

BIZ HIPPO, LLC
3901 W ARNOLD AVE
ROGERS, AR 72758
832-791-2491

January 19, 2022

Sample Client and Sample Spouse
123 Main Street
Rogers, AR 72758

Dear Sample and Sample,

Your 2020 Federal Individual Income Tax return will be electronically filed with the Internal Revenue Service upon receipt of a signed Form 8879 - IRS e-file Signature Authorization. There is a balance due of \$33,174.

Make your check payable to the "United States Treasury" and mail your Form 1040-V payment voucher on or before April 15, 2021 to:

INTERNAL REVENUE SERVICE
P.O. BOX 931000
LOUISVILLE, KY 40293-1000

Your 2020 Arkansas Individual Income Tax Return will be electronically filed with the State of Arkansas upon receipt of a signed Form AR8453. There is a balance due of \$8,384.

Mail your Arkansas Form AR1000V payment voucher on or before April 15, 2021 and make your check payable to:

DEPARTMENT OF FINANCE AND ADMINISTRATION
ARKANSAS STATE INCOME TAX
P.O. BOX 8149
LITTLE ROCK, AR 72203-8149

Your 2021 estimated tax payment schedule is listed below. If not paying electronically, mail your payments to the address shown on your estimated tax payment vouchers.

Due Date	Federal	Arkansas
4/15/21	\$ 8,200	\$ 1,978
6/15/21	8,200	1,978
9/15/21	8,200	1,978
1/18/22	8,200	1,978
	-----	-----
	\$ 32,800	\$ 7,912

Please be sure to call if you have any questions.

Sincerely,

Caroline Devoy

INCOME

Business income.....	149,530
Total income.....	149,530

ADJUSTMENTS TO INCOME

Deductible part of self-employment tax.....	10,540
Total adjustments.....	10,540
Adjusted gross income.....	138,990

ITEMIZED DEDUCTIONS

Taxes.....	5,607
Interest.....	12,004
Total itemized deductions.....	17,611

TAX COMPUTATION

Standard deduction.....	24,800
Larger of itemized or standard deduction.....	24,800
Qualified business income deduction.....	22,838
Taxable income.....	91,352
Tax before credits.....	11,683

CREDITS

Total credits.....	0
Tax after credits.....	11,683

OTHER TAXES

Self-employment tax.....	21,080
Total tax.....	32,763

PAYMENTS

Total payments.....	0
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REFUND OR AMOUNT DUE

Underpayment penalty.....	411
Amount you owe.....	33,174

TAX RATES

Marginal tax rate.....	22.0%
Effective tax rate.....	35.9%

DO NOT FILE

ARKANSAS INCOME

Wages, salaries, tips, etc.....	0
Business income.....	149,530
Total income.....	149,530

ADJUSTED GROSS INCOME

Adjusted gross income.....	149,530
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TAX COMPUTATION

Itemized deductions/standard deductions.....	16,360
Net taxable income.....	133,170
Tax.....	7,970
Total tax.....	7,970

TAX CREDITS

Total credits.....	58
Tax liability.....	7,912

TAX PAYMENTS

Total payments.....	0
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REFUND OR AMOUNT DUE

Tax due.....	7,912
Penalties.....	472
Total due.....	8,384

TAX RATES

Marginal tax rate.....	6.6%
Effective tax rate.....	5.9%

DO NOT FILE

Forms needed for this return

Federal: 1040, Sch 1, Sch 2, 1040-ES, 1040-V, Sch C, Sch SE, 2210, 8829, 8879
8995
Arkansas: AR1000F, AR1000ES, AR-OI, AR3, AR2210, AR8453, AR1000V

Tax Rates

	<u>Marginal</u>	<u>Effective</u>
Federal	22.0%	35.9%
Arkansas	6.6%	5.9%

Underpayment Penalty

Federal	411.
Arkansas	472.

Carryovers to 2021

<u>Federal Carryovers</u>	
Deductible State and Local Taxes	7,912.

Estimates**Federal Estimates**

	<u>Estimate</u>	<u>Overpayment</u>	<u>Balance</u>
4/15/21	8,200.	0.	8,200.
6/15/21	8,200.	0.	8,200.
9/15/21	8,200.	0.	8,200.
1/18/22	8,200.	0.	8,200.
Total	\$ 32,800.	\$ 0.	\$ 32,800.

Arkansas Estimates

	<u>Estimate</u>	<u>Overpayment</u>	<u>Balance</u>
4/15/21	1,978.	0.	1,978.
6/15/21	1,978.	0.	1,978.
9/15/21	1,978.	0.	1,978.
1/18/22	1,978.	0.	1,978.
Total	\$ 7,912.	\$ 0.	\$ 7,912.

Arkansas Disclosure Statements**Statement: Refund Expectations**

Identity Theft has been a growing problem nationally and the Department is taking additional measures to ensure tax refunds are issued to the correct individuals. These additional measures may result in tax refunds not being issued as quickly as in past years. For more information please visit <http://www.dfa.arkansas.gov/offices/incomeTax/individual/Pages/WheresMyRefund.aspx>

Statement: Payment Expectations

Taxpayers can schedule or request an electronic tax payment for balance due returns and/or estimated tax payments by visiting our website. For more information please visit www.atap.arkansas.gov

Statement: Driver's License/ID Card Expectations

The State of Arkansas is requesting additional information this filing season in an effort to combat identity tax fraud and ensure that your hard-earned tax refund goes to you. Providing information from your driver's license or state-issued identification card will help protect your identity and could help process your return quicker. However, this is only a request. Information from your driver's license is not required, and your return will be processed without the additional information. The information is being requested solely to help protect your identity and ensure a more-secure refund.

DO NOT FILE

IRS e-file Signature Authorization

- ▶ ERO must obtain and retain completed Form 8879.
- ▶ Go to www.irs.gov/Form8879 for the latest information.

Submission Identification Number (SID) ▶

Taxpayer's name Sample Client	Social security number 123-45-6789
Spouse's name Sample Spouse	Spouse's social security number 123-45-9876

Part I Tax Return Information – Tax Year Ending December 31, 2020 (Enter year you are authorizing.)

Enter whole dollars only on lines 1 through 5.

Note: Form 1040-SS filers use line 4 only. Leave lines 1, 2, 3, and 5 blank.

1 Adjusted gross income	1	138,990.
2 Total tax	2	32,763.
3 Federal income tax withheld from Form(s) W-2 and Form(s) 1099	3	
4 Amount you want refunded to you	4	
5 Amount you owe	5	33,174.

Part II Taxpayer Declaration and Signature Authorization (Be sure you get and keep a copy of your return)

Under penalties of perjury, I declare that I have examined a copy of the income tax return (original or amended) I am now authorizing, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts from the income tax return (original or amended) I am now authorizing. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send my return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my federal taxes owed on this return and/or a payment of estimated tax, 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 (cancel) a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537**. Payment cancellation requests must be received 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. I further acknowledge that the personal identification number (PIN) below is my signature for the income tax return (original or amended) I am now authorizing and, if applicable, my Electronic Funds Withdrawal Consent.

Taxpayer's PIN: check one box only

I authorize Biz Hippo, LLC to enter or generate my PIN 39054 as my signature on the income tax return (original or amended) I am now authorizing. ERO firm name Enter five digits, but don't enter all zeros

I will enter my PIN as my signature on the income tax return (original or amended) I am now authorizing. Check this box **only** if you are entering your own PIN **and** your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Your signature ▶ _____ Date ▶ _____

Spouse's PIN: check one box only

I authorize Biz Hippo, LLC to enter or generate my PIN 41399 as my signature on the income tax return (original or amended) I am now authorizing. ERO firm name Enter five digits, but don't enter all zeros

I will enter my PIN as my signature on the income tax return (original or amended) I am now authorizing. Check this box **only** if you are entering your own PIN **and** your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Spouse's signature ▶ _____ Date ▶ _____

Practitioner PIN Method Returns Only – continue below

Part III Certification and Authentication – Practitioner PIN Method Only

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. 71606379315
Don't enter all zeros

I certify that the above numeric entry is my PIN, which is my signature for the electronic individual income tax return (original or amended) I am now authorized to file for tax year indicated above for the taxpayer(s) indicated above. I confirm that I am submitting this return in accordance with the requirements of the Practitioner PIN method and **Pub. 1345**, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns.

ERO's signature ▶ Caroline Devoy Date ▶ _____

**ERO Must Retain This Form – See Instructions
Don't Submit This Form to the IRS Unless Requested To Do So**

File only if you are making a payment with Form 1040. Return this voucher with check or money order payable to the "United States Treasury." Please write your social security number, daytime phone number, and "2020 Form 1040" on your check or money order. Please do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Make your check payable to the "United States Treasury" and mail Form 1040-V payments to:

DO NOT FILE

Internal Revenue Service
P.O. Box 931000
Louisville, KY 40293-1000

Form **1040-V** (2020)

▼ **Detach Here and Mail With Your Payment and Return** ▼

Department of the Treasury
Internal Revenue Service (99)

2020

Form 1040-V Payment Voucher

- ▶ Use this voucher when making a payment with Form 1040.
- ▶ Do not staple this voucher or your payment to Form 1040.
- ▶ Make your check or money order payable to the 'United States Treasury.'
- ▶ Write your social security number (SSN) on your check or money order.

Enter the amount of your payment ▶	33,174.
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FDIA8601L 07/24/20 1030



SAMPLE CLIENT & SAMPLE SPOUSE
123 MAIN STREET
ROGERS AR 72758

INTERNAL REVENUE SERVICE
P.O. BOX 931000
LOUISVILLE KY 40293-1000

123456789 JP CLIE 30 0 202012 610

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)
 Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent ▶

Your first name and middle initial Sample Client	Last name	Your social security number 123-45-6789
If joint return, spouse's first name and middle initial Sample Spouse	Last name	Spouse's social security number 123-45-9876
Home address (number and street). If you have a P.O. box, see instructions. 123 Main Street		Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse
City, town, or post office. If you have a foreign address, also complete spaces below. State ZIP code Rogers, AR 72758		
Foreign country name	Foreign province/state/county	

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

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

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

Dependents (see instructions):

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

	1 Wages, salaries, tips, etc. Attach Form(s) W-2					
Attach Sch. B if required.	2a Tax-exempt interest	2a		b Taxable interest	2b	
	3a Qualified dividends	3a		b Ordinary dividends	3b	
	4a IRA distributions	4a		b Taxable amount	4b	
	5a Pensions and annuities	5a		b Taxable amount	5b	
	6a Social security benefits	6a		b Taxable amount	6b	
	7 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ <input type="checkbox"/>				7	
	8 Other income from Schedule 1, line 9				8	149,530.
	9 Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income .				9	149,530.
Standard Deduction for — • Single or Married filing separately, \$12,400 • Married filing jointly or Qualifying widow(er), \$24,800 • Head of household, \$18,650 • If you checked any box under <i>Standard Deduction</i> , see instructions.	10 Adjustments to income:					
	a From Schedule 1, line 22	10a	10,540.			
	b Charitable contributions if you take the standard deduction. See instructions	10b				
	c Add lines 10a and 10b. These are your total adjustments to income .	10c				10,540.
	11 Subtract line 10c from line 9. This is your adjusted gross income .				11	138,990.
	12 Standard deduction or itemized deductions (from Schedule A)				12	24,800.
	13 Qualified business income deduction. Attach Form 8995 or Form 8995-A				13	22,838.
	14 Add lines 12 and 13				14	47,638.
	15 Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-				15	91,352.

16 Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	16	11,683.
17 Amount from Schedule 2, line 3	17	
18 Add lines 16 and 17	18	11,683.
19 Child tax credit or credit for other dependents	19	
20 Amount from Schedule 3, line 7	20	
21 Add lines 19 and 20	21	0.
22 Subtract line 21 from line 18. If zero or less, enter -0-	22	11,683.
23 Other taxes, including self-employment tax, from Schedule 2, line 10	23	21,080.
24 Add lines 22 and 23. This is your total tax	24	32,763.
25 Federal income tax withheld from :		
a Form(s) W-2	25a	
b Form(s) 1099	25b	
c Other forms (see instructions)	25c	
d Add lines 25a through 25c	25d	
26 2020 estimated tax payments and amount applied from 2019 return	26	
27 Earned income credit (EIC)	27	
28 Additional child tax credit. Attach Schedule 8812	28	
29 American opportunity credit from Form 8863, line 8	29	
30 Recovery rebate credit. See instructions	30	
31 Amount from Schedule 3, line 13	31	
32 Add lines 27 through 31. These are your total other payments and refundable credits	32	
33 Add lines 25d, 26, and 32. These are your total payments	33	0.
Refund 34 If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34	
35a Amount of line 34 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	35a	
b Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
d Account number <input type="text"/>		
36 Amount of line 34 you want applied to your 2021 estimated tax	36	
Amount You Owe 37 Subtract line 33 from line 24. This is the amount you owe now	37	33,174.
Note: Schedule H and Schedule SE filers, line 37 may not represent all of the taxes you owe for 2020. See Schedule 3, line 12e, and its instructions for details.		
38 Estimated tax penalty (see instructions)	38	411.

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

Refund

Direct deposit? See instructions.

Amount You Owe

For details on how to pay, see instructions.

Third Party Designee

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

Designee's name Phone no. Personal identification number (PIN)

Sign Here

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

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

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
<input type="text"/>	<input type="text"/>	Real Estate Agent	<input type="text"/>
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)
<input type="text"/>	<input type="text"/>	Retired	<input type="text"/>
Phone no.	Email address		

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if:
Caroline Devoy	Caroline Devoy		P01973424	<input type="checkbox"/> Self-employed
Firm's name	Firm's address		Phone no.	Firm's EIN
Biz Hippo, LLC	3901 W Arnold Ave Rogers, AR 72758		832-791-2491	81-3556307

**SCHEDULE 1
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

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

OMB No. 1545-0074

2020

Attachment
Sequence No. **01**

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

Sample Client and Sample Spouse

Your social security number

123-45-6789

Part I Additional Income			
1	Taxable refunds, credits, or offsets of state and local income taxes.....	1	
2a	Alimony received.....	2a	
b	Date of original divorce or separation agreement (see instructions) ▶ _____		
3	Business income or (loss). Attach Schedule C.....	3	149,530.
4	Other gains or (losses). Attach Form 4797.....	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E.....	5	
6	Farm income or (loss). Attach Schedule F.....	6	
7	Unemployment compensation.....	7	
8	Other income. List type and amount ▶ _____ _____	8	
9	Combine lines 1 through 8. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8.....	9	149,530.

Part II Adjustments to Income			
10	Educator expenses.....	10	
11	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106.....	11	
12	Health savings account deduction. Attach Form 8889.....	12	
13	Moving expenses for members of the Armed Forces. Attach Form 3903.....	13	
14	Deductible part of self-employment tax. Attach Schedule SE.....	14	10,540.
15	Self-employed SEP, SIMPLE, and qualified plans.....	15	
16	Self-employed health insurance deduction.....	16	
17	Penalty on early withdrawal of savings.....	17	
18a	Alimony paid.....	18a	
b	Recipient's SSN..... ▶ _____		
c	Date of original divorce or separation agreement (see instructions) ▶ _____		
19	IRA deduction.....	19	
20	Student loan interest deduction.....	20	
21	Tuition and fees deduction. Attach Form 8917.....	21	
22	Add lines 10 through 21. These are your adjustments to income . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 10a.....	22	10,540.

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

Schedule 1 (Form 1040) 2020

**SCHEDULE 2
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Additional Taxes

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

OMB No. 1545-0074

2020

Attachment
Sequence No. **02**

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

Sample Client and Sample Spouse

Your social security number

123-45-6789

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

Part II Other Taxes			
4	Self-employment tax. Attach Schedule SE.....	4	21,080.
5	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919.....	5	
6	Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts. Attach Form 5329 if required.....	6	
7a	Household employment taxes. Attach Schedule H.....	7a	
b	Repayment of first-time homebuyer credit from Form 5405. Attach Form 5405 if required.....	7b	
8	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s) _____	8	
9	Section 965 net tax liability installment from Form 965-A.....	9	
10	Add lines 4 through 8. These are your total other taxes . Enter here and on Form 1040 or 1040-SR, line 23, or Form 1040-NR, line 23b.....	10	21,080.

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

Schedule 2 (Form 1040) 2020

DO NOT FILE

**Underpayment of Estimated Tax by
Individuals, Estates, and Trusts**

► Go to www.irs.gov/Form2210 for instructions and the latest information.
► Attach to Form 1040, 1040-SR, 1040-NR, or 1041.

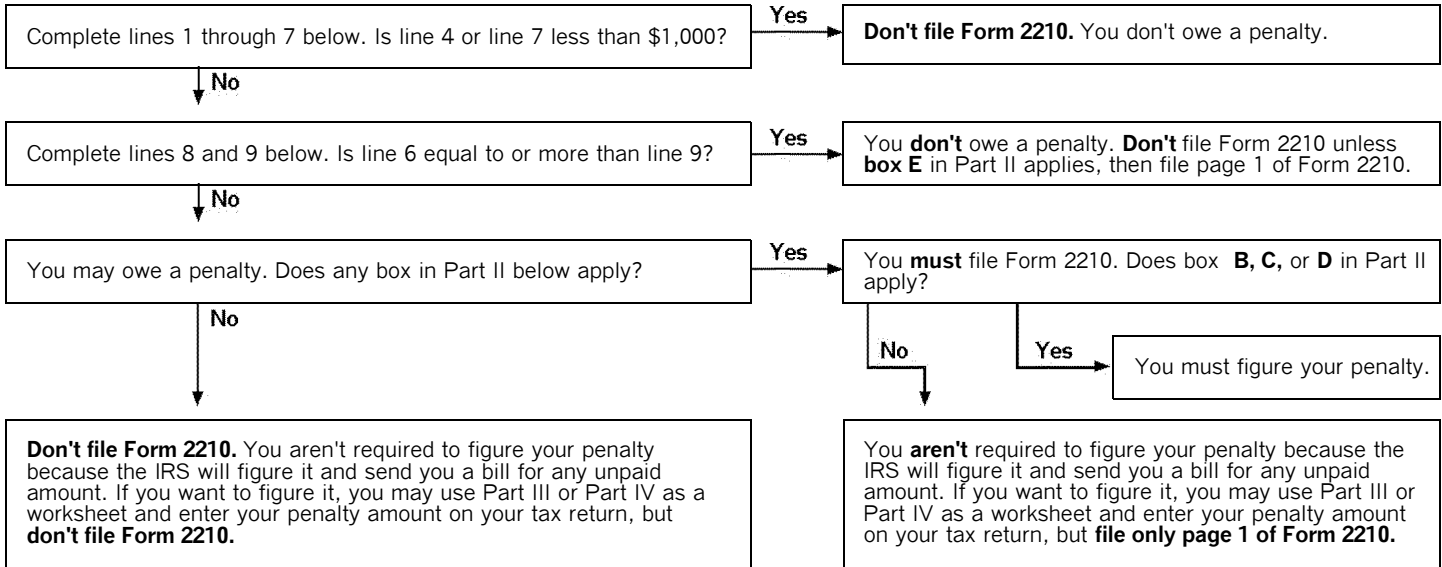
Name(s) shown on tax return

Sample Client and Sample Spouse

Identifying number

123-45-6789

Do You Have To File Form 2210?



Part I Required Annual Payment

1	Enter your 2020 tax after credits from Form 1040, 1040-SR, or 1040-NR, line 22. (See the instructions if not filing Form 1040.)	1	11,683.
2	Other taxes, including the portion of 2020 self-employment tax to which the estimated tax requirement applies and, if applicable, Additional Medicare Tax and/or Net Investment Income Tax (see instructions)	2	14,530.
3	Refundable credits, including the premium tax credit (see instructions)	3	0.
4	Current year tax. Combine lines 1, 2, and 3. If less than \$1,000, stop ; you don't owe a penalty. Don't file Form 2210	4	26,213.
5	Multiply line 4 by 90% (0.90)	5	23,592.
6	Withholding taxes. Don't include estimated tax payments. See instructions	6	
7	Subtract line 6 from line 4. If less than \$1,000, stop ; you don't owe a penalty. Don't file Form 2210	7	26,213.
8	Maximum required annual payment based on prior year's tax (see instructions)	8	35,000.
9	Required annual payment. Enter the smaller of line 5 or line 8	9	23,592.

Next: Is line 9 more than line 6?

- No.** You **don't** owe a penalty. **Don't** file Form 2210 unless box **E** below applies.
- Yes.** You may owe a penalty, but **don't** file Form 2210 unless one or more boxes in Part II below applies.
 - If box **B, C, or D** applies, you must figure your penalty and file Form 2210.
 - If box **A or E** applies (but not **B, C, or D**), file only page 1 of Form 2210. You **aren't** required to figure your penalty; the IRS will figure it and send you a bill for any unpaid amount. If you want to figure your penalty, you may use Part III or IV as a worksheet and enter your penalty on your tax return, but **file only page 1 of Form 2210.**

Part II Reasons for Filing. Check applicable boxes. If none apply, **don't** file Form 2210.

- A** You request a **waiver** (see instructions) of your entire penalty. You must check this box and file page 1 of Form 2210, but you aren't required to figure your penalty.
- B** You request a **waiver** (see instructions) of part of your penalty. You must figure your penalty and waiver amount and file Form 2210.
- C** Your income varied during the year and your penalty is reduced or eliminated when figured using the **annualized income installment method**. You must figure the penalty using Schedule AI and file Form 2210.
- D** Your penalty is lower when figured by treating the federal income tax withheld from your income as paid on the dates it was actually withheld, instead of in equal amounts on the payment due dates. You must figure your penalty and file Form 2210.
- E** You filed or are filing a joint return for either 2019 or 2020, but not for both years, and line 8 above is smaller than line 5 above. You must file page 1 of Form 2210, but you **aren't** required to figure your penalty (unless box **B, C, or D** applies).

BAA For Paperwork Reduction Act Notice, see separate instructions.

Part III Short Method

Can You Use the Short Method?

You can use the short method if:

- You made no estimated tax payments (or your only payments were withheld federal income tax), **or**
- You paid the same amount of estimated tax on each of the four payment due dates.

Must You Use the Regular Method?

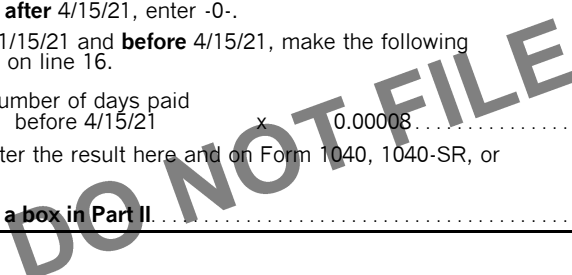
You must use the regular method (Part IV) instead of the short method if:

- You made any estimated tax payments late,
- You checked box **C** or **D** in Part II, **or**
- You're filing Form 1040-NR and you didn't receive wages as an employee subject to U.S. income tax withholding.

Note: If any payment was made earlier than the due date, you can use the short method, but using it may cause you to pay a larger penalty than the regular method. If the payment was only a few days early, the difference is likely to be small.

10 Enter the amount from Form 2210, line 9.			10	23,592.
11 Enter the amount, if any, from Form 2210, line 6.	11			
12 Enter the total amount, if any, of estimated tax payments you made.	12			
13 Add lines 11 and 12.			13	
14 Total underpayment for year. Subtract line 13 from line 10. If zero or less, stop ; you don't owe a penalty. If the amount on line 14 was paid on or before 1/15/21, do not use the short method. Don't file Form 2210 unless you checked box E in Part II.			14	23,592.
15 Multiply line 14 by 0.01744.			15	411.
16 • If the amount on line 14 was paid on or after 4/15/21, enter -0-. • If the amount on line 14 was paid after 1/15/21 and before 4/15/21, make the following computation to find the amount to enter on line 16. <div style="margin-left: 40px;">Amount on line 14 x Number of days paid before 4/15/21 x 0.00008.</div>			16	0.
17 Penalty. Subtract line 16 from line 15. Enter the result here and on Form 1040, 1040-SR, or 1040-NR, line 38; or Form 1041, line 27. Don't file Form 2210 unless you checked a box in Part II.			17	411.

Form **2210** (2020)



SCHEDULE C
(Form 1040)

Profit or Loss From Business
(Sole Proprietorship)

OMB No. 1545-0074

2020

Department of the Treasury
Internal Revenue Service (99)

▶ Go to www.irs.gov/ScheduleC for instructions and the latest information.
▶ Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships generally must file Form 1065.

Attachment
Sequence No. **09**

Name of proprietor Sample Client		Social security number (SSN) 123-45-6789
A Principal business or profession, including product or service (see instructions) Real Estate Agent		B Enter code from instructions ▶ 531210
C Business name. If no separate business name, leave blank.		D Employer ID number (EIN) (see instr.)
E Business address (including suite or room no.) ▶ _____ City, town or post office, state, and ZIP code _____		
F Accounting method: (1) <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 2020? 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 2020, check here <input type="checkbox"/>		
I Did you make any payments in 2020 that would require you to file Form(s) 1099? See instructions. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
J If "Yes," did you or will you file required Form(s) 1099? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked. <input type="checkbox"/>	1	170,000.
2 Returns and allowances.	2	
3 Subtract line 2 from line 1.	3	170,000.
4 Cost of goods sold (from line 42)	4	
5 Gross profit. Subtract line 4 from line 3.	5	170,000.
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7 Gross income. Add lines 5 and 6.	7	170,000.

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

8 Advertising.	8	2,750.	18 Office expense (see instructions)	18	
9 Car and truck expenses (see instructions)	9	3,567.	19 Pension and profit-sharing plans	19	
10 Commissions and fees.	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment ...	20a	
12 Depletion.	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	6,614.	21 Repairs and maintenance.	21	
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	
15 Insurance (other than health) ...	15		23 Taxes and licenses.	23	65.
16 Interest (see instr.):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b	298.	b Deductible meals (see instructions)	24b	
17 Legal and professional services	17	500.	25 Utilities.	25	
			26 Wages (less employment credits)	26	
			27 a Other expenses (from line 48)	27a	5,221.
			b Reserved for future use	27b	
28 Total expenses before expenses for business use of home. Add lines 8 through 27a.	28			28	19,015.
29 Tentative profit or (loss). Subtract line 28 from line 7.	29			29	150,985.
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			30	1,455.
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040), line 3 , and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31			31	149,530.
32 If you have a loss, check the box that describes your investment in this activity. See instructions. • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 3 , and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3 . • If you checked 32b, you must attach Form 6198 . Your loss may be limited.				32a	<input type="checkbox"/> All investment is at risk.
				32b	<input type="checkbox"/> Some investment is not at risk.

Part III Cost of Goods Sold (see instructions)	
33 Method(s) used to value closing inventory: a <input type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)	
34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation.....	35
36 Purchases less cost of items withdrawn for personal use.....	36
37 Cost of labor. Do not include any amounts paid to yourself.....	37
38 Materials and supplies.....	38
39 Other costs.....	39
40 Add lines 35 through 39.....	40
41 Inventory at end of year.....	41
42 Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4.....	42

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month/day/year) ▶ 1/05/20

44 Of the total number of miles you drove your vehicle during 2020, enter the number of miles you used your vehicle for:

a Business 5,674 **b** Commuting (see instructions) 1 **c** Other 3,075

45 Was your vehicle available for personal use during off-duty hours? Yes No

46 Do you (or your spouse) have another vehicle available for personal use? Yes No

47a Do you have evidence to support your deduction? Yes No

b If "Yes," is the evidence written? Yes No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.	
Accounting	800.
Bank Charges	150.
Dues and Subscriptions	186.
Parking and Tolls	185.
Printing	2,500.
Telephone	1,200.
Uniforms	200.
48 Total other expenses. Enter here and on line 27a.....	48 5,221.

SCHEDULE SE
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Self-Employment Tax

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

OMB No. 1545-0074

2020

Attachment
Sequence No. **17**

Name of person with self-employment income (as shown on Form 1040, 1040-SR, or 1040-NR) Sample Client	Social security number of person with self-employment income ►	123-45-6789
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Part I Self-Employment Tax

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

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

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

1 a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1 a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code AH	1 b	
Skip line 2 if you use the nonfarm optional method in Part II. See instructions.		
2 Net profit or (loss) from Schedule C, line 31; and Schedule K-1 (Form 1065), box 14, code A (other than farming). See instructions for other income to report or if you are a minister or member of a religious order	2	149,530.
3 Combine lines 1a, 1b, and 2	3	149,530.
4 a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3	4 a	138,091.
Note: If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.		
b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	4 b	
c Combine lines 4a and 4b. If less than \$400, stop ; you don't owe self-employment tax. Exception: If less than \$400 and you had church employee income , enter -0- and continue	4 c	138,091.
5 a Enter your church employee income from Form W-2. See instructions for definition of church employee income	5 a	
b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0-	5 b	0.
6 Add lines 4c and 5b	6	138,091.
7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2020	7	137,700.
8 a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2 and railroad retirement (tier 1) compensation. If \$137,700 or more, skip lines 8b through 10, and go to line 11	8 a	
b Unreported tips subject to social security tax from Form 4137, line 10	8 b	
c Wages subject to social security tax from Form 8919, line 10	8 c	
d Add lines 8a, 8b, and 8c	8 d	
9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11	9	137,700.
10 Multiply the smaller of line 6 or line 9 by 12.4% (0.124)	10	17,075.
11 Multiply line 6 by 2.9% (0.029)	11	4,005.
12 Self-employment tax. Add lines 10 and 11. Enter here and on Schedule 2 (Form 1040), line 4	12	21,080.
13 Deduction for one-half of self-employment tax. Multiply line 12 by 50% (0.50). Enter here and on Schedule 1 (Form 1040), line 14	13	10,540.

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

Farm Optional Method. You may use this method only if (a) your gross farm income ⁽¹⁾ wasn't more than \$8,460, or (b) your net farm profits ⁽²⁾ were less than \$6,107.		
14 Maximum income for optional methods	14	5,640.
15 Enter the smaller of: two-thirds (2/3) of gross farm income ⁽¹⁾ (not less than zero) or \$5,640. Also, include this amount on line 4b above	15	
Nonfarm Optional Method. You may use this method only if (a) your net nonfarm profits ⁽³⁾ were less than \$6,107 and also less than 72.189% of your gross nonfarm income, ⁽⁴⁾ and (b) you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. Caution: You may use this method no more than five times.		
16 Subtract line 15 from line 14	16	
17 Enter the smaller of: two-thirds (2/3) of gross nonfarm income ⁽⁴⁾ (not less than zero) or the amount on line 16. Also, include this amount on line 4b above	17	

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

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

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

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

Part III Maximum Deferral of Self-Employment Tax Payments

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

18	Enter the portion of line 3 that can be attributed to March 27, 2020, through December 31, 2020	18	114,395.
19	If line 18 is more than zero, multiply line 18 by 92.35% (0.9235); otherwise, enter the amount from line 18	19	105,644.
20	Enter the portion of lines 15 and 17 that can be attributed to March 27, 2020, through December 31, 2020	20	
21	Combine lines 19 and 20	21	105,644.
If line 5b is zero, skip line 22 and enter -0- on line 23.			
22	Enter the portion of line 5a that can be attributed to March 27, 2020, through December 31, 2020	22	
23	Multiply line 22 by 92.35% (0.9235)	23	0.
24	Add lines 21 and 23	24	105,644.
25	Enter the smaller of line 9 or line 24	25	105,644.
26	Multiply line 25 by 6.2% (0.062). Enter here and see the instructions for line 12e of Schedule 3 (Form 1040)	26	6,550.

BAA

Schedule SE (Form 1040) 2020

DO NOT FILE

Qualified Business Income Deduction Simplified Computation

2020

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return.**

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

Attachment
Sequence No. **55**

Name(s) shown on return

Sample Client and Sample Spouse

Your taxpayer identification number

123-45-6789

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

1	(a) Trade, business, or aggregation name	(b) Taxpayer identification number	(c) Qualified business income or (loss)
i	Sample Client	123-45-6789	138,990.
ii			
iii			
iv			
v			

2 Total qualified business income or (loss). Combine lines 1i through 1v, column (c)	2	138,990.	
3 Qualified business net (loss) carryforward from the prior year.	3	0.	
4 Total qualified business income. Combine lines 2 and 3. If zero or less, enter -0-	4	138,990.	
5 Qualified business income component. Multiply line 4 by 20% (0.20)	5		27,798.
6 Qualified REIT dividends and publicly traded partnership (PTP) income or (loss) (see instructions)	6	0.	
7 Qualified REIT dividends and qualified PTP (loss) carryforward from the prior year.	7	0.	
8 Total qualified REIT dividends and PTP income. Combine lines 6 and 7. If zero or less, enter -0-	8	0.	
9 REIT and PTP component. Multiply line 8 by 20% (0.20)	9		0.
10 Qualified business income deduction before the income limitation. Add lines 5 and 9	10		27,798.
11 Taxable income before qualified business income deduction	11	114,190.	
12 Net capital gain (see instructions)	12	0.	
13 Subtract line 12 from line 11. If zero or less, enter -0-	13	114,190.	
14 Income limitation. Multiply line 13 by 20% (0.20)	14		22,838.
15 Qualified business income deduction. Enter the lesser of line 10 or line 14. Also enter this amount on the applicable line of your return. ▶	15		22,838.
16 Total qualified business (loss) carryforward. Combine lines 2 and 3. If greater than zero, enter -0-	16		0.
17 Total qualified REIT dividends and PTP (loss) carryforward. Combine lines 6 and 7. If greater than zero, enter -0-	17		0.

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

Form **8995** (2020)

Name(s) of proprietor(s)

Expenses for Business Use of Your Home

▶ **File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.**
▶ **Go to www.irs.gov/Form8829 for instructions and the latest information.**

2020

Attachment Sequence No. **176**

Your social security number

123-45-6789

Sample Client

Part I Part of Your Home Used for Business

1	Area used regularly and exclusively for business, regularly for daycare, or for storage of inventory or product samples (see instructions).....	1	125
2	Total area of home.....	2	3,150
3	Divide line 1 by line 2. Enter the result as a percentage.....	3	3.97 %
For daycare facilities not used exclusively for business, go to line 4. All others, go to line 7.			
4	Multiply days used for daycare during year by hours used per day.....	4	hr
5	If you started or stopped using your home for daycare during the year, see instructions; otherwise, enter 8,784.....	5	hr
6	Divide line 4 by line 5. Enter the result as a decimal amount.....	6	
7	Business percentage. For daycare facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3..... ▶	7	3.97 %

Part II Figure Your Allowable Deduction

8	Enter the amount from Schedule C, line 29, plus any gain derived from the business use of your home, minus any loss from the trade or business not derived from the business use of your home. See instructions.	8	150,985.
<i>See instructions for columns (a) and (b) before completing lines 9-22.</i>			
		(a) Direct expenses	(b) Indirect expenses
9	Casualty losses (see instructions).....	9	
10	Deductible mortgage interest (see instructions).....	10	
11	Real estate taxes (see instructions).....	11	
12	Add lines 9, 10, and 11.....	12	
13	Multiply line 12, column (b), by line 7.....	13	
14	Add line 12, column (a), and line 13.....	14	
15	Subtract line 14 from line 8. If zero or less, enter -0-.....	15	150,985.
16	Excess mortgage interest (see instructions).....	16	12,500.
17	Excess real estate taxes (see instructions).....	17	4,500.
18	Insurance.....	18	1,200.
19	Rent.....	19	
20	Repairs and maintenance.....	20	3,000.
21	Utilities.....	21	3,600.
22	Other expenses (see instructions).....	22	
23	Add lines 16 through 22.....	23	24,800.
24	Multiply line 23, column (b), by line 7.....	24	985.
25	Carryover of prior year operating expenses (see instructions).....	25	
26	Add line 23, column (a), line 24, and line 25.....	26	985.
27	Allowable operating expenses. Enter the smaller of line 15 or line 26.....	27	985.
28	Limit on excess casualty losses and depreciation. Subtract line 27 from line 15.....	28	150,000.
29	Excess casualty losses (see instructions).....	29	
30	Depreciation of your home from line 42 below.....	30	470.
31	Carryover of prior year excess casualty losses and depreciation (see instructions).....	31	
32	Add lines 29 through 31.....	32	470.
33	Allowable excess casualty losses and depreciation. Enter the smaller of line 28 or line 32.....	33	470.
34	Add lines 14, 27, and 33.....	34	1,455.
35	Casualty loss portion, if any, from lines 14 and 33. Carry amount to Form 4684 . See instructions.....	35	
36	Allowable expenses for business use of your home. Subtract line 35 from line 34. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions..... ▶	36	1,455.

Part III Depreciation of Your Home

37	Enter the smaller of your home's adjusted basis or its fair market value. See instructions.....	37	525,000.
38	Value of land included on line 37.....	38	75,000.
39	Basis of building. Subtract line 38 from line 37.....	39	450,000.
40	Business basis of building. Multiply line 39 by line 7.....	40	17,865.
41	Depreciation percentage (see instructions).....	41	2.461 %
42	Depreciation allowable (see instructions). Multiply line 40 by line 41. Enter here and on line 30 above.....	42	470.

Part IV Carryover of Unallowed Expenses to 2021

43	Operating expenses. Subtract line 27 from line 26. If less than zero, enter -0-.....	43	0.
44	Excess casualty losses and depreciation. Subtract line 33 from line 32. If less than zero, enter -0-.....	44	0.

Qualified Business Income

Trade or business name:	Sample Client
Taxpayer identification number:	123-45-6789
Business income.....	149,530.
Allocated deduction for one-half of self-employment tax.....	-10,540.
Qualified Business Income	<u>138,990.</u>

Net Nonfarm Profit or (Loss) (Schedule SE, Line 2)

	<u>Taxpayer</u>
Schedule C	149,530.
Schedule E, page 2 (from Sch. K-1)	0.
Other Income (Schedule 1, line 8)	0.
Section 1256 contracts	0.
Minister wages	0.
Minister housing allowance	0.
Minister parsonage - utilities	0.
Employee business expenses	0.
Net nonfarm income adjustment	0.
Total Net Nonfarm Profit or (Loss)	<u>149,530.</u>

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

1. Can you be claimed as a dependent on another person's 2020 return? If filing a joint return, go to line 2.
- No. Go to line 2.
2. Does your 2020 return include a valid social security number for you and, if filing a joint return, your spouse?
- Yes. Skip lines 3 and 4, and go to line 5.
3. Was at least one of you a member of the U.S. Armed Forces at any time during 2020, and does at least one of you have a valid SSN?
- Skip
4. Does one of you have a valid SSN?
- Skip
5. If your EIP 1 was \$1,200 (\$2,400 if MFJ) plus \$500 for each qualifying child, skip lines 5 and 6, enter zero on lines 7 and 16, and go to line 8. Otherwise enter: \$1,200 if single, HOH, MFS, qualifying widow(er), or if MFJ and you answered "Yes" to question 4, or \$2,400 if MFJ and you answered "Yes" to question 2 or 3..... 2,400.
6. Multiply \$500 by the number of qualifying children under age 17 at the end of 2020 listed in the Dependents section on page 1 of Form 1040 or 1040-SR for whom you either checked the "Child tax credit" box or entered an adoption taxpayer identification number..... 2,400.
7. Add lines 5 and 6..... 2,400.
8. If your EIP 2 was \$600 (\$1,200 if MFJ) plus \$600 for each qualifying child, skip lines 8 and 9, enter zero on lines 10 and 19 and go to line 11. Otherwise enter: \$600 if single, HOH, MFS, qualifying widow(er), or if MFJ and you answered "Yes" to question 4, or \$1,200 if MFJ and you answered "Yes" to question 2 or 3..... 1,200.
9. Multiply \$600 by the number of qualifying children under age 17 at the end of 2020 listed in the Dependents section on page 1 of Form 1040 or 1040-SR for whom you either checked the "Child tax

DO NOT FILE

Form 1040 or 1040-SR, Line 30 (continued)
Recovery Rebate Credit

credit" box or entered an adoption taxpayer identification number...		
10. Add lines 8 and 9.....		1,200.
11. Enter the amount from line 11 of Form 1040 or 1040-SR.....		138,990.
12. Enter the threshold amount for your filing status.....		150,000.
13. Is the amount on line 11 more than the amount on line 12? - No. Skip line 14. Enter the amount from line 7 on line 15 and the amount from line 10 on line 18.		
14. Multiply line 13 by 5% (0.05).....		
15. Subtract line 14 from line 7. If zero or less, enter 0.....		2,400.
16. Enter the amount, if any, of EIP 1 that was issued to you (before offset for any past-due child support payment). You may refer to Notice 1444 or your tax account information at IRS.gov/Account for the amount to enter here.....		0.
17. Subtract line 16 from line 15. If zero or less, enter 0. If line 16 is more than line 15, you don't have to pay back the difference.....		2,400.
18. Subtract line 14 from line 10. If zero or less, enter 0.....		1,200.
19. Enter the amount, if any, of EIP 2 that was issued to you. You may refer to Notice 1444-B or your tax account information at IRS.gov/Account for the amount to enter here.....		0.
20. Subtract line 19 from line 18. If zero or less, enter 0. If line 19 is more than line 18, you don't have to pay back the difference.....		1,200.
21. Recovery rebate credit. Add lines 17 and 20. Enter the result here and, if more than zero, on line 30 of Form 1040 or 1040-SR.....		<u>3,600.</u>

* NOTE: The credit will not carry to Form 1040 or 1040-SR until an entry is made in economic impact payment 1 and 2 received in the Recovery Rebate Credit input screen.

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

1a. Enter the amount from Form 1040 or 1040-SR, line 25	0.	
1b. Enter the amount from Form 1040 or 1040-SR, line 26	0.	
1c. Enter the amount from Schedule 3, line 9	0.	
1d. Enter the amount from Schedule 3, line 10	0.	
1e. Add lines 1a through 1d		0.
2. Enter the amount from Form 1040 or 1040-SR, line 24	32,763.	
3. Enter the amount from Schedule H, line 8b	0.	
4. Add lines 2 and 3	32,763.	
5. Enter the amount from Schedule H, line 8d	0.	
6. Enter the amount from Schedule SE, line 26	6,550.	
7. Add lines 5 and 6	6,550.	
8. Subtract line 7 from line 4		26,213.
9. Subtract line 8 from line 1e. If 0 or less, enter 0	0.	
10. Subtract line 9 from line 7		<u>6,550.</u>

You can defer payment on up to the amount on line 10 until 12/31/2021 or 12/31/2022 by reporting the amount on line 10 above (or a smaller amount) on Schedule 3, line 12e.

11. Enter the amount you reported on Schedule 3, line 12e		0.
12. Enter one-half of the amount on line 7 above	3,275.	
13. Enter the smaller of line 11 or line 12. You must pay this amount by 12/31/2022		<u>0.</u>
14. Subtract line 13 from line 11. You must pay this		

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

amount by 12/31/2021

0.

DO NOT FILE

Vehicle Expenses - Schedule C
Real Estate Agent

	<u>2021 BMW X2</u>
1. Date placed in service	1/05/20
2. Total mileage	8,750
3. Business mileage	5,674
4. Business use percentage (divide line 3 by line 2)	0.6485
Standard Mileage Rate:	
5. Multiply line 3 by 0.575 cents (57.5)	3,263.
Depr. portion of mileage (27 cents per mile)	1,532.
Oper. exp. portion of mileage (30.5 cents per mile)	1,731.
Actual Expenses:	
6. Gasoline, lube and oil	750.
7. Repairs	2,500.
8. Tires	1,200.
9. Insurance	1,000.
10. Miscellaneous	
11. Auto license (except personal property taxes)	50.
12. Value of employer-provided vehicle	
13. Vehicle rent or lease (less inclusion)	
14. Add lines 6 through 13	5,500.
15. Multiply line 14 by line 4	3,567.
16. Depreciation and section 179 deduction	6,614.
17. Add lines 15 and 16	10,181.
Total Vehicle Expenses:	Actual Exp
18. Enter line 5 or line 17	10,181.
19. Parking fees and tolls	
20. Add lines 18 and 19	10,181.
Vehicle Expense Allocation:	
21. Car and truck expenses	3,567.
22. Depreciation	6,614.
23. Vehicle rent or lease payments	
24. Add lines 21, 22, and 23	10,181.
25. Interest expense (business portion)	298.
26. Taxes and licenses (business portion)	65.
27. Personal property taxes (Schedule A)	35.

2021 Estimated Tax Worksheet

Sample Client and Sample Spouse

Keep for Your Records

1	Adjusted gross income you expect in 2021 (see instructions)	1	138,966.
2a	Deductions	2a	25,100.
	<ul style="list-style-type: none"> If you plan to itemize deductions, enter the estimated total of your itemized deductions. If you don't plan to itemize deductions, enter your standard deduction. 		
b	If you can take the qualified business income deduction, enter the estimated amount of the deduction	2b	22,838.
c	Add lines 2a and 2b	2c	47,938.
3	Subtract line 2c from line 1	3	91,028.
4	Tax. Figure your tax on the amount on line 3 by using the 2021 Tax Rate Schedules. Caution: If you will have qualified dividends or a net capital gain, or expect to exclude or deduct foreign earned income or housing, see Worksheets 2-5 and 2-6 in Pub. 505 to figure the tax	4	11,523.
5	Alternative minimum tax from Form 6251	5	
6	Add lines 4 and 5. Add to this amount any other taxes you expect to include in the total on Form 1040, line 16	6	11,523.
7	Credits (see instructions). Do not include any income tax withholding on this line	7	
8	Subtract line 7 from line 6. If zero or less, enter -0-	8	11,523.
9	Self-employment tax (see instructions)	9	21,128.
10	Other taxes (see instructions)	10	
11a	Add lines 8 through 10	11a	32,651.
b	Earned income credit, additional child tax credit, fuel tax credit, net premium tax credit, refundable American opportunity credit, and refundable credit from Form 8885	11b	
c	Total 2021 estimated tax. Subtract line 11b from line 11a. If zero or less, enter -0-	11c	32,651.
12a	Multiply line 11c by 90% (66-2/3% for farmers and fishermen)	12a	29,386.
b	Required annual payment based on prior year's tax (see instructions)	12b	32,763.
c	Required annual payment to avoid a penalty. Enter the smaller of line 12a or 12b Caution: Generally, if you do not prepay (through income tax withholding and estimated tax payments) at least the amount on line 12c, you may owe a penalty for not paying enough estimated tax. To avoid a penalty, make sure your estimate on line 11c is as accurate as possible. Even if you pay the required annual payment, you may still owe tax when you file your return. If you prefer, you can pay the amount shown on line 11c. For details, see chapter 2 of Pub. 505.	12c	32,763.
13	Income tax withheld and estimated to be withheld during 2021 (including income tax withholding on pensions, annuities, certain deferred income, etc.)	13	
14a	Subtract line 13 from line 12c Is the result zero or less? <input type="checkbox"/> Yes. Stop here. You are not required to make estimated tax payments. <input checked="" type="checkbox"/> No. Go to line 14b.	14a	32,763.
b	Subtract line 13 from line 11c Is the result less than \$1,000? <input type="checkbox"/> Yes. Stop here. You are not required to make estimated tax payments. <input checked="" type="checkbox"/> No. Go to line 15 to figure your required payment.	14b	32,651.
15	Rounded balance	15	32,800.
16	Overpayment of estimated tax applied to next tax year	16	
17	Total of estimated tax payments to be mailed with vouchers	17	32,800.
18	If the first payment you are required to make is due April 15, 2021, enter 1/4 of line 14a (minus any 2020 overpayment that you are applying to this installment) here, and on your estimated tax payment voucher(s) if you are paying by check or money order	18	8,200.

2021 Estimated Tax Worksheet - Adjusted Gross Income

<u>Income</u>	<u>This Year</u>	<u>Difference</u>	<u>Next Year</u>
Business income (loss)	149,530.	0.	149,530.
Total income	149,530.	0.	149,530.
<u>Adjustments to income</u>	<u>This Year</u>	<u>Difference</u>	<u>Next Year</u>
Deductible portion of self-employment tax **	10,540.	24.	10,564.
Total adjustments to income	10,540.	24.	10,564.
Estimated adjusted gross income			<u>138,966.</u>

** Recalculated using estimated self-employment earnings

2021 Estimated Tax Worksheet - Alternative Minimum TaxAlternative Minimum Taxable Income

1. Enter amount from 1040ES Worksheet line 3 (if not itemizing, enter ES worksheet line 1 and go to line 3 below)	116,128.
3. Tax refund	0.
4. Dispositions, small bus. stock, and incentive stock options adj.	0.
5. Other adjustments	0.
6. Alternative minimum taxable income	<u>116,128.</u>

Alternative Minimum Tax

7. Exemption	114,600.
8. Subtract line 7 from line 6	1,528.
9. Tax	397.
10. Alternative minimum tax foreign tax credit	0.
11. Tentative minimum tax	397.
12. Tax from ES Worksheet	11,523.
13. Alternative minimum tax (line 11 minus line 12)	<u>0.</u>

2021 Estimated Tax Worksheet - Tax and Earnings from Self Employment

	<u>Taxpayer</u>
1. Farm	0.
2. Schedule C	149,530.
3. Schedule E, page 2 (from Sch. K-1)	0.
4. Religious order	0.
5. Other Income (Schedule 1, line 8)	0.
6. Section 1256 contracts	0.
7. Minister wages	0.
8. Minister housing allowance	0.
9. Minister parsonage - utilities	0.
10. Employee business expenses (2106)	0.
11. Net profit from self employment adjustment	0.
12. Total net profit from self employment	<u>149,530.</u>
13. Net earnings from self employment (multiply line 12 by 0.9235, not including SE inc. if under \$434 and church employee income if under \$108)	138,091.
14. Multiply line 13 by 0.029	4,005.
15. Maximum income subj. to social security tax	142,800.
16. Expected wages subj. to social security tax	<u>0.</u>
17. Remaining maximum income possibly subject to SE tax (line 15 less line 16)	142,800.
18. Lesser of line 17 or 13	138,091.
19. Multiply line 18 by 0.124	17,123.
20. Add lines 14 and 19	21,128.
21. Multiply line 20 by 0.50	<u><u>10,564.</u></u>

DO NOT FILE

DO NOT FILE

Mail to: Internal Revenue Service
P.O. Box 931100
Louisville, KY 40293-1100

▼ Detach Here and Mail With Your Payment ▼

Department of the Treasury
Internal Revenue Service

Calendar Year —
Due 4/15/2021

2021 Form 1040-ES Payment Voucher 1

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to the 'United States Treasury.' Write your social security number and '2021 Form 1040-ES' on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Amount of estimated tax you are paying by check or money order ▶	8,200.
--	--------

FDIA1901L 07/27/20 1030



123-45-6789 123-45-9876
SAMPLE CLIENT
SAMPLE SPOUSE
123 MAIN STREET
ROGERS, AR 72758

INTERNAL REVENUE SERVICE
PO BOX 931100
LOUISVILLE KY 40293-1100

123456789 JP CLIE 30 0 202112 430

DO NOT FILE

Mail to: Internal Revenue Service
P.O. Box 931100
Louisville, KY 40293-1100

▼ Detach Here and Mail With Your Payment ▼

Department of the Treasury
Internal Revenue Service

Calendar Year —
Due 6/15/2021

2021 Form 1040-ES Payment Voucher 2

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to the 'United States Treasury.' Write your social security number and '2021 Form 1040-ES' on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Amount of estimated tax you are paying by check or money order ▶	8,200.
--	--------

FDIA1902L 07/27/20 1030



123-45-6789 123-45-9876
SAMPLE CLIENT
SAMPLE SPOUSE
123 MAIN STREET
ROGERS, AR 72758

INTERNAL REVENUE SERVICE
PO BOX 931100
LOUISVILLE KY 40293-1100

123456789 JP CLIE 30 0 202112 430

DO NOT FILE

Mail to: Internal Revenue Service
P.O. Box 931100
Louisville, KY 40293-1100

▼ Detach Here and Mail With Your Payment ▼

Department of the Treasury
Internal Revenue Service

Calendar Year —
Due 9/15/2021

2021 Form 1040-ES Payment Voucher 3

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to the 'United States Treasury.' Write your social security number and '2021 Form 1040-ES' on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Amount of estimated tax you are paying by check or money order ▶	8,200.
--	--------

FDIA1904L 07/27/20

1030



123-45-6789 123-45-9876
SAMPLE CLIENT
SAMPLE SPOUSE
123 MAIN STREET
ROGERS, AR 72758

INTERNAL REVENUE SERVICE
PO BOX 931100
LOUISVILLE KY 40293-1100

123456789 JP CLIE 30 0 202112 430

DO NOT FILE

Mail to: Internal Revenue Service
P.O. Box 931100
Louisville, KY 40293-1100

▼ Detach Here and Mail With Your Payment ▼

Department of the Treasury
Internal Revenue Service

Calendar Year —
Due 1/18/2022

2021 Form 1040-ES Payment Voucher 4

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to the 'United States Treasury.' Write your social security number and '2021 Form 1040-ES' on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Amount of estimated tax you are paying by check or money order ▶	8,200.
--	--------

FDIA1905L 07/27/20 1030



123-45-6789 123-45-9876
SAMPLE CLIENT
SAMPLE SPOUSE
123 MAIN STREET
ROGERS, AR 72758

INTERNAL REVENUE SERVICE
PO BOX 931100
LOUISVILLE KY 40293-1100

123456789 JP CLIE 30 0 202112 430



**ARKANSAS INDIVIDUAL INCOME TAX
DECLARATION FOR ELECTRONIC FILING**

Primary's Legal First Name and Middle Initial ● Sample		Last Name ● Client		Primary's Social Security Number ● 123-45-6789	
Spouse's Legal First Name and Middle Initial Sample		Last Name Spouse		Spouse's Social Security Number ● 123-45-9876	
Mailing Address (Number and Street, P.O. Box or Rural Route) 123 Main Street				Telephone ●	
City Rogers		State or Province AR	ZIP 72758	<input type="checkbox"/> Check if address is outside U.S. Foreign Country	

PART I - TAX RETURN INFORMATION (Whole Dollars Only)

1. Total Income (Form AR1000F or AR1000NR, Line 23)	1	149,530	00
2. Net Tax (Form AR1000F or AR1000NR, Line 38)	2	7,912	00
3. State Income Tax Withheld (Form AR1000F or AR1000NR, Line 39)	3	●	00
4. Refund (Form AR1000F or AR1000NR, Line 47)	4		00
5. Tax Due (Form AR1000F or AR1000NR, Line 51)	5	7,912	00

PART II - DECLARATION OF TAXPAYER

6a I consent that my refund be direct deposited as designated in the electronic portion of my 2020 Arkansas income tax return. If I have filed a joint return, this is an irrevocable appointment of the other spouse as an agent to receive the refund. The refund will be direct deposited to the bank account(s) shown on page 1 of the Form AR1000F/AR1000NR.

6b I do not want direct deposit of my refund or I am not receiving a refund.

6c I authorize the State of Arkansas Income Tax Section to initiate debit entries to my account as indicated on the Arkansas Income Tax Payment form (AR TAX PMT).

6d I authorize the State of Arkansas Income Tax Section to initiate debit entries to my account as indicated on the Arkansas Estimated Tax Payment form (AR EST PMT) or Arkansas Extension Payment form (AR EXT PMT).

If I have filed a balance due return, I understand that if the State of Arkansas does not receive full and timely payment of my tax liability, I will remain liable for the tax liability and all applicable interest and penalties. If I have filed a joint federal and state return and my federal return is rejected, I understand my state return will be rejected also.

Under penalties of perjury, I declare that the information I have given my ERO and the amounts in Part I above agree with the amounts on the corresponding lines of the electronic portion of my 2020 Arkansas income tax return. To the best of my knowledge and belief, my return is true, correct, and complete. I consent to my ERO sending my return, this declaration, and accompanying schedules and statements to the State of Arkansas. I also consent to the State of Arkansas sending my ERO and/or transmitter an acknowledgement of receipt of transmission and an indication of whether or not my return is accepted, and if rejected, the reason(s) for the rejection. If the processing of my return or refund is delayed, I authorize the State of Arkansas to disclose to my ERO and/or transmitter the reason(s) for the delay, or when the refund was sent. In addition, by using a computer system and software to prepare and transmit my return electronically, I consent to the disclosure to the State of Arkansas of all information pertaining to my use of the system and software and to the transmission of my tax return electronically.

Sign Here

_____ Primary's Signature	_____ Date	_____ Spouse's Signature	_____ Date
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PART III - DECLARATION OF ELECTRONIC RETURN ORIGINATOR (ERO) AND PAID PREPARER

I declare that I have reviewed the above taxpayer's return and that the entries on Form AR8453 are complete and correct to the best of my knowledge. If I am only a collector, I understand that I am not responsible for reviewing the taxpayer's return; I declare that Form AR8453 accurately reflects the data on the return. I have obtained the taxpayer's signature on Form AR8453 before submitting this return to the State of Arkansas, and have provided the taxpayer with a copy of all forms and information to be filed with the State of Arkansas. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This declaration of Paid Preparer is based on all information of which the preparer has knowledge.

ERO'S Use Only	Caroline Devoy ERO's Signature	_____ Date	Check if paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	P01973424 Your SSN or PTIN
	Biz Hippo, LLC 3901 W Arnold Ave Rogers, AR 72758 Firm's name and address				81-3556307 FEIN
	Under penalties of perjury, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This declaration is based on all information of which I have any knowledge.				

Paid Preparer's Use Only	_____ Preparer's Signature	_____ Date	Check if self-employed <input type="checkbox"/>	_____ Preparer's SSN or PTIN
	_____ Firm's name and address			_____ FEIN



AR1

2020 AR1000F

ARKANSAS INDIVIDUAL INCOME TAX RETURN Full Year Resident

Jan. 1 - Dec. 31, 2020 or fiscal year ending _____, 20_____

CHECK BOX IF AMENDED RETURN

Software ID

PROLINE

Primary's legal first name: Sample, Last name: Client, Primary's social security number: 123-45-6789, Spouse's legal first name: Sample, Last name: Spouse, Spouse's social security number: 123-45-9876, Mailing address: 123 Main Street, City: Rogers, State: AR, ZIP: 72758

FILING STATUS: 1 Single, 2 Married filing joint (checked), 3 Head of household, 4 Married filing separately, 5 Married filing separately, 6 Qualifying widow(er)

Check here if you want a tax booklet mailed to you next year. (checked)

7A Multiply number of boxes checked: 2 x \$29 = 58.00, Dependents table, 7B Multiply number of DEPENDENTS from above, 7C Multiply number of qualifying individuals from AR1000RC5, 7D TOTAL PERSONAL TAX CREDITS: 58.00

ID DL# / State ID, Your state, Issue date, Expiration date, Spouse state, Issue date, Expiration date

DIRECT DEPOSIT: Direct deposit allowed to U.S. banks only. Check if either deposit(s) will ultimately be placed in a foreign account. Routing Number 1, Account Number 1, Direct deposit 1 Amt: 00

PLEASE 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.

Primary's signature, Date, Telephone, Spouse's signature, Date, Telephone, May the Arkansas Revenue Agency discuss this return with the preparer? (checked) Yes

Paid Preparer's signature: Caroline Devoy, Preparer's name: Biz Hippo, LLC, PTIN/ID number: 81-3556307 / P01973424, City/State/ZIP: Rogers, AR 72758, Telephone: 832-791-2491

Refund: Arkansas State Income Tax, P.O. Box 1000, Little Rock, AR 72203-1000, Tax Due/No Tax: Arkansas State Income Tax, P.O. Box 2144, Little Rock, AR 72203-2144



Primary SSN 123-45-6789 Sample Client and Sample Spouse

		ROUND ALL AMOUNTS TO WHOLE DOLLARS		(A) Primary/Joint Income	(B) Spouse's Income Status 4 Only
ATTACH HERE TO TOP OF 1099S HERE	8	Wages, salaries, tips, etc: (Attach W-2s)	8	● 00	● 00
	9	Military pay: Primary ● 00 Spouse ● 00	9		
	10	Interest income: (If over \$1,500, Attach AR4)	10	● 00	● 00
	11	Dividend income: (If over \$1,500, Attach AR4)	11	● 00	● 00
	12	Alimony and separate maintenance received:	12	● 00	● 00
	13	Business or professional income: (Attach federal Schedule C)	13	● 149,530	● 00
	14	Capital gains/(losses) from stocks, bonds, etc: (See instr. attach federal Schedule D)	14	● 00	● 00
	15	Other gains or (losses): (Attach federal Form 4797 and/or AR4684 if applicable)	15	● 00	● 00
	16	Non-qualified IRA distributions and taxable annuities: (Attach All 1099Rs)	16	● 00	● 00
	17	Military retirement: Primary ● 00 Spouse ● 00			
	18A	Primary employer pension plan(s)/qualified IRA(s): (See instructions, Attach all 1099Rs) Gross distribution ● 00 Taxable amount ● 00 Less \$6,000	18A	● 00	
	18B	Spouse's employer pension plan(s)/qualified IRA(s): (See instructions, Attach all 1099Rs) Gross distribution ● 00 Taxable amount ● 00 Less \$6,000	18B	● 00	● 00
	19	Rents, royalties, partnerships, estates, trusts, etc.: (Attach federal Schedule E)	19	● 00	● 00
	20	Farm income: (Attach federal Schedule F)	20	● 00	● 00
	21	Unemployment: Primary/Joint ● 00 Spouse ● 00	21		
	22	Other income/depreciation differences: (Attach Form AR-OI)	22	● 00	● 00
	23	TOTAL INCOME: (Add lines 8 through 22)	23	● 149,530	● 00
24	TOTAL ADJUSTMENTS: (Attach Form AR1000ADJ)	24	● 0	● 00	
25	ADJUSTED GROSS INCOME: (Subtract line 24 from line 23)	25	● 149,530	● 00	
TAX COMPUTATION	26	Select tax table: (Select only one)	26		
	27	● <input type="checkbox"/> Low income table (\$0), For low income qualifications see line 26 instructions ● <input type="checkbox"/> Standard Deduction (\$2,200 or \$4,400 for filing status 2 only) ● <input checked="" type="checkbox"/> Itemized Deductions (Attach AR3)	27	● 16,360	● 00
	28	NET TAXABLE INCOME: (Subtract line 27 from line 25)	28	● 133,170	● 00
	29	TAX: (Enter tax from tax table)	29	● 7,970	● 00
	30	Combined tax: (Add amounts from line 29, columns A and B)	30		● 7,970
	31	Enter tax from Lump Sum Distribution Averaging Schedule: (Attach AR1000TD)	31	●	● 00
	32	Additional tax on IRA and qualified plan withdrawal and overpayment: (Attach federal Form 5329, if required)	32	●	● 00
33	TOTAL TAX: (Add lines 30 through 32)	33	●	● 7,970	
CREDITS	34	Personal tax credit(s): (Enter total from line 7D)	34	● 58	● 00
	35	Child care credit: (20% of federal credit allowed; attach federal Form 2441)	35	●	● 00
	36	Other credits: (Attach AR1000TC)	36	●	● 00
	37	TOTAL CREDITS: (Add lines 34 through 36)	37	●	● 58
38	NET TAX: (Subtract line 37 from line 33. If line 37 is greater than line 33, enter 0)	38	●	● 7,912	
PAYMENTS	39	Arkansas income tax withheld: (Attach state copies of W-2 and/or 1099R, W2-G)	39	●	● 00
	40	Estimated tax paid or credit brought forward from 2019:	40	●	● 00
	41	Payment made with extension: (See instructions)	41	●	● 00
	42	AMENDED RETURNS ONLY – Previous payments: (See instructions)	42	●	● 00
	43	Early childhood program: Certification number: (20% of federal credit; Attach federal Form 2441 and Form AR1000EC)	43	●	● 00
	44	TOTAL PAYMENTS: (Add lines 39 through 43)	44	●	● 00
45	AMENDED RETURNS ONLY – Previous refund: (See instructions)	45	●	● 00	
46	Adjusted Total Payments: (Subtract line 45 from line 44)	46	●	● 00	
REFUND/AMOUNT DUE	47	AMOUNT OF OVERPAYMENT/REFUND: (If line 46 is greater than line 38, enter difference)	47	●	● 00
	48	Amount to be applied to 2021 estimated tax:	48	●	● 00
	49	Amount of Check-off Contributions: (Attach Schedule AR1000-CO)	49	●	● 00
	50	AMOUNT TO BE REFUNDED TO YOU: (Subtract lines 48 and 49 from line 47)	50	REFUND ●	● 00
	51	AMOUNT DUE: (If line 46 is less than line 38, enter difference; If over \$1,000, continue to 52A)	51	TAX DUE ●	● 7,912
	52A	UEP: Attach Form AR2210 or AR2210A. If required, enter exception in box 52A ● Penalty 52B ● 472	52A	●	● 472
52C	Add lines 51 and 52B: (See instructions)	52C	TOTAL DUE 52C ●	● 8,384	

PAY ONLINE: Please visit our secure site ATAP (Arkansas Taxpayer Access Point) at www.atap.arkansas.gov. ATAP allows taxpayers or their representatives to log on, make payments and manage their account online. ATAP is available 24 hours.

PAY BY CREDIT CARD: (See instructions)

PAY BY MAIL: (See instructions)



ARKANSAS INDIVIDUAL INCOME TAX
PENALTY FOR UNDERPAYMENT
OF ESTIMATED TAX

Primary's legal name Sample Client and Sample Spouse	Primary's social security number 123-45-6789
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PART I – EXCEPTION

If you qualify for an **exception 1 through 5** (see list on back of this form) from the Underestimate Penalty, enter the exception on the line to the right and on Form AR1000F/AR1000NR, box 52A or AR1002F/AR1002NR, box 36A
If you qualify for an exception, stop here. Do not complete Part II or Part III. Attach this form to Form AR1000F/AR1000NR. (To claim exception 6, do not complete Form AR2210. For exception 6, use Form AR2210A only.)
If you do not qualify for an exception, complete Part II below.

PART II – REQUIRED ANNUAL PAYMENT

1	2020 net tax: (line 38, Form AR1000F or line 38D, AR1000NR or line 24B, AR1002F or line 24F, AR1002NR)	1	7,912.
2	Enter 90% (.90) of the amount shown on line 1:	2	7,121.
3	2020 Arkansas income tax withheld: (line 39, AR1000F/AR1000NR or line 25, AR1002F/AR1002NR)	3	
4	Subtract line 3 from line 1: (If the result is \$1,000 or less, stop here. Do not complete this schedule.)	4	7,912.
5	2019 net tax: (line 38, AR1000F or line 38D, AR1000NR or line 24B, AR1002F or line 24F, AR1002NR)	5	10,000.
6	Required annual payment. Enter the smaller of line 2 or line 5:	6	7,121.

If you do not qualify for an exception (Part I) and line 6 is more than line 3, complete Part III below.

PART III – COMPUTING THE PENALTY

PAYMENT DUE DATES

		A 4-15-2020	B 6-15-2020	C 9-15-2020	D 1-15-2021
7	Required installments. Enter 1/4 (.25) of line 6, AR2210 in each column: 7	1,780.	1,780.	1,780.	1,781.
8	Estimated tax paid and tax withheld. For column A only , enter the amount from line 8 on line 12. If line 8 is equal to or greater than line 7 for all payment periods, stop here. You do not owe the penalty. Complete lines 9 through 15 of each column before going to the next column: 8				
9	Enter amount, if any, from line 15 of previous column: 9				
10	Add lines 8 and 9: 10				
11	Add amounts on lines 13 and 14 of previous column: 11		1,780.	3,560.	5,340.
12	Subtract line 11 from line 10. If zero or less, enter 0. For column A only, enter the amount from line 8: 12	0.	0.	0.	0.
13	If the amount on line 12 is zero, subtract line 10 from line 11. Otherwise, enter zero: 13		1,780.	3,560.	
14	Underpayment. If line 7 is equal to or greater than line 12, subtract line 12 from line 7. Then go to line 9 of the next column. Otherwise, go to line 15: 14	1,780.	1,780.	1,780.	1,781.
15	Overpayment. If line 12 is more than line 7, subtract line 7 from line 12, then go to line 9 of the next column: 15				
16	Number of days from the payment due date shown at top of column to the date the amount on line 14 was paid, or 4-15-2021, whichever is earlier: 16				
17	Under- payment from line 14 x $\frac{\text{Number of days from line 16}}{365}$ x .10 17	See Attached Worksheet			
18	PENALTY. Add all the amounts on line 17 in all columns. Enter the total here and on Form AR1000F/AR1000NR, line 52B or Form AR1002F/AR1002NR, line 36B: 18	472.			

2020

Underpayment Penalty Worksheet

Sample Client and Sample Spouse

123-45-6789

Required Installment	Payment			Penalty				
	Date	Type *	Amount	Underpayment	Days Late	Rate	Amount of Penalty **	Penalty per Period
First Qtr 1,780.	4/15/20			1,780.	260	0.100	126.79	
Total								126.79
Rate Change	12/31/20			1,780.	104	0.100	50.72	
	4/15/21	5	1,780.					
Total								50.72
Second Qtr 1,780.	6/15/20			1,780.	199	0.100	97.05	
Total								97.05
Rate Change	12/31/20			1,780.	104	0.100	50.72	
	4/15/21	5	1,780.					
Total								50.72
Third Qtr 1,780.	9/15/20			1,780.	107	0.100	52.18	
Total								52.18
Rate Change	12/31/20			1,780.	104	0.100	50.72	
	4/15/21	5	1,780.					
Total								50.72
Fourth Qtr 1,781.	1/15/21			1,781.	89	0.100	43.43	
Total	4/15/21	5	1,781.					43.43

DO NOT FILE

TOTAL UNDERPAYMENT PENALTY 472.

* 1 = Overpayment
 2 = Withholding
 3 = Estimate
 4 = Extension
 5 = Paid with return

** Underpayment $\times \frac{\text{Days Late}}{365 \text{ or } 366} \times \text{Rate}$



**ARKANSAS INDIVIDUAL INCOME TAX
ITEMIZED DEDUCTIONS**

Primary's legal name Sample Client and Sample Spouse		Primary's social security number 123-45-6789	
MEDICAL AND DENTAL EXPENSES: [Do not include expense(s) paid by others]. (See instructions)			
1	Medical and dental expenses:	1	<input type="text" value="00"/>
2	Enter amount from Form AR1000F/AR1000NR, line 25A and 25B:	2	<input type="text" value="00"/>
3	Multiply line 2 by 10% (.10), otherwise enter 0:	3	<input type="text" value="00"/>
4	TOTAL MEDICAL EXPENSES: (Subtract line 3 from line 1; if more than line 1, enter 0)	4 ▶	<input type="text" value="00"/>
TAXES: (See instructions)			
5	Real estate tax:	5	<input type="text" value="4,321 00"/>
6	Personal property tax or other taxes: (List type and amount) <u>See Statement 1</u>	6	<input type="text" value="35 00"/>
7	TOTAL TAXES: (Add lines 5 and 6)	7 ▶	<input type="text" value="4,356 00"/>
INTEREST EXPENSES: (See instructions)			
8	Home mortgage interest paid to financial institutions:	8	<input type="text" value="12,004 00"/>
9	Home mortgage interest paid to an individual: Name: _____ Address: _____	9	<input type="text" value="00"/>
10	Deductible points:	10	<input type="text" value="00"/>
11	Investment interest: (Attach federal Form 4952)	11	<input type="text" value="00"/>
12	TOTAL INTEREST EXPENSE: (Add lines 8 through 11)	12 ▶	<input type="text" value="12,004 00"/>
CONTRIBUTIONS: (See instructions)			
13	Cash contributions:	13	<input type="text" value="00"/>
14	Art and literary contributions:	14	<input type="text" value="00"/>
15	Other:	15	<input type="text" value="00"/>
16	Carryover contributions: (List type and amount) _____	16	<input type="text" value="00"/>
17	TOTAL CONTRIBUTIONS: (Add lines 13 through 16)	17 ▶	<input type="text" value="00"/>
CASUALTY AND THEFT LOSSES: (See instructions)			
18	TOTAL CASUALTY AND THEFT LOSSES: (Attach Form AR4684)	18 ▶	<input type="text" value="00"/>
POST-SECONDARY EDUCATION TUITION DEDUCTION(S): (See instructions)			
19	TOTAL POST-SECONDARY EDUCATION TUITION DEDUCTION(S): [Attach AR1075(s)]	19 ▶	<input type="text" value="00"/>
MISCELLANEOUS DEDUCTIONS SUBJECT TO 2% AGI LIMIT: (See instructions)			
20	Unreimbursed employee business expenses: (Attach Form AR2106)	20	<input type="text" value="00"/>
21	Other expenses: (List type and amount) _____	21	<input type="text" value="00"/>
22	Add the amounts on lines 20 and 21. Enter the total:	22	<input type="text" value="00"/>
23	Enter amount from Form AR1000F/AR1000NR, line 25A and 25B:	23	<input type="text" value="00"/>
24	Multiply line 23 above by 2% (.02):	24	<input type="text" value="00"/>
25	TOTAL MISCELLANEOUS DEDUCTIONS: (Subtract line 24 from line 22; If line 24 is more than line 22, enter 0)	25 ▶	<input type="text" value="00"/>
OTHER MISCELLANEOUS DEDUCTIONS: (See instructions)			
26	Volunteer firefighter expenses:	26	<input type="text" value="00"/>
27	Gambling Losses:	27	<input type="text" value="00"/>
28	Other miscellaneous deductions: (List type and amount)	28	<input type="text" value="00"/>
29	TOTAL MISCELLANEOUS DEDUCTIONS NOT SUBJECT TO THE 2% AGI LIMITATION: (Add lines 26 through 28)	29 ▶	<input type="text" value="00"/>
TOTAL ITEMIZED DEDUCTIONS:			
30	Add amounts on lines 4, 7, 12, 17, 18, 19, 25, and 29 and enter the total here:	30 ▶	<input type="text" value="16,360 00"/>
Complete lines 31 - 35 ONLY if Filing Status 4 or 5.			
		PRIMARY Adjusted Gross Income	SPOUSE'S Adjusted Gross Income
31	Enter adjusted gross income from Form AR1000F/AR1000NR, line 25, columns (A) and (B) here:	31 A <input type="text" value="00"/>	31 B <input type="text" value="00"/>
32	Total Arkansas adjusted gross income: (Add columns 31A and 31B from above)	32	<input type="text" value="00"/>
33	Divide the amount on line 31A above by the amount on line 32. Enter the percentage here:	33	<input type="text" value="00"/>
34	Multiply line 30 by the percentage on line 33. Enter here and on Form AR1000F/AR1000NR, line 27, col. (A):	(Primary) 34	<input type="text" value="00"/>
35	Subtract line 34 from line 30. Enter here and on Form AR1000F/AR1000NR, line 27, column (B). If you and your spouse are using Filing Status 5, enter on line 27, col. (A) of your spouse's return:	(Spouse) 35	<input type="text" value="00"/>

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Statement 1
Form AR3, Line 6
Personal Property Tax

Vehicle Property Taxes.....	\$	35
Total	\$	<u>35</u>

DO NOT FILE



**ARKANSAS INDIVIDUAL INCOME TAX
OTHER INCOME/LOSS AND DEPRECIATION DIFFERENCES**

Primary's legal name Sample Client and Sample Spouse	Primary's social security number 123-45-6789
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Full Year Resident Filers – Complete columns **(A)** and **(B)** if using filing status 4 (married filing separately on the same return). All other filing statuses must complete column **(A) only**.

Nonresident or Part Year Resident Filers – Complete columns **(A), (B), and (C)** if using filing status 4 (married filing separately on the same return). All other filing statuses must complete columns **(A)** and **(C) only**.

Additions to Income

		(A) Primary/Joint	(B) Spouse (Status 4)	(C) Arkansas Only
1	Federal depreciation: (Attach Schedule)	8,069	00	00
2	HSA and/or MSA taxable distributions.....	00	00	00
3	Long-term care insurance contracts.....	00	00	00
4	Gambling winnings: (Attach W2-G)	00	00	00
5	Lottery / contest winnings:.....	00	00	00
6	Scholarships / fellowships / stipends:.....	00	00	00
7	Other: (Attach Schedule)	00	00	00
8	INCOME TOTAL: (Add lines 1-7 and enter total):	8,069	00	00

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Subtractions from Income

		(A) Primary/Joint	(B) Spouse (Status 4)	(C) Arkansas Only
9	State depreciation: (Attach Schedule)	8,069	00	00
10	Net operating loss: (Attach Form AR1000NOL)	00	00	00
11	Foreign earned income exclusion:.....	00	00	00
12	Loss on excess deferral distribution.....	00	00	00
13	Other: (Attach Schedule)	00	00	00
14	LOSSES TOTAL: (Add lines 9-13 and enter total)	8,069	00	00
15	NET TOTAL: (Subtract line 14 from line 8 and enter total of each column on line 22 of Form AR1000F / AR1000NR)	0	00	00

Estimated Tax Worksheet

1. State 2020 Taxable Income	133,170.
2. Increase in State taxable income	
3. Decrease in State taxable income	
4. Expected taxable income	<u>133,170.</u>
5. Estimated tax expected in 2021	<u>7,970.</u>
6. Amount from line 5 above (Based on 2020 tax rates)	7,970.
7. Additional taxes	0.
8. Credits expected in 2021	<u>58.</u>
9. Total estimated tax expected in 2021 (line 6 plus line 7 less line 8)	7,912.
10. Total required estimated tax (Based on 100% of 2021 tax)	7,912.
11. Income tax withholding expected in 2021	<u>0.</u>
12. Net required estimated tax (ln 10 less ln 11)	7,912.
13. 2020 overpayment applied to 2021	<u>0.</u>
14. Estimated tax due (line 12 less line 13)	<u><u>7,912.</u></u>

DO NOT FILE

