

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 your 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 Robert Workhorse		Last name Workhorse	Your social security number ***-**-****
If joint return, spouse's first name and middle initial Betty Workhorse		Last name Workhorse	Spouse's social security number ***-**-****
Home address (number and street). If you have a P.O. box, see instructions. 12345 Ranch Road		Apt. no.	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. <input type="checkbox"/> You <input type="checkbox"/> Spouse
City, town, or post office. If you have a foreign address, also complete spaces below. Bovine Falls, WY 99999		State	
Foreign country name		Foreign province/state/county	
		Foreign postal code	

At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? Yes No

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

Age/Blindness **You:** Were born before January 2, 1956 Are blind **Spouse:** Was born before January 2, 1956 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) <input checked="" type="checkbox"/> if qualifies for (see instructions):	Child tax credit	Credit for other dependents

	1 Wages, salaries, tips, etc. Attach Form(s) W-2		1	65,000.
Attach Sch. B if required.	2a Tax-exempt interest	2a		
	b Taxable interest		2b	9,487.
	3a Qualified dividends	3a		
	b Ordinary dividends		3b	
	4a IRA distributions	4a		
	b Taxable amount		4b	
	5a Pensions and annuities	5a		
	b Taxable amount		5b	
	6a Social security benefits	6a		
	b Taxable amount		6b	
	7 Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	80,593.
	8 Other income from Schedule 1, line 9		8	-41,928.
	9 Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	113,152.
Standard Deduction for — • Single or Married filing separately, \$12,400 • Married filing jointly or Qualifying widow(er), \$24,800 • Head of household, \$18,650 • If you checked any box under <i>Standard Deduction</i> , see instructions.	10 Adjustments to income:			
	a From Schedule 1, line 22	10a	2,942.	
	b Charitable contributions if you take the standard deduction. See instructions	10b	300.	
	c Add lines 10a and 10b. These are your total adjustments to income	10c	3,242.	
	11 Subtract line 10c from line 9. This is your adjusted gross income		11	109,910.
	12 Standard deduction or itemized deductions (from Schedule A)		12	24,800.
	13 Qualified business income deduction. Attach Form 8995 or Form 8995-A		13	
	14 Add lines 12 and 13		14	24,800.
	15 Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-		15	85,110.

16	Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	16	1,220.
17	Amount from Schedule 2, line 3	17	
18	Add lines 16 and 17	18	1,220.
19	Child tax credit or credit for other dependents	19	
20	Amount from Schedule 3, line 7	20	
21	Add lines 19 and 20	21	0.
22	Subtract line 21 from line 18. If zero or less, enter -0-	22	1,220.
23	Other taxes, including self-employment tax, from Schedule 2, line 10	23	863.
24	Add lines 22 and 23. This is your total tax	24	2,083.
25	Federal income tax withheld from :		
	a Form(s) W-2	25a	
	b Form(s) 1099	25b	
	c Other forms (see instructions)	25c	
	d Add lines 25a through 25c	25d	
26	2020 estimated tax payments and amount applied from 2019 return	26	
27	Earned income credit (EIC)	27	
28	Additional child tax credit. Attach Schedule 8812	28	
29	American opportunity credit from Form 8863, line 8	29	
30	Recovery rebate credit. See instructions	30	
31	Amount from Schedule 3, line 13	31	78.
32	Add lines 27 through 31. These are your total other payments and refundable credits	32	78.
33	Add lines 25d, 26, and 32. These are your total payments	33	78.
34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34	
35a	Amount of line 34 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	35a	
	b Routing number		
	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	d Account number		
36	Amount of line 34 you want applied to your 2021 estimated tax	36	
37	Subtract line 33 from line 24. This is the amount you owe now . Note: Schedule H and Schedule SE filers, line 37 may not represent all of the taxes you owe for 2020. See Schedule 3, line 12e, and its instructions for details.	37	2,005.
38	Estimated tax penalty (see instructions)	38	

- If you have a qualifying child, attach Sch. EIC.
- If you have nontaxable combat pay, see instructions.

Refund

Direct deposit? See instructions.

Amount You Owe

For details on how to pay, see instructions.

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions. Yes. Complete below. No

Designee's name 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.

Joint return? See instructions. Keep a copy for your records.

Your signature	Date	Your occupation Rancher	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation Nurse	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)
Phone no.	Email address		

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
Firm's name	Firm's address		Phone no.	Firm's EIN

**SCHEDULE 1
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

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

OMB No. 1545-0074

2020

Attachment
Sequence No. **01**

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

Robert and Betty Workhorse

Your social security number

-**-*

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	14,615.
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E.....	5	
6	Farm income or (loss). Attach Schedule F.....	6	-56,543.
7	Unemployment compensation.....	7	
8	Other income. List type and amount ▶ _____ _____	8	
9	Combine lines 1 through 8. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8.....	9	-41,928.

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	432.
15	Self-employed SEP, SIMPLE, and qualified plans.....	15	
16	Self-employed health insurance deduction.....	16	2,510.
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	
21	Tuition and fees deduction. Attach Form 8917.....	21	
22	Add lines 10 through 21. These are your adjustments to income . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 10a.....	22	2,942.

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

Schedule 1 (Form 1040) 2020

**SCHEDULE 2
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Taxes

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

OMB No. 1545-0074

2020

Attachment
Sequence No. **02**

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

Robert and Betty Workhorse

Your social security number

-**-*

Part I Tax			
1	Alternative minimum tax. Attach Form 6251.....	1	0.
2	Excess advance premium tax credit repayment. Attach Form 8962.....	2	
3	Add lines 1 and 2. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 17.....	3	0.

Part II Other Taxes			
4	Self-employment tax. Attach Schedule SE.....	4	863.
5	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919.....	5	
6	Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts. Attach Form 5329 if required.....	6	
7a	Household employment taxes. Attach Schedule H.....	7a	
b	Repayment of first-time homebuyer credit from Form 5405. Attach Form 5405 if required.....	7b	
8	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s) _____	8	
9	Section 965 net tax liability installment from Form 965-A.....	9	
10	Add lines 4 through 8. These are your total other taxes . Enter here and on Form 1040 or 1040-SR, line 23, or Form 1040-NR, line 23b.....	10	863.

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

Schedule 2 (Form 1040) 2020

SAMPLE

**SCHEDULE 3
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Credits and Payments

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

OMB No. 1545-0074

2020
Attachment
Sequence No. **03**

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

Robert and Betty Workhorse

Your social security number

-**-*

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	
4	Retirement savings contributions credit. Attach Form 8880.	4	
5	Residential energy credits. Attach Form 5695.	5	
6	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	6	
7	Add lines 1 through 6. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 20.	7	
Part II Other Payments and Refundable Credits			
8	Net premium tax credit. Attach Form 8962.	8	
9	Amount paid with request for extension to file (see instructions).	9	
10	Excess social security and tier 1 RRTA tax withheld.	10	
11	Credit for federal tax on fuels. Attach Form 4136.	11	78.
12	Other payments or refundable credits:		
a	Form 2439.	12a	
b	Qualified sick and family leave credits from Schedule(s) H and Form(s) 7202.	12b	
c	Health coverage tax credit from Form 8885.	12c	
d	Other: _____	12d	
e	Deferral for certain Schedule H or SE filers (see instructions).	12e	
f	Add lines 12a through 12e.	12f	
13	Add lns 8 thru 12f. Enter here & on Form 1040, 1040-SR, or 1040-NR, ln 31.	13	78.

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

Schedule 3 (Form 1040) 2020

**SCHEDULE B
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Interest and Ordinary Dividends

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

OMB No. 1545-0074

2020

Attachment
Sequence No. **08**

Name(s) shown on return

Robert and Betty Workhorse

Your social security number

-**-*

Part I

Interest

(See instructions and the instructions for Forms 1040 and 1040-SR, line 2b.)

Note: If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►

Bovine Falls State Bank

Amount

9,487.

1

2 Add the amounts on line 1

9,487.

3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815.

4 Subtract line 3 from line 2. Enter the result here and on Form 1040 or 1040-SR, line 2b. ►

9,487.

Note: If line 4 is over \$1,500, you must complete Part III.

Amount

Part II

Ordinary Dividends

(See instructions and the instructions for Forms 1040 and 1040-SR, line 3b.)

Note: If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

5 List name of payer ►

5

6 Add the amounts on line 5. Enter the total here and on Form 1040 or 1040-SR, line 3b. ►

0.

Note: If line 6 is over \$1,500, you must complete Part III.

Part III

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes	No
-----	----

Foreign Accounts and Trusts

Caution: If required, failure to file FinCEN Form 114 may result in substantial penalties. See instructions.

7a At any time during 2020, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions

If 'Yes,' are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements.

b If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ►

8 During 2020, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions.

	X
	X

SCHEDULE D
(Form 1040)

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

2020

Attachment
Sequence No. **12**

Name(s) shown on return

Robert and Betty Workhorse

Your social security number

****-**-****

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				
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				
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 80,593.
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 instrs.				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
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 80,593.

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result.</p>	<p>16</p>	<p>80,593.</p>
<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, 1040-SR, or 1040-NR, line 7. 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, 1040-SR, or 1040-NR, line 7. Then, go to line 22. 		
<p>17 Are lines 15 and 16 both gains?</p>		
<p><input checked="" type="checkbox"/> Yes. Go to line 18.</p>		
<p><input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p>		
<p>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.</p>	<p>18</p>	<p>0.</p>
<p>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.</p>	<p>19</p>	
<p>20 Are lines 18 and 19 both zero or blank and are you not filing Form 4952?</p>		
<p><input checked="" type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Forms 1040 and 1040-SR, line 16. Don't complete lines 21 and 22 below.</p>		
<p><input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Don't complete lines 21 and 22 below.</p>		
<p>21 If line 16 is a loss, enter here and on Form 1040, 1040-SR, or 1040-NR, line 7, the smaller of:</p>		
<ul style="list-style-type: none"> • The loss on line 16; or • (\$3,000), or if married filing separately, (\$1,500) 	<p>21</p>	
<p>Note: When figuring which amount is smaller, treat both amounts as positive numbers.</p>		
<p>22 Do you have qualified dividends on Form 1040, 1040-SR, or 1040-NR, line 3a?</p>		
<p><input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Forms 1040 and 1040-SR, line 16.</p>		
<p><input type="checkbox"/> No. Complete the rest of Form 1040, 1040-SR, or 1040-NR.</p>		

SCHEDULE F
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Farming

▶ **Attach to Form 1040, Form 1040-SR, Form 1040-NR, Form 1041, or Form 1065.**
▶ **Go to www.irs.gov/ScheduleF for instructions and the latest information.**

OMB No. 1545-0074

2020

Attachment
Sequence No. **14**

Name of proprietor

Robert Workhorse

Social security number (SSN)

-**-*

A Principal crop or activity

Beef Cattle

B Enter code from Part IV

▶ 112111

C Accounting method:

Cash Accrual

D Employer ID number (EIN) (see instr.)

E Did you 'materially participate' in the operation of this business during 2020? If 'No,' see instructions for limit on passive losses. Yes No

F Did you make any payments in 2020 that would require you to file Form(s) 1099? See instructions. Yes No

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

Part I Farm Income – Cash Method. Complete Parts I and II. (Accrual method. Complete Parts II and III, and Part I, line 9.)

1 a Sales of livestock and other resale items (see instructions).....	1a		
b Cost or other basis of livestock or other items reported on line 1a.....	1b		
c Subtract line 1b from line 1a.....		1c	
2 Sales of livestock, produce, grains, and other products you raised.....		2	444,802.
3 a Cooperative distributions (Form(s) 1099-PATR).....	3a	100.	3 b Taxable amount.....
			3b
			100.
4 a Agricultural program payments (see instructions).....	4a		4 b Taxable amount.....
			4b
5 a Commodity Credit Corporation (CCC) loans reported under election.....			5a
b CCC loans forfeited.....	5b		5 c Taxable amount.....
			5c
6 Crop insurance proceeds and federal crop disaster payments (see instructions):			
a Amount received in 2020.....	6a		6 b Taxable amount.....
			6b
c If election to defer to 2021 is attached, check here. ▶ <input type="checkbox"/>			6 d Amount deferred from 2019.....
			6d
7 Custom hire (machine work) income.....		7	950.
8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions).....		8	78.
9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50. See instructions. ▶		9	445,930.

Part II Farm Expenses – Cash and Accrual Method. Do not include personal or living expenses. See instructions.

10 Car and truck expenses (see instructions). Also attach Form 4562.....	10		23 Pension and profit-sharing plans.....	23	
11 Chemicals.....	11	635.	24 Rent or lease (see instructions):		
12 Conservation expenses (see instructions).....	12		a Vehicles, machinery, equipment.....	24a	
13 Custom hire (machine work).....	13		b Other (land, animals, etc.).....	24b	6,050.
14 Depreciation and section 179 expense (see instructions).....	14	75,416.	25 Repairs and maintenance.....	25	30,750.
15 Employee benefit programs other than on line 23.....	15	4,800.	26 Seeds and plants.....	26	
16 Feed.....	16	63,655.	27 Storage and warehousing.....	27	
17 Fertilizers and lime.....	17	45,792.	28 Supplies.....	28	20,811.
18 Freight and trucking.....	18	3,468.	29 Taxes.....	29	30,999.
19 Gasoline, fuel, and oil.....	19	28,450.	30 Utilities.....	30	11,264.
20 Insurance (other than health).....	20	31,260.	31 Veterinary, breeding, and medicine.....	31	19,441.
21 Interest (see instructions):			32 Other expenses (specify):		
a Mortgage (paid to banks, etc.).....	21 a	13,250.	a See Statement 1.....	32 a	35,550.
b Other.....	21 b	14,882.	b	32 b	
22 Labor hired (less employment credits).....	22	66,000.	c	32 c	
			d	32 d	
			e	32 e	
			f	32 f	
33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions. ▶			33		502,473.
34 Net farm profit or (loss). Subtract line 33 from line 9.....			34		-56,543.

If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36.

35 Reserved for future use.

36 Check the box that describes your investment in this activity and see instructions for where to report your loss:

a All investment is at risk. **b** Some investment is not at risk.

SCHEDULE SE
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Self-Employment Tax

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

OMB No. 1545-0074

2020

Attachment
Sequence No. **17**

Name of person with self-employment income (as shown on Form 1040, 1040-SR, or 1040-NR) Robert Workhorse	Social security number of person with self-employment income ►	***-**-****
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Part I Self-Employment Tax

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

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

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

1 a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1 a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code AH	1 b	
Skip line 2 if you use the nonfarm optional method in Part II. See instructions.		
2 Net profit or (loss) from Schedule C, line 31; and Schedule K-1 (Form 1065), box 14, code A (other than farming). See instructions for other income to report or if you are a minister or member of a religious order	2	
3 Combine lines 1a, 1b, and 2	3	
4 a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3 Note: If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.	4 a	
b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	4 b	5,640.
c Combine lines 4a and 4b. If less than \$400, stop ; you don't owe self-employment tax. Exception: If less than \$400 and you had church employee income , enter -0- and continue	4 c	5,640.
5 a Enter your church employee income from Form W-2. See instructions for definition of church employee income	5 a	
b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0-	5 b	0.
6 Add lines 4c and 5b	6	5,640.
7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2020	7	137,700.
8 a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$137,700 or more, skip lines 8b through 10, and go to line 11	8 a	
b Unreported tips subject to social security tax from Form 4137, line 10	8 b	
c Wages subject to social security tax from Form 8919, line 10	8 c	
d Add lines 8a, 8b, and 8c	8 d	
9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11	9	137,700.
10 Multiply the smaller of line 6 or line 9 by 12.4% (0.124)	10	699.
11 Multiply line 6 by 2.9% (0.029)	11	164.
12 Self-employment tax. Add lines 10 and 11. Enter here and on Schedule 2 (Form 1040), line 4	12	863.
13 Deduction for one-half of self-employment tax. Multiply line 12 by 50% (0.50). Enter here and on Schedule 1 (Form 1040), line 14	13	432.

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

Farm Optional Method. You may use this method **only** if **(a)** your gross farm income⁽¹⁾ wasn't more than \$8,460, **or (b)** your net farm profits⁽²⁾ were less than \$6,107.

14 Maximum income for optional methods	14	5,640.
15 Enter the smaller of: two-thirds (2/3) of gross farm income ⁽¹⁾ (not less than zero) or \$5,640. Also, include this amount on line 4b above	15	5,640.

Nonfarm Optional Method. You may use this method **only** if **(a)** your net nonfarm profits⁽³⁾ were less than \$6,107 and also less than 72.189% of your gross nonfarm income,⁽⁴⁾ **and (b)** you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution:** You may use this method no more than five times.

16 Subtract line 15 from line 14	16	
17 Enter the smaller of: two-thirds (2/3) of gross nonfarm income ⁽⁴⁾ (not less than zero) or the amount on line 16. Also, include this amount on line 4b above	17	

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

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

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

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

Part III Maximum Deferral of Self-Employment Tax Payments

If line 4c is zero, skip lines 18 through 20, and enter -0- on line 21.

18 Enter the portion of line 3 that can be attributed to March 27, 2020, through December 31, 2020	18	
19 If line 18 is more than zero, multiply line 18 by 92.35% (0.9235); otherwise, enter the amount from line 18	19	
20 Enter the portion of lines 15 and 17 that can be attributed to March 27, 2020, through December 31, 2020	20	4,315.
21 Combine lines 19 and 20	21	4,315.
If line 5b is zero, skip line 22 and enter -0- on line 23.		
22 Enter the portion of line 5a that can be attributed to March 27, 2020, through December 31, 2020	22	
23 Multiply line 22 by 92.35% (0.9235)	23	0.
24 Add lines 21 and 23	24	4,315.
25 Enter the smaller of line 9 or line 24	25	4,315.
26 Multiply line 25 by 6.2% (0.062). Enter here and see the instructions for line 12e of Schedule 3 (Form 1040)	26	268.

BAA

Schedule SE (Form 1040) 2020

SAMPLE

Name (as shown on your income tax return)

Taxpayer identification number

Robert and Betty Workhorse

-**-*

Caution: Claimant has the name and address of the person who sold the fuel to the claimant and the dates of purchase. For claims on lines 1c and 2b (type of use 13 or 14), 3d, 4c, and 5, claimant has not waived the right to make the claim. For claims on lines 1c and 2b (type of use 13 or 14), claimant certifies that a certificate has not been provided to the credit card issuer. See instructions for kerosene used in commercial aviation from March 28, 2020, through December 31, 2020.

1 Nontaxable Use of Gasoline

Note: CRN is credit reference number.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Off-highway business use	\$.183	426	\$ 78.	362
b	Use on a farm for farming purposes	.183			
c	Other nontaxable use (see Caution above line 1)	.183			
d	Exported	.184			411

2 Nontaxable Use of Aviation Gasoline

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade)	\$.15		\$	354
b	Other nontaxable use (see Caution above line 1)	.193			324
c	Exported	.194			412
d	LUST tax on aviation fuels used in foreign trade	.001			433

3 Nontaxable Use of Undyed Diesel Fuel

Claimant certifies that the diesel fuel did not contain visible evidence of dye.

Exception. If any of the diesel fuel included in this claim **did** contain visible evidence of dye, attach an explanation and check here.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use	\$.243		\$	360
b	Use on a farm for farming purposes	.243			
c	Use in trains	.243			
d	Use in certain intercity and local buses (see Caution above line 1)	.17			350
e	Exported	.244			413

4 Nontaxable Use of Undyed Kerosene (Other Than Kerosene Used in Aviation)

Claimant certifies that the kerosene did not contain visible evidence of dye.

Exception. If any of the kerosene included in this claim **did** contain visible evidence of dye, attach an explanation and check here.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use taxed at \$.244	\$.243		\$	346
b	Use on a farm for farming purposes	.243			
c	Use in certain intercity and local buses (see Caution above line 1)	.17			347
d	Exported	.244			414
e	Nontaxable use taxed at \$.044	.043			377
f	Nontaxable use taxed at \$.219	.218			369

BAA For Paperwork Reduction Act Notice, see the separate instructions.

Form 4136 (2020)

5 Kerosene Used in Aviation (see **Caution** above line 1)

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Kerosene used in commercial aviation (other than foreign trade) taxed at \$.244	\$.200		\$	417
b	Kerosene used in commercial aviation (other than foreign trade) taxed at \$.219	.175			355
c	Nontaxable use (other than use by state or local government) taxed at \$.244	.243			346
d	Nontaxable use (other than use by state or local government) taxed at \$.219	.218			369
e	LUST tax on aviation fuels used in foreign trade	.001			433

6 Sales by Registered Ultimate Vendors of Undyed Diesel Fuel

Registration No. ▶

Claimant certifies that it sold the diesel fuel at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the diesel fuel did not contain visible evidence of dye.

Exception. If any of the diesel fuel included in this claim **did** contain visible evidence of dye, attach an explanation and check here

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use by a state or local government	\$.243	\$	360
b	Use in certain intercity and local buses	.17		350

7 Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene For Use in Aviation)

Registration No. ▶

Claimant certifies that it sold the kerosene at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the kerosene did not contain visible evidence of dye.

Exception. If any of the kerosene included in this claim **did** contain visible evidence of dye, attach an explanation and check here

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use by a state or local government	\$.243	\$	346
b	Sales from a blocked pump	.243		347
c	Use in certain intercity and local buses	.17		

8 Sales by Registered Ultimate Vendors of Kerosene For Use in Aviation (see **Caution** above line 1)

Registration No. ▶

Claimant sold the kerosene for use in aviation at a tax-excluded price and has not collected the amount of tax from the buyer, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. See the instructions for additional information to be submitted.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade) taxed at \$.219	\$.175		\$	355
b	Use in commercial aviation (other than foreign trade) taxed at \$.244	.200			417
c	Nonexempt use in noncommercial aviation	.025			418
d	Other nontaxable uses taxed at \$.244	.243			346
e	Other nontaxable uses taxed at \$.219	.218			369
f	LUST tax on aviation fuels used in foreign trade	.001			433

9 Reserved for future use

Registration No. ▶

	(b) Rate	(c) Gallons of alcohol	(d) Amount of credit	(e) CRN
a Reserved for future use.....			\$	
b Reserved for future use.....				

10 Biodiesel or Renewable Diesel Mixture Credit

Registration No. ▶

Biodiesel mixtures. Claimant produced a mixture by mixing biodiesel with diesel fuel. The biodiesel used to produce the mixture met ASTM D6751 and met EPA's registration requirements for fuels and fuel additives. The mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. Claimant has attached the Certificate for Biodiesel and, if applicable, the Statement of Biodiesel Reseller. **Renewable diesel mixtures.** Claimant produced a mixture by mixing renewable diesel with liquid fuel (other than renewable diesel). The renewable diesel used to produce the renewable diesel mixture was derived from biomass, met EPA's registration requirements for fuels and fuel additives, and met ASTM D975, D396, or other equivalent standard approved by the IRS. The mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. Claimant has attached the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller, both of which have been edited as discussed in the instructions for line 10. See the instructions for line 10 for information about renewable diesel used in aviation.

	(b) Rate	(c) Gallons of biodiesel or renewable diesel	(d) Amount of credit	(e) CRN
a Biodiesel (other than agri-biodiesel) mixtures.....	\$ 1.00		\$	388
b Agri-biodiesel mixtures.....	1.00			390
c Renewable diesel mixtures.....	1.00			307

11 Nontaxable Use of Alternative Fuel

Caution: There is a reduced credit rate for use in certain intercity and local buses (type of use 5). See instructions.

	(a) Type of use	(b) Rate	(c) Gallons, or gasoline or diesel gallon equivalents	(d) Amount of credit	(e) CRN
a Liquefied petroleum gas (LPG) (see instructions).....		\$		\$	419
b "P Series" fuels.....					420
c Compressed natural gas (CNG) (see instructions).....					421
d Liquefied hydrogen.....					422
e Fischer-Tropsch process liquid fuel from coal (including peat).....					423
f Liquid fuel derived from biomass.....					424
g Liquefied natural gas (LNG) (see instructions).....					425
h Liquefied gas derived from biomass.....					435

12 Alternative Fuel Credit

Registration No. ▶

	(b) Rate	(c) Gallons, or gasoline or diesel gallon equivalents	(d) Amount of credit	(e) CRN
a Liquefied petroleum gas (LPG) (see instructions).....	\$.50		\$	426
b "P Series" fuels.....	.50			427
c Compressed natural gas (CNG) (see instructions).....	.50			428
d Liquefied hydrogen.....	.50			429
e Fischer-Tropsch process liquid fuel from coal (including peat).....	.50			430
f Liquid fuel derived from biomass.....	.50			431
g Liquefied natural gas (LNG) (see instructions).....	.50			432
h Liquefied gas derived from biomass.....	.50			436
i Compressed gas derived from biomass.....	.50			437

13 Registered Credit Card Issuers

Registration No. ▶

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Diesel fuel sold for the exclusive use of a state or local government.	\$.243		\$	360
b Kerosene sold for the exclusive use of a state or local government.	.243			346
c Kerosene for use in aviation sold for the exclusive use of a state or local government taxed at \$.219.	.218*			369

14 Nontaxable Use of a Diesel-Water Fuel Emulsion

Caution: There is a reduced credit rate for use in certain intercity and local buses (type of use 5). See instructions.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Nontaxable use.		\$		\$	309
b Exported.		.198			306

15 Diesel-Water Fuel Emulsion Blending

Registration No. ▶

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
Blender credit	\$.046		\$	310

16 Exported Dyed Fuels and Exported Gasoline Blendstocks

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Exported dyed diesel fuel and exported gasoline blendstocks taxed at \$.001.	\$.001		\$	415
b Exported dyed kerosene.	.001			416

17 Total income tax credit claimed. Add lines 1 through 16, column (d). Enter here and on Schedule 3 (Form 1040), line 11; Form 1120, Schedule J, line 20b; Form 1120-S, line 23c; Form 1041, Schedule G, line 16b; or the proper line of other returns. ▶

17 \$ 78.

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

OMB No. 1545-0172

2020

Attachment
Sequence No. **179**

Name(s) shown on return

Robert and Betty Workhorse

Identifying number

-**-*

Business or activity to which this form relates

Schedule F / Form 4835 - Beef Cattle

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions).....	1	1,040,000.
2	Total cost of section 179 property placed in service (see instructions).....	2	39,900.
3	Threshold cost of section 179 property before reduction in limitation (see instructions).....	3	2,590,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	0.
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.....	5	1,040,000.
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	5-Year Bulls	39,900.	39,900.
7	Listed property. Enter the amount from line 29.....	7	0.
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7.....	8	39,900.
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	39,900.
10	Carryover of disallowed deduction from line 13 of your 2019 Form 4562.....	10	0.
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instrs.....	11	143,565.
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11.....	12	39,900.
13	Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12.....	13	0.

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions.....	14	
15	Property subject to section 168(f)(1) election.....	15	
16	Other depreciation (including ACRS).....	16	

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2020.....	17	35,516.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here. <input type="checkbox"/>		

Section B - Assets Placed in Service During 2020 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property.....						
b 5-year property.....						
c 7-year property.....						
d 10-year property.....						
e 15-year property.....						
f 20-year property.....						
g 25-year property.....			25 yrs		S/L	
h Residential rental property.....			27.5 yrs	MM	S/L	
i Nonresidential real property.....			39 yrs	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2020 Tax Year Using the Alternative Depreciation System

20 a Class life.....					S/L	
b 12-year.....			12 yrs		S/L	
c 30-year.....			30 yrs	MM	S/L	
d 40-year.....			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28.....	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions.....	22	75,416.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.....	23	

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return.
▶ Go to www.irs.gov/Form4797 for instructions and the latest information.

Name(s) shown on return

Identifying number

Robert and Betty Workhorse

-**-*

1 Enter the gross proceeds from sales or exchanges reported to you for 2020 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions.

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft – Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
	Raised Cows	Various	Various	80,593.			80,593.

3 Gain, if any, from Form 4684, line 39. **3**

4 Section 1231 gain from installment sales from Form 6252, line 26 or 37. **4**

5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824. **5**

6 Gain, if any, from line 32, from other than casualty or theft. **6**

7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: **7** 80,593.

Partnerships and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120-S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years. See instructions. **8**

9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions. **9**

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11	12	13	14	15	16	17	18a	18b

11 Loss, if any, from line 7. **11**

12 Gain, if any, from line 7 or amount from line 8, if applicable. **12**

13 Gain, if any, from line 31. **13** 14,615.

14 Net gain or (loss) from Form 4684, lines 31 and 38a. **14**

15 Ordinary gain from installment sales from Form 6252, line 25 or 36. **15**

16 Ordinary gain or (loss) from like-kind exchanges from Form 8824. **16**

17 Combine lines 10 through 16. **17** 14,615.

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below.

a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the loss from income-producing property on Schedule A (Form 1040), line 16. (Do not include any loss on property used as an employee.) Identify as from "Form 4797, line 18a." See instructions. **18a**

b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Schedule 1 (Form 1040), Part I, line 4. **18b** 14,615.

BAA For Paperwork Reduction Act Notice, see separate instructions.

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19(a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A Purchased Bulls	3/01/18	2/01/20
B		
C		
D		

These columns relate to the properties on lines 19A through 19D.	Property A	Property B	Property C	Property D
20 Gross sales price (Note: See line 1 before completing.)	20 14,615.			
21 Cost or other basis plus expense of sale.	21 39,200.			
22 Depreciation (or depletion) allowed or allowable.	22 39,200.			
23 Adjusted basis. Subtract line 22 from line 21.	23			
24 Total gain. Subtract line 23 from line 20.	24 14,615.			
25 If section 1245 property:				
a Depreciation allowed or allowable from line 22.	25a 39,200.			
b Enter the smaller of line 24 or 25a.	25b 14,615.			
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.				
a Additional depreciation after 1975. See instrs.	26a			
b Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions.	26b			
c Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e.	26c			
d Additional depreciation after 1969 and before 1976.	26d			
e Enter the smaller of line 26c or 26d.	26e			
f Section 291 amount (corporations only).	26f			
g Add lines 26b, 26e, and 26f.	26g			
27 If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership.				
a Soil, water, and land clearing expenses.	27a			
b Line 27a multiplied by applicable percentage. See instructions.	27b			
c Enter the smaller of line 24 or 27b.	27c			
28 If section 1254 property:				
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion. See instructions.	28a			
b Enter the smaller of line 24 or 28a.	28b			
29 If section 1255 property:				
a Applicable percentage of payments excluded from income under section 126. See instructions.	29a			
b Enter the smaller of line 24 or 29a. See instrs.	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties. Add property columns A through D, line 24.	30	14,615.
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13.	31	14,615.
32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6.	32	0.

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years.	33	
34 Recomputed depreciation. See instructions.	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report.	35	

**Qualified Business Income Deduction
Simplified Computation**

2020

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return.**

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

Attachment
Sequence No. **55**

Name(s) shown on return

Robert and Betty Workhorse

Your taxpayer identification number

-**-*

Note. You can claim the qualified business income deduction **only** if you have qualified business income from a qualified trade or business, real estate investment trust dividends, publicly traded partnership income, or a domestic production activities deduction passed through from an agricultural or horticultural cooperative. See instructions.
Use this form if your taxable income, before your qualified business income deduction, is at or below \$163,300 (\$326,600 if married filing jointly), and you aren't a patron of an agricultural or horticultural cooperative.

1	(a) Trade, business, or aggregation name	(b) Taxpayer identification number	(c) Qualified business income or (loss)
i	Beef Cattle		-56,543.
ii			
iii			
iv			
v			
2	Total qualified business income or (loss). Combine lines 1i through 1v, column (c)	-56,543.	
3	Qualified business net (loss) carryforward from the prior year	0.	
4	Total qualified business income. Combine lines 2 and 3. If zero or less, enter -0-	0.	
5	Qualified business income component. Multiply line 4 by 20% (0.20)		0.
6	Qualified REIT dividends and publicly traded partnership (PTP) income or (loss) (see instructions)	0.	
7	Qualified REIT dividends and qualified PTP (loss) carryforward from the prior year	0.	
8	Total qualified REIT dividends and PTP income. Combine lines 6 and 7. If zero or less, enter -0-	0.	
9	REIT and PTP component. Multiply line 8 by 20% (0.20)		0.
10	Qualified business income deduction before the income limitation. Add lines 5 and 9		0.
11	Taxable income before qualified business income deduction	85,110.	
12	Net capital gain (see instructions)	80,593.	
13	Subtract line 12 from line 11. If zero or less, enter -0-	4,517.	
14	Income limitation. Multiply line 13 by 20% (0.20)		903.
15	Qualified business income deduction. Enter the lesser of line 10 or line 14. Also enter this amount on the applicable line of your return. ▶		0.
16	Total qualified business (loss) carryforward. Combine lines 2 and 3. If greater than zero, enter -0-		-56,543.
17	Total qualified REIT dividends and PTP (loss) carryforward. Combine lines 6 and 7. If greater than zero, enter -0-		0.

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

Form **8995** (2020)

Statement 1 - Beef Cattle
Schedule F, Line 32
Other Expenses

Accounting.....	\$	5,200.
Dues, Memberships.....		3,000.
Legal Fees.....		750.
Marketing & Commission.....		16,200.
Office & Postage.....		1,200.
Subscriptions.....		1,500.
Travel.....		7,700.
	Total	<u>\$ 35,550.</u>

SAMPLE

Client WESTERN

Robert and Betty Workhorse

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INCOME

Wages, salaries, tips, etc.....	65,000
Interest income.....	9,487
Capital gain or loss.....	80,593
Form 4797 gains or losses.....	14,615
Farm income.....	-56,543
Total income.....	113,152

ADJUSTMENTS TO INCOME

Deductible part of self-employment tax.....	432
Self-employed health insurance.....	2,510
Other adjustments to income.....	300
Total adjustments.....	3,242
Adjusted gross income.....	109,910

ITEMIZED DEDUCTIONS

Taxes.....	2,666
Contributions.....	5,200
Total itemized deductions.....	7,866

TAX COMPUTATION

Standard deduction.....	24,800
Larger of itemized or standard deduction.....	24,800
Taxable income.....	85,110
Tax before credits.....	1,220

CREDITS

Total credits.....	0
Tax after credits.....	1,220

OTHER TAXES

Self-employment tax.....	863
Total tax.....	2,083

PAYMENTS

Credit for Federal tax paid on fuels.....	78
Total payments.....	78

REFUND OR AMOUNT DUE

Amount you owe.....	2,005
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TAX RATES

Marginal tax rate.....	10.0%
Effective tax rate.....	2.4%

Wage Schedule

Spouse - Employer	Wages	Federal W/H	FICA	Medi-care	State W/H	Local W/H
Bovine Falls Hospital	65,000.		4,030.	943.		
Grand Total	<u>65,000.</u>	<u>0.</u>	<u>4,030.</u>	<u>943.</u>	<u>0.</u>	<u>0.</u>

Self-Employed Health Insurance Deduction (Schedule 1, Line 16)

	Taxpayer
1. Health insurance premiums (except long-term care)	0.
2. Long-term care premiums - Taxpayer (\$1,630 max.)	1,255.
Long-term care premiums - Spouse (\$1,630 max.)	1,255.
3. Total health insurance premiums paid (add lines 1 and 2)	2,510.
4. Earned income, minus any deductions claimed on Schedule 1, line 15	5,640.
5. Deductible portion of SE tax	432.
6. Subtract line 5 from line 4	5,208.
7. Self-employed health insurance deduction (the smaller of line 3 or line 6)	<u>2,510.</u>

Qualified Business Income

Trade or business name:	Beef Cattle
Taxpayer identification number:	
Business income.....	-56,543.
Qualified Business Income	<u>-56,543.</u>

Client WESTERN

Robert and Betty Workhorse

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Qualified Dividends and Capital Gain Tax Worksheet (Form 1040, 1040-SR, or 1040-NR, Line 16)

1. Enter the amount from Form 1040, 1040-SR, or 1040-NR, line 15	85,110.
2. Enter amount from Form 1040, 1040-SR, or 1040-NR, line 3a	0.
3. Are you filing Schedule D? [X] Yes. Enter the smaller of line 15 or 16 of Schedule D, but do not enter less than zero [] No. Enter amount from Form 1040, 1040-SR, or 1040-NR, line 7	80,593. 80,593.
4. Add lines 2 and 3	80,593.
5. Subtract line 4 from line 1. If 0 or less, enter 0.	4,517.
6. Enter: \$40,000 if single or married filing separately, \$80,000 if married filing jointly or qualifying widow(er), \$53,600 if head of household	80,000.
7. Enter the smaller of line 1 or line 6	80,000.
8. Enter the smaller of line 5 or line 7	4,517.
9. Subtract line 8 from line 7. This amount is taxed at 0%	75,483.
10. Enter the smaller of line 1 or line 4	80,593.
11. Enter the amount from line 9	75,483.
12. Subtract line 11 from line 10	5,110.
13. Enter: \$441,450 if single, \$248,300 if married filing separately, \$496,600 if married filing jointly or qualifying widow(er), \$469,050 if head of household.	496,600.
14. Enter the smaller of line 1 or line 13	85,110.
15. Add lines 5 and 9	80,000.
16. Subtract line 15 from line 14. If 0 or less, enter 0.	5,110.
17. Enter the smaller of line 12 or line 16	5,110.
18. Multiply line 17 by 15% (.15)	767.
19. Add lines 9 and 17	80,593.
20. Subtract line 19 from line 10	0.
21. Multiply line 20 by 20% (.20)	0.
22. Figure the tax on the amount on line 5. (Use the Tax Table or Tax Computation Worksheet)	453.
23. Add lines 18, 21, and 22	1,220.
24. Figure the tax on the amount on line 1. (Use the Tax Table or Tax Computation Worksheet)	10,308.
25. Tax on all taxable income (including capital gain distributions). Enter the smaller of line 23 or line 24 here and on Form 1040, 1040-SR, or 1040-NR, line 16	<u>1,220.</u>

**Taxable Business Income for Limitation of
Section 179 Expense Deduction (Form 4562, Line 11)**

Wages, salaries, tips, etc.	65,000.
Business income or loss	0.
Farm income or loss	-16,643.
Rental real estate income or loss	0.
Nonpassive partnerships, S corps, estates, trusts	0.
Income or loss for real estate professionals	0.
Gains or losses on sales of business property	95,208.
Total Taxable Business Income	<u>143,565.</u>

**Form 1040 or 1040-SR, Line 30
Recovery Rebate Credit**

1. Can you be claimed as a dependent on another person's 2020 return? If filing a joint return, go to line 2.
- No. Go to line 2.
2. Does your 2020 return include a valid social security number for you and, if filing a joint return, your spouse?
- Yes. Skip lines 3 and 4, and go to line 5.
3. Was at least one of you a member of the U.S. Armed Forces at any time during 2020, and does at least one of you have a valid SSN?
- Skip
4. Does one of you have a valid SSN?
- Skip
5. If your EIP 1 was \$1,200 (\$2,400 if MFJ) plus \$500 for each qualifying child, skip lines 5 and 6, enter zero on lines 7 and 16, and go to line 8. Otherwise enter: \$1,200 if single, HOH, MFS, qualifying widow(er), or if MFJ and you answered "Yes" to question 4, or \$2,400 if MFJ and you answered "Yes" to question 2 or 3.....
6. Multiply \$500 by the number of qualifying children under age 17 at the end of 2020 listed in the Dependents section on page 1 of Form 1040 or 1040-SR for whom you either checked the "Child tax credit" box or entered an adoption taxpayer identification number....
7. Add lines 5 and 6..... 0.
8. If your EIP 2 was \$600 (\$1,200 if MFJ) plus \$600 for each qualifying child, skip lines 8 and 9, enter zero on lines 10 and 19 and go to line 11. Otherwise enter: \$600 if single, HOH, MFS, qualifying widow(er), or if MFJ and you answered "Yes" to question 4, or \$1,200 if MFJ and you answered "Yes" to question 2 or 3.....
9. Multiply \$600 by the number of qualifying children under age 17 at the end of 2020 listed in the Dependents section on page 1 of Form 1040 or 1040-SR for whom you either checked the "Child tax credit" box or entered an adoption taxpayer identification number....
10. Add lines 8 and 9..... 0.
11. Enter the amount from line 11 of Form 1040 or 1040-SR..... 109,910.
12. Enter the threshold amount for your filing status..... 150,000.
13. Is the amount on line 11 more than the amount on line 12?
- No. Skip line 14. Enter the amount from line 7 on line 15 and the amount from line 10 on line 18.
14. Multiply line 13 by 5% (0.05).....
15. Subtract line 14 from line 7. If zero or less, enter 0..... 0.
16. Enter the amount, if any, of EIP 1 that was issued to you (before offset for any past-due child support payment). You may refer to Notice 1444 or your tax account information at IRS.gov/Account for the amount to enter here..... 0.
17. Subtract line 16 from line 15. If zero or less, enter 0. If line 16 is more than line 15, you don't have to pay back the difference.... 0.
18. Subtract line 14 from line 10. If zero or less, enter 0..... 0.
19. Enter the amount, if any, of EIP 2 that was issued to you. You may refer to Notice 1444-B or your tax account information at IRS.gov/Account for the amount to enter here..... 0.
20. Subtract line 19 from line 18. If zero or less, enter 0. If line 19 is more than line 18, you don't have to pay back the difference.... 0.
21. Recovery rebate credit. Add lines 17 and 20. Enter the result here and, if more than zero, on line 30 of Form 1040 or 1040-SR.... 0.

Client WESTERN

Robert and Betty Workhorse

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Schedule 3, Line 12e
Deferral for Certain Schedule H or SE Filers

1a. Enter the amount from Form 1040 or 1040-SR, line 25	0.	
1b. Enter the amount from Form 1040 or 1040-SR, line 26	0.	
1c. Enter the amount from Schedule 3, line 9	0.	
1d. Enter the amount from Schedule 3, line 10	0.	
1e. Add lines 1a through 1d		0.
2. Enter the amount from Form 1040 or 1040-SR, line 24	2,083.	
3. Enter the amount from Schedule H, line 8b	0.	
4. Add lines 2 and 3	2,083.	
5. Enter the amount from Schedule H, line 8d	0.	
6. Enter the amount from Schedule SE, line 26	268.	
7. Add lines 5 and 6	268.	
8. Subtract line 7 from line 4		1,815.
9. Subtract line 8 from line 1e. If 0 or less, enter 0	0.	
10. Subtract line 9 from line 7		<u>268.</u>
<p>You can defer payment on up to the amount on line 10 until 12/31/2021 or 12/31/2022 by reporting the amount on line 10 above (or a smaller amount) on Schedule 3, line 12e.</p>		
11. Enter the amount you reported on Schedule 3, line 12e		0.
12. Enter one-half of the amount on line 7 above	134.	
13. Enter the smaller of line 11 or line 12. You must pay this amount by 12/31/2022		<u>0.</u>
14. Subtract line 13 from line 11. You must pay this amount by 12/31/2021		<u><u>0.</u></u>

Client WESTERN

Robert and Betty Workhorse

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Farm Income (Schedule F / Form 4835)**Sales of products raised****Beef Cattle**

Steers.....	\$	304,564.
Heifers.....		119,759.
Yearling Heifers.....		20,479.
Total	\$	<u>444,802.</u>

Farm Income (Schedule F / Form 4835)**Insurance (other than health)****Beef Cattle**

Property Insurance.....	\$	24,000.
Worker's Comp Insurance.....		7,260.
Total	\$	<u>31,260.</u>

Farm Income (Schedule F / Form 4835)**Supplies purchased****Beef Cattle**

Non-Livestock Supplies.....	\$	15,450.
Livestock Supplies.....		5,361.
Total	\$	<u>20,811.</u>

Farm Income (Schedule F / Form 4835)**Taxes [A]****Beef Cattle**

Employment Taxes.....	\$	5,049.
Real Estate Taxes.....		27,950.
Less Personal.....		-2,000.
Total	\$	<u>30,999.</u>

Farm Income (Schedule F / Form 4835)**Utilities****Beef Cattle**

Electricity.....	\$	15,874.
Propane.....		3,350.
Satellite.....		1,450.
Cell Phone.....		90.
Less Personal.....		-9,500.
Total	\$	<u>11,264.</u>