

ATS Test Scenario 6
Taxpayer: Juan Torres
SSN: 400-00-1041

Test Scenario 6 includes the following forms:

- Form 1040-SS
- Form 499R-2/W-2PR
- Schedule C
- Schedule SE

Additional Information:

- Taxpayer's Date of Birth is February 7, 1987.
- 1st Dependent's Date of Birth is April 16, 2015.
- 2nd Dependent's Date of Birth is August 19, 2016.
- 3rd Dependent's Date of Birth is June 22, 2017.
- Taxpayer paid \$3,000.00 in estimated tax payments in 2025 (applied from 2024 return)

Form **1040-SS****U.S. Self-Employment Tax Return**

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service**(Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)**

U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or Puerto Rico

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning _____, 2025, and ending _____, 20____

2025☐ Filed pursuant to section 301.9100-2☐ Deceased MM / DD / YYYY

Spouse MM / DD / YYYY

☐ Other

Your first name and middle initial

Juan

Last name

Torres

Your social security number

400 00 1041

If a joint return, spouse's first name and middle initial

Last name

Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.

1225 Calle Aurora

Apt. no.

City, town, or post office. If you have a foreign address, also complete spaces below.

Mayaguez, PR

Commonwealth or territory

ZIP code

00680-1225

Foreign country name

Foreign province/state/county

Foreign postal code

At any time during 2025, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☒ No**Part I Total Tax and Credits** (see instructions)**1 Filing status.**☒ Single☐ Married filing jointly☐ Married filing separately (MFS). Enter spouse's SSN above and full name here: _____☐ Head of household (HOH)☐ Qualifying surviving spouse (QSS)If you checked the HOH box, and will **not** complete line 2, enter the child's name: _____☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required): _____**2 Qualifying children.** Complete **only** if you are a bona fide resident of Puerto Rico and you are claiming the additional child tax credit (ACTC). If more than four qualifying children, see instructions and check here ☐

	Qualifying child 1	Qualifying child 2	Qualifying child 3	Qualifying child 4
(a) First name	Juan	Carmen	Miguel	
(b) Last name	Torres Jr	Torres	Torres	
(c) SSN	400 00 1074	400 00 1072	400 00 1073	
(d) Relationship	Son	Daughter	Son	

3 Self-employment tax from Schedule SE (Form 1040), line 12. Attach Schedule SE (Form 1040) and applicable schedules

3

4 Household employment taxes. Attach Schedule H (Form 1040)

4

5 Additional Medicare Tax. Attach Form 8959

5

6a Employee social security and Medicare tax on tips not reported to employer. Attach Form 4137

6a

b Uncollected employee social security and Medicare tax on tips

6b

c Uncollected employee social security and Medicare tax on wages. Attach Form 8919

6c

d Uncollected employee social security and Medicare tax on group-term life insurance

6d

e Total other taxes. Add lines 6a through 6d

6e

7 Total tax. Add lines 3, 4, 5, and 6e

7

8 2025 estimated tax payments and amount applied from 2024 return

8

If you made estimated tax payments with your former spouse in 2025, enter their SSN (see instructions): _____

9 Amount paid with request for extension of time to file

9

10 Additional child tax credit from Part II, line 19

10

11a Additional Medicare Tax withheld. Attach Form 8959

11a

b Excess social security tax withheld

11b

12 Total payments and credits. Add lines 8 through 11b

12

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

www.irs.gov/Form1040SS

Cat. No. 17184B

Form **1040-SS** (2025) Created 8/22/25

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13	If line 12 is more than line 7, subtract line 7 from line 12. This is the amount you overpaid	13	
14a	Amount of line 13 you want refunded to you . If Form 8888 is attached, check here ☐	14a	
b	Routing number	c	Type: ☐ Checking ☐ Savings
d	Account number		
15	Amount of line 13 you want applied to 2026 estimated tax	15	
16	If line 7 is more than line 12, subtract line 12 from line 7. This is the amount you owe . For details on how to pay, go to www.irs.gov/Payments or see instructions	16	

Third Party Designee	Do you want to allow another person to discuss this return with the IRS? See instructions. ☐ Yes. Complete the following. ☐ No.						
	Designee's name	Phone no.			Personal identification number (PIN)		
Sign Here Joint return? See instructions. Keep a copy for your records.	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 the taxpayer) is based on all information of which the preparer has any knowledge.						
	Your signature		Date	Daytime phone number	If the IRS sent you an Identity Protection PIN, enter it here (see instructions)		
	Spouse's signature. If a joint return, both must sign.			Date	If the IRS sent your spouse an Identity Protection PIN, enter it here (see instructions)		
Paid Preparer Use Only	Preparer's name		Preparer's signature		Date	PTIN	Check if: ☐ Self-employed
	Firm's name					Phone no.	
	Firm's address					Firm's EIN	

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Part II Bona Fide Residents of Puerto Rico Claiming Additional Child Tax Credit (see instructions)

1	Do you have one or more qualifying children under age 17 with the required social security number? ☐ No. Stop. You can't claim the credit. ☒ Yes. Go to line 2.		
2	Number of qualifying children under age 17 with the required social security number: 3 x \$1,700		2
3	Enter your modified adjusted gross income	3	
4	Enter the amount shown below for your filing status • Married filing jointly – \$400,000 • All other filing statuses – \$200,000	4	
5	Is the amount on line 3 more than the amount on line 4? ☒ No. Leave line 5 blank. Enter the amount from line 2 on line 11, and go to line 12. ☐ Yes. Subtract line 4 from line 3. If the result isn't 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.)	5	
6	Multiply the amount on line 5 by 5% (0.05)		6
7	Number of qualifying children from line 2 x \$2,200	7	
8	Number of other dependents, including children who are not under age 17: x \$500. See instructions	8	
9	Add lines 7 and 8	9	
10	Is the amount on line 9 more than the amount on line 6? ☐ No. Stop. You can't claim the credit. ☐ Yes. Subtract line 6 from line 9		10
11	Enter the smaller of line 2 or line 10		11
12a	Enter one-half of self-employment tax from Part I, line 3	12a	
b	Enter one-half of the Additional Medicare Tax on self-employment income from Form 8959, line 13	12b	
c	Add lines 12a and 12b.	12c	
13a	Enter the amount, if any, of withheld social security, Medicare, and Additional Medicare taxes from Puerto Rico Form(s) 499R-2/W-2PR (attach copy of form(s)). If married filing jointly, include your spouse's amounts with yours	13a	
b	Enter the amount reported on Part I, line 6a, if any, of employee social security and Medicare tax on tips not reported to employer from Form 4137.	13b	
c	Enter the amount reported on Part I, line 6c, if any, of uncollected employee social security and Medicare tax on wages from Form 8919	13c	
d	Enter the amounts reported on Part I, lines 6b and 6d, if any, of uncollected employee social security tax and Medicare tax on tips and group-term life insurance	13d	
e	Enter the amount, if any, of Additional Medicare Tax on Medicare wages from Form 8959, line 7	13e	
f	Add lines 13a through 13e	13f	
14	Add lines 12c and 13f	14	
15	Enter the amount, if any, of Additional Medicare Tax withheld from Form 8959, line 22	15	
16	Subtract line 15 from line 14	16	
17	Enter the amount, if any, from Part I, line 11b	17	
18	Is the amount on line 16 more than the amount on line 17? ☐ No. Stop. You can't claim the credit. ☒ Yes. Subtract line 17 from line 16		18
19	Additional child tax credit. Enter the smaller of line 11 or line 18 here and on Part I, line 10		19



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COMPROBANTE DE RETENCIÓN - WITHHOLDING STATEMENT

1. Nombre - First Name Juan		
Apellido(s) - Last Name(s) Torres		
Dirección Postal del Empleado - Employee's Mailing Address 1225 Calle Aurora Mayaguez, PR 00680-1225		
Fecha de Nacimiento: Día Date of Birth: Day	Mes Month	Año Year
7	2	1987
2. Nombre y Dirección Postal del Patrono Employer's Name and Mailing Address Torres Electrical 101 Habacuc, Bo Paris Mayaguez Pueblo, PR 00680		
Número de Teléfono del Patrono Employer's Telephone Number		
Correo Electrónico del Patrono Employer's E-mail		
Fecha Cese de Operaciones: Día Cease of Operations Date: Day		
Mes Month		
Año Year		
Número Confirmación de Radicación Electrónica Electronic Filing Confirmation Number W1234567890		
Número Control - Control Number		
Fecha de radicación: 31 de enero Filing date: January 31		
Año: Year: 2025		

3. Núm. Seguro Social Social Security No. 400-00-1041	
4. Núm. de Ident. Patronal Employer Ident. No. (EIN) 00-0000055	
5. Costo de cubierta de salud auspiciada por el patrono - Cost of employer-sponsored health coverage 0	
6. Donativos Charitable Contributions 0	
Indique si la remuneración incluye pagos al empleado por: - Indicate if the remuneration includes payments to the employee for:	
A- ☐ Médico cualificado (Ver instrucciones) Qualified physician (See instructions)	
B- ☐ Servicios domésticos Domestic services	
C- ☐ Trabajo agrícola Agricultural labor	
D- ☐ Ministro de una iglesia o miembro de una orden religiosa - Minister of a church or member of a religious order	
E- ☐ Profesionales de la salud (Ver instrucciones) Health professionals (See instructions)	
F- ☐ Empleo directo (Ver instrucciones) Direct employment (See instructions) (i) Horas trabajadas Hours worked	
(ii) EIN	
G- ☐ Otros - Others:	

INFORMACIÓN PARA EL DEPARTAMENTO DE HACIENDA - DEPARTMENT OF THE TREASURY INFORMATION	
7. Sueldos - Wages	42,980
8. Comisiones - Commissions	0
9. Concesiones - Allowances	0
10. Propinas - Tips	0
11. Total = 7 + 8 + 9 + 10	42,980
12. Gastos Reemb. y Beneficios Marginales Reimb. Expenses and Fringe Benefits	0
13. Cont. Retenida - Tax Withheld	3,625
14. Fondo de Retiro Gubernamental Governmental Retirement Fund	0
Salarios Exentos (Ver instrucciones) Exempt Salaries (See instructions)	
16. Código/Code	
17. Código/Code	
18. Código/Code	
19. Aportaciones al Programa Ahorra y Duplica tu Dinero - Contributions to the Save and Double your Money Program	

INFORMACIÓN PARA EL SEGURO SOCIAL SOCIAL SECURITY INFORMATION	
20. Total Sueldos Seguro Social Social Security Wages	42,980
21. Seguro Social Retenido Social Security Tax Withheld	2,665
22. Total Sueldos y Pro. Medicare Medicare Wages and Tips	42,980
23. Contrib. Medicare Retenida Medicare Tax Withheld	623
24. Propinas Seguro Social Social Security Tips	0
25. Seguro Social no Retenido en Propinas - Uncollected Social Security Tax on Tips	0
26. Contrib. Medicare no Retenida en Propinas - Uncollected Medicare Tax on Tips	0

SCHEDULE C
(Form 1040)Department of the Treasury
Internal Revenue ServiceProfit or Loss From Business
(Sole Proprietorship)Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, or 1041; partnerships must generally file Form 1065.
Go to www.irs.gov/ScheduleC for instructions and the latest information.

OMB No. 1545-0074

2025
Attachment
Sequence No. 09

Name of proprietor Juan Torres	Social security number (SSN) 400-00-1041
A Principal business or profession, including product or service (see instructions) Electrical Contractor	B Enter code from instructions 2 3 8 2 1 0
C Business name. If no separate business name, leave blank.	D Employer ID number (EIN) (see instr.)
E Business address (including suite or room no.) City, town or post office, state, and ZIP code	
F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) _____	
G Did you "materially participate" in the operation of this business during 2025? If "No," see instructions for limit on losses . ☐ Yes ☐ No	
H If you started or acquired this business during 2025, check here . ☐	
I Did you make any payments in 2025 that would require you to file Form(s) 1099? See instructions . ☐ Yes ☐ No	
J If "Yes," did you or will you file required Form(s) 1099? . ☐ Yes ☐ No	

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked . ☐	1	
2 Returns and allowances	2	
3 Subtract line 2 from line 1	3	
4 Cost of goods sold (from line 42)	4	
5 Gross profit. Subtract line 4 from line 3	5	
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	0
7 Gross income. Add lines 5 and 6	7	

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

8 Advertising	8	2,352	18 Office expense (see instructions) .	18	1,725
9 Car and truck expenses (see instructions)	9		19 Pension and profit-sharing plans .	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11	3,560	a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21 Repairs and maintenance	21	560
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III) .	22	
15 Insurance (other than health)	15		23 Taxes and licenses	23	
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b		b Deductible meals (see instructions)	24b	
17 Legal and professional services	17		25 Utilities	25	
28 Total expenses before expenses for business use of home. Add lines 8 through 27b	28		26 Wages (less employment credits)	26	
29 Tentative profit or (loss). Subtract line 28 from line 7	29		27a Energy efficient commercial bldgs deduction (attach Form 7205) . .	27a	
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions. Simplified method filers only: Enter the total square footage of (a) your home: _____ and (b) the part of your home used for business: _____ . Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30		b Other expenses (from line 48) . .	27b	
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040), line 3 , and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions.) Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31				
32 If you have a loss, check the box that describes your investment in this activity. See instructions. • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 3 , and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions.) Estates and trusts, enter on Form 1041, line 3 . • If you checked 32b, you must attach Form 6198 . Your loss may be limited.			32a ☐ All investment is at risk. 32b ☐ Some investment is not at risk.		

SCHEDULE SE
(Form 1040)Department of the Treasury
Internal Revenue Service

Self-Employment Tax

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

OMB No. 1545-0074

2025
Attachment
Sequence No. 17Name of person with self-employment income (as shown on Form 1040, 1040-SR, 1040-SS, or 1040-NR)
Juan TorresSocial security number of person
with self-employment income 400-00-1041

Part I Self-Employment Tax

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

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

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

- 1a** Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A **1a**
- b** If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code AQ **1b** ()

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

- 2** Net profit or (loss) from Schedule C, line 31; and Schedule K-1 (Form 1065), box 14, code A (other than farming). See instructions for other income to report or if you are a minister or member of a religious order **2**
- 3** Combine lines 1a, 1b, and 2 **3**
- 4a** If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3 **4a**
- Note:** If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.
- b** If you elect one or both of the optional methods, enter the total of lines 15 and 17 here **4b**
- c** Combine lines 4a and 4b. If less than \$400, **stop**; you don't owe self-employment tax. **Exception:** If less than \$400 and you had **church employee income**, enter -0- and continue **4c**
- 5a** Enter your **church employee income** from Form W-2. See instructions for definition of church employee income **5a**
- b** Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0- **5b** 0
- 6** Add lines 4c and 5b **6**
- 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 2025 **7** \$176,100
- 8a** Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$176,100 or more, skip lines 8b through 10, and go to line 11 **8a**
- b** Unreported tips subject to social security tax from Form 4137, line 10 **8b** 0
- c** Wages subject to social security tax from Form 8919, line 10 **8c** 0
- d** Add lines 8a, 8b, and 8c **8d**
- 9** Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 **9**
- 10** Multiply the **smaller** of line 6 or line 9 by 12.4% (0.124) **10**
- 11** Multiply line 6 by 2.9% (0.029) **11**
- 12 Self-employment tax.** Add lines 10 and 11. Enter here and on **Schedule 2 (Form 1040), line 4, or Form 1040-SS, Part I, line 3** **12**
- 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 15** **13**

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

Cat. No. 11358Z

Schedule SE (Form 1040) 2025 Created 5/7/25

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

Farm Optional Method. You may use this method **only** if **(a)** your gross farm income¹ wasn't more than \$10,860, **or (b)** your net farm profits² were less than \$7,840.

14	Maximum income for optional methods	14	\$7,240
15	Enter the smaller of: two-thirds ($\frac{2}{3}$) of gross farm income ¹ (not less than zero) or \$7,240. Also, include this amount on line 4b above	15	

Nonfarm Optional Method. You may use this method **only** if **(a)** your net nonfarm profits³ were less than \$7,840 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 ($\frac{2}{3}$) 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.

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

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

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