	<u>180000</u>
10.	Depreciation allowed or allowable, related to the business use or rental of the home	10.	<u> </u>
11.	Other decreases to basis (see Decreases to Basis). Do not include any postponed gain that reduced the adjusted basis of the new home reported from Form 2119 on line 1	11.	<u> </u>
12.	Add lines 10 and 11	12.	<u> </u>
13.	Adjusted basis of home sold. Subtract line 12 from line 9. Enter here and on Worksheet 2, line 4	13.	<u>180000</u>

Worksheet 2. Taxable Gain on Sale of Home

Keep for Your Records



Part 1. Gain or (Loss) on Sale

1. Selling price of home 1. 256000
2. Selling expenses (including commissions, advertising and legal fees, and seller-paid loan charges) 2. _____
3. Subtract line 2 from line 1. This is the amount realized 3. 256000
4. Adjusted basis of home sold (from Worksheet 1, line 13) 4. 180000
5. **Gain or (loss)** on the sale. Subtract line 4 from line 3. If this is a loss, stop here 5. 76000

Part 2. Exclusion and Taxable Gain

6. Enter any depreciation allowed or allowable on the property for periods after May 6, 1997. If none, enter -0- 6. _____
7. Subtract line 6 from line 5. If the result is less than zero, enter -0- 7. 76000
8. Aggregate number of days of nonqualified use after 2008. If none, enter -0-.
If line 8 is equal to zero, skip to line 12 and enter the amount from line 7 on line 12 8. _____
9. Number of days taxpayer owned the property 9. _____
10. Divide the amount on line 8 by the amount on line 9. Enter the result as a decimal (rounded to at least 3 places). But do not enter an amount greater than 1.00 10. _____
11. Gain allocated to nonqualified use. (Line 7 multiplied by line 10) 11. _____
12. Gain eligible for exclusion. Subtract line 11 from line 7 12. 76000
13. If you qualify to exclude gain on the sale, enter your maximum exclusion (see [Maximum Exclusion](#)).
If you qualify for a reduced maximum exclusion, enter the amount from Worksheet 3, line 7. If you do not qualify to exclude gain, enter -0- 13. 500000
14. **Exclusion.** Enter the smaller of line 12 or line 13 14. 76000
15. **Taxable gain.** Subtract line 14 from line 5. Report your taxable gain as described under [Reporting the Sale](#).
If the amount on line 6 is more than zero, complete line 16 15. _____
16. Enter the **smaller** of line 6 or line 15. Enter this amount on line 12 of the Unrecaptured Section 1250 Gain Worksheet in the instructions for Schedule D (Form 1040) 16. _____

Worksheet 3. **Reduced Maximum Exclusion**

Keep for Your Records



Caution: Complete this worksheet only if you qualify for a reduced maximum exclusion (see [Reduced Maximum Exclusion](#)). Complete column (a).

	(a) You	(b) Your Spouse
1. Maximum amount	1. \$250,000	\$250,000
2 a. Enter the number of days (or months) that you used the property as a main home during the 5-year period* ending on the date of sale	2a. 1825	1825
b. Enter the number of days (or months) that you owned the property during the 5-year period* ending on the date of sale. If you used days on line 2a, you also must use days on this line and on lines 3 and 5. If you used months on line 2a, you also must use months on this line and on lines 3 and 5. (If married filing jointly and one spouse owned the property longer than the other spouse, both spouses are treated as owning the property for the longer period.)	b. 1825	1825
c. Enter the smaller of line 2a or 2b	c. 1825	1825
3. Have you (or your spouse, if filing jointly) excluded gain from the sale of another home during the 2-year period ending on the date of this sale? ☒ No. Skip line 3 and enter the number of days (or months) from line 2c on line 4. ☐ Yes. Enter the number of days (or months) between the date of the most recent sale of another home on which you excluded gain and the date of sale of this home	3.	
4. Enter the smaller of line 2c or 3	4. 1825	1825
5. Divide the amount on line 4 by 730 days (or 24 months). Enter the result as a decimal (rounded to at least 3 places). But do not enter an amount greater than 1.000	5. 1.0000	1.0000
6. Multiply the amount on line 1 by the decimal amount on line 5	6. 250000	250000
7. Reduced maximum exclusion. Add the amounts in columns (a) and (b) of line 6. Enter it here and on Worksheet 2, line 13	7. 500000	

*If you were a member of the uniformed services or Foreign Service, an employee of the intelligence community, or an employee or volunteer of the Peace Corps during the time you owned the home, see [Members of the uniformed services or Foreign Service, employees of the intelligence community, or employees or volunteers of the Peace Corps](#) to determine your 5-year period.

Credit Limit Worksheet**Complete this worksheet to figure the amount to enter on line 19.**

- | | |
|--|---------------|
| 1. Enter the amount from Form 8863,
line 18 | 1. _____ |
| 2. Enter the amount from Form 8863,
line 9 | 2. _____ 1500 |
| 3. Add lines 1 and 2 | 3. _____ 1500 |
| 4. Enter the amount from:
Form 1040, line 11
. | 4. _____ 2989 |
| 5. Enter the total of your credits from:
Schedule 3 (Form 1040), lines 48 and 49,
and Schedule R, line 22
. | 5. _____ |
| 6. Subtract line 5 from line 4 | 6. _____ 2989 |
| 7. Enter the smaller of line 3 or line 6 here
and on Form 8863, line 19 | 7. _____ 1500 |

Line 26

Check "Yes" if the student was convicted, before the end of 2018, of a federal or state felony for possession or distribution of a controlled substance.

If you checked "No," complete lines 27 through 30 for this student. If you checked "Yes," the student isn't eligible for the American opportunity credit; skip lines 26 through 30 and go to line 31.



CAUTION You **cannot** claim the American opportunity credit and the lifetime learning credit for the **same student** in the same year. If you complete lines 27 through 30 for this student, don't complete line 31.

American Opportunity Credit

Line 27

Enter the student's adjusted qualified education expenses for line 27. See *Qualified Education Expenses*, earlier. Use the Adjusted Qualified Education Expenses Worksheet, later, to figure each student's adjusted qualified education expenses. Don't enter more than \$4,000. Enter the total of all amounts from all Parts III, line 30, on Part I, line 1.

Lifetime Learning Credit

Line 31

Enter the student's adjusted qualified education expenses on line 31. See *Qualified Education Expenses*, earlier. Use the Adjusted Qualified Education Expenses Worksheet next to figure each student's adjusted qualified education expenses. Enter the total of all amounts from Part III, line 31, on Part II, line 10.

Adjusted Qualified Education Expenses Worksheet

See *Qualified Education Expenses*, earlier, before completing.

Complete a separate worksheet for each student for each academic period beginning or treated as beginning (see below) in 2018 for which you paid (or are treated as having paid) qualified education expenses in 2018.

1. Total qualified education expenses paid for or on behalf of the student in 2018 for the academic period	12500
2. Less adjustments:	
a. Tax-free educational assistance received in 2018 allocable to the academic period	_____
b. Tax-free educational assistance received in 2019 (and before you file your 2018 tax return) allocable to the academic period	_____
c. Refunds of qualified education expenses paid in 2018 if the refund is received in 2018 or in 2019 before you file your 2018 tax return	_____
3. Total adjustments (add lines 2a, 2b, and 2c)	_____
4. Adjusted qualified education expenses. Subtract line 3 from line 1. If zero or less, enter -0-	12500



CAUTION If you're claiming an education credit for more than one student, complete a separate Part III for each student before returning to page 1 to complete Parts I and II.

If any qualified education expenses for the student were paid in 2018 for an academic period beginning in the first 3 months of 2019, treat that academic period as if it began in 2018. See *Student qualifications and Prepaid Expenses*, earlier.

Worksheet 4-1. **Student Loan Interest Deduction Worksheet**

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Use this worksheet instead of the worksheet in the Form 1040 instructions if you are filing **Form 2555, 2555-EZ, or 4563**, or you are excluding income from sources within Puerto Rico. Before using this worksheet, you must complete **Form 1040**, line 6, and Schedule 1 (Form 1040), lines 23 through 32, plus any amount to be entered on the dotted line next to line 36.

1. Enter the total interest you paid in 2018 on qualified student loans. Don't enter more than \$2,500	1. <u>2500</u>
2. Enter the amount from Form 1040, line 6	2. <u>124900</u>
3. Enter the total of the amounts from Schedule 1 (Form 1040), lines 23 through 32	3. _____
4. Enter the total of any amounts entered on the dotted line next to Schedule 1 (Form 1040), line 36, other than any amount identified as "DPAD"	4. _____
5. Add lines 3 and 4	5. _____
6. Subtract line 5 from line 2	6. <u>124900</u>
7. Enter any foreign earned income exclusion and/or housing exclusion (Form 2555, line 45; or Form 2555-EZ, line 18)	7. _____
8. Enter any foreign housing deduction (Form 2555, line 50)	8. _____
9. Enter the amount of income from Puerto Rico you are excluding	9. _____
10. Enter the amount of income from American Samoa you are excluding (Form 4563, line 15)	10. _____
11. Add lines 6 through 10. This is your modified adjusted gross income	11. <u>124900</u>
12. Enter the amount shown below for your filing status	12. <u>140000</u>
• Single, head of household, or qualifying widow(er)—\$65,000 • Married filing jointly—\$135,000	
13. Is the amount on line 11 more than the amount on line 12?	
☒ No. Skip lines 13 and 14, enter -0- on line 15, and go to line 16.	
☐ Yes. Subtract line 12 from line 11	
14. Divide line 13 by \$15,000 (\$30,000 if married filing jointly). Enter the result as a decimal (rounded to at least three places). If the result is 1.000 or more, enter 1.000	14. _____
15. Multiply line 1 by line 14	15. _____
16. Student loan interest deduction. Subtract line 15 from line 1. Enter the result here and on Schedule 1 (Form 1040), line 33. Don't include this amount in figuring any other deduction on your return (such as on Schedule A, C, E, etc.)	16. <u>2500</u>

QNA

Dependent Information:

Name....: LAUREN W SATCHER
SSN.....: 254-00-4568 Relationship.....: DAUGHTER
Student.: YES School Attended...:
Disabled: NO Type of Disability:
Notes...:

Due Diligence Notes:

Information obtained through client interview and personal records.