

# FORM 1040 INCOME AND DEDUCTION LIST

## DEPENDENTS

- Names, SS#, and Date of birth
- Income for children
- College tuition and fees, not books and room and board

## INCOME

- Form W-2s
- Form 1099 Misc – Non-employee compensation – Rent income
- Form 1099R – Retirement income
- Form 199R - lump sum distributions–born before 1936
- Form 1099R - roll over retirement funds
- Form 1099R - Annuity 1035 exchange
- Social Security Forms
- State income tax refund
- Form 1065 k-1
- Form 1120S k-1
- Form 1041 k-1
- Unemployment income
- Form 1099 Int - Interest income
- Form 1099 Div - Dividend income
  - Tax exempt interest / dividends
  - Foreign tax credit
- Form 1099B – Sales of securities
- Alimony maintenance income– need divorce decree copy
- Gambling winnings
- Jury duty
- Election income
- Alaska permanent fund income

## ABOVE THE LINE EXPENSES

- Educator expenses
- Student loan int.
- Health savings ac
- CD withdrawal penalty
- Alimony maintenance payments– need divorce decree copy
- IRA retirement plans
- SEP IRA or Solo 401K

## MEDICAL EXPENSES

- Medical and dental insurance
- Long-term care insurance
- All Doctors
- Dentist
- Drugs
- Counseling
- X-ray
- Hospital
- Glasses
- Weight loss and drug rehabilitation
- Travel and lodging
- Parking
- Ask about adult children and parents
- Adult care home for medical or mental care
- Mileage – round trip to medical visits
- You should elect this to be pre-tax at work

## TAXES

- State income tax paid on last year's tax return

- Estimated State income tax paid – Jan/Apr/Jun/Sept
- Real estate taxes
  - Personal residence
  - Second/Vacation home
  - Other property
- Real estate sold -closing or settlement statement – real estate taxes only – not excise taxes
- Real estate purchased -closing or settlement statement
- Sales tax-receipts for boat and vehicle purchases and for material to build or remodel your home.
- RTA tax on vehicle, boat, RV, and motorcycle licenses
- SDI/L&I taxes deducted from paycheck

## INTEREST EXPENSE

- Mortgage interest
  - Personal residence – 1<sup>st</sup> mortgage
  - Personal residence – 2<sup>nd</sup> mortgage
  - Personal residence – 3<sup>rd</sup> mortgage
  - Personal residence – 4<sup>th</sup> mortgage
  - Second residence – 1<sup>st</sup> mortgage
  - Second residence – 2<sup>nd</sup> mortgage
  - Line of credit
  - Private contract
  - Timeshare interest
- Mortgage Points – Loan Origination and Loan Discount Fees
  - Purchase closing or settlement statement
  - Sale closing or settlement statement – point paid by seller for buyer
  - Refinance closing or settlement statement
  - Refinance remaining balance from prior year
- Investment Interest
  - Margin interest from brokerage statement
  - Third residence – 1<sup>st</sup> mortgage
  - Third residence – 2<sup>nd</sup> mortgage
  - Raw land purchase contract

## CHARITY

- Cash and check
- Mileage
- Non-cash
  - Vehicles
  - Clothes HHG
  - Investments
  - Receipts required
  - Auto donation > \$500 gross proceed from sale by charity after 12-31-04 requires a special receipt from the charity.
  - Non cash > \$5000 requires an appraisal after 06/03/04

## CASUALTY LOSSES

- Theft
- Fire
- Collision
- Uninsured or underinsured amount > 10% of income

## MISCELLANEOUS

- Professional liability insurance paid by taxpayer (teachers, doctors, dentists, etc. who are employees)
- Professional dues and licenses paid by taxpayer
- Professional subscriptions paid by taxpayer
- Uniforms and cleaning of uniforms
- Safety clothing or shoes
- Tools paid by taxpayer required for work

- Cell phone / computer required by employer
- IRA trustee fees
- Safety deposit box fees
- Investment advisory fees
- Tax preparation and planning fees paid
- Job search and related travel costs
- Research expenses of college professor
- Office in the home for an employee that is required by the employer to work out of the home
  - Business portion of:
    - Real estate taxes
    - Mortgage Interest
    - Gas, electric, water, garbage
    - Repairs
    - Home insurance
    - Home improvements
- Education expense required for work that do not prepare you for a new profession, unless you are a teacher
- Travel and living away from home for work less reimbursements by employer
- Employee auto expense or miles for travel on behalf of employer (outside sales) less reimbursement by employer NOT included in W-2 income
- Employee meals and expenses/ cell/ parking, etc
- Legal fees paid to protect income (usually a lawsuit against the employer)
- Gambling losses
- Estate taxes from 1099R or estate IRD income
- IRA investment losses if whole IRA has been withdrawn and closed for non-deductible IRAs and Roth IRAs.

## SCHEDULE C or F

- Expense list
- Inventory
- Sale of equipment
- Depreciation schedule for prior year
- Office in the home - Purchase closing or settlement statement
- Cash payments
- Credit card payments
- Tax preparation for the prior year
- New equipment
- Equipment loan interest paid
- QuickBooks Quicken reports
- Accrual vs. cash
- Farm Schedule F
- SEP IRA or Solo 401K
- Employee tips if a restaurant 4137
- Like kind exchange 8824 – trade in of equipment

## SCHEDULE D

- Sale of property – sale and purchase closing or settlement statements
- Brokerage statements
- Cost basis stocks, mutual funds, bonds
- Installment sale 6252
- Copy of installment sale contract
- Margin interest from brokerage statements
- Sale of personal residence

## SCHEDULE E

- Royalty income

- Depreciation schedule for prior year
- Rent income
- Purchase closing or settlement statement
- Refinance closing or settlement statements
- Sale closing or settlement statements
- Tax preparation prior year
- Like kind exchange 8824
- Advertising for new tenants;
- Auto transportation expenses (mileage) to and from property for check up visits, repairs, etc;
- Cleaning and maintenance of the property;
- Commissions paid to rent out the property;
- Property insurance and mortgage insurance;
- Legal and other professional fees related to the property;
- Management paid to oversee the property;
- Mortgage interest and credit card interest paid on costs for repairs and etc.;
- Credit card and other loan interest on repairs or improvements to property;
- Repairs to property (major capital improvements must be depreciated);
- Supplies to clean and maintain the property;
- Real estate taxes;
- Utilities that you pay on the property;
- Refi costs
- Homeowners association dues;
- Bank charges;
- Travel, lodging and meals to go to and from the rental location;
- Depreciation on cost of home (excluding land) and capital improvements; and
- All other directly related expenses.

## OTHER ITEMS

- Child care 2441 – Pre-tax
- Nanny Schedule H
- College costs – tuition and fees, not room and board 8863
- IRA contributions
- Education IRA and 529 plans
- 401K review
- Required Minimum Distributions - you or parents
- Moving expenses 3903
- Adoption expenses 8839
- Net Operating Loss - Form 1045
- Annualized Estimated Penalty calculation Form 2210AI
- Diesel auto / gas off-road Form 4136
- Child's investment income where age is < 14, Form 8615
- Hybrid vehicle deduction