

Return #8

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

John and Hannah Hancock are married with no children. John's Social Security Number is 400-00-1808. His date of birth is September 13 1951. He is an attorney.

His wife Hannah's social security number is 400-00-1855. Her date of birth is May 15, 1970. She is the office manager for a heating and air conditioning company.

John and Hanna's filing status is Married Filing Jointly.

John and Hannah live at:
1011 Hilltop Road
Billings, MT 59105
Yellowstone County

Their evening phone number is 406-222-3333.

John is a partner in a local restaurant. A partnership is a pass-through entity. The owners of a partnership must report their distributive shares of the partnership's income, gains, losses, deductions, and credits on their individual returns.

Go to the **Income** tab, K1 Partnership K-1, and enter the applicable information from John's K-1. For this scenario, it isn't necessary to add the information from "Part II - Information About the Partner." It isn't necessary to enter information in the passive activity and at-risk section since there isn't a loss.

John has a W-2 for \$60,585 and Hannah has a W-2 for \$34,325 (both attached). Verify wages and withholding at the bottom of the **W2** screens.

They paid \$2000 per quarter in estimated taxes April 15th, June 15th, September 15th 2008, and January 15th 2009.

John and Hanna received a \$1,200 economic stimulus payment in 2008.

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

2008

Schedule K-1 (Form 1065)

Department of the Treasury Internal Revenue Service

For calendar year 2008, or tax year beginning _____, 2008 ending _____, 20

Partner's Share of Income, Deductions, Credits, etc. See page 20 for instructions.

Final K-1 Amended K-1 OMB No. 1545-0099

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 2 columns: Item number and Description. Items include: 1 Ordinary business income (loss) 18,279; 2 Net rental real estate income (loss); 3 Other rental income (loss); 4 Guaranteed payments 5,339; 5 Interest income; 6a Ordinary dividends; 6b Qualified dividends; 7 Royalties; 8 Net long-term capital gain (loss); 9a Net short-term capital gain (loss); 9b Collectible (28%) gain (loss); 9c Unrecaptured section 1250 gain; 10 Net section 1231 gain (loss); 11 Other income (loss); 12 Section 179 deduction; 13 Other deductions; 14 Self-employment earnings (loss) A 5,339; 15 Credits; 16 Foreign tax credits; 17 Alternative minimum tax (AMT) items A 350; 18 Tax-exempt income and nondeductible expenses C 85; 19 Distributions; 20 Other information.

Part I Information About the Partnership

Form section for Part I: A Partnership's employer identification number 45-5667777; B Partnership's name, address, city, state, and ZIP code BEST FOODS 111 CORPORATE PKWY STE 123 BILLINGS, MT 59105; C IRS Center where partnership filed return OGDEN; D Check if this is a publicly traded partnership (PTP).

Part II Information About the Partner

Form section for Part II: E Partner's identifying number 40-0001808; F Partner's name, address, city, state, and ZIP code JOHN HANCOCK 1011 HILLTOP RD BILLINGS, MT 59105.

Form section for G, H, I: G General partner or LLC member-manager (unchecked) Limited partner or other LLC member (checked); H Domestic partner (checked) Foreign partner (unchecked); I What type of entity is this partner? LLC - PARTNERSHIP.

Table for J: Partner's share of profit, loss, and capital. Columns: Beginning, Ending. Rows: Profit (25,000), Loss (25,000), Capital (25,000).

Form section for K: Partner's share of liabilities at year end. Rows: Nonrecourse, Qualified nonrecourse financing, Recourse.

Table for L: Partner's capital account analysis. Rows: Beginning capital account (3,250), Capital contributed during the year, Current year increase (decrease) (18,194), Withdrawals & distributions, Ending capital account (21,444).

Form section for accounting methods: Tax basis (checked), GAAP (unchecked), Section 704(b) book (unchecked), Other (applies) (unchecked).

*See attached statement for additional information.

FOR IRS USE ONLY



a Employee's social security number 400-00-1808		Safe, accurate, FAST! Use IRS e-file		Visit the IRS website at www.irs.gov/efile.	
b Employer identification number (EIN) 22-3332444		1 Wages, tips, other compensation 60,585	2 Federal income tax withheld 8,700		
c Employer's name, address, and ZIP code SMITH BROWN JONES & HANCOCK 322 ASYLUM STREET BILLINGS MT 59101		3 Social security wages 60,585	4 Social security tax withheld 3,756		
		5 Medicare wages and tips 60,585	6 Medicare tax withheld 878		
		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 Last name Suffix JOHN HANCOCK 1011 HILLTOP ROAD BILLINGS MT 59105		11 Nonqualified plans	12a See instructions for box 12		
		13 Statutory employee <input type="checkbox"/> Retiree plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	12b		
		14 other	12c		
f Employee's address and ZIP code		15 State Employer's state ID no. MT 811111111111111	16 State wages, tips, etc. 60,585	17 State income tax 4,550	18 Local wages, tips, etc.
				19 Local income tax	20 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.

a Employee's social security number 400-00-1855		Safe, accurate, FAST! Use IRS e-file		Visit the IRS website at www.irs.gov/efile.	
b Employer identification number (EIN) 66-8899889		1 Wages, tips, other compensation 34,325	2 Federal income tax withheld 4,775		
c Employer's name, address, and ZIP code LUXURY HEAT AND AIR 525 GLENDALE ROAD BILLINGS MT 59105		3 Social security wages 34,325	4 Social security tax withheld 2,128		
		5 Medicare wages and tips 34,325	6 Medicare tax withheld 498		
		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 Last name Suffix HANNAH HANCOCK 1011 HILLTOP ROAD BILLINGS MT 59105		11 Nonqualified plans	12a See instructions for box 12		
		13 Statutory employee <input type="checkbox"/> Retiree plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	12b		
		14 other	12c		
f Employee's address and ZIP code		15 State Employer's state ID no. MT 82222222222222	16 State wages, tips, etc. 34,325	17 State income tax 1,750	18 Local wages, tips, etc.
				19 Local income tax	20 Locality name

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