

Name: Amie Blackburn

Using the data for **GREGORY & LULU CLIFDEN** (Comprehensive Problem Two from Appendix D, on page D-6 of your textbook), prepare the **FEDERAL** and **UTAH** tax returns using any method you choose (by hand, using the PDF fill-in forms or using tax prep software). Since you will need to prepare the Utah return, please **assume the taxpayer lives in Utah**, rather than California. Using the completed returns answer the following questions:

1. What amount of taxable interest is reported on Schedule B? 3,995
2. What is the net income (loss) from Schedule C? 58,765
3. What is the total capital gain (loss) reported on Schedule D? 8,350
4. How much are total *FOR AGI* adjustments (1040, line 36)? 10,152
5. What is the taxpayer's Adjusted Gross Income? 82,244
6. How much are total itemized deductions on Schedule A? 20,515
7. How much can be taken in total credits on Form 1040, line 55? 2,000
8. How much is reported as total payment on Form 1040, line 74? 18,850
9. What is the Utah taxable income reported on Form TC-40, line 9? 84,734
10. How much is the Utah taxpayer tax credit reported on the TC-40, line 20? 945

SUBMISSION INSTRUCTIONS:

Using this page as a coversheet, please scan/print this page and the completed tax return to a **single PDF file** and upload the return through Canvas for grading on or before the due date noted in Canvas. Late returns will be subject to the late penalty and will only be accepted for 1 week beyond the due date.

This assignment serves as the ePortfolio signature assignment for this course. Please upload the return, along with a brief reflection, to your ePortfolio and provide your ePortfolio link in Canvas.

For the year Jan. 1–Dec. 31, 2014, or other tax year beginning _____, 2014, ending _____, 20

See separate instructions.

Your first name and initial: Gregory Last name: Clifden Your social security number: 543-88-9756

If a joint return, spouse's first name and initial: Lulu Last name: Clifden Spouse's social security number: 256-43-8819

Home address (number and street). If you have a P.O. box, see instructions. 33333 Fume Blanc Way Apt. no. **▲ Make sure the SSN(s) above and on line 6c are correct.**

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). Temecula UT 84118 **Presidential Election Campaign** Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund You Spouse

Foreign country name Foreign province/state/county Foreign postal code

Filing Status

1 Single 4 Head of household (with qualifying person). (See instr.) If the qualifying person is a child but not your dependent, enter this child's name here.

2 Married filing jointly (even if only one had income)

3 Married filing separately. Enter spouse's SSN above and full name here. **►**

5 Qualifying widow(er) with dependent child

Check only one box.

Exemptions

6a Yourself. If someone can claim you as a dependent, do not check box 6a

b Spouse

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)
(1) First name	Last name			
Gerald	Clifden	446-74-1131	Son	
Gary	Clifden	465-76-8375	Son	X
Glenn	Clifden	475-23-1426	Son	X

If more than four dependents, see instructions and check here

Boxes checked on 6a and 6b: 2

No. of children on 6c who:

- lived with you: 3
- did not live with you due to divorce or separation (see instructions):

Dependents on 6c not entered above: 5

d Total number of exemptions claimed: 5

Income

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	10,200
8a	Taxable interest. Attach Schedule B if required	8a	3,955
b	Tax-exempt interest. Do not include on line 8a	8b	1,490
9a	Ordinary dividends. Attach Schedule B if required	9a	326
b	Qualified dividends	9b	326
10	Taxable refunds, credits, or offsets of state and local income taxes	10	0
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	58,765
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	8,350
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions	15a	
b	Taxable amount	15b	0
16a	Pensions and annuities	16a	
b	Taxable amount	16b	9,400
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
18	Farm income or (loss). Attach Schedule F	18	0
19	Unemployment compensation	19	
20a	Social security benefits	20a	
b	Taxable amount	20b	
21	Other income. List type and amount FORM 8814	21	1,400
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ►	22	92,396

Adjusted Gross Income

23	Educator expenses	23	0
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	0
25	Health savings account deduction. Attach Form 8889	25	0
26	Moving expenses. Attach Form 3903	26	0
27	Deductible part of self-employment tax. Attach Schedule SE	27	4,152
28	Self-employed SEP, SIMPLE, and qualified plans	28	0
29	Self-employed health insurance deduction	29	0
30	Penalty on early withdrawal of savings	30	0
31a	Alimony paid b Recipient's SSN ► 566-23-5431	31a	6,000
32	IRA deduction	32	0
33	Student loan interest deduction	33	
34	Tuition and fees. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	0
36	Add lines 23 through 35	36	10,152
37	Subtract line 36 from line 22. This is your adjusted gross income ►	37	82,244

Tax and Credits

Table with 3 columns: Line number, Description, and Amount. Includes lines 38-56 for Tax and Credits.

Standard Deduction for—
• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.
• All others:
Single or Married filing separately, \$6,200
Married filing jointly or Qualifying widow(er), \$12,400
Head of household, \$9,100

Other Taxes

Table with 3 columns: Line number, Description, and Amount. Includes lines 57-63 for Other Taxes.

Payments

If you have a qualifying child, attach Schedule EIC.

Table with 3 columns: Line number, Description, and Amount. Includes lines 64-74 for Payments.

Refund

Direct deposit? See instructions.

Table with 3 columns: Line number, Description, and Amount. Includes lines 75-77 for Refund.

Amount You Owe

Table with 3 columns: Line number, Description, and Amount. Includes lines 78-79 for Amount You Owe.

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] Yes. Complete below [] No

Sign Here

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

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Your signature Date Your occupation Spouse's occupation
Self Employeed Teacher
Daytime phone number 888-999-8989
If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only

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

**SCHEDULE A
(Form 1040)**

Itemized Deductions

OMB No. 1545-0074

2014
Attachment
Sequence No. **07**

Department of the Treasury
Internal Revenue Service (99)

► Information about Schedule A and its separate instructions is at www.irs.gov/schedulea.

► Attach to Form 1040.

Name(s) shown on Form 1040
Gregory Clifden

Your social security number
543-88-9756

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.			
	1 Medical and dental expenses (see instructions)	1	2,600	
	2 Enter amount from Form 1040, line 38	2	82,244	
	3 Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1950, multiply line 2 by 7.5% (.075) instead	3	8,224	
4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4		0	
Taxes You Paid	5 State and local (check only one box):	5	7,120	
	a. <input checked="" type="checkbox"/> Income taxes, or	}	820	
	b. <input type="checkbox"/> General sales taxes			
	6 Real estate taxes (see instructions)	6	0	
	7 Personal property taxes	7	0	
	8 Other taxes. List type and amount ►	8	0	
9 Add lines 5 through 8	9		7,940	
Interest You Paid	10 Home mortgage interest and points reported to you on Form 1098	10	6,400	
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ►	11	0	
	12 Points not reported to you on Form 1098. See instructions for special rules	12	0	
	13 Mortgage insurance premiums (see instructions)	13	0	
	14 Investment interest. Attach Form 4952 if required. (See instructions.)	14	4,300	
	15 Add lines 10 through 14	15		10,700
Gifts to Charity	16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions	16	1,875	
	17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	17	0	
	18 Carryover from prior year	18	0	
	19 Add lines 16 through 18	19		1,875
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)	20		0
Job Expenses and Certain Miscellaneous Deductions	21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ►	21	0	
	22 Tax preparation fees	22	475	
	23 Other expenses—investment, safe deposit box, etc. List type and amount ►	23	0	
	24 Add lines 21 through 23	24	475	
	25 Enter amount from Form 1040, line 38	25	82,244	
	26 Multiply line 25 by 2% (.02)	26	1,645	
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27		0
Other Miscellaneous Deductions	28 Other—from list in instructions. List type and amount ►	28		0
Total Itemized Deductions	29 Is Form 1040, line 38, over \$152,525? <input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.	29		20,515
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here			

SCHEDULE B
(Form 1040A or 1040)

Interest and Ordinary Dividends

OMB No. 1545-0074

2014

Attachment
Sequence No. **08**

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to Form 1040A or 1040.**
▶ **Information about Schedule B and its instructions is a www.irs.gov/scheduleb.**

Name(s) shown on return
Gregory Clifden

Your social security number
543-88-9756

Part I
Interest

- 1** List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions and list this interest first. Also, show that buyer's social security number and address. ▶
- Vintage Bank
- Bob's Big Bank
- Bank of Ireland
- City of Alanta Tax Exempt Bonds

(See instructions for Schedule B, and the instructions for Form 1040A, or Form 1040, line 8a.)

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

- 2** Add the amounts on line 1 **2** 3,955
- 3** Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815 **3**
- 4** Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ▶ **4** 3,955

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

Amount	
	3,375
	360
	220
	0
1	
2	3,955
3	
4	3,955

Part II
Ordinary Dividends

- 5** List name of payer ▶
- Southwest Airlines
- Heinz Foods

(See instructions for Schedule B, and the instructions for Form 1040A, or Form 1040, line 9a.)

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

- 6** Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ▶ **6** 326

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

Part III
Foreign Accounts and Trusts

(See instructions.)

		Yes	No
7a	At any time during 2014, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions.		X
	If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements		X
b	If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ▶		
8	During 2014, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions.		X

**SCHEDULE C
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► **Information about Schedule C and its separate instructions is at www.irs.gov/schedulec.**
► **Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.**

OMB No. 1545-0074

2014
Attachment
Sequence No. **09**

Name of proprietor Gregory Clifden		Social security number (SSN) 543-88-9756
A Principal business or profession, including product or service (see instructions) Bed and Breakfast		B Enter code from instructions 722511
C Business name. If no separate business name, leave blank. The Rock Glen House Bed & Breakfast		D Employer ID number (EIN), (see instr.) 95-1234567
E Business address (including suite or room no.) ► 33333 Fume Blanc Way City, town or post office, state, and ZIP code Temecula UT 84118		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ►		
G Did you "materially participate" in the operation of this business during 2014? If "No," see instructions for limit on losses . . .		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
H If you started or acquired this business during 2014, check here . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No
I Did you make any payments in 2014 that would require you to file Form(s) 1099? (see instructions) . . .		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
J If "Yes," did you or will you file required Forms 1099? . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part I Income		
1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on form W-2 and the "Statutory employee" box on that form was checked.	1	164,250
2 Returns and allowances	2	
3 Subtract line 2 from line 1	3	164,250
4 Cost of goods sold (from line 42)	4	0
5 Gross profit. Subtract line 4 from line 3	5	164,250
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	2,325
7 Gross income. Add lines 5 and 6	7	166,575

Part II Expenses. Enter expenses for business use of your home only on line 30.		
8 Advertising	8	4,720
9 Car and truck expenses (see instructions)	9	0
10 Commissions and fees	10	
11 Contract labor (see instructions)	11	
12 Depletion	12	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	18,180
14 Employee benefit programs (other than on line 19)	14	
15 Insurance (other than health)	15	6,300
16 Interest:		
a Mortgage (paid to banks, etc.)	16a	32,940
b Other	16b	
17 Legal and professional services	17	1,850
18 Office expense (see instructions)	18	2,380
19 Pension and profit-sharing plans	19	
20 Rent or lease (see instructions):		
a Vehicles, machinery, and equipment	20a	0
b Other business property	20b	
21 Repairs and maintenance	21	
22 Supplies (not included in Part III)	22	8,930
23 Taxes and licenses	23	6,420
24 Travel, meals, and entertainment:		
a Travel	24a	
b Deductible meals and entertainment (see instructions)	24b	0
25 Utilities	25	6,350
26 Wages (less employment credits)	26	15,450
27a Other expenses (from line 48)	27a	4,290
b Reserved for future use	27b	
28 Total expenses before expenses for business use of home. Add lines 8 through 27a	28	107,810
29 Tentative profit or (loss). Subtract line 28 from line 7	29	58,765
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30	0
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31	58,765
32 If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both Form 1040, line 12 , (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3 . • If you checked 32b, you must attach Form 6198 . Your loss may be limited.	32a	<input checked="" type="checkbox"/> All investment is at risk.
	32b	<input type="checkbox"/> Some investment is not at risk.

**SCHEDULE D
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Capital Gains and Losses

▶ **Attach to Form 1040 or Form 1040NR.**
▶ **Information about Schedule D and its separate instructions is at www.irs.gov/scheduled.**
▶ **Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.**

OMB No. 1545-0074

2014
Attachment
Sequence No. **12**

Name(s) shown on return

Gregory Clifden

Your social security number

543-88-9756

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

See instructions for how to figure the amounts to enter on the lines below.
This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b	0	0		0
1b Totals for all transactions reported on Form(s) 8949 with Box A checked	0	0	0	0
2 Totals for all transactions reported on Form(s) 8949 with Box B checked	12,100	14,200	0	-2,100
3 Totals for all transactions reported on Form(s) 8949 with Box C checked	0	0	0	0
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4 0
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions.				6 (0)
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the next page				7 -2,100

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

See instructions for how to figure the amounts to enter on the lines below.
This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b	15,700	5,250		10,450
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	0	0	0	0
9 Totals for all transactions reported on Form(s) 8949 with Box E checked	0	0	0	0
10 Totals for all transactions reported on Form(s) 8949 with Box F checked	0	0	0	0
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11 0
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13 0
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14 (0)
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column (h). Then go to Part III on page 2				15 10,450

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

Schedule D (Form 1040) 2014

Part III Summary

16	Combine lines 7 and 15 and enter the result <ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22. 	16	8,350
17	Are lines 15 and 16 both gains? <input checked="" type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18	Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet in the instructions ▶	18	0
19	Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet in the instructions ▶	19	0
20	Are lines 18 and 19 both zero or blank? <input checked="" type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Do not complete lines 21 and 22 below.		
21	If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of: <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) } Note. When figuring which amount is smaller, treat both amounts as positive numbers.	21	()
22	Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). <input type="checkbox"/> No. Complete the rest of Form 1040 and Form 1040NR.		

**SCHEDULE SE
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Self-Employment Tax

► Information about Schedule SE and its separate instructions is at www.irs.gov/schedulese.

► Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

2014

Attachment
Sequence No. **17**

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

Gregory Clifden

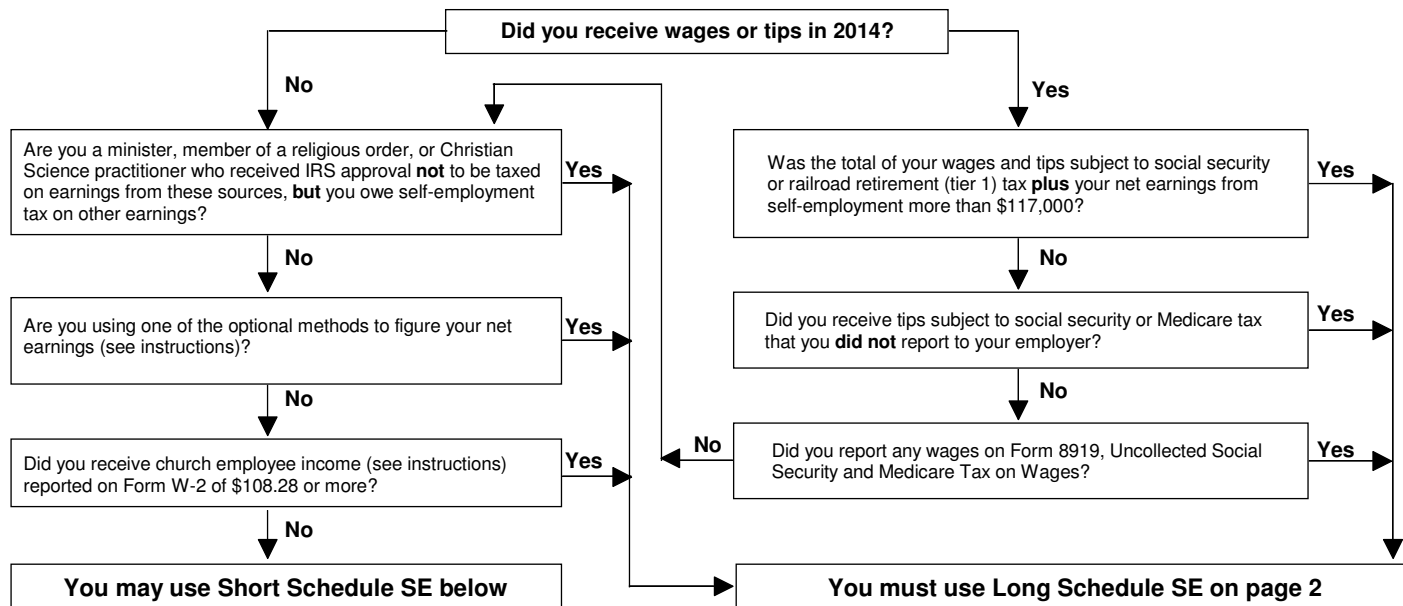
Social security number of person with self-employment income ►

543-88-9756

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

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

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



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

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A.	1a	0
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Z	1b	(0)
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report	2	58,765
3 Combine lines 1a, 1b, and 2.	3	58,765
4 Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b ►	4	54,269
5 Self-employment tax. If the amount on line 4 is: • \$117,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 57, or Form 1040NR, line 55. • More than \$117,000, multiply line 4 by 2.9% (.029). Then, add \$14,508 to the result. Enter the total here and on Form 1040, line 57, or Form 1040NR, line 55.	5	8,303
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27	6	4,152

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

Schedule SE (Form 1040) 2014

Parents' Election To Report Child's Interest and Dividends

Department of the Treasury
Internal Revenue Service (99)

▶ Information about Form 8814 and its instructions is at www.irs.gov/form8814.
▶ Attach to parents' Form 1040 or Form 1040NR.

Attachment
Sequence No. **40**

Name(s) shown on your return Gregory Clifden	Your social security number 543-88-9756
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Caution: The federal income tax on your child's income, including qualified dividends and capital gain distributions, may be less if you file a separate tax return for the child instead of making this election. This is because you cannot take certain tax benefits that your child could take on his or her own return. For details, see **Tax benefits you cannot take** in the instructions.

A Child's name (first, initial, and last) Gary Clifden	B Child's social security number 465-75-8375
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C If more than one Form 8814 is attached, check here

Part I Child's Interest and Dividends To Report on Your Return

1a Enter your child's taxable interest. If this amount is different from the amounts shown on the child's Forms 1099-INT and 1099-OID, see the instructions	1a	3,400
b Enter your child's tax-exempt interest. Do not include this amount on line 1a	1b	0
2a Enter your child's ordinary dividends, including any Alaska Permanent Fund dividends. If your child received any ordinary dividends as a nominee, see the instructions	2a	0
b Enter your child's qualified dividends included on line 2a. See the instructions	2b	
3 Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	3	
4 Add lines 1a, 2a, and 3. If the total is \$2,000 or less, skip lines 5 through 12 and go to line 13. If the total is \$10,000 or more, do not file this form. Your child must file his or her own return to report the income	4	3,400
5 Base amount	5	2,000
6 Subtract line 5 from line 4	6	1,400
If both lines 2b and 3 are zero or blank, skip lines 7 through 10, enter -0- on line 11, and go to line 12. Otherwise, go to line 7.		
7 Divide line 2b by line 4. Enter the result as a decimal (rounded to at least three places)	7	
8 Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places)	8	
9 Multiply line 6 by line 7. Enter the result here. See the instructions for where to report this amount on your return	9	
10 Multiply line 6 by line 8. Enter the result here. See the instructions for where to report this amount on your return	10	
11 Add lines 9 and 10	11	0
12 Subtract line 11 from line 6. Include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. In the space next to line 21, enter "Form 8814" and show the amount. If you checked the box on line C above, see the instructions. Go to line 13 below	12	1,400

Part II Tax on the First \$2,000 of Child's Interest and Dividends

13 Amount not taxed	13	1,000
14 Subtract line 13 from line 4. If the result is zero or less, enter -0-	14	2,400
15 Tax. Is the amount on line 14 less than \$1,000? <input type="checkbox"/> No. Enter \$100 here and see the Note below. <input checked="" type="checkbox"/> Yes. Multiply line 14 by 10% (.10). Enter the result here and see the Note below.	15	100

Note: If you checked the box on line C above, see the instructions. Otherwise, include the amount from line 15 in the tax you enter on Form 1040, line 44, or Form 1040NR, line 42. Be sure to check box a on Form 1040, line 44, or Form 1040NR, line 42.