

2002

Publication 3194

Laminated Tax Forms

The IRS Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.



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Department of the Treasury
Internal Revenue Service

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Reproducible Copies of Federal Tax Forms

Publication 3194 contains reproducible copies of tax forms. These forms may be reproduced and filed with the Internal Revenue Service.

The following forms are included in this publication:

- Form 1040*, U.S. Individual Income Tax Return
- Form 1040A*, U.S. Individual Income Tax Return
- Form 1040EZ*, Income Tax Return for Single and Joint Filers With No Dependents
- Form 1040 Sch. A&B*, Itemized Deductions/Interest and Ordinary Dividends
- Form 1040 Sch. C*, Profit or Loss From Business
- Form 1040 Sch. D*, Capital Gains and Losses
- Form 1040 Sch. E*, Supplemental Income and Loss
- Form 1040 Sch. EIC*, Earned Income Credit
- Form 1040 Sch. SE*, Self-Employment Tax
- Form 1040X*, Amended U.S. Individual Income Tax Return
- Form 2106*, Employee Business Expenses
- Form 2441*, Child and Dependent Care Expenses
- Form 4868*, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return
- Form 8283*, Noncash Charitable Contributions
- Form 8812*, Additional Child Tax Credit
- Form 8863*, Education Credits (*Hope and Lifetime Learning Credits*)

Helpful Hints

- ❏ To obtain clean, clear copies, follow the machine instructions completely.
- ❏ Do not tear or destroy the original copy.
- ❏ Handle all originals with care.
- ❏ Do not remove the publication or original from this location.

Quick and Easy Access To Tax Products

To obtain products that are not included in this publication, see inside for additional information about other sources for tax material and assistance.



The Earned Income Tax Credit. You've earned it. Why not claim it?

If you're working hard just to make ends meet and have one or more children living with you, you may qualify for the EITC. Think of it as a reward for doing one of life's most beautiful, most important and most loving jobs. Visit our Web site or ask your tax preparer if you qualify.

A message from the Internal Revenue Service.

www.irs.gov



The Internal Revenue Service
Working to put service first

Quick and Easy Access to IRS Tax Help and Tax Products



Personal Computer

Access the IRS's web site at www.irs.gov to:

- Order IRS products on-line
- Obtain Frequently Asked Tax Questions
- Download Electronically Fillable Forms
- Obtain Prior Year Forms
- Search Publications by Topic or Keyword
- Request Help via E-mail
- Receive Hot Tax News via E-mail

You can also reach us using:

- File Transfer Protocol at ftp.irs.gov



Mail

Send your order for tax products to the Distribution Center nearest to you. You should receive your products within 10 days after we receive your order.

- **Western part of U.S.**
Western Area Distribution Center
Rancho Cordova, CA 95743-0001
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Bloomington, IL 61702-8903
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Eastern Area Distribution Center
P.O. Box 85074
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IRS TaxFax Service

Dial **703-368-9694** from your fax machine to get up to 3 items per call. Long-distance charges may apply. Follow the directions of the prompts and your items will be immediately faxed back to you.

- For help with transmission problems call the FedWorld Help Desk at **(703) 487-4608**.



Phone

Obtain forms, instructions, and publications 24 hours a day, 7 days a week, by calling:

- **1-800-829-3676** to order current year forms, instructions and publications and prior year forms and instructions. You should receive your order within 10 days.



Walk-In

Pick up certain forms, instructions, and publications at many post offices, libraries, and IRS offices. Some grocery stores, copy centers, city and county government offices, credit unions and office supply stores have a collection of reproducible tax forms available to photocopy or print from a CD-ROM.



CD-ROM

Order IRS Publication 1796, Federal Tax Products on CD-ROM, and obtain:

- Current tax forms, instructions and publications
- Prior-year tax forms and instructions
- Popular tax forms which may be filled-in electronically, printed out for submission, and saved for recordkeeping
- Internal Revenue Bulletin

Purchase the CD-ROM via Internet at <http://www.irs.gov/cdorders> from the National Technical Information Service (NTIS) for \$22 (no handling fee). Order by phone at 1-877-CDFORMS (1-877-233-6767) for \$22 (plus a \$5 handling fee). The price for 100 or more copies is \$16.50 per CD plus a \$5.00 handling fee.

Availability: First release—early January
Final release—late February

Minimum System Requirements:

- Microsoft Windows 98, ME, NT, 2000 (Pentium class processor)
 - 32 MB RAM (64 MB Recommended)
 - 115 MB of available hard disk space
- Macintosh, Power Macintosh
 - Apple System Software, version 9.1 or later
 - 32 MB RAM (64 MB Recommended)
 - 115 MB available hard disk space



Join In The Programs

Community Based Outlet Programs

The Internal Revenue Service and local community businesses and government across the United States are working together to increase accessibility of tax materials to the public.



Copy Center Program

Through this program, copy centers can offer taxpayers a wide variety of IRS forms with instructions for photocopying.



Credit Union Program

The IRS provides credit unions with a variety of reproducible tax materials to make available to their members.



Grocery Store/Pharmacy Program

Grocery stores and pharmacies are provided laminated tax forms, which they may attach to a self-service photocopy machine.



City and County Governments Program

City and County government agencies are provided a variety of tax products so that the community will have easy access to federal tax materials and information.

- For further information on any of the above programs contact our Customer Service Representative at 1-916-636-7705.



Post Office Program

The IRS supplies various tax materials to over 25,000 post offices nationwide. These include individual forms, schedules and instructions.



Library Program

Participating libraries make available forms, schedules and instructions in either reproducible format, or bulk forms. Currently over 14,000 libraries participate in this program.

- Post offices and libraries may contact the IRS at 1-800-829-2765.



Corporate Partnership Program

This program provides employers, of 100 or more employees, with a free copy of the **Publication 1796, Federal Tax Products** on CD-ROM. The employer can load this information on their Intranet or local area network so employees can access information.

- For further information on this program, contact our Customer Service Representative at 1-916-636-7705.

General Assistance Information

Earned Income Tax Credit

Find out if you're eligible. Call 1-800-829-3676 for our free IRS **Publication 596, Earned Income Credit**, or visit our web site at www.irs.gov.



So Easy, No Wonder 46 Million People Use It.

IRS *e-file* offers accurate, safe and fast alternatives to filing on paper. You can *e-file* through a tax professional; a personal computer; or if you receive a TeleFile Tax Package, over the telephone. IRS computers quickly and automatically check for errors or missing information. IRS acknowledges receipt of an accepted return for processing within 48 hours. Sign your return with an electronic signature using a Self-Select Personal Identification Number (PIN). If you are filing using tax preparation software or a tax professional, you will be asked to create a five-digit PIN. You will also need to know your adjusted gross income (AGI) from last year's originally filed return. Get your refund faster and safer with Direct Deposit - in as few as 10 days. If you have a balance due, pay by an electronic funds withdrawal from your bank account or pay by credit card. The IRS is partnering with the tax software industry to offer free tax return preparation and *e-file* services to taxpayers who qualify. To see if you are eligible or to find out more information about this free *e-filing* service, visit www.irs.gov or www.firstgov.gov.

Delete the paperwork. Hit **SEND**

Taxpayer Advocacy Panel (TAP)

The IRS Taxpayer Advocacy Panel is an independent volunteer advisory group appointed by the Secretary of the Treasury. The TAP assists the IRS in identifying ways and methodologies of improving customer service. For more information, visit their web site at www.improveIRS.org.

Taxpayer Advocate Service

If you have an ongoing issue with the IRS that has not been resolved through normal channels, or are about to suffer a significant hardship as a result of the application of the tax laws, contact the Taxpayer Advocate Service for assistance at 1-877-777-4778.

Label

(See instructions on page 21.)

Use the IRS label. Otherwise, please print or type.

Presidential Election Campaign (See page 21.)

Label Here

For the year Jan. 1–Dec. 31, 2002, or other tax year beginning , 2002, ending , 20

OMB No. 1545-0074

Your first name and initial Last name Your social security number

If a joint return, spouse's first name and initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see page 21. Apt. no.

City, town or post office, state, and ZIP code. If you have a foreign address, see page 21.

Important!

You must enter your SSN(s) above.

Note. Checking "Yes" will not change your tax or reduce your refund.

Do you, or your spouse if filing a joint return, want \$3 to go to this fund? You Spouse Yes No Yes No

Filing Status

Check only one box.

- 1 Single 2 Married filing jointly (even if only one had income) 3 Married filing separately. Enter spouse's SSN above and full name here. 4 Head of household (with qualifying person). (See page 21.) If the qualifying person is a child but not your dependent, enter this child's name here. 5 Qualifying widow(er) with dependent child (year spouse died). (See page 21.)

Exemptions

If more than five dependents, see page 22.

6a Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a. 6b Spouse. 6c Dependents: (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) if qualifying child for child tax credit (see page 22). No. of boxes checked on 6a and 6b. No. of children on 6c who: lived with you, did not live with you due to divorce or separation (see page 22). Dependents on 6c not entered above. Add numbers on lines above.

Income

Attach Forms W-2 and W-2G here. Also attach Form(s) 1099-R if tax was withheld.

If you did not get a W-2, see page 23.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7 Wages, salaries, tips, etc. Attach Form(s) W-2. 7 8a Taxable interest. Attach Schedule B if required. 8a 8b Tax-exempt interest. Do not include on line 8a. 9 Ordinary dividends. Attach Schedule B if required. 10 Taxable refunds, credits, or offsets of state and local income taxes (see page 24). 11 Alimony received. 12 Business income or (loss). Attach Schedule C or C-EZ. 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here. 14 Other gains or (losses). Attach Form 4797. 15a IRA distributions. 15a 15b Taxable amount (see page 25). 16a Pensions and annuities. 16a 16b Taxable amount (see page 25). 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E. 18 Farm income or (loss). Attach Schedule F. 19 Unemployment compensation. 20a Social security benefits. 20a 20b Taxable amount (see page 27). 21 Other income. List type and amount (see page 29). 22 Add the amounts in the far right column for lines 7 through 21. This is your total income.

Adjusted Gross Income

23 Educator expenses (see page 29). 23 24 IRA deduction (see page 29). 24 25 Student loan interest deduction (see page 31). 25 26 Tuition and fees deduction (see page 32). 26 27 Archer MSA deduction. Attach Form 8853. 27 28 Moving expenses. Attach Form 3903. 28 29 One-half of self-employment tax. Attach Schedule SE. 29 30 Self-employed health insurance deduction (see page 33). 30 31 Self-employed SEP, SIMPLE, and qualified plans. 31 32 Penalty on early withdrawal of savings. 32 33a Alimony paid b Recipient's SSN. 33a 34 Add lines 23 through 33a. 34 35 Subtract line 34 from line 22. This is your adjusted gross income.

Tax and Credits

Standard Deduction for—

- People who checked any box on line 37a or 37b or who can be claimed as a dependent, see page 34.
• All others: Single, \$4,700; Head of household, \$6,900; Married filing jointly or Qualifying widow(er), \$7,850; Married filing separately, \$3,925

36 Amount from line 35 (adjusted gross income)
37a Check if: [] You were 65 or older, [] Blind; [] Spouse was 65 or older, [] Blind.
38 Itemized deductions (from Schedule A) or your standard deduction
39 Subtract line 38 from line 36
40 If line 36 is \$103,000 or less, multiply \$3,000 by the total number of exemptions claimed on line 6d.
41 Taxable income. Subtract line 40 from line 39.
42 Tax (see page 36). Check if any tax is from: a [] Form(s) 8814 b [] Form 4972
43 Alternative minimum tax (see page 37). Attach Form 6251
44 Add lines 42 and 43
45 Foreign tax credit. Attach Form 1116 if required
46 Credit for child and dependent care expenses. Attach Form 2441
47 Credit for the elderly or the disabled. Attach Schedule R
48 Education credits. Attach Form 8863
49 Retirement savings contributions credit. Attach Form 8880
50 Child tax credit (see page 39)
51 Adoption credit. Attach Form 8839
52 Credits from: a [] Form 8396 b [] Form 8859
53 Other credits. Check applicable box(es): a [] Form 3800 b [] Form 8801 c [] Specify
54 Add lines 45 through 53. These are your total credits
55 Subtract line 54 from line 44. If line 54 is more than line 44, enter -0-

Other Taxes

56 Self-employment tax. Attach Schedule SE
57 Social security and Medicare tax on tip income not reported to employer. Attach Form 4137
58 Tax on qualified plans, including IRAs, and other tax-favored accounts. Attach Form 5329 if required
59 Advance earned income credit payments from Form(s) W-2
60 Household employment taxes. Attach Schedule H
61 Add lines 55 through 60. This is your total tax

Payments

If you have a qualifying child, attach Schedule EIC.

62 Federal income tax withheld from Forms W-2 and 1099
63 2002 estimated tax payments and amount applied from 2001 return
64 Earned income credit (EIC)
65 Excess social security and tier 1 RRTA tax withheld (see page 56)
66 Additional child tax credit. Attach Form 8812
67 Amount paid with request for extension to file (see page 56)
68 Other payments from: a [] Form 2439 b [] Form 4136 c [] Form 8885
69 Add lines 62 through 68. These are your total payments

Refund

Direct deposit? See page 56 and fill in 71b, 71c, and 71d.

70 If line 69 is more than line 61, subtract line 61 from line 69. This is the amount you overpaid
71a Amount of line 70 you want refunded to you
b Routing number
c Type: [] Checking [] Savings
d Account number
72 Amount of line 70 you want applied to your 2003 estimated tax

Amount You Owe

73 Amount you owe. Subtract line 69 from line 61. For details on how to pay, see page 57
74 Estimated tax penalty (see page 57)

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 58)? [] Yes. Complete the following. [] 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 page 21. Keep a copy for your records.

Your signature Date Your occupation Daytime phone number
Spouse's signature. If a joint return, both must sign. Date Spouse's occupation

Paid Preparer's Use Only

Preparer's signature Date Check if self-employed [] Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code EIN Phone no.

Label
(See page 21.)

Use the IRS label.
Otherwise, please print or type.

L A B E L H E R E	Your first name and initial	Last name	
	If a joint return, spouse's first name and initial	Last name	
	Home address (number and street). If you have a P.O. box, see page 22.		Apt. no.
	City, town or post office, state, and ZIP code. If you have a foreign address, see page 22.		

OMB No. 1545-0085

Your social security number _____

Spouse's social security number _____

▲ Important! ▲
You **must** enter your SSN(s) above.

Presidential Election Campaign
(See page 22.)

Note. Checking "Yes" will not change your tax or reduce your refund.
Do you, or your spouse if filing a joint return, want \$3 to go to this fund? . . .

You Yes No Spouse Yes No

Filing status

- 1 Single 4 Head of household (with qualifying person). (See page 23.)
 2 Married filing jointly (even if only one had income) If the qualifying person is a child but not your dependent, enter this child's name here. ▶ _____
 3 Married filing separately. Enter spouse's SSN above and full name here. ▶ _____ 5 Qualifying widow(er) with dependent child (year spouse died ▶ _____). (See page 24.)

Check only one box.

Exemptions

6a **Yourself.** If your parent (or someone else) can claim you as a dependent on his or her tax return, **do not** check box 6a.

b **Spouse**

c **Dependents:**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If qualifying child for child tax credit (see page 25)
				<input type="checkbox"/>

No. of boxes checked on 6a and 6b _____

No. of children on 6c who:
 • lived with you _____
 • did not live with you due to divorce or separation (see page 26) _____

Dependents on 6c not entered above _____

Add numbers on lines above

d Total number of exemptions claimed.

Income

Attach Form(s) W-2 here. Also attach Form(s) 1099-R if tax was withheld.

If you did not get a W-2, see page 27.

Enclose, but do not attach, any payment.

7 Wages, salaries, tips, etc. Attach Form(s) W-2.	7
8a Taxable interest. Attach Schedule 1 if required.	8a
b Tax-exempt interest. Do not include on line 8a.	8b
9 Ordinary dividends. Attach Schedule 1 if required.	9
10 Capital gain distributions (see page 27).	10
11a IRA distributions. 11a	11b Taxable amount (see page 27). 11b
12a Pensions and annuities. 12a	12b Taxable amount (see page 28). 12b
13 Unemployment compensation and Alaska Permanent Fund dividends.	13
14a Social security benefits. 14a	14b Taxable amount (see page 30). 14b
15 Add lines 7 through 14b (far right column). This is your total income .	15
16 Educator expenses (see page 30).	16
17 IRA deduction (see page 30).	17
18 Student loan interest deduction (see page 33).	18
19 Tuition and fees deduction (see page 33).	19
20 Add lines 16 through 19. These are your total adjustments .	20
21 Subtract line 20 from line 15. This is your adjusted gross income .	21

Adjusted gross income

Tax, 22 Enter the amount from line 21 (adjusted gross income). 22

credits, and payments

23a Check { You were 65 or older Blind } Enter number of boxes checked ▶ 23a
if: { Spouse was 65 or older Blind }

b If you are married filing separately and your spouse itemizes deductions, see page 34 and check here ▶ 23b

Standard Deduction for—
• People who checked any box on line 23a or 23b or who can be claimed as a dependent, see page 34.
• All others:
Single, \$4,700
Head of household, \$6,900
Married filing jointly or Qualifying widow(er), \$7,850
Married filing separately, \$3,925

24 Enter your **standard deduction** (see left margin). 24

25 Subtract line 24 from line 22. If line 24 is more than line 22, enter -0-. 25

26 Multiply \$3,000 by the total number of exemptions claimed on line 6d. 26

27 Subtract line 26 from line 25. If line 26 is more than line 25, enter -0-. This is your **taxable income**. ▶ 27

28 **Tax, including any alternative minimum tax** (see page 35). 28

29 Credit for child and dependent care expenses. Attach Schedule 2. 29

30 Credit for the elderly or the disabled. Attach Schedule 3. 30

31 Education credits. Attach Form 8863. 31

32 Retirement savings contributions credit. Attach Form 8880. 32

33 Child tax credit (see page 38). 33

34 Adoption credit. Attach Form 8839. 34

35 Add lines 29 through 34. These are your **total credits**. 35

36 Subtract line 35 from line 28. If line 35 is more than line 28, enter -0-. 36

37 Advance earned income credit payments from Form(s) W-2. 37

38 Add lines 36 and 37. This is your **total tax**. ▶ 38

39 Federal income tax withheld from Forms W-2 and 1099. 39

40 2002 estimated tax payments and amount applied from 2001 return. 40

41 **Earned income credit (EIC)**. 41

42 Additional child tax credit. Attach Form 8812. 42

43 Add lines 39 through 42. These are your **total payments**. ▶ 43

Refund

44 If line 43 is more than line 38, subtract line 38 from line 43. This is the amount you **overpaid**. 44

Direct deposit? See page 52 and fill in 45b, 45c, and 45d.

45a Amount of line 44 you want **refunded to you**. ▶ 45a

▶ b Routing number ▶ c Type: Checking Savings

▶ d Account number

46 Amount of line 44 you want **applied to your 2003 estimated tax**. 46

Amount you owe

47 **Amount you owe**. Subtract line 43 from line 38. For details on how to pay, see page 53. ▶ 47

48 Estimated tax penalty (see page 53). 48

Third party designee

Do you want to allow another person to discuss this return with the IRS (see page 54)? **Yes**. Complete the following. **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 accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

Joint return? See page 22. Keep a copy for your records.

Your signature Date Your occupation Daytime phone number ()

Spouse's signature. If a joint return, **both** must sign. Date Spouse's occupation

Paid preparer's use only

Preparer's signature ▶ Date Check if self-employed Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ EIN Phone no. ()



Label (See page 14.) Use the IRS label. Otherwise, please print or type.

Form fields for name, address, and social security numbers.

Fields for social security numbers.

Important! You must enter your SSN(s) above.

Presidential Election Campaign (page 14)

Note. Checking "Yes" will not change your tax or reduce your refund. Do you, or your spouse if a joint return, want \$3 to go to this fund?

Yes/No checkboxes for the taxpayer and spouse.

Income Attach Form(s) W-2 here. Enclose, but do not attach, any payment.

Income section with lines 1 through 6, including adjusted gross income and taxable income.

Note. You must check Yes or No.

Payments and tax

Payments and tax section with lines 7 through 10, including federal income tax withheld and earned income credit.

Refund

Have it directly deposited! See page 21 and fill in 11b, 11c, and 11d.

Refund section with line 11a and routing/account numbers.

Amount you owe

Amount you owe section with line 12.

Third party designee

Third party designee section with name, phone, and PIN fields.

Sign here

Joint return? See page 13. Keep a copy for your records.

Signature section with fields for taxpayer and spouse signatures, dates, and occupations.

Paid preparer's use only

Paid preparer's use only section with signature, date, and identification fields.

Use this form if

- Your filing status is single or married filing jointly.
- You (and your spouse if married) were under 65 and not blind at the end of 2002. If you were born on January 1, 1938, you are considered to be age 65 at the end of 2002.
- You do not claim any dependents.
- Your taxable income (line 6) is less than \$50,000.
- You do not claim a deduction for educator expenses, the student loan interest deduction, or the tuition and fees deduction (see page 10).
- You do not claim an education credit, the retirement savings contributions credit (see page 10), or the health insurance credit for eligible recipients (see page 10).
- You had **only** wages, salaries, tips, taxable scholarship or fellowship grants, unemployment compensation, or Alaska Permanent Fund dividends, and your taxable interest was not over \$1,500. **But** if you earned tips, including allocated tips, that are not included in box 5 and box 7 of your W-2, you may not be able to use Form 1040EZ. See page 15. If you are planning to use Form 1040EZ for a child who received Alaska Permanent Fund dividends, see page 16.
- You did not receive any advance earned income credit payments.

If you are not sure about your filing status, see page 13. If you have questions about dependents, use TeleTax topic 354 (see page 8). If you **cannot use this form**, use TeleTax topic 352 (see page 8).

Filling in your return

If you received a scholarship or fellowship grant or tax-exempt interest income, such as on municipal bonds, see the booklet before filling in the form. Also, see the booklet if you received a Form 1099-INT showing Federal income tax withheld or if Federal income tax was withheld from your unemployment compensation or Alaska Permanent Fund dividends.

For tips on how to avoid common mistakes, see page 23.

Remember, you must report all wages, salaries, and tips even if you do not get a W-2 form from your employer. You must also report all your taxable interest, including interest from banks, savings and loans, credit unions, etc., even if you do not get a Form 1099-INT.

Worksheet for dependents who checked "Yes" on line 5

(keep a copy for your records)

Use this worksheet to figure the amount to enter on line 5 if someone can claim you (or your spouse if married) as a dependent, even if that person chooses not to do so. To find out if someone can claim you as a dependent, use TeleTax topic 354 (see page 8).

A. Amount, if any, from line 1 on front _____
+ 250.00 Enter total ► A. _____

B. Minimum standard deduction B. 750.00

C. Enter the **larger** of line A or line B here C. _____

D. Maximum standard deduction. If **single**, enter \$4,700; if **married**, enter \$7,850 D. _____

E. Enter the **smaller** of line C or line D here. This is your standard deduction E. _____

F. Exemption amount. } F. _____

- If single, enter -0-.
- If married and—
 - both you and your spouse can be claimed as dependents, enter -0-.
 - only one of you can be claimed as a dependent, enter \$3,000.

G. Add lines E and F. Enter the total here and on line 5 on the front . . . G. _____

If you checked "No" on line 5 because no one can claim you (or your spouse if married) as a dependent, enter on line 5 the amount shown below that applies to you.

- Single, enter \$7,700. This is the total of your standard deduction (\$4,700) and your exemption (\$3,000).
- Married, enter \$13,850. This is the total of your standard deduction (\$7,850), your exemption (\$3,000), and your spouse's exemption (\$3,000).

Mailing return

Mail your return by **April 15, 2003**. Use the envelope that came with your booklet. If you do not have that envelope or if you moved during the year, see the back cover for the address to use.



Schedule A – Itemized Deductions
(Schedule B is on back)

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedules A and B (Form 1040).**

Name(s) shown on Form 1040

Your social security number

Medical and Dental Expenses	1	Caution. Do not include expenses reimbursed or paid by others. Medical and dental expenses (see page A-2)	1			
	2	Enter amount from Form 1040, line 36	2			
	3	Multiply line 2 by 7.5% (.075)	3			
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4			
Taxes You Paid (See page A-2.)	5	State and local income taxes	5			
	6	Real estate taxes (see page A-2)	6			
	7	Personal property taxes	7			
	8	Other taxes. List type and amount ▶	8			
	9	Add lines 5 through 8	9			
Interest You Paid (See page A-3.)	10	Home mortgage interest and points reported to you on Form 1098	10			
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-3 and show that person's name, identifying no., and address ▶	11			
	12	Points not reported to you on Form 1098. See page A-3 for special rules	12			
	13	Investment interest. Attach Form 4952 if required. (See page A-3.)	13			
Gifts to Charity If you made a gift and got a benefit for it, see page A-4.	14	Add lines 10 through 13	14			
	15	Gifts by cash or check. If you made any gift of \$250 or more, see page A-4	15			
16	Other than by cash or check. If any gift of \$250 or more, see page A-4. You must attach Form 8283 if over \$500	16				
17	Carryover from prior year	17				
18	Add lines 15 through 17	18				
Casualty and Theft Losses	19	Casualty or theft loss(es). Attach Form 4684. (See page A-5.)	19			
Job Expenses and Most Other Miscellaneous Deductions (See page A-5 for expenses to deduct here.)	20	Unreimbursed employee expenses—job travel, union dues, job education, etc. You must attach Form 2106 or 2106-EZ if required. (See page A-5.) ▶	20			
	21	Tax preparation fees	21			
	22	Other expenses—investment, safe deposit box, etc. List type and amount ▶	22			
	23	Add lines 20 through 22	23			
	24	Enter amount from Form 1040, line 36	24			
	25	Multiply line 24 by 2% (.02)	25			
26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-	26				
Other Miscellaneous Deductions	27	Other—from list on page A-6. List type and amount ▶	27			
Total Itemized Deductions	28	Is Form 1040, line 36, over \$137,300 (over \$68,650 if married filing separately)? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 38. <input type="checkbox"/> Yes. Your deduction may be limited. See page A-6 for the amount to enter.	28			

**SCHEDULE C
(Form 1040)**

Department of the Treasury
Internal Revenue Service (J)

Name of proprietor

Profit or Loss From Business
(Sole Proprietorship)

▶ Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.

▶ Attach to Form 1040 or 1041. ▶ See Instructions for Schedule C (Form 1040).

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Attachment
Sequence No. **09**

<p>A Principal business or profession, including product or service (see page C-1 of the instructions)</p>	<p>B Enter code from pages C-7, 8, & 9</p>
<p>C Business name. If no separate business name, leave blank.</p>	<p>D Employer ID number (EIN), if any</p>
<p>E Business address (including suite or room no.) _____ City, town or post office, state, and ZIP code _____</p>	
<p>F Accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ _____</p>	
<p>G Did you "materially participate" in the operation of this business during 2002? If "No," see page C-3 for limit on losses . <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>H If you started or acquired this business during 2002, check here <input type="checkbox"/></p>	

Part I Income

1 Gross receipts or sales. Caution. If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-3 and check here <input type="checkbox"/>	1		
2 Returns and allowances	2		
3 Subtract line 2 from line 1	3		
4 Cost of goods sold (from line 42 on page 2)	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 page C-3)	6		
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			19 Pension and profit-sharing plans	19		
9 Bad debts from sales or services (see page C-3)	9			20 Rent or lease (see page C-5):	20		
10 Car and truck expenses (see page C-3)	10			a Vehicles, machinery, and equipment	20a		
11 Commissions and fees	11			b Other business property	20b		
12 Depletion	12			21 Repairs and maintenance	21		
13 Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13			22 Supplies (not included in Part III)	22		
14 Employee benefit programs (other than on line 19)	14			23 Taxes and licenses	23		
15 Insurance (other than health)	15			24 Travel, meals, and entertainment:	24		
16 Interest:	16			a Travel	24a		
a Mortgage (paid to banks, etc.)	16a			b Meals and entertainment			
b Other	16b			c Enter nondeductible amount included on line 24b (see page C-5)			
17 Legal and professional services	17			d Subtract line 24c from line 24b	24d		
18 Office expense	18			25 Utilities	25		
28 Total expenses before expenses for business use of home. Add lines 8 through 27 in columns ▶	28			26 Wages (less employment credits)	26		
29 Tentative profit (loss). Subtract line 28 from line 7	29			27 Other expenses (from line 48 on page 2)	27		
30 Expenses for business use of your home. Attach Form 8829	30						
31 Net profit or (loss). Subtract line 30 from line 29.	31						
• If a profit, enter on Form 1040, line 12 , and also on Schedule SE, line 2 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.							
• If a loss, you must go to line 32.							
32 If you have a loss, check the box that describes your investment in this activity (see page C-6).							
• If you checked 32a, enter the loss on Form 1040, line 12 , and also on Schedule SE, line 2 (statutory employees, see page C-6). Estates and trusts, enter on Form 1041, line 3.				32a <input type="checkbox"/> All investment is at risk.			
• If you checked 32b, you must attach Form 6198 .				32b <input type="checkbox"/> Some investment is not at risk.			

**SCHEDULE D
(Form 1040)**

Department of the Treasury
Internal Revenue Service (J)

Name(s) shown on Form 1040

Capital Gains and Losses

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040).
▶ Use Schedule D-1 to list additional transactions for lines 1 and 8.

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2002

Attachment
Sequence No. 12

Your social security number

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

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-5 of the instructions)	(e) Cost or other basis (see page D-5 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)	
1						
2 Enter your short-term totals, if any, from Schedule D-1, line 2						
3 Total short-term sales price amounts. Add lines 1 and 2 in column (d)						
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824						
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1						
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your 2001 Capital Loss Carryover Worksheet					()	
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (f).						

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

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-5 of the instructions)	(e) Cost or other basis (see page D-5 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)	(g) 28% rate gain or (loss) * (see instr. below)
8						
9 Enter your long-term totals, if any, from Schedule D-1, line 9						
10 Total long-term sales price amounts. Add lines 8 and 9 in column (d)						
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						
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1						
13 Capital gain distributions. See page D-1 of the instructions						
14 Long-term capital loss carryover. Enter in both columns (f) and (g) the amount, if any, from line 13 of your 2001 Capital Loss Carryover Worksheet					()	()
15 Combine lines 8 through 14 in column (g)						
16 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (f) Next: Go to Part III on the back.						

* **28% rate gain or loss** includes all "collectibles gains and losses" (as defined on page D-6 of the instructions) and up to 50% of the eligible gain on qualified small business stock (see page D-4 of the instructions).

Part III Taxable Gain or Deductible Loss

17 Combine lines 7 and 16 and enter the result. If a loss, go to line 18. If a gain, enter the gain on Form 1040, line 13, and complete Form 1040 through line 41

17		
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- Next:**
- If both lines 16 and 17 are gains **and** Form 1040, line 41, is more than zero, complete Part IV below.
 - Otherwise, skip the rest of Schedule D and complete Form 1040.

18 If line 17 is a loss, enter here and on Form 1040, line 13, the **smaller** of (a) that loss or (b) (\$3,000) (or, if married filing separately, (\$1,500)). Then complete Form 1040 through line 39

18	()	
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- Next:**
- If the loss on line 17 is more than the loss on line 18 **or** if Form 1040, line 39, is less than zero, skip **Part IV** below and complete the **Capital Loss Carryover Worksheet** on page D-6 of the instructions before completing the rest of Form 1040.
 - Otherwise, skip **Part IV** below and complete the rest of Form 1040.

Part IV Tax Computation Using Maximum Capital Gains Rates

19 Enter your unrecaptured section 1250 gain, if any, from line 17 of the worksheet on page D-7 of the instructions

19		
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If line 15 or line 19 is more than zero, complete the worksheet on page D-9 of the instructions to figure the amount to enter on lines 22, 29, and 40 below, and skip all other lines below. Otherwise, go to line 20.

20 Enter your taxable income from Form 1040, line 41

20		
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21 Enter the **smaller** of line 16 or line 17 of Schedule D

21		
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22 If you are deducting investment interest expense on Form 4952, enter the amount from Form 4952, line 4e. Otherwise, enter -0-

22		
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23 Subtract line 22 from line 21. If zero or less, enter -0-

23		
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24 Subtract line 23 from line 20. If zero or less, enter -0-

24		
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25 Figure the tax on the amount on line 24. Use the Tax Table or Tax Rate Schedules, whichever applies

25		
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26 Enter the **smaller** of:

- The amount on line 20 **or**
- \$46,700 if married filing jointly or qualifying widow(er);
 \$27,950 if single;
 \$37,450 if head of household; or
 \$23,350 if married filing separately

26		
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If line 26 is greater than line 24, go to line 27. Otherwise, skip lines 27 through 33 and go to line 34.

27 Enter the amount from line 24

27		
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28 Subtract line 27 from line 26. If zero or less, enter -0- and go to line 34

28		
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29 Enter your qualified 5-year gain, if any, from line 8 of the worksheet on page D-8

29		
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30 Enter the **smaller** of line 28 or line 29

30		
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31 Multiply line 30 by 8% (.08)

31		
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32 Subtract line 30 from line 28

32		
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33 Multiply line 32 by 10% (.10)

33		
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If the amounts on lines 23 and 28 are the same, skip lines 34 through 37 and go to line 38.

34 Enter the **smaller** of line 20 or line 23

34		
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35 Enter the amount from line 28 (if line 28 is blank, enter -0-)

35		
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36 Subtract line 35 from line 34

36		
-----------	--	--

37 Multiply line 36 by 20% (.20)

37		
-----------	--	--

38 Add lines 25, 31, 33, and 37

38		
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39 Figure the tax on the amount on line 20. Use the Tax Table or Tax Rate Schedules, whichever applies

39		
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40 Tax on all taxable income (including capital gains). Enter the **smaller** of line 38 or line 39 here and on Form 1040, line 42

17		
18	()	
19		
20		
21		
22		
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29		
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40		



**SCHEDULE E
(Form 1040)**

Department of the Treasury
Internal Revenue Service (J)

Name(s) shown on return

Supplemental Income and Loss

(From rental real estate, royalties, partnerships,
S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040 or Form 1041. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2002

Attachment
Sequence No. **13**

Your social security number

Part I **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see page E-3). Report farm rental income or loss from Form 4835 on page 2, line 39.

1	Show the kind and location of each rental real estate property :	2	For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:	Yes	No
A	<ul style="list-style-type: none"> • 14 days or • 10% of the total days rented at fair rental value? (See page E-3.)	A		
B		B		
C		C		

Income:	Properties			Totals (Add columns A, B, and C.)
	A	B	C	
3 Rents received	3			3
4 Royalties received	4			4
Expenses:				
5 Advertising	5			
6 Auto and travel (see page E-4)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9			
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see page E-4)	12			12
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16			
17 Utilities	17			
18 Other (list) ▶	18			
.....				
.....				
19 Add lines 5 through 18	19			19
20 Depreciation expense or depletion (see page E-4)	20			20
21 Total expenses. Add lines 19 and 20	21			
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-5 to find out if you must file Form 6198.	22			
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-5 to find out if you must file Form 8582. Real estate professionals must complete line 42 on page 2	23	()	()	()
24 Income. Add positive amounts shown on line 22. Do not include any losses	24			
25 Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here	25	()		()
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 39 on page 2 do not apply to you, also enter this amount on Form 1040, line 17. Otherwise, include this amount in the total on line 40 on page 2	26			

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

Note. If you report amounts from farming or fishing on Schedule E, you must enter your gross income from those activities on line 41 below. Real estate professionals must complete line 42 below.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity, you must check either column (e) or (f) on line 27 to describe your investment in the activity. See page E-1. If you check column (f), you must attach Form 6198.

Table with 5 columns: (a) Name, (b) Enter P for partnership; S for S corporation, (c) Check if foreign partnership, (d) Employer identification number, and Investment At Risk? (e) All is at risk, (f) Some is not at risk. Rows A through E.

Table with 5 columns: (g) Passive loss allowed, (h) Passive income from Schedule K-1, (i) Nonpassive loss from Schedule K-1, (j) Section 179 expense deduction from Form 4562, and (k) Nonpassive income from Schedule K-1. Rows A through E, 28a Totals, 28b Totals, 29, 30, 31.

Part III Income or Loss From Estates and Trusts

Table with 2 columns: (a) Name, (b) Employer identification number. Rows A and B.

Table with 4 columns: (c) Passive deduction or loss allowed, (d) Passive income from Schedule K-1, (e) Deduction or loss from Schedule K-1, and (f) Other income from Schedule K-1. Rows A and B, 33a Totals, 33b Totals, 34, 35, 36.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

Table with 5 columns: (a) Name, (b) Employer identification number, (c) Excess inclusion from Schedules Q, line 2c, (d) Taxable income (net loss) from Schedules Q, line 1b, and (e) Income from Schedules Q, line 3b. Row 37, 38.

Part V Summary

Table with 2 columns: Description and Amount. Rows 39, 40, 41, 42.



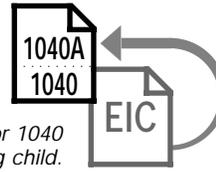
SCHEDULE EIC
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (J)

Name(s) shown on return

Earned Income Credit
Qualifying Child Information

Complete and attach to Form 1040A or 1040
only if you have a qualifying child.



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2002

Attachment
Sequence No. **43**

Your social security number

Before you begin: See the instructions for Form 1040A, line 41, or Form 1040, line 64, to make sure that (a) you can take the EIC and (b) you have a qualifying child.



- If you take the EIC even though you are not eligible, you may not be allowed to take the credit for up to 10 years. See back of schedule for details.
- It will take us longer to process your return and issue your refund if you do not fill in all lines that apply for each qualifying child.
- Be sure the child's name on line 1 and social security number (SSN) on line 2 agree with the child's social security card. Otherwise, at the time we process your return, we may reduce or disallow your EIC. If the name or SSN on the child's social security card is not correct, call the Social Security Administration at 1-800-772-1213.

Qualifying Child Information

Child 1

Child 2

	First name	Last name	First name	Last name
1 Child's name If you have more than two qualifying children, you only have to list two to get the maximum credit.				
2 Child's SSN The child must have an SSN as defined on page 44 of the Form 1040A instructions or page 46 of the Form 1040 instructions unless the child was born and died in 2002. If your child was born and died in 2002 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate.				
3 Child's year of birth	Year _____ <i>If born after January 1, 1984, skip lines 4a and 4b; go to line 5.</i>		Year _____ <i>If born after January 1, 1984, skip lines 4a and 4b; go to line 5.</i>	
4 If the child was born before January 2, 1984—				
a Was the child under age 24 at the end of 2002 and a student?	<input type="checkbox"/> Yes. <i>Go to line 5.</i>	<input type="checkbox"/> No. <i>Continue</i>	<input type="checkbox"/> Yes. <i>Go to line 5.</i>	<input type="checkbox"/> No. <i>Continue</i>
b Was the child permanently and totally disabled during any part of 2002?	<input type="checkbox"/> Yes. <i>Continue</i>	<input type="checkbox"/> No. The child is not a qualifying child.	<input type="checkbox"/> Yes. <i>Continue</i>	<input type="checkbox"/> No. The child is not a qualifying child.
5 Child's relationship to you (for example, son, daughter, grandchild, niece, nephew, foster child, etc.)				
6 Number of months child lived with you in the United States during 2002				
<ul style="list-style-type: none"> • If the child lived with you for more than half of 2002 but less than 7 months, enter "7". • If the child was born or died in 2002 and your home was the child's home for the entire time he or she was alive during 2002, enter "12". 	_____ months <i>Do not enter more than 12 months.</i>		_____ months <i>Do not enter more than 12 months.</i>	



You may also be able to take the additional child tax credit if your child (a) was under age 17 at the end of 2002, (b) is claimed as your dependent on line 6c of Form 1040A or Form 1040, and (c) is a U.S. citizen or resident alien. For more details, see the instructions for line 42 of Form 1040A or line 66 of Form 1040.

A Change To Note

Beginning in 2002, new rules apply to determine who is a qualifying child for purposes of the EIC. For details, see Qualifying Child below.

Purpose of Schedule

The purpose of this schedule is to give the IRS information about your qualifying child after you have figured your earned income credit (EIC).

To figure the amount of your credit or to have the IRS figure it for you, see the instructions for Form 1040A, line 41, or Form 1040, line 64.

Taking the EIC When Not Eligible. If you take the EIC even though you are not eligible and it is determined that your error is due to reckless or intentional disregard of the EIC rules, you will not be allowed to take the credit for 2 years even if you are otherwise eligible to do so. If you fraudulently take the EIC, you will not be allowed to take the credit for 10 years. You may also have to pay penalties.

Qualifying Child

A qualifying child is a child who is . . .

Your son, daughter, adopted child, stepchild, or grandchild

or

Your brother, sister, stepbrother, stepsister, or a descendant of your brother, sister, stepbrother, or stepsister (for example, your niece or nephew), whom you cared for as your own child

or

A foster child (any child placed with you by an authorized placement agency whom you cared for as your own child)

AND

was at the end of 2002 . . .

Under age 19

or

Under age 24 and a student

or

Any age and permanently and totally disabled

AND

who . . .

Lived with you in the United States for more than half of 2002. If the child did not live with you for the required time, see Exception to "Time Lived With You" Condition on page 43 of the Form 1040A instructions or page 45 of the Form 1040 instructions.

Note. If the child was married or meets the conditions to be a qualifying child of another person (other than your spouse if filing a joint return), special rules apply. For details, see page 44 of the Form 1040A instructions or page 46 of the Form 1040 instructions.



Do you want part of the EIC added to your take-home pay in 2003? To see if you qualify, get Form W-5 from your employer, call the IRS at 1-800-TAX-FORM (1-800-829-3676), or go to www.irs.gov.

Self-Employment Tax

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedule SE (Form 1040).**

Name of person with self-employment income (as shown on Form 1040)	Social security number of person with self-employment income ▶
--	--

Who Must File Schedule SE

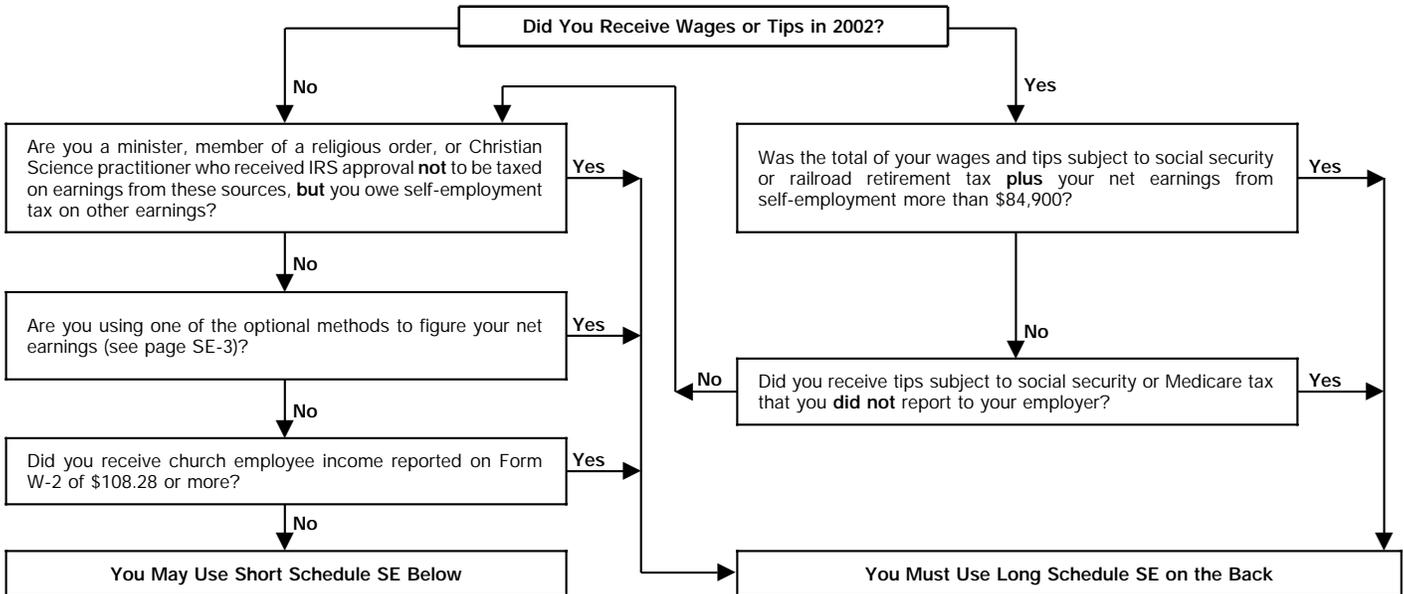
You must file Schedule SE if:

- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order **is not** church employee income. See page SE-1.

Note. Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE. See page SE-3.

Exception. If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 56.

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



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

1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a	1		
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report	2		
3 Combine lines 1 and 2	3		
4 Net earnings from self-employment. Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax ▶	4		
5 Self-employment tax. If the amount on line 4 is:	5		
<ul style="list-style-type: none"> • \$84,900 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 56. • More than \$84,900, multiply line 4 by 2.9% (.029). Then, add \$10,527.60 to the result. Enter the total here and on Form 1040, line 56. 			
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.5). Enter the result here and on Form 1040, line 29	6		

Name of person with self-employment income (as shown on Form 1040)	Social security number of person with self-employment income ▶
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Section B—Long Schedule SE

Part I Self-Employment Tax

Note. If your only income subject to self-employment tax is **church employee income**, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a. Income from services you performed as a minister or a member of a religious order is **not** church employee income. See page SE-1.

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.

1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a. Note. Skip this line if you use the farm optional method. See page SE-3	1		
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report. Note. Skip this line if you use the nonfarm optional method. See page SE-4.	2		
3 Combine lines 1 and 2	3		
4a If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3	4a		
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, do not file this schedule; you do not 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. Caution. See page SE-1 for definition of church employee income	5a		
b Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	5b		
6 Net earnings from self-employment. 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 2002	7	84,900	00
8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation	8a		
b Unreported tips subject to social security tax (from Form 4137, line 9)	8b		
c Add lines 8a and 8b	8c		
9 Subtract line 8c 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% (.124)	10		
11 Multiply line 6 by 2.9% (.029)	11		
12 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 56	12		
13 Deduction for one-half of self-employment tax. Multiply line 12 by 50% (.5). Enter the result here and on Form 1040, line 29	13		

Part II Optional Methods To Figure Net Earnings (See page SE-3.)

Farm Optional Method. You may use this method only if: <ul style="list-style-type: none"> • Your gross farm income¹ was not more than \$2,400 or • Your net farm profits² were less than \$1,733. 			
14 Maximum income for optional methods	14	1,600	00
15 Enter the smaller of: two-thirds (2/3) of gross farm income ¹ (not less than zero) or \$1,600. Also include this amount on line 4b above	15		
Nonfarm Optional Method. You may use this method only if: <ul style="list-style-type: none"> • Your net nonfarm profits³ were less than \$1,733 and also less than 72.189% of your gross nonfarm income⁴ and • 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		

¹From Sch. F, line 11, and Sch. K-1 (Form 1065), line 15b. ³From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), line 15a; and Sch. K-1 (Form 1065-B), box 9.
²From Sch. F, line 36, and Sch. K-1 (Form 1065), line 15a. ⁴From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), line 15c; and Sch. K-1 (Form 1065-B), box 9.



▶ See separate instructions.

This return is for calendar year ▶ _____ , **or fiscal year ended** ▶ _____

Please print or type	Your first name and initial	Last name	Your social security number
	If a joint return, spouse's first name and initial	Last name	Spouse's social security number
	Home address (no. and street) or P.O. box if mail is not delivered to your home		Apt. no.
	City, town or post office, state, and ZIP code. If you have a foreign address, see page 2 of the instructions.		Phone number () ()
			For Paperwork Reduction Act Notice, see page 6.

- A** If the name or address shown above is different from that shown on the original return, check here
- B** Has the original return been changed or audited by the IRS or have you been notified that it will be? . . . **Yes** **No**
- C** Filing status. Be sure to complete this line. **Note.** You cannot change from joint to separate returns after the due date.
- On original return ▶ Single Married filing jointly Married filing separately Head of household Qualifying widow(er)
- On this return ▶ Single Married filing jointly Married filing separately Head of household* Qualifying widow(er)
- * If the qualifying person is a child but not your dependent, see page 2.

Use Part II on the back to explain any changes		A. Original amount or as previously adjusted (see page 2)	B. Net change—amount of increase or (decrease)—explain in Part II	C. Correct amount
Income and Deductions (see pages 2-6)				
	1 Adjusted gross income (see page 3)	1		
	2 Itemized deductions or standard deduction (see page 3)	2		
	3 Subtract line 2 from line 1	3		
	4 Exemptions. If changing, fill in Parts I and II on the back	4		
	5 Taxable income. Subtract line 4 from line 3	5		
Tax Liability	6 Tax (see page 4). Method used in col. C	6		
	7 Credits (see page 4)	7		
	8 Subtract line 7 from line 6. Enter the result but not less than zero	8		
	9 Other taxes (see page 4)	9		
	10 Total tax. Add lines 8 and 9	10		
Payments	11 Federal income tax withheld and excess social security and tier 1 RRTA tax withheld. If changing, see page 4	11		
	12 Estimated tax payments, including amount applied from prior year's return	12		
	13 Earned income credit (EIC)	13		
	14 Additional child tax credit from Form 8812	14		
	15 Credits from Form 2439, Form 4136, or Form 8885	15		
	16 Amount paid with request for extension of time to file (see page 4)	16		
	17 Amount of tax paid with original return plus additional tax paid after it was filed	17		
	18 Total payments. Add lines 11 through 17 in column C	18		
Refund or Amount You Owe				
	19 Overpayment, if any, as shown on original return or as previously adjusted by the IRS	19		
	20 Subtract line 19 from line 18 (see page 5)	20		
	21 Amount you owe. If line 10, column C, is more than line 20, enter the difference and see page 5	21		
	22 If line 10, column C, is less than line 20, enter the difference	22		
	23 Amount of line 22 you want refunded to you	23		
	24 Amount of line 22 you want applied to your estimated tax 24			

Sign Here
Under penalties of perjury, I declare that I have filed an original return and that I have examined this amended return, including accompanying schedules and statements, and to the best of my knowledge and belief, this amended return is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

Joint return? See page 2. Keep a copy for your records. ▶

Your signature	Date	Spouse's signature. If a joint return, both must sign.	Date
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Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no. ()	

▶ See separate instructions.

▶ Attach to Form 1040.

Your name	Occupation in which you incurred expenses	Social security number
-----------	---	------------------------

Part I Employee Business Expenses and Reimbursements

	Column A Other Than Meals and Entertainment		Column B Meals and Entertainment	
Step 1 Enter Your Expenses				
1 Vehicle expense from line 22 or line 29. (Rural mail carriers: See instructions.)	1			
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2			
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3			
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment	4			
5 Meals and entertainment expenses (see instructions)				
6 Total expenses. In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6			

Note: If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.

Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1

7 Enter reimbursements received from your employer that were not reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions)	7				
--	---	--	--	--	--

Step 3 Figure Expenses To Deduct on Schedule A (Form 1040)

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7	8				
Note: If both columns of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.					
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses by 65% (.65) instead of 50%. For details, see instructions.)	9				
10 Add the amounts on line 9 of both columns and enter the total here. Also, enter the total on Schedule A (Form 1040), line 20. (Fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules on where to enter the total.) ▶	10				

Part II Vehicle Expenses

Section A—General Information (You must complete this section if you are claiming vehicle expenses.)

		(a) Vehicle 1	(b) Vehicle 2
11	Enter the date the vehicle was placed in service	11 / /	/ /
12	Total miles the vehicle was driven during 2002	12 miles	miles
13	Business miles included on line 12	13 miles	miles
14	Percent of business use. Divide line 13 by line 12	14 %	%
15	Average daily roundtrip commuting distance	15 miles	miles
16	Commuting miles included on line 12	16 miles	miles
17	Other miles. Add lines 13 and 16 and subtract the total from line 12	17 miles	miles
18	Do you (or your spouse) have another vehicle available for personal use?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
19	Was your vehicle available for personal use during off-duty hours?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
20	Do you have evidence to support your deduction?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
21	If "Yes," is the evidence written?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Section B—Standard Mileage Rate (See the instructions for Part II to find out whether to complete this section or Section C.)

22	Multiply line 13 by 36 1/2¢ (.365)	22	
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Section C—Actual Expenses

		(a) Vehicle 1	(b) Vehicle 2
23	Gasoline, oil, repairs, vehicle insurance, etc.	23	
24a	Vehicle rentals	24a	
b	Inclusion amount (see instructions)	24b	
c	Subtract line 24b from line 24a	24c	
25	Value of employer-provided vehicle (applies only if 100% of annual lease value was included on Form W-2—see instructions)	25	
26	Add lines 23, 24c, and 25	26	
27	Multiply line 26 by the percentage on line 14	27	
28	Depreciation. Enter amount from line 38 below	28	
29	Add lines 27 and 28. Enter total here and on line 1	29	

Section D—Depreciation of Vehicles (Use this section only if you owned the vehicle and are completing Section C for the vehicle.)

		(a) Vehicle 1	(b) Vehicle 2
30	Enter cost or other basis (see instructions)	30	
31	Enter section 179 deduction and special allowance (see instructions)	31	
32	Multiply line 30 by line 14 (see instructions if you claimed the section 179 deduction or special allowance)	32	
33	Enter depreciation method and percentage (see instructions)	33	
34	Multiply line 32 by the percentage on line 33 (see instructions)	34	
35	Add lines 31 and 34	35	
36	Enter the limit from the table in the line 36 instructions	36	
37	Multiply line 36 by the percentage on line 14	37	
38	Enter the smaller of line 35 or line 37. Also enter this amount on line 28 above	38	



Department of the Treasury
Internal Revenue Service (J)

▶ Attach to Form 1040.

▶ See separate instructions.

Name(s) shown on Form 1040

Your social security number

Before you begin: You need to understand the following terms. See **Definitions** on page 1 of the instructions.

- **Dependent Care Benefits**
- **Qualifying Person(s)**
- **Qualified Expenses**
- **Earned Income**

Part I **Persons or Organizations Who Provided the Care—You must complete this part.**
(If you need more space, use the bottom of page 2.)

1 (a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid (see instructions)

Did you receive dependent care benefits?

No → Complete only Part II below.

Yes → Complete Part III on the back next.

Caution. If the care was provided in your home, you may owe employment taxes. See the instructions for Form 1040, line 60.

Part II **Credit for Child and Dependent Care Expenses**

2 Information about your **qualifying person(s)**. If you have more than two qualifying persons, see the instructions.

(a) Qualifying person's name		(b) Qualifying person's social security number	(c) Qualified expenses you incurred and paid in 2002 for the person listed in column (a)
First	Last		

3 Add the amounts in column (c) of line 2. Do not enter more than \$2,400 for one qualifying person or \$4,800 for two or more persons. If you completed Part III, enter the amount from line 26	3																	
4 Enter your earned income	4																	
5 If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions); all others , enter the amount from line 4	5																	
6 Enter the smallest of line 3, 4, or 5	6																	
7 Enter the amount from Form 1040, line 36 7	7																	
8 Enter on line 8 the decimal amount shown below that applies to the amount on line 7	8	X .																
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">If line 7 is:</td> <td style="width: 50%;">If line 7 is:</td> </tr> <tr> <td style="text-align: center;"><u>Over</u> <u>But not over</u> <u>Decimal amount is</u></td> <td style="text-align: center;"><u>Over</u> <u>But not over</u> <u>Decimal amount is</u></td> </tr> <tr> <td style="text-align: center;">\$0—10,000 .30</td> <td style="text-align: center;">\$20,000—22,000 .24</td> </tr> <tr> <td style="text-align: center;">10,000—12,000 .29</td> <td style="text-align: center;">22,000—24,000 .23</td> </tr> <tr> <td style="text-align: center;">12,000—14,000 .28</td> <td style="text-align: center;">24,000—26,000 .22</td> </tr> <tr> <td style="text-align: center;">14,000—16,000 .27</td> <td style="text-align: center;">26,000—28,000 .21</td> </tr> <tr> <td style="text-align: center;">16,000—18,000 .26</td> <td style="text-align: center;">28,000—No limit .20</td> </tr> <tr> <td style="text-align: center;">18,000—20,000 .25</td> <td></td> </tr> </table>	If line 7 is:	If line 7 is:	<u>Over</u> <u>But not over</u> <u>Decimal amount is</u>	<u>Over</u> <u>But not over</u> <u>Decimal amount is</u>	\$0—10,000 .30	\$20,000—22,000 .24	10,000—12,000 .29	22,000—24,000 .23	12,000—14,000 .28	24,000—26,000 .22	14,000—16,000 .27	26,000—28,000 .21	16,000—18,000 .26	28,000—No limit .20	18,000—20,000 .25		8	
If line 7 is:	If line 7 is:																	
<u>Over</u> <u>But not over</u> <u>Decimal amount is</u>	<u>Over</u> <u>But not over</u> <u>Decimal amount is</u>																	
\$0—10,000 .30	\$20,000—22,000 .24																	
10,000—12,000 .29	22,000—24,000 .23																	
12,000—14,000 .28	24,000—26,000 .22																	
14,000—16,000 .27	26,000—28,000 .21																	
16,000—18,000 .26	28,000—No limit .20																	
18,000—20,000 .25																		
9 Multiply line 6 by the decimal amount on line 8. If you paid 2001 expenses in 2002, see the instructions	9																	
10 Enter the amount from Form 1040, line 44, minus any amount on Form 1040, line 45	10																	
11 Credit for child and dependent care expenses. Enter the smaller of line 9 or line 10 here and on Form 1040, line 46	11																	

Part III Dependent Care Benefits

<p>12 Enter the total amount of dependent care benefits you received for 2002. This amount should be shown in box 10 of your W-2 form(s). Do not include amounts that were reported to you as wages in box 1 of Form(s) W-2</p>	12		
<p>13 Enter the amount forfeited, if any (see the instructions)</p>	13		
<p>14 Subtract line 13 from line 12</p>	14		
<p>15 Enter the total amount of qualified expenses incurred in 2002 for the care of the qualifying person(s)</p>	15		
<p>16 Enter the smaller of line 14 or 15</p>	16		
<p>17 Enter your earned income</p>	17		
<p>18 Enter the amount shown below that applies to you.</p> <ul style="list-style-type: none"> • If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions for line 5). • If married filing separately, see the instructions for the amount to enter. • All others, enter the amount from line 17. 	18		
<p>19 Enter the smallest of line 16, 17, or 18</p>	19		
<p>20 Excluded benefits. Enter here the smaller of the following:</p> <ul style="list-style-type: none"> • The amount from line 19 or • \$5,000 (\$2,500 if married filing separately and you were required to enter your spouse's earned income on line 18). 	20		
<p>21 Taxable benefits. Subtract line 20 from line 14. Also, include this amount on Form 1040, line 7. On the dotted line next to line 7, enter "DCB"</p>	21		

To claim the child and dependent care credit, complete lines 22–26 below.

<p>22 Enter \$2,400 (\$4,800 if two or more qualifying persons)</p>	22		
<p>23 Enter the amount from line 20</p>	23		
<p>24 Subtract line 23 from line 22. If zero or less, stop. You cannot take the credit. Exception. If you paid 2001 expenses in 2002, see the instructions for line 9</p>	24		
<p>25 Complete line 2 on the front of this form. Do not include in column (c) any benefits shown on line 20 above. Then, add the amounts in column (c) and enter the total here</p>	25		
<p>26 Enter the smaller of line 24 or 25. Also, enter this amount on line 3 on the front of this form and complete lines 4–11</p>	26		



**Application for Automatic Extension of Time
To File U.S. Individual Income Tax Return**



**It's Convenient,
Safe, and Secure**

IRS e-file is the IRS's electronic filing program. Now you can get an automatic extension of time to file your tax return by filing Form 4868 electronically. You will receive an electronic acknowledgment or confirmation number once you complete the transaction. Keep it with your records. **Do not** send in Form 4868 if you file electronically.

Complete Form 4868 to use as a worksheet. If you think you may owe tax when you file your return, you will need to estimate your total tax liability and subtract how much you have already paid (lines 4, 5, and 6 below).

If you think you may owe tax and wish to make a payment, you may pay by electronic funds withdrawal using option 1 or 2 below or you may pay by credit card using option 3.

1 **E-file by Phone—February 13-April 15**
Call toll free **1-888-796-1074**

Anyone who filed a tax return for 2001 or 2000 can file Form 4868 by phone. The telephone system will accept extensions any time from February 13 through April 15, 2003, and your extension will be good through August 15, 2003. Filing by telephone is advantageous because it is free and you get a confirmation number.

If you wish to make a payment by electronic funds withdrawal you will be asked for the adjusted gross income (AGI) from your 2001 or 2000 tax return. Your AGI for these years is located on line 33 of your Form 1040, line 19 of your 1040A, line 4 of your 1040EZ, or line I of your TeleFile Tax Record. If you choose, you may also file your extension by phone and mail a payment to the address shown in the middle column on page 4.

2 **E-file Using Your Personal Computer or Through a Tax Professional**

Refer to your tax software package or tax preparer for ways to file electronically. Be sure to have a copy of last year's tax return

— you will be asked to provide information from the return for taxpayer verification. If you wish to make a payment, you can pay by electronic funds withdrawal (see page 4) or send your payment to the address shown in the middle column on page 4.

3 **E-file and Pay by Credit Card**

You can get an extension if you pay part or all of your estimate of income tax due by using a credit card (American Express® Card, Discover® Card, MasterCard® card, or Visa® card). Your payment must be at least \$1. You may pay by phone or over the Internet through one of the service providers listed below.

Each service provider will charge a convenience fee based on the amount of the tax payment you are making. Fees may vary between service providers. You will be told what the fee is during the transaction and will have the option to continue or cancel the transaction. You may also obtain the convenience fee by calling the service providers' automated customer service numbers or visiting their web sites. All calls are toll free. Do not add the convenience fee to your tax payment.

Official Payments Corporation 1-800-2PAY-TAX SM (1-800-272-9829) 1-877-754-4413 (Customer Service) www.officialpayments.com	Link2Gov Corporation 1-888-PAY-1040 SM (1-888-729-1040) 1-888-658-5465 (Customer Service) www.PAY1040.com
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Form 709 or 709-A. Although an extension of time to file your income tax return also extends the time to file Form 709 or 709-A, you cannot make payments of the gift or GST tax with a credit card. To make a payment of the gift or GST tax, send a check or money order to the service center where the donor's income tax return will be filed. Enter "2002 Form 709" and the donor's name and social security number on the payment.

File a Paper Form 4868

If you wish to file on paper instead of electronically, fill in the Form 4868 below and mail it to the address shown on page 4.

▼ DETACH HERE ▼

**Application for Automatic Extension of Time
To File U.S. Individual Income Tax Return**

For calendar year 2002, or other tax year beginning _____, 2002, ending _____

Part I Identification		Part III Individual Income Tax	
1 Your name(s) (see instructions)		4 Estimate of total tax liability for 2002 \$ _____	
Address (see instructions)		5 Total 2002 payments _____	
City, town or post office, state, and ZIP code		6 Balance due. Subtract 5 from 4 . . . _____	
2 Your social security number	3 Spouse's social security number	Part IV Gift/GST Tax —If you are not filing a gift or GST tax return, go to Part V now. See the instructions.	
Part II Complete ONLY If Filing Gift/GST Tax Return		7 Your gift or GST tax payment . . . \$ _____	
<p>Caution: <i>Only for gift/GST tax extension! Checking box(es) may result in correspondence if Form 709 or 709-A is not filed.</i></p> <p>This form also extends the time for filing a gift or generation-skipping transfer (GST) tax return if you file a calendar (not fiscal) year income tax return. Enter your gift or GST tax payment(s) in Part IV and:</p> <p>Check this box <input type="checkbox"/> if you are requesting a Gift or GST tax return extension.</p> <p>Check this box <input type="checkbox"/> if your spouse is requesting a Gift or GST tax return extension.</p>		8 Your spouse's gift/GST tax payment	
		Part V Total	
		9 Total liability. Add lines 6, 7, and 8 \$ _____	
		10 Amount you are paying _____	
Confirmation Number			
If you file electronically, you will receive a confirmation number telling you that your Form 4868 has been accepted. Enter the confirmation number here and keep it for your records			

General Instructions

Purpose of Form

Use Form 4868 to apply for 4 more months to file **Form 1040, 1040A, 1040EZ, 1040NR, or 1040NR-EZ.**

To get the extra time you **must**:

- Properly estimate your 2002 tax liability using the information available to you,
- Enter your tax liability on line 9 of Form 4868, **and**
- File Form 4868 by the regular due date of your return.

Caution: *Although you are not required to make a payment of the tax you estimate as due, Form 4868 does not extend the time to pay taxes. If you do not pay the amount due by the regular due date, you will owe interest. You may also be charged penalties. For more details, see **Interest** on this page and **Late Payment Penalty** on page 3. Any remittance you make with your application for extension will be treated as a payment of tax.*

You do not have to explain why you are asking for the extension. We will contact you only if your request is denied.

Do not file Form 4868 if you want the IRS to figure your tax or you are under a court order to file your return by the regular due date.

If you need an additional extension, see **If You Need Additional Time** on this page.

Form 709 or 709-A. Generally, an extension of time to file your 2002 **calendar year** income tax return also extends the time to file a gift or generation-skipping transfer (GST) tax return for 2002. Special rules apply if the donor dies during the year in which the gifts were made. See the Instructions for Form 709.

When To File Form 4868

File Form 4868 by April 15, 2003. Fiscal year taxpayers, file Form 4868 by the regular due date of the return.

If you are a U.S. citizen or resident "out of the country" (defined on this page) on the regular due date of your return, you are allowed 2 extra months to file your return. For a calendar year return, this is June 16, 2003. File this form if you need an additional 2 months to file your return. Write "Taxpayer Abroad" across the top of Form 4868.

Out of the country means either:

1. You live outside the United States and Puerto Rico **and** your main place of work is outside the United States and Puerto Rico **or**
2. You are in military or naval service outside the United States and Puerto Rico.

If you qualify as being "out of the country," you will still be eligible for the extension, even if you are physically present in the United States or Puerto Rico on the regular due date of the return.

If You Need Additional Time

If the automatic 4-month extension (until August 15, 2003, for most calendar year taxpayers) does not give you enough time, you can ask for additional time later. But you will have to give a good reason, and it must be approved by the IRS. To ask for the additional time, you must **either**:

1. File **Form 2688**, Application for Additional Extension of Time To File U.S. Individual Income Tax Return or
2. Explain your reason in a letter. Mail it to the address in the right column under **Where To File a Paper Form 4868** on page 4.

File Form 4868 **before** you file Form 2688 or write a letter asking for more time. Only in cases of undue hardship will the IRS approve your request for an additional extension without receiving Form 4868 first. Ask early for this extra time. Then, you can still file your return on time if your request is not approved.

Filing Your Tax Return

You may file your tax return any time before the extension expires.

Do not attach a copy of Form 4868 to your return.

Interest

You will owe interest on any tax not paid by the regular due date of your return. The interest runs until you pay the tax. Even if you had a good reason for not paying on time, you will still owe interest.

Late Payment Penalty

The penalty is usually $\frac{1}{2}$ of 1% of any tax (other than estimated tax) not paid by the regular due date. It is charged for each month or part of a month the tax is unpaid. The maximum penalty is 25%.

The late payment penalty will not be charged if you can show reasonable cause for not paying on time. Attach a statement to your return fully explaining the reason. **Do not** attach the statement to Form 4868.

You are considered to have "reasonable cause" for the period covered by this automatic extension if at least 90% of your actual 2002 tax liability is paid before the regular due date of your return through withholding, estimated tax payments, or with Form 4868.

Late Filing Penalty

A penalty is usually charged if your return is filed after the due date (including extensions). It is usually 5% of the tax not paid by the regular due date for each month or part of a month your return is late. Generally, the maximum penalty is 25%. If your return is more than 60 days late, the minimum penalty is \$100 or the balance of the tax due on your return, whichever is smaller. You might not owe the penalty if you have a good reason for filing late. Attach a statement to your

return fully explaining the reason. **Do not** attach the statement to Form 4868.

How To Claim Credit for Payment Made With This Form

When you file your return, include the amount of any payment you made with Form 4868 on the appropriate line of your tax return.

The instructions for the following line of your tax return will tell you how to report the payment:

- Form 1040, line 67.
- Form 1040A, line 43.
- Form 1040EZ, line 9.
- Form 1040NR, line 62.
- Form 1040NR-EZ, line 21.

If you and your spouse each filed a separate Form 4868 but later file a joint return for 2002, enter the total paid with both Forms 4868 on the appropriate line of your joint return.

If you and your spouse jointly file Form 4868 but later file separate returns for 2002, you may enter the total amount paid with Form 4868 on either of your separate returns. Or you and your spouse may divide the payment in any agreed amounts. Be sure each separate return has the social security numbers of both spouses.

Specific Instructions

How To Complete Form 4868

Caution: *Skip Parts II and IV unless you are requesting an extension of time to file a gift or GST tax return.*

Part I—Identification

Enter your name(s) and address. If you plan to file a joint return, include both spouses' names in the order in which they will appear on the return.

If you want correspondence regarding this extension to be sent to you at an address other than your own or to an agent acting for you, include the agent's name, if any, and enter that address instead.

If you changed your name after you filed your last return because of marriage, divorce, etc., be sure to report this to your local Social Security Administration office before filing Form 4868. This prevents delays in processing your extension request.

If you changed your mailing address after you filed your last return, you should use **Form 8822**, Change of Address, to notify the IRS of the change. Showing a new address on Form 4868 will not update your record. You can get IRS forms by calling 1-800-TAX-FORM (1-800-829-3676). You can also download forms from the IRS Web Site at www.irs.gov.

If you plan to file jointly, enter on line 2 the social security number (SSN) that you will show first on your return. Enter your spouse's SSN on line 3.

If you are filing Form 1040NR or 1040NR-EZ, and do not have (and are not eligible to obtain) an SSN, enter your IRS-issued individual taxpayer identification number (ITIN). For information on obtaining an ITIN, get **Form W-7**, Application for IRS Individual Taxpayer Identification Number.

Part III—Individual Income Tax

Line 4—Estimate of Total Tax Liability for 2002

Enter on line 4 the total tax liability you expect to report on your 2002:

- Form 1040, line 61.
- Form 1040A, line 38.
- Form 1040EZ, line 10.
- Form 1040NR, line 57.

- Form 1040NR-EZ, line 17.

If you expect this amount to be zero, enter zero.

Caution: *Make your estimate as accurate as you can with the information you have. If we later find that the estimate was not reasonable, the extension will be null and void.*

Line 5—Total Payments for 2002

Enter on line 5 the total payments from:

- Form 1040, line 69 (excluding line 67).
- Form 1040A, line 43.
- Form 1040EZ, line 9.
- Form 1040NR, line 68 (excluding line 62).
- Form 1040NR-EZ, line 21.

Note: *For Forms 1040A, 1040EZ, and 1040NR-EZ, do not include on line 5 the amount you are paying with this Form 4868.*

Line 6—Balance

Subtract line 5 from line 4. If line 5 is more than line 4, enter zero.

If you find you cannot pay the amount shown on line 6, you can still get the extension. But you should pay as much as you can to limit the amount of interest you will owe. Also, you may be charged the late payment penalty on the unpaid tax from the regular due date of your return. See **Late Payment Penalty** on this page.

Part IV—Gift/GST Tax

Fill in this part **only** if you or your spouse plan to file Form 709 or 709-A **and** you are also using Form 4868 to apply for an extension of time to file your 2002 **calendar year** income tax return. **Do not** include income tax on lines 7 and 8.

Enter the amount of gift and GST tax you (or your spouse) are paying on these lines. If your spouse files a **separate** Form 4868, **do not** check the box in Part II for your spouse; enter on your form only the total gift and GST tax **you** are paying. Pay in full with this form to avoid interest and penalties.

Part V—Total

Enter the total of line 6 (and 7 and 8, if applicable) on line 9. If you are paying your entire estimate of tax liability, lines 9 and 10 should both be the same.

How To Make a Payment With Your Extension

Paying by Electronic Funds Withdrawal

You can *e-file* Form 4868 using IRS *e-file* option 1 or 2 on page 1 and make a payment by authorizing an electronic funds withdrawal from your checking or savings account. You can authorize an electronic funds withdrawal for your extension tax payment and/or for payment of your gift or GST tax. Check with your financial institution to make sure that an electronic funds withdrawal is allowed and to get the correct routing and account numbers.

If you owe tax and wish to have the money electronically withdrawn from your account, you will be asked to make the following declaration:

I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal entry to the financial institution account indicated for payment of my Federal taxes owed, and the financial institution to debit the entry to this account. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial

institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

Note: *This is your written copy of the electronic funds withdrawal authorization you made to have the amount you owe withdrawn. Keep it for your records.*

Paying by Credit Card

You can *e-file* Form 4868 using IRS *e-file* option 3 on page 1 and pay by credit card.

Paying by Check or Money Order

- When paying by check or money order with Form 4868, use the addresses in the middle column under **Where To File a Paper Form 4868** below.
- Make your check or money order payable to the "United States Treasury." Do not send cash.
- Write your social security number, daytime phone number, and "2002 Form 4868" on your check or money order.
- Do not staple or attach your payment to the form.

Where To File a Paper Form 4868

If you live in:

	And you are making a payment, send Form 4868 with your payment to IRS:	And you are not making a payment, send Form 4868 to Internal Revenue Service Center:
Florida, Georgia, Mississippi, North Carolina, South Carolina, West Virginia	P.O. Box 105073 Atlanta, GA 30348-5073	Atlanta, GA 39901
New York (<i>New York City and counties of Nassau, Rockland, Suffolk, and Westchester</i>)	P.O. Box 22423 Newark, NJ 07101-2423	Holtsville, NY 00501
New York (<i>all other counties</i>), Maine, New Hampshire, Vermont	P.O. Box 1236 Charlotte, NC 28201-1236	Andover, MA 05501
Massachusetts, Michigan, Rhode Island	P.O. Box 37003 Hartford, CT 06176-0003	Andover, MA 05501
Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Utah, Wisconsin	P.O. Box 970028 St. Louis, MO 63197-0028	Kansas City, MO 64999
Connecticut, Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania	P.O. Box 80109 Cincinnati, OH 45280-0009	Philadelphia, PA 19255
Colorado, Kentucky, Louisiana, Montana, New Mexico, Oklahoma, Texas, Wyoming	P.O. Box 660575 Dallas, TX 75266-0575	Austin, TX 73301
Alaska, California, Hawaii, Nevada, Oregon	P.O. Box 7122 San Francisco, CA 94120-7122	Fresno, CA 93888
Arizona, Idaho, Washington	P.O. Box 30659 Los Angeles, CA 90060-0659	Fresno, CA 93888
Alabama, Arkansas, Ohio, Tennessee, Virginia	P.O. Box 105050 Atlanta, GA 30348-5050	Memphis, TN 37501
American Samoa or Puerto Rico (<i>or exclude income under section 933</i>): are a nonpermanent resident of Guam or the Virgin Islands; have an APO, FPO, or foreign address; are a dual-status alien; or file Form 2555, 2555-EZ, or 4563	P.O. Box 80109 Cincinnati, OH 45280-0009	Philadelphia, PA 19255-0215
Guam: Permanent residents	Send Form 4868 and payments to:	Department of Revenue and Taxation Government of Guam P.O. Box 23607 GMF, GU 96921
Virgin Islands: Permanent residents	Send Form 4868 and payments to:	V.I. Bureau of Internal Revenue 9601 Estate Thomas Charlotte Amalie, St. Thomas, VI 00802

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. We need this information so that our records will reflect your intention to file your individual income tax return within 4 months after the regular due date. If you choose to apply for an automatic extension of time to file, you are required by Internal Revenue Code section 6081 to provide the information requested on this form. Under section 6109, you must disclose your social security number (SSN) or individual taxpayer identification number (ITIN). Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism. If you fail to provide this information in a timely manner or provide incomplete or false information, you may be liable for penalties and interest.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 26 min.; **Learning about the law or the form**, 13 min.; **Preparing the form**, 18 min.; and **Copying, assembling, and sending the form to the IRS**, 10 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send the form to this address. Instead, see **Where To File a Paper Form 4868** above.



Noncash Charitable Contributions

OMB No. 1545-0908

▶ **Attach to your tax return if you claimed a total deduction of over \$500 for all contributed property.**

Attachment
Sequence No. **55**

▶ **See separate instructions.**

Name(s) shown on your income tax return

Identifying number

Note: Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A—List in this section **only** items (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also, list certain publicly traded securities even if the deduction is over \$5,000 (see instructions).

Part I Information on Donated Property—If you need more space, attach a statement.

	1	(a) Name and address of the donee organization	(b) Description of donated property
A			
B			
C			
D			
E			

Note: If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (d), (e), and (f).

	(c) Date of the contribution	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) Fair market value	(h) Method used to determine the fair market value
A						
B						
C						
D						
E						

Part II Other Information—Complete line 2 if you gave less than an entire interest in property listed in Part I. Complete line 3 if conditions were attached to a contribution listed in Part I.

2 If, during the year, you contributed less than the entire interest in the property, complete lines a–e.

- a** Enter the letter from Part I that identifies the property ▶ _____. If Part II applies to more than one property, attach a separate statement.
- b** Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year ▶ _____ .
 (2) For any prior tax years ▶ _____ .
- c** Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):

Name of charitable organization (donee)

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

- d** For tangible property, enter the place where the property is located or kept ▶ _____
- e** Name of any person, other than the donee organization, having actual possession of the property ▶ _____

3 If conditions were attached to any contribution listed in Part I, answer questions a – c and attach the required statement (see instructions).

- a** Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?
- b** Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?
- c** Is there a restriction limiting the donated property for a particular use?

	Yes	No
a		
b		
c		

Name(s) shown on your income tax return

Identifying number

Section B—Appraisal Summary—List in this section only items (or groups of similar items) for which you claimed a deduction of more than \$5,000 per item or group. **Exception.** Report contributions of certain publicly traded securities only in Section A.

If you donated art, you may have to attach the complete appraisal. See the **Note** in Part I below.

Part I Information on Donated Property—To be completed by the taxpayer and/or appraiser.

4 Check type of property:

- Art* (contribution of \$20,000 or more)
- Real Estate
- Gems/Jewelry
- Stamp Collections
- Art* (contribution of less than \$20,000)
- Coin Collections
- Books
- Other

*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antique furniture, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

Note: If your total art contribution deduction was \$20,000 or more, you must attach a complete copy of the signed appraisal. See instructions.

5 (a) Description of donated property (if you need more space, attach a separate statement)		(b) If tangible property was donated, give a brief summary of the overall physical condition at the time of the gift		(c) Appraised fair market value	
A					
B					
C					
D					

	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) For bargain sales, enter amount received	See instructions	
					(h) Amount claimed as a deduction	(i) Average trading price of securities
A						
B						
C						
D						

Part II Taxpayer (Donor) Statement—List each item included in Part I above that the appraisal identifies as having a value of \$500 or less. See instructions.

I declare that the following item(s) included in Part I above has to the best of my knowledge and belief an appraised value of not more than \$500 (per item). Enter identifying letter from Part I and describe the specific item. See instructions. ▶ _____

Signature of taxpayer (donor) ▶ _____

Date ▶ _____

Part III Declaration of Appraiser

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons.

Also, I declare that I hold myself out to the public as an appraiser or perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this appraisal summary may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). I affirm that I have not been barred from presenting evidence or testimony by the Director of Practice.

Sign Here

Signature ▶ _____

Title ▶ _____

Date of appraisal ▶ _____

Business address (including room or suite no.)

Identifying number

City or town, state, and ZIP code

Part IV Donee Acknowledgment—To be completed by the charitable organization.

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on ▶ _____ (Date)

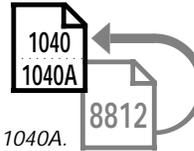
Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 2 years after the date of receipt, it will file **Form 8282**, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use? ▶ Yes No

Name of charitable organization (donee)	Employer identification number	
Address (number, street, and room or suite no.)	City or town, state, and ZIP code	
Authorized signature	Title	Date



Additional Child Tax Credit



Department of the Treasury
Internal Revenue Service (J)

Complete and attach to Form 1040 or Form 1040A.

Name(s) shown on return

Your social security number

Part I All Filers

1	Enter the amount from line 1 of your Child Tax Credit Worksheet on page 40 of the Form 1040 instructions or page 39 of the Form 1040A instructions. If you used Pub. 972, enter the amount from line 8 of the worksheet on page 3 of the publication				1	
2	Enter the amount from Form 1040, line 50, or Form 1040A, line 33				2	
3	Subtract line 2 from line 1. If zero, stop ; you cannot take this credit				3	
4	Enter your total taxable earned income. See the instructions on back	4				
5	Is the amount on line 4 more than \$10,350? <input type="checkbox"/> No. Leave line 5 blank and enter -0- on line 6. <input type="checkbox"/> Yes. Subtract \$10,350 from the amount on line 4. Enter the result	5				
6	Multiply the amount on line 5 by 10% (.10) and enter the result Next. Do you have three or more qualifying children? <input type="checkbox"/> No. If line 6 is zero, stop ; you cannot take this credit. Otherwise, skip Part II and enter the smaller of line 3 or line 6 on line 13. <input type="checkbox"/> Yes. If line 6 is equal to or more than line 3, skip Part II and enter the amount from line 3 on line 13. Otherwise, go to line 7.				6	

Part II Certain Filers Who Have Three or More Qualifying Children

7	Enter the total of the withheld social security and Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If you worked for a railroad, see the instructions on back	7				
8	1040 filers: Enter the total of the amounts from Form 1040, lines 29 and 57, plus any uncollected social security and Medicare or tier 1 RRTA taxes included on line 61. 1040A filers: Enter -0-.	8				
9	Add lines 7 and 8	9				
10	1040 filers: Enter the total of the amounts from Form 1040, lines 64 and 65. 1040A filers: Enter the total of the amount from Form 1040A, line 41, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 43 (see the instructions on back).	10				
11	Subtract line 10 from line 9. If zero or less, enter -0-					
12	Enter the larger of line 6 or line 11 here Next , enter the smaller of line 3 or line 12 on line 13.				12	

Part III Your Additional Child Tax Credit

13	This is your additional child tax credit	13		
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Enter this amount on
Form 1040, line 66, or
Form 1040A, line 42.

Instructions

Purpose of Form

Use Form 8812 to figure your additional child tax credit.



The additional child tax credit may give you a refund even if you do not owe any tax.

Who Should Use Form 8812

First, complete the Child Tax Credit Worksheet that applies to you. See the instructions for Form 1040, line 50, or Form 1040A, line 33. If you meet the condition given in the **TIP** at the end of your Child Tax Credit Worksheet, use Form 8812 to see if you can take the additional child tax credit.

Effect of Credit on Welfare Benefits

Any refund you receive as a result of taking the additional child tax credit will not be used to determine if you are eligible for the following programs, or how much you can receive from them.

- Temporary Assistance for Needy Families (TANF).
- Medicaid and supplemental security income (SSI).
- Food stamps and low-income housing.

Taxable Earned Income

1. Did you, or your spouse if filing a joint return, have net earnings from self-employment and use either optional method to figure those net earnings?

- No.** Go to question 2.
- Yes.** Use Pub. 972 to figure the amount to enter on Form 8812, line 4.

2. Are you claiming the earned income credit (EIC) on Form 1040, line 64, or Form 1040A, line 41?

- Yes.** Use the following chart to find the amount to enter on Form 8812, line 4.

IF you are filing Form...	AND you completed...	THEN enter on Form 8812, line 4, the amount from...
1040	Worksheet B on page 48 of your 1040 instructions or on page 25 of Pub. 596	Worksheet B, line 4b.*
	Step 6 on page 45 of your 1040 instructions (but not Worksheet B)	Step 6, Earned Income
	Worksheet 2 on page 20 of Pub. 596	Worksheet 2, line 8
1040A	Step 5 on page 43 of your 1040A instructions	Step 5, Earned Income
	Worksheet 2 on page 20 of Pub. 596	Worksheet 2, line 8

* If you were a minister, member of a religious order who has not taken a vow of poverty, or a Christian Science practitioner, subtract the following from the amount on line 4b: (a) the rental value of a home or the nontaxable portion of an allowance for a home furnished to you (including payments for utilities) and (b) the value of meals and lodging provided to you, your spouse, and your dependents for your employer's convenience.

- No. 1040 filers:** Go to question 3.
1040A filers: Skip question 3 and go to question 4.

3. Were you, or your spouse if filing a joint return, self-employed, or are you filing Schedule SE because you had church employee income, or are you filing Schedule C or C-EZ as a statutory employee?

- No.** Go to question 4.
- Yes.** Use Pub. 972 to figure the amount to enter on Form 8812, line 4.

4. Does the amount on line 7 of Form 1040 or Form 1040A include any of the following amounts?

- Taxable scholarship or fellowship grants not reported on a W-2 form.
 - Amounts paid to an inmate in a penal institution for work (put "PRI" and the amount paid in the space next to line 7 of Form 1040 or 1040A).
 - Amounts received as a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan (put "DFC" and the amount received in the space next to line 7 of Form 1040 or 1040A). This amount may be reported in box 11 of your W-2 form. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity.
 - Amounts from Form 2555, line 41, or Form 2555-EZ, line 18.
- No.** Enter the amount from line 7 of Form 1040 or Form 1040A on Form 8812, line 4.
- Yes.** Subtract the total of those amounts from the amount on line 7 of Form 1040 or Form 1040A. (If an amount is included in more than one of the above categories, include it only once in figuring the total amount to subtract.) Enter the result on Form 8812, line 4.

Railroad Employees

If you worked for a railroad, include the following taxes in the total on Form 8812, line 7.

- Tier 1 tax withheld from your pay. This tax should be shown in box 14 of your W-2 form(s) and identified as "Tier 1 tax."
- If you were an employee representative, 50% of the total tier 1 tax and tier 1 Medicare tax you paid for 2002.

1040A Filers

If you, or your spouse if filing a joint return, had more than one employer for 2002 and total wages of over \$84,900, figure any excess social security and tier 1 railroad retirement (RRTA) taxes withheld. See the instructions for Form 1040A, line 43. Include any excess on Form 8812, line 10.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 6 min.; **Learning about the law or the form**, 5 min.; **Preparing the form**, 28 min.; **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the Instructions for Form 1040 or Form 1040A.



Education Credits (Hope and Lifetime Learning Credits)

▶ See instructions.

▶ Attach to Form 1040 or Form 1040A.

Name(s) shown on return

Your social security number

Part I Hope Credit. Caution: The Hope credit may be claimed for no more than 2 tax years for the same student.

1	(a) Student's name (as shown on page 1 of your tax return) First name ----- Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (but do not enter more than \$2,000 for each student). See instructions	(d) Enter the smaller of the amount in column (c) or \$1,000	(e) Subtract column (d) from column (c)	(f) Enter one-half of the amount in column (e)	
					
					
					
					
2	Add the amounts in columns (d) and (f)			2			
3	Tentative Hope credit. Add the amounts on line 2, columns (d) and (f). If you are claiming the lifetime learning credit, go to Part II; otherwise, go to Part III ▶					3	

Part II Lifetime Learning Credit

4	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses. See instructions
	
	
	
	
5	Add the amounts on line 4, column (c), and enter the total		5
6	Enter the smaller of line 5 or \$5,000		6
7	Tentative lifetime learning credit. Multiply line 6 by 20% (.20) and go to Part III . . . ▶		7

Part III Allowable Education Credits

8	Tentative education credits. Add lines 3 and 7				8
9	Enter: \$102,000 if married filing jointly; \$51,000 if single, head of household, or qualifying widow(er)	9			
10	Enter the amount from Form 1040, line 36 *, or Form 1040A, line 22	10			
11	Subtract line 10 from line 9. If line 10 is equal to or more than line 9, stop ; you cannot take any education credits	11			
12	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	12			
13	If line 11 is equal to or more than line 12, enter the amount from line 8 on line 14 and go to line 15. If line 11 is less than line 12, divide line 11 by line 12. Enter the result as a decimal (rounded to at least three places) ▶	13	×	.	
14	Multiply line 8 by line 13 ▶	14			
15	Enter the amount from Form 1040, line 44, or Form 1040A, line 28	15			
16	Enter the total, if any, of your credits from Form 1040, lines 45 through 47, or Form 1040A, lines 29 and 30	16			
17	Subtract line 16 from line 15. If line 16 is equal to or more than line 15, stop ; you cannot take any education credits ▶	17			
18	Education credits. Enter the smaller of line 14 or line 17 here and on Form 1040, line 48, or Form 1040A, line 31 ▶	18			

*See Pub. 970 for the amount to enter if you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico.

General Instructions

Changes to Note

- A new deduction is available for tuition and fees. See the instructions for Form 1040, line 26, or Form 1040A, line 19. However, you cannot claim both the deduction and the education credits for the same student in the same year.
- You may be able to claim the education credits even if the student excluded a distribution from a Coverdell education savings account (ESA) from gross income. But see the **Caution** under **What Expenses Qualify**.

Purpose of Form

Use Form 8863 to figure and claim your education credits. The education credits are:

- The Hope credit and
- The lifetime learning credit.

Who May Claim the Credits

You may be able to claim the credits if you, your spouse, or a dependent you claim on your tax return was a student enrolled at or attending an eligible educational institution. The credits are based on the amount of **qualified expenses** paid for the student in 2002 for academic periods beginning in 2002 and the first 3 months of 2003. However, qualified expenses **do not** include expenses paid directly or indirectly using tax-free educational assistance. See **Tax-Free Educational Assistance and Refunds of Qualified Expenses** on this page.

Note. If a student is claimed as a dependent on another person's tax return, only the person who claims the student as a dependent may claim the credits for the student's qualified expenses. If a student is not claimed as a dependent on another person's tax return, only the student may claim the credits.

Generally, qualified expenses paid on behalf of the student by someone other than the student (such as a relative) are treated as paid by the student. Also, qualified expenses paid (or treated as paid) by a student who is claimed as a dependent on your tax return are treated as paid by you. Therefore, you are treated as having paid expenses that were paid from your dependent student's earnings, gifts, inheritances, savings, etc.

You **cannot** claim the education credits if **any** of the following apply.

1. You are claimed as a dependent on another person's tax return, such as your parent's return (but see the Note earlier).
2. Your filing status is married filing separately.
3. Your adjusted gross income on Form 1040, line 36, or Form 1040A, line 22, is:
 - \$102,000 or more if married filing jointly or
 - \$51,000 or more if single, head of household, or qualifying widow(er).
4. You are taking a deduction for tuition and fees on Form 1040, line 26, or Form 1040A, line 19, for the same student.
5. You (or your spouse) were a nonresident alien for any part of 2002 and the nonresident alien did not elect to be treated as a resident alien.

Additional Information

See **Pub. 970**, Tax Benefits for Education, for more information about these credits.

Rules That Apply to Both Credits

What Expenses Qualify?

Generally, **qualified expenses** are amounts paid in 2002 for tuition and fees **required** for the student's enrollment or attendance at an eligible educational institution. It does not matter whether the expenses were paid in cash, by check, by credit card, or with borrowed funds.

Qualified expenses **do not** include the following.

- Amounts paid for room and board, insurance, medical expenses (including student health fees), transportation, or other similar personal, living, or family expenses.
- Amounts paid for course-related books, supplies, equipment, and nonacademic activities, except for fees **required** to be paid to the institution as a condition of enrollment or attendance.
- Amounts paid for any course or other education involving sports, games, or hobbies, unless such course or other education is part of the student's degree program or (for the lifetime learning credit only) helps the student to acquire or improve job skills.

If you or the student take a deduction for higher education expenses, such as on Schedule A or Schedule C (Form 1040), you **cannot** use those expenses when figuring your education credits.



Any qualified expenses used to figure the education credits may not be taken into account in determining the amount of a distribution from a Coverdell ESA or a qualified state tuition program that is excluded from gross income.

Tax-Free Educational Assistance and Refunds of Qualified Expenses

Tax-free educational assistance includes a tax-free scholarship or Pell grant or tax-free employer-provided educational assistance.

You must reduce the total of your qualified expenses by any tax-free educational assistance and by any refunds of qualified expenses. If the refund or tax-free assistance is received in the same year in which the expenses were paid or in the following year before you file your tax return, reduce your qualified expenses by the amount received and figure your education credits using the reduced amount of qualified expenses. If the refund or tax-free assistance is received after you file your return for the year in which the expenses were paid, you must figure the amount by which your education credits would have been reduced if the refund or tax-free assistance had been received in the year for which you claimed the education credits. Include that amount as an additional tax for the year the refund or tax-free assistance was received on the tax line of your tax return (line 42 of the 2002 Form 1040 or line 28 of the 2002 Form 1040A). Enter the amount and "ECR" next to that line.

Example. You paid \$2,250 tuition on December 26, 2001, and your child began college on January 29, 2002. You filed your 2001 tax return on February 1, 2002, and claimed a Hope credit of \$1,500. After you filed your return, your child dropped two courses (but maintained one-half of a full-time workload), and you received a refund of \$750. You must refigure your 2001 Hope credit using \$1,500 of qualified expenses instead of \$2,250. The refigured credit is \$1,250. You must include the difference of \$250 on line 42 of your 2002 Form 1040 or line 28 of your 2002 Form 1040A.

Prepaid Expenses

Qualified expenses paid in 2002 for an academic period that **begins** in the first 3 months of 2003 can be used in figuring your 2002 education credits. For example, if you pay \$2,000 in December 2002 for qualified tuition for the 2003 winter quarter that begins in January 2003, you can use that \$2,000 in figuring your 2002 education credits (if you meet all the other requirements).



You **cannot** use any amount paid in 2001 or 2003 to figure your 2002 education credits.

What Is an Eligible Educational Institution?

An **eligible educational institution** is generally any accredited public, nonprofit, or proprietary (private) college, university, vocational school, or other postsecondary institution. Also, the institution must be eligible to participate in a student aid program administered by the Department of Education. Virtually all accredited postsecondary institutions meet this definition.

Specific Instructions

Part I Hope Credit

You may be able to claim a credit of up to \$1,500 for qualified expenses (defined earlier) paid for **each** student who qualifies for the Hope credit. You can claim the Hope credit for a student if **all five** of the following apply.

1. As of the beginning of 2002, the student had not completed the first 2 years of postsecondary education (generally, the freshman and sophomore years of college), as determined by the eligible educational institution. For this purpose, **do not** include academic credit awarded solely because of the student's performance on proficiency examinations.

2. The student was enrolled in 2002 in a program that leads to a degree, certificate, or other recognized educational credential.

3. The student was taking at least one-half the normal full-time workload for his or her course of study for at least one academic period beginning in 2002.

4. The Hope credit was **not** claimed for that student's expenses in more than one prior tax year.

5. The student has not been convicted of a felony for possessing or distributing a controlled substance.



If a student does not meet **all five** of the qualifications, you may be able to take the lifetime learning credit for part or all of that student's qualified expenses instead.

Line 1

Complete columns (a) through (f) on line 1 for each student who qualifies for and for whom you elect to take the Hope credit.

Column (c)

Enter **only** qualified expenses paid for the student in 2002 for academic periods beginning after 2001 but before April 1, 2003, as explained earlier. If the student's expenses are more than \$2,000, enter \$2,000.

Note. If you have more than three students who qualify for the Hope credit, write "See attached" next to line 1 and attach a statement with the required information for each additional student. Include the totals from line 1, columns (d) and (f), for all students in the amount you enter in columns (d) and (f) on line 2.

Part II Lifetime Learning Credit

The maximum lifetime learning credit for 2002 is \$1,000, regardless of the number of students.



You **cannot** claim the lifetime learning credit for any student for whom you are claiming the Hope credit.

Line 4

Complete columns (a) through (c) for each student for whom you are claiming the lifetime learning credit.

Column (c)

Enter **only** qualified expenses paid for the student in 2002 for academic periods beginning after 2001 but before April 1, 2003, as explained earlier.

Note. If you are claiming the lifetime learning credit for more than five students, write "See attached" next to line 4 and attach a statement with the required information for each additional student. Include the totals from line 4, column (c), in the amount you enter on line 5.

Part III Allowable Education Credits

The amount of your education credits may be limited by the amount of your modified adjusted gross income or the amount of tax you owe. Part III figures these limits.

Paperwork Reduction Act Notice.

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping, 12 min.; **Learning about the law or the form**, 8 min.; **Preparing the form**, 32 min.; **Copying, assembling, and sending the form to the IRS**, 33 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.



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