

### Return #3

*Please suppress the state on screen 1 of data entry by selecting 0 from the **Resident State** field.*

Lloyd and Maria Callis are married and have two children. Lloyd Callis was born on January 15, 1965. His social security number is 400-00-1803 and is employed a Repairman. Maria was born on July 12, 1967. Her social security number is 400-00-1896 and she is self-employed. Lloyd and Maria's filing status is married filing jointly.

Lloyd and Maria live at:  
4876 Washington Ave  
Huntington WV 25704  
Wayne County

Lloyd and Maria's daytime phone number is 304-524-5555.

Their oldest child is Zach who was born on May 15, 1999, his social security number is 400-00-1860. Isabella was born on September 30, 2002 and her social security number is 400-00-1867. Both children lived with their parents the entire year.

Isabella attended Big Heart Day Care, at a cost of \$4,975 for this year. Big Heart Day Care is located at 1700 First Street, Huntington WV 25704. Its employer identification number (EIN) is 96-0213254. Remember to list the amount of expenses on both the 2441 and Dependent screens.

Lloyd has one W-2 for \$66,800 (attached). Verify wages and withholding at the bottom of the **W2** screen.

Maria is self-employed as a real estate appraiser and has her office in their home. She started her home office on March 15, 2008. The cost of the home including land was \$190,000. Of this \$190,000 home cost, the land basis of her home is \$26,000. Her office is 250 sq. ft. of the 2,100 sq. ft. total in their home. Her indirect expenses for her office in home were \$12,060 mortgage interest, \$820 real estate taxes, \$450 for insurance, and \$600 for utilities. Her direct expenses, grouped as other, totaled \$300.

Maria does business under the name "Maria's Appraisal Service" and uses a business code of 531320. She uses the cash accounting method, materially participated during the current tax year, and all investment was at risk. Maria's Appraisal Service earned \$125,692 in gross receipts/sales. Her expenses included: advertising \$1,220, insurance \$750, repairs & maintenance \$800, and taxes & licenses \$585. The inventory valuation method used was cost. The cost of goods sold included: a beginning inventory of \$3,955; purchases less personal \$845; cost of labor \$7,200; materials & supplies \$7,750; and her ending inventory was \$3,575.

She purchased the company's 2008 Ford Taurus for \$16,500 on February 12, 2008 and put it into service the same day. The listed property type is an under 6,000 pound car to which limits apply. She is using the MACRS method with a life of 5 years. She put 25,000 business miles on the car; 13,000 the first half of the year and 12,000 the last half. She also put another 8,000 miles on the car for personal (or other) use. Maria had another vehicle available during non-work hours and kept records of her vehicle expenses. The expenses for the listed property were gas (\$4,500), insurance (\$850), property tax (\$415), oil (\$350), and tires (\$600). The total business miles put on this vehicle since being placed in service is 37,000 with the total of all miles on the vehicle being 60,000.

Lloyd and Maria's joint itemized deductions include medical/dental \$7,185; state/local taxes \$812; real estate taxes \$820 (listed as an indirect expense on Form 8829; do not duplicate on Schedule A); personal property taxes \$475; mortgage interest \$12,060 (listed as an indirect expense on Form 8829); charitable contributions \$590; and tax prep fees of \$75.

In addition, there was joint interest income from: Bank of America \$520, BB & T Bank \$739, Fifth Third Bank \$683. None of these involved a foreign bank account or foreign trust.

Indicate on federal screen 1 that they paid \$50,000 in prior year taxes. They also paid \$12,500 each quarter in estimated taxes.

Lloyd and Maria received a \$1,800 economic stimulus payment in 2008.

After keying in all relevant data, you must **always** recalculate the return before selecting files to transmit!

<b>a</b> Employee's social security number <b>400-00-1803</b>		Safe, accurate, FAST! Use <b>e-file</b>		Visit the IRS website at <a href="http://www.irs.gov/efile">www.irs.gov/efile</a> .	
<b>b</b> Employer identification number (EIN) <b>26-1379548</b>		<b>1</b> Wages, tips, other compensation <b>66,800</b>		<b>2</b> Federal income tax withheld <b>14,696</b>	
<b>c</b> Employer's name, address, and ZIP code <b>GOOD AIR HEATING AND COOLING</b>  <b>901 25TH STREET</b> <b>HUNTINGTON WV 25705</b>		<b>3</b> Social security wages <b>66,800</b>		<b>4</b> Social security tax withheld <b>4,142</b>	
		<b>5</b> Medicare wages and tips <b>66,800</b>		<b>6</b> Medicare tax withheld <b>969</b>	
		<b>7</b> Social security tips		<b>8</b> Allocated tips	
<b>d</b> Control number		<b>9</b> Advance EIC payment		<b>10</b> Dependent care benefits	
<b>e</b> Employee's first name and initial <b>LLOYD</b>		Last name <b>CALLIS</b>		<b>11</b> Nonqualified plans <small>See instructions for box 12</small>	
<b>4876 WASHINGTON AVE</b> <b>HUNTINGTON WV 25704</b>		<b>13</b> Statutory employee <input type="checkbox"/> Retiree plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		<b>12a</b>	
		<b>14</b> Other		<b>12b</b>	
<b>f</b> Employee's address and ZIP code		<b>15</b> State Employer's state ID no. <b>WV 3333333333333333</b>		<b>16</b> State wages, tips, etc. <b>66,800</b>	
		<b>17</b> State income tax <b>705</b>		<b>18</b> Local wages, tips, etc.	
				<b>19</b> Local income tax	
				<b>20</b> Locality name	

Form **W-2** Wage and Tax Statement **2008** Department of the Treasury - Internal Revenue Service

Copy B - To be Filed With Employee's FEDERAL Tax Return.  
 This information is being furnished to the Internal Revenue Service.

The information on the Form W-2 was used to prepare the taxpayer's 2008 Federal tax return by Drake Tax Service.