

Return #7

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

Neal Geadelli is a single lawyer whose social security number is 400-00-1907. His date of birth is June 22, 1949.

Neal lives at:
333 Bird Brown Rd
Franklin, NC 28734

His cell phone is 828-222-2222.

Neal has one W-2 (attached).

<input type="checkbox"/> Void		a Employee's social security number 400-00-1907	For Official Use Only ▶ OMB No. 1545-0008		
b Employer identification number (EIN) 88-2212345		1 Wages, tips, other compensation 84,340		2 Federal income tax withheld 7,300	
c Employer's name, address, and ZIP code CITY OF HIGHLANDS 222 Ridge Lane Highlands NC 28741		3 Social security wages 84,340		4 Social security tax withheld 5,229	
		5 Medicare wages and tips 84,340		6 Medicare tax withheld 1,223	
		7 Social security tips		8 Allocated tips	
d Control number		9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial NEAL		Last name GEADELLI		Suff.	
333 Bird ST Franklin NC 28734		11 Nonqualified plans		12a See instructions for box 12 <input type="checkbox"/>	
f Employee's address and ZIP code		13 Statutory employee <input type="checkbox"/> Retmnt. plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b <input type="checkbox"/>	
		14 Other		12c <input type="checkbox"/>	
				12d <input type="checkbox"/>	
15 State Employer's state ID no. NC 77223333	16 State wages, tips, etc. 84,340	17 State income tax 4,723	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Neal paid \$3,000 each quarter in estimated taxes. Payments were made on the proper due dates.

Neal had interest from Citi Bank for \$6,500.

He had dividend income from Hometown Bank of \$450.00 and capital gain distributions of \$3,500.

Neal has three rental properties.

1) Property 1 – Kind of property - House 444 Bluebird Way, Highlands, NC 28741

Select 'A' from the **Activity Type** field.

All the investment was at risk

Property was not disposed of in 2009

Property was not used for personal purposes

Neal's rent income was \$18,750. His expenses included:

Cleaning & maintenance	\$1,400
Insurance	\$1,100
Legal and professional	\$ 650
Management fees	\$2,100
Interest – Mortgage	\$4,100
Repairs	\$ 655
Supplies	\$ 125
Taxes	\$1,300
Utilities	\$1,725

2) Property 2 – Kind of property - House – 777 Red Bird Way, Highlands, NC 28741

Select 'A' from the **Activity Type** field.

All the investment was at risk

Property was not disposed of in 2009

Property was not used for personal purposes

Neal's rent income was \$21,500. His expenses included:

Cleaning & maintenance	\$1,400
Insurance	\$1,100
Legal and professional	\$ 750
Management fees	\$2,200
Interest – Mortgage	\$5,600
Repairs	\$ 900
Supplies	\$ 125
Taxes	\$1,750
Utilities	\$1,600

3) Property 3 – Kind of property - House - 444 Snow Bridge Court, Highlands, NC 28741

Select 'A' from the **Activity Type** field.

All the investment was at risk

Property was not disposed of in 2008

Property was not used for personal purposes

Neal's rent income was \$17,500. His expenses included:

Advertising	\$ 575
Auto & travel	\$ 340
Cleaning & maintenance	\$1,500
Insurance	\$1,100
Legal and professional	\$ 475

Interest – Mortgage	\$3,225
Repairs	\$ 690
Supplies	\$ 125
Taxes	\$1,390
Utilities	\$1,690

Enter all depreciation on the properties. Enter multi-form codes.

Business use 100% on each property

Description	Date Acquired	Cost	Method	Life	Prior Depreciation	Land Cost
Rental House 1 Bluebird	02/19/2002	\$155,000	ARR	27.5	\$43,211	\$51,250
Rental House 2 Red Bird	04/12/2003	\$125,000	ARR	27.5	\$27,272	\$42,567
Rental House 3 Snow Bridge	01/12/2004	\$175,000	ARR	27.5	\$31,818	\$61,250

Rental Property #3 – the house on Snow Bridge has a carryover credit from a Form 8826 – Disabled Access Credit of 700. Enter this on the PACR screen.

Neal had 3,700 shares of ABC stock that he sold June 13, 2009 for \$55,500. He bought the shares of ABC stock January 12, 2002 for \$12.00 a share. There were no commissions or sales fees.

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