

June 24, 2016

1040NR Individual ATS Scenario 2

Taxpayer: Anna Banana

SSN: 123-00-2222

Forms Included in the Scenario:

- Form 1040NR
- Form 1040 Schedule C
- Form 1040 Schedule D
- Form 1040 Schedule SE
- Form 8288-A

Additional Information:

Anna Banana

123 Test Street

Saint-Lambert Quebec, CA J4P-3S8

Return Summary:

This return is a married resident of Canada, with a balance due. The taxpayer signed the return using a self-select signature pin method.

Form **1040NR**

Department of the Treasury  
Internal Revenue Service

**U.S. Nonresident Alien Income Tax Return**  
Information about Form 1040NR and its separate instructions is at [www.irs.gov/form1040nr](http://www.irs.gov/form1040nr).

OMB No. 1545-0074

**2016**

beginning 1-1, 2016, and ending 12-31, 20 16

Please print  
or type

Your first name and initial <u>Anna</u>	Last name <u>Banana</u>	Identifying number (see instructions) <u>123-00-00</u>
Present home address (number, street, and apt. no., or rural route). If you have a P.O. box, see instructions. <u>123 Test Street</u>		Check if: <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Estate or Trust
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). <u>Saint-Lambert</u>		
Foreign country name <u>CA</u>	Foreign province/state/county <u>Quebec</u>	Foreign postal code <u>J3P-3S8</u>

**Filing  
Status**

Check only  
one box.

<b>1</b> <input type="checkbox"/> Single resident of Canada or Mexico or single U.S. national	<b>4</b> <input type="checkbox"/> Married resident of South Korea
<b>2</b> <input type="checkbox"/> Other single nonresident alien	<b>5</b> <input type="checkbox"/> Other married nonresident alien
<b>3</b> <input checked="" type="checkbox"/> Married resident of Canada or Mexico or married U.S. national	<b>6</b> <input type="checkbox"/> Qualifying widow(er) with dependent child (see instructions)

If you checked box 3 or 4 above, enter the information below.

(i) Spouse's first name and initial <u>Dan O</u>	(ii) Spouse's last name <u>Banana</u>	(iii) Spouse's identifying number <u>123-00-2220</u>
---	--	---

**Exemptions**

If more  
than four  
dependents,  
see instructions.

<b>7a</b> <input checked="" type="checkbox"/> <b>Yourself.</b> If someone can claim you as a dependent, <b>do not</b> check box 7a . . . . .				<b>Boxes checked on 7a and 7b No. of children on 7c who: • lived with you</b> <u>2</u>  • did not live with you due to divorce or separation (see instructions) <b>Dependents on 7c not entered above</b> <u>2</u>
<b>b</b> <input checked="" type="checkbox"/> <b>Spouse.</b> Check box 7b only if you checked box 3 or 4 above <b>and</b> your spouse <b>did not</b> have any U.S. gross income . . . . .				
<b>c Dependents:</b> (see instructions)	<b>(2)</b> Dependent's identifying number	<b>(3)</b> Dependent's relationship to you	<b>(4)</b> <input checked="" type="checkbox"/> if qualifying child for child tax credit (see instr.)	
<b>(1)</b> First name <u>Bobby Banana</u> Last name <u>Billy Banana</u>	<u>123-00-2221</u> <u>123-00-2223</u>	<u>SON</u> <u>SON</u>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
<b>d</b> Total number of exemptions claimed . . . . .				<b>Add numbers on lines above</b> <u>4</u>

**Income  
Effectively  
Connected  
With U.S.  
Trade/  
Business**

Attach Form(s)  
W-2, 1042-S,  
SSA-1042S,  
RRB-1042S,  
and 8288-A  
here. Also  
attach Form(s)  
1099-R if tax  
was withheld.

<b>8</b> Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . .	<b>8</b>	
<b>9a</b> Taxable interest . . . . .	<b>9a</b>	
<b>b</b> Tax-exempt interest. <b>Do not</b> include on line 9a . . . . .	<b>9b</b>	
<b>10a</b> Ordinary dividends . . . . .	<b>10a</b>	
<b>b</b> Qualified dividends (see instructions) . . . . .	<b>10b</b>	
<b>11</b> Taxable refunds, credits, or offsets of state and local income taxes (see instructions) . . . . .	<b>11</b>	
<b>12</b> Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement (see instructions) . . . . .	<b>12</b>	
<b>13</b> Business income or (loss). Attach Schedule C or C-EZ (Form 1040) . . . . .	<b>13</b>	
<b>14</b> Capital gain or (loss). Attach Schedule D (Form 1040) if required. If not required, check here <input type="checkbox"/> . . . . .	<b>14</b>	
<b>15</b> Other gains or (losses). Attach Form 4797 . . . . .	<b>15</b>	
<b>16a</b> IRA distributions . . . . .	<b>16a</b>	
<b>16b</b> Taxable amount (see instructions) . . . . .	<b>16b</b>	
<b>17a</b> Pensions and annuities . . . . .	<b>17a</b>	
<b>17b</b> Taxable amount (see instructions) . . . . .	<b>17b</b>	
<b>18</b> Rental real estate, royalties, partnerships, trusts, etc. Attach Schedule E (Form 1040) . . . . .	<b>18</b>	
<b>19</b> Farm income or (loss). Attach Schedule F (Form 1040) . . . . .	<b>19</b>	
<b>20</b> Unemployment compensation . . . . .	<b>20</b>	
<b>21</b> Other income. List type and amount (see instructions) . . . . .	<b>21</b>	
<b>22</b> Total income exempt by a treaty from page 5, Schedule OI, Item L (1)(e) . . . . .	<b>22</b>	
<b>23</b> Combine the amounts in the far right column for lines 8 through 21. This is your <b>total effectively connected income</b> . . . . .	<b>23</b>	

**Adjusted  
Gross  
Income**

<b>24</b> Educator expenses (see instructions) . . . . .	<b>24</b>	
<b>25</b> Health savings account deduction. Attach Form 8889 . . . . .	<b>25</b>	
<b>26</b> Moving expenses. Attach Form 3903 . . . . .	<b>26</b>	
<b>27</b> Deductible part of self-employment tax. Attach Schedule SE (Form 1040) . . . . .	<b>27</b>	
<b>28</b> Self-employed SEP, SIMPLE, and qualified plans . . . . .	<b>28</b>	
<b>29</b> Self-employed health insurance deduction (see instructions) . . . . .	<b>29</b>	
<b>30</b> Penalty on early withdrawal of savings . . . . .	<b>30</b>	
<b>31</b> Scholarship and fellowship grants excluded . . . . .	<b>31</b>	
<b>32</b> IRA deduction (see instructions) . . . . .	<b>32</b>	
<b>33</b> Student loan interest deduction (see instructions) . . . . .	<b>33</b>	
<b>34</b> Domestic production activities deduction. Attach Form 8903 . . . . .	<b>34</b>	
<b>35</b> Add lines 24 through 34 . . . . .	<b>35</b>	
<b>36</b> Subtract line 35 from line 23. This is your <b>adjusted gross income</b> . . . . .	<b>36</b>	

**Tax and Credits**

37	Amount from line 36 (adjusted gross income)	37	
38	Itemized deductions from page 3, Schedule A, line 15	38	
39	Subtract line 38 from line 37	39	
40	Exemptions (see instructions)	40	
41	Taxable income. Subtract line 40 from line 39. If line 40 is more than line 39, enter -0-	41	
42	Tax (see instructions). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972	42	
43	Alternative minimum tax (see instructions). Attach Form 6251	43	
44	Excess advance premium tax credit repayment. Attach Form 8962	44	
45	Add lines 42, 43, and 44	45	
46	Foreign tax credit. Attach Form 1116 if required	46	
47	Credit for child and dependent care expenses. Attach Form 2441	47	
48	Retirement savings contributions credit. Attach Form 8880	48	
49	Child tax credit. Attach Schedule 8812, if required	49	
50	Residential energy credits. Attach Form 5695	50	
51	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	51	
52	Add lines 46 through 51. These are your total credits	52	
53	Subtract line 52 from line 45. If line 52 is more than line 45, enter -0-	53	

**Other Taxes**

54	Tax on income not effectively connected with a U.S. trade or business from page 4, Schedule NEC, line 15	54	
55	Self-employment tax. Attach Schedule SE (Form 1040)	55	
56	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	56	
57	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	57	
58	Transportation tax (see instructions)	58	
59a	Household employment taxes from Schedule H (Form 1040)	59a	
59b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	
60	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Instructions; enter code(s)	60	
61	Add lines 53 through 60. This is your total tax	61	

**Payments**

62	Federal income tax withheld from:	62a	
	a Form(s) W-2 and 1099	62b	
	b Form(s) 8805	62c	
	c Form(s) 8288-A	62d	
	d Form(s) 1042-S		
63	2016 estimated tax payments and amount applied from 2015 return	63	
64	Additional child tax credit. Attach Schedule 8812	64	
65	Net premium tax credit. Attach Form 8962	65	
66	Amount paid with request for extension to file (see instructions)	66	
67	Excess social security and tier 1 RRTA tax withheld (see instructions)	67	
68	Credit for federal tax paid on fuels. Attach Form 4136	68	
69	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	69	
70	Credit for amount paid with Form 1040-C	70	
71	Add lines 62a through 70. These are your total payments	71	

**Refund**Direct deposit?  
See instructions.

72	If line 71 is more than line 61, subtract line 61 from line 71. This is the amount you overpaid	72	
73a	Amount of line 72 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	73a	
	b Routing number <input type="text"/>		
	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	d Account number <input type="text"/>		
	e If you want your refund check mailed to an address outside the United States not shown on page 1, enter it here.		
74	Amount of line 72 you want applied to your 2017 estimated tax	74	

**Amount You Owe**

75	Amount you owe. Subtract line 71 from line 61. For details on how to pay, see instructions	75	
76	Estimated tax penalty (see instructions)	76	

**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  John Kiwi Phone no.  555-123-7428 Personal identification number (PIN)  1  2  3  4  5

**Sign Here**Keep a copy of  
this return 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 taxpayer) is based on all information of which preparer has any knowledge.

Your signature  Anna Banana Date  4/12/17 Your occupation in the United States  Business Owner

If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

**Paid Preparer Use Only**

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

**Schedule A—Itemized Deductions** (see instructions)

07

<b>Taxes You Paid</b>	<b>1</b>	State and local income taxes . . . . .				<b>1</b>	
<b>Gifts to U.S. Charities</b>		<b>Caution:</b> If you made a gift and received a benefit in return, see instructions.					
	<b>2</b>	Gifts by cash or check. If you made any gift of \$250 or more, see instructions . . . . .	<b>2</b>				
	<b>3</b>	Other than by cash or check. If you made any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if the amount of your deduction is over \$500 . . . . .	<b>3</b>				
	<b>4</b>	Carryover from prior year . . . . .	<b>4</b>				
	<b>5</b>	Add lines 2 through 4 . . . . .				<b>5</b>	
<b>Casualty and Theft Losses</b>	<b>6</b>	Casualty or theft loss(es). Attach Form 4684. See instructions . . . . .				<b>6</b>	
<b>Job Expenses and Certain Miscellaneous Deductions</b>	<b>7</b>	Unreimbursed employee expenses—job travel, union dues, job education, etc. You <b>must</b> attach Form 2106 or Form 2106-EZ if required. See instructions ▶	<b>7</b>				
	<b>8</b>	Tax preparation fees . . . . .	<b>8</b>				
	<b>9</b>	Other expenses. See instructions for expenses to deduct here. List type and amount ▶ _____ _____ _____	<b>9</b>				
	<b>10</b>	Add lines 7 through 9 . . . . .	<b>10</b>				
	<b>11</b>	Enter the amount from Form 1040NR, line 37 . . . . .	<b>11</b>				
	<b>12</b>	Multiply line 11 by 2% (0.02) . . . . .	<b>12</b>				
	<b>13</b>	Subtract line 12 from line 10. If line 12 is more than line 10, enter -0- . . . . .				<b>13</b>	
<b>Other Miscellaneous Deductions</b>	<b>14</b>	Other—see instructions for expenses to deduct here. List type and amount ▶ _____ _____ _____ _____ _____ _____ _____ _____					
						<b>14</b>	
<b>Total Itemized Deductions</b>	<b>15</b>	Is Form 1040NR, line 37, over the amount shown below for the filing status box you checked on page 1 of Form 1040NR: • \$311,300 if you checked box 6; • \$259,400 if you checked box 1 or 2; or • \$155,650 if you checked box 3, 4, or 5? <input type="checkbox"/> <b>No.</b> Your deduction is not limited. Add the amounts in the far right column for lines 1 through 14. Also enter this amount on Form 1040NR, line 38. <input type="checkbox"/> <b>Yes.</b> Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter here and on Form 1040NR, line 38.				<b>15</b>	

**Schedule NEC—Tax on Income Not Effectively Connected With a U.S. Trade or Business** (see instructions)

Nature of income		Enter amount of income under the appropriate rate of tax (see instructions)											
		(a) 10%		(b) 15%		(c) 30%		(d) Other (specify)					
								%		%			
<b>1</b>	Dividends paid by:												
<b>a</b>	U.S. corporations . . . . .	<b>1a</b>											
<b>b</b>	Foreign corporations . . . . .	<b>1b</b>											
<b>2</b>	Interest:												
<b>a</b>	Mortgage . . . . .	<b>2a</b>											
<b>b</b>	Paid by foreign corporations . . . . .	<b>2b</b>											
<b>c</b>	Other . . . . .	<b>2c</b>											
<b>3</b>	Industrial royalties (patents, trademarks, etc.) . . . . .	<b>3</b>											
<b>4</b>	Motion picture or T.V. copyright royalties . . . . .	<b>4</b>											
<b>5</b>	Other royalties (copyrights, recording, publishing, etc.) . . . . .	<b>5</b>											
<b>6</b>	Real property income and natural resources royalties . . . . .	<b>6</b>											
<b>7</b>	Pensions and annuities . . . . .	<b>7</b>											
<b>8</b>	Social security benefits . . . . .	<b>8</b>											
<b>9</b>	Capital gain from line 18 below . . . . .	<b>9</b>											
<b>10</b>	Gambling—Residents of Canada only. Enter net income in column (c). If zero or less, enter -0-.												
<b>a</b>	Winnings												
<b>b</b>	Losses	<b>10c</b>											
<b>11</b>	Gambling winnings—Residents of countries other than Canada. Note: Losses not allowed . . . . .	<b>11</b>											
<b>12</b>	Other (specify) ▶	<b>12</b>											
<b>13</b>	Add lines 1a through 12 in columns (a) through (d)	<b>13</b>											
<b>14</b>	Multiply line 13 by rate of tax at top of each column	<b>14</b>											
<b>15</b>	Tax on income not effectively connected with a U.S. trade or business. Add columns (a) through (d) of line 14. Enter the total here and on Form 1040NR, line 54 ▶	<b>15</b>											

**Capital Gains and Losses From Sales or Exchanges of Property**

16	(a) Kind of property and description (if necessary, attach statement of descriptive details not shown below)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) LOSS If (e) is more than (d), subtract (d) from (e)		(g) GAIN If (d) is more than (e), subtract (e) from (d)	
<b>17</b>	Add columns (f) and (g) of line 16					<b>17</b>	(	)	
<b>18</b>	Capital gain. Combine columns (f) and (g) of line 17. Enter the net gain here and on line 9 above (if a loss, enter -0-) ▶					<b>18</b>			

Enter only the capital gains and losses from property sales or exchanges that are from sources within the United States and not effectively connected with a U.S. business. Do not include a gain or loss on disposing of a U.S. real property interest; report these gains and losses on Schedule D (Form 1040).

Report property sales or exchanges that are effectively connected with a U.S. business on Schedule D (Form 1040), Form 4797, or both.

**Schedule OI—Other Information** (see instructions)

Answer all questions

- A** Of what country or countries were you a citizen or national during the tax year? CA
- B** In what country did you claim residence for tax purposes during the tax year? CA
- C** Have you ever applied to be a green card holder (lawful permanent resident) of the United States? . . . . . ☐ Yes ☒ No
- D** Were you ever:
1. A U.S. citizen? . . . . . ☐ Yes ☒ No
2. A green card holder (lawful permanent resident) of the United States? . . . . . ☐ Yes ☒ No
- If you answer "Yes" to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that apply to you.
- E** If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year. B1/B2
- F** Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? . . . . . ☐ Yes ☒ No  
If you answered "Yes," indicate the date and nature of the change. ►
- G** List all dates you entered and left the United States during 2016 (see instructions).  
**Note:** If you are a resident of Canada or Mexico AND commute to work in the United States at frequent intervals, **check the box for Canada or Mexico** and skip to item H . . . . . ☒ Canada ☐ Mexico

Date entered United States mm/dd/yy	Date departed United States mm/dd/yy	Date entered United States mm/dd/yy	Date departed United States mm/dd/yy

- H** Give number of days (including vacation, nonworkdays, and partial days) you were present in the United States during:  
2014 100, 2015 100, and 2016 100
- I** Did you file a U.S. income tax return for any prior year? . . . . . ☐ Yes ☒ No  
If "Yes," give the latest year and form number you filed . . . . . ►
- J** Are you filing a return for a trust? . . . . . ☐ Yes ☒ No  
If "Yes," did the trust have a U.S. or foreign owner under the grantor trust rules, make a distribution or loan to a U.S. person, or receive a contribution from a U.S. person? . . . . . ☐ Yes ☒ No
- K** Did you receive total compensation of \$250,000 or more during the tax year? . . . . . ☐ Yes ☒ No  
If "Yes," did you use an alternative method to determine the source of this compensation? . . . . . ☐ Yes ☒ No
- L** Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.
1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required (see instructions).

(a) Country	(b) Tax treaty article	(c) Number of months claimed in prior tax years	(d) Amount of exempt income in current tax year

- (e) Total.** Enter this amount on Form 1040NR, line 22. Do not enter it on line 8 or line 12 . . . . .
2. Were you subject to tax in a foreign country on any of the income shown in 1(d) above? . . . . . ☐ Yes ☐ No
3. Are you claiming treaty benefits pursuant to a Competent Authority determination? . . . . . ☐ Yes ☐ No  
If "Yes," attach a copy of the Competent Authority determination letter to your return.

SCHEDULE C  
(Form 1040)

Department of the Treasury  
Internal Revenue Service (99)

Profit or Loss From Business  
(Sole Proprietorship)

Information about Schedule C and its separate instructions is at [www.irs.gov/schedulec](http://www.irs.gov/schedulec).  
Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074  
**2016**  
Attachment  
Sequence No. **09**

Name of proprietor <u>Anna Banana</u>		Social security number (SSN) <u>123-00-2222</u>
A Principal business or profession, including product or service (see instructions) <u>Banana Boat Rental</u>		B Enter code from instructions 5   3   2   2   9   0
C Business name. If no separate business name, leave blank.		D Employer ID number (EIN), (see instr.) 0   0   -   9   9   9   9   9   9
E Business address (including suite or room no.) City, town or post office, state, and ZIP code		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify)		
G Did you "materially participate" in the operation of this business during 2016? If "No," see instructions for limit on losses <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
H If you started or acquired this business during 2016, check here <input type="checkbox"/>		
I Did you make any payments in 2016 that would require you to file Form(s) 1099? (see instructions) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
J If "Yes," did you or will you file required Forms 1099? <input type="checkbox"/> Yes <input type="checkbox"/> 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 <input type="checkbox"/>	1	150,000	00
2	Returns and allowances	2		
3	Subtract line 2 from line 1	3		
4	Cost of goods sold (from line 42)	4		
5	<b>Gross profit.</b> Subtract line 4 from line 3	5		
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6		
7	<b>Gross income.</b> Add lines 5 and 6	7		

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

8	Advertising	8			18	Office expense (see instructions)	18		
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			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		
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:				24	Travel, meals, and entertainment:			
a	Mortgage (paid to banks, etc.)	16a			a	Travel	24a		
b	Other	16b			b	Deductible meals and entertainment (see instructions)	24b		
17	Legal and professional services	17			25	Utilities	25		
28	<b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a	28			26	Wages (less employment credits)	26		
29	Tentative profit or (loss). Subtract line 28 from line 7	29			27a	Other expenses (from line 48)	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). <b>Simplified method filers only:</b> 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	<b>Reserved for future use</b>	27b		
31	<b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> 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 <b>Form 1040, line 12</b> , (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If you checked 32b, you <b>must</b> attach <b>Form 6198</b> . Your loss may be limited.				32a	<input type="checkbox"/> All investment is at risk.			
					32b	<input type="checkbox"/> Some investment is not at risk.			



Schedule C (Form 1040) 2016



**SCHEDULE D  
(Form 1040)**Department of the Treasury  
Internal Revenue Service (99)**Capital Gains and Losses**

▶ Attach to Form 1040 or Form 1040NR.

▶ Information about Schedule D and its separate instructions is at [www.irs.gov/scheduled](http://www.irs.gov/scheduled).

▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074

**2016**  
Attachment  
Sequence No. **12**

Name(s) shown on return

Anna Banana

Your social security number

123-00-2222

**Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less**

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)
<b>1a</b> 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 . . . . .				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked . . . . .				
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked . . . . .				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked . . . . .				
<b>4</b> Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824 . . . . .				<b>4</b>
<b>5</b> Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . . . .				<b>5</b> 12,750
<b>6</b> Short-term capital loss carryover. Enter the amount, if any, from line 8 of your <b>Capital Loss Carryover Worksheet</b> in the instructions . . . . .				<b>6</b> ( )
<b>7 Net short-term capital gain or (loss).</b> 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 . . . . .				<b>7</b>

**Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year**

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)
<b>8a</b> 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 . . . . .				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked . . . . .				
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked . . . . .				
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked . . . . .				
<b>11</b> 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 . . . . .				<b>11</b>
<b>12</b> Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . . . .				<b>12</b>
<b>13</b> Capital gain distributions. See the instructions . . . . .				<b>13</b>
<b>14</b> Long-term capital loss carryover. Enter the amount, if any, from line 13 of your <b>Capital Loss Carryover Worksheet</b> in the instructions . . . . .				<b>14</b> ( )
<b>15 Net long-term capital gain or (loss).</b> Combine lines 8a through 14 in column (h). Then go to Part III on the back . . . . .				<b>15</b>

**Part III Summary**

<p><b>16</b> Combine lines 7 and 15 and enter the result . . . . .</p> <ul style="list-style-type: none"> <li>• If line 16 is a <b>gain</b>, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below.</li> <li>• If line 16 is a <b>loss</b>, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22.</li> <li>• If line 16 is <b>zero</b>, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.</li> </ul> <p><b>17</b> Are lines 15 and 16 <b>both</b> gains?</p> <p><input type="checkbox"/> <b>Yes.</b> Go to line 18.</p> <p><input type="checkbox"/> <b>No.</b> Skip lines 18 through 21, and go to line 22.</p> <p><b>18</b> Enter the amount, if any, from line 7 of the <b>28% Rate Gain Worksheet</b> in the instructions . . . ▶</p> <p><b>19</b> Enter the amount, if any, from line 18 of the <b>Unrecaptured Section 1250 Gain Worksheet</b> in the instructions . . . ▶</p> <p><b>20</b> Are lines 18 and 19 <b>both</b> zero or blank?</p> <p><input type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). <b>Don't</b> complete lines 21 and 22 below.</p> <p><input type="checkbox"/> <b>No.</b> Complete the <b>Schedule D Tax Worksheet</b> in the instructions. <b>Don't</b> complete lines 21 and 22 below.</p> <p><b>21</b> If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the <b>smaller</b> of:</p> <ul style="list-style-type: none"> <li>• The loss on line 16 or</li> <li>• (\$3,000), or if married filing separately, (\$1,500) }</li> </ul> <p><b>Note:</b> When figuring which amount is smaller, treat both amounts as positive numbers.</p> <p><b>22</b> Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b?</p> <p><input type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42).</p> <p><input type="checkbox"/> <b>No.</b> Complete the rest of Form 1040 or Form 1040NR.</p>	<p><b>16</b></p> <p><b>18</b></p> <p><b>19</b></p> <p><b>21</b> ( )</p>
--	---

**SCHEDULE SE**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Self-Employment Tax**

► **Information about Schedule SE and its separate instructions is at [www.irs.gov/schedulese](http://www.irs.gov/schedulese).**  
► **Attach to Form 1040 or Form 1040NR.**

OMB No. 1545-0074

**2016**  
Attachment  
Sequence No. **17**

Name of person with **self-employment** income (as shown on Form 1040 or Form 1040NR)

Anna Banana

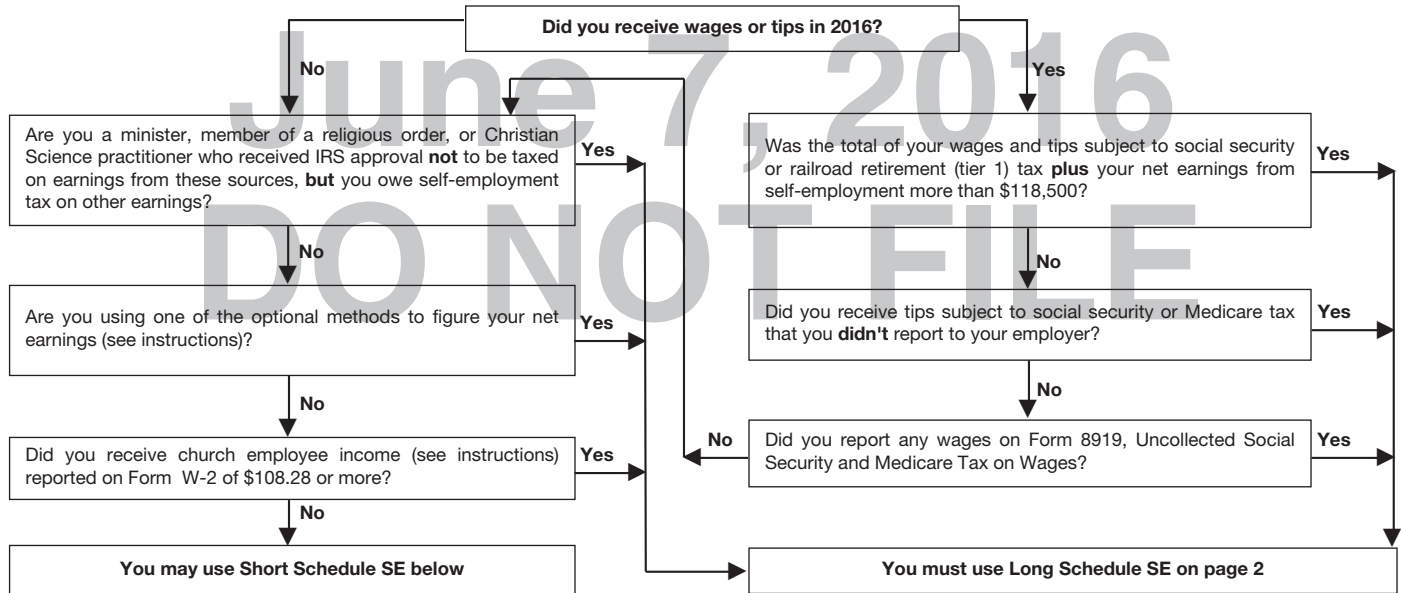
Social security number of person  
with **self-employment** income ►

123-00-2222

**Before you begin:** To determine if you must file Schedule SE, see the instructions.

**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

**Note.** Use this flowchart **only** if you must file Schedule SE. If unsure, see *Who Must File Schedule SE* in the instructions.



**Section A—Short Schedule SE. Caution.** Read above to see if you can use Short Schedule SE.

<b>1a</b> Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A . . . . .	<b>1a</b>		
<b>b</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 Z . . . . .	<b>1b</b>	(	)
<b>2</b> Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report . . . . .	<b>2</b>	150,000	00
<b>3</b> Combine lines 1a, 1b, and 2 . . . . .	<b>3</b>		
<b>4</b> Multiply line 3 by 92.35% (0.9235). If less than \$400, you don't owe self-employment tax; <b>don't</b> file this schedule unless you have an amount on line 1b. . . . . ► <b>Note.</b> If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.	<b>4</b>		
<b>5 Self-employment tax.</b> If the amount on line 4 is: <ul style="list-style-type: none"><li>• \$118,500 or less, multiply line 4 by 15.3% (0.153). Enter the result here and on <b>Form 1040, line 57, or Form 1040NR, line 55</b></li><li>• More than \$118,500, multiply line 4 by 2.9% (0.029). Then, add \$14,694 to the result. Enter the total here and on <b>Form 1040, line 57, or Form 1040NR, line 55</b>. . . . .</li></ul>	<b>5</b>		
<b>6 Deduction for one-half of self-employment tax.</b> Multiply line 5 by 50% (0.50). Enter the result here and on <b>Form 1040, line 27, or Form 1040NR, line 27</b> . . . . .	<b>6</b>		

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

Cat. No. 11358Z

Schedule SE (Form 1040) 2016

Name of person with **self-employment** income (as shown on Form 1040 or Form 1040NR)Social security number of person  
with **self-employment** income ►**Section B—Long Schedule SE****Part I Self-Employment Tax****Note.** If your only income subject to self-employment tax is **church employee income**, see instructions. Also see instructions for the definition of church employee income.

<b>A</b>	If you are a minister, member of a religious order, or Christian Science practitioner <b>and</b> you filed Form 4361, but you had \$400 or more of <b>other</b> net earnings from self-employment, check here and continue with Part I . . . . .	►	<input type="checkbox"/>
<b>1a</b>	Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. <b>Note.</b> Skip lines 1a and 1b if you use the farm optional method (see instructions)	<b>1a</b>	
<b>b</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 Z	<b>1b</b>	( )
<b>2</b>	Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report. <b>Note.</b> Skip this line if you use the nonfarm optional method (see instructions)	<b>2</b>	
<b>3</b>	Combine lines 1a, 1b, and 2	<b>3</b>	
<b>4a</b>	If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3. <b>Note.</b> If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.	<b>4a</b>	
<b>b</b>	If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	<b>4b</b>	
<b>c</b>	Combine lines 4a and 4b. If less than \$400, <b>stop</b> ; you do not owe self-employment tax. <b>Exception.</b> If less than \$400 and you had <b>church employee income</b> , enter -0- and continue ►	<b>4c</b>	
<b>5a</b>	Enter your <b>church employee income</b> from Form W-2. See instructions for definition of church employee income	<b>5a</b>	
<b>b</b>	Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0-	<b>5b</b>	
<b>6</b>	Add lines 4c and 5b	<b>6</b>	
<b>7</b>	Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2016	<b>7</b>	118,500 00
<b>8a</b>	Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$118,500 or more, skip lines 8b through 10, and go to line 11	<b>8a</b>	
<b>b</b>	Unreported tips subject to social security tax (from Form 4137, line 10)	<b>8b</b>	
<b>c</b>	Wages subject to social security tax (from Form 8919, line 10)	<b>8c</b>	
<b>d</b>	Add lines 8a, 8b, and 8c	<b>8d</b>	
<b>9</b>	Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11	<b>9</b>	
<b>10</b>	Multiply the <b>smaller</b> of line 6 or line 9 by 12.4% (0.124)	<b>10</b>	
<b>11</b>	Multiply line 6 by 2.9% (0.029)	<b>11</b>	
<b>12</b>	<b>Self-employment tax.</b> Add lines 10 and 11. Enter here and on Form 1040, line 57, or Form 1040NR, line 55	<b>12</b>	
<b>13</b>	<b>Deduction for one-half of self-employment tax.</b> Multiply line 12 by 50% (0.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27	<b>13</b>	

**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<sup>1</sup> was not more than \$7,560, or (b) your net farm profits<sup>2</sup> were less than \$5,457.

<b>14</b>	Maximum income for optional methods	<b>14</b>	5,040 00
<b>15</b>	Enter the <b>smaller</b> of: two-thirds ( <sup>2</sup> / <sub>3</sub> ) of gross farm income <sup>1</sup> (not less than zero) or \$5,040. Also include this amount on line 4b above	<b>15</b>	

**Nonfarm Optional Method.** You may use this method **only** if (a) your net nonfarm profits<sup>3</sup> were less than \$5,457 and also less than 72.189% of your gross nonfarm income,<sup>4</sup> 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.

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

<sup>1</sup> From Sch. F, line 9, and Sch. K-1 (Form 1065), box 14, code B.<sup>2</sup> 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.<sup>3</sup> From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.<sup>4</sup> From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.

Withholding agent's name, street address, city, state, and ZIP code XXX LLC 4000 Apple Street North Miami Beach, FL 33160		1 Date of transfer 2016-02-28	<b>Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests</b> OMB No. 1545-0902	
		2 Federal income tax withheld 2,250		
Withholding agent's Federal identification number 00-1234567	Identification number of foreign person subject to withholding (see instructions) 123-00-2222	3 Amount realized 15,000	4 Gain recognized by foreign corporation	<b>Copy A For Internal Revenue Service Center</b>  For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 8288.
Name of person subject to withholding Anna Banana		5 Description of property transferred Beach house		
Foreign address (number, street, and apt. or suite no.) 123 Test Street		6 Person subject to withholding is: An individual <input checked="" type="checkbox"/> A corporation <input type="checkbox"/> Other (specify) ►		
City, province or state, postal code, and country (not U.S.) Saint-Lambert Quebec J4P-3S8	7 Country code CA	Mailing address of person subject to withholding (if different)		

Form **8288-A** (Rev. 6-2011)

Cat. No. 62261L

**Attach Copies A and B to Form 8288**

Department of the Treasury - Internal Revenue Service

**DRAFT AS OF**

**June 2, 2011**