

EFSTATUS	EF Transmission Status (Keep for your records)	2011
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Name(s) as shown on return DON KNIGHT	Your social security number 400-00-3002
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The following will be transmitted to the IRS.

- 1040
 4868
 2350
 9465
 Form 56

The following state returns will be transmitted:

_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

The following returns have been suppressed or are not eligible and will NOT be transmitted.

_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

EF Notes

For the year Jan. 1-Dec. 31, 2011, or other tax year beginning , 2011, ending , 20

See separate instructions.

Your first name and initial DON
If a joint return, spouse's first name and initial

Last name KNIGHT
Last name

Your social security number 400-00-3002
Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. 300 123RD AVE

Apt. no.
Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). SPARTANBURG SC 29303

Foreign country name Foreign province/county Foreign postal code
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. You Spouse

Filing Status
1 [X] Single
2 [] Married filing jointly (even if only one had income)
3 [] Married filing separately. Enter spouse's SSN above and full name here.

4 [] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here.
5 [] Qualifying widow(er) with dependent child

Exemptions

6a [X] Yourself. If someone can claim you as a dependent, do not check box 6a
6b [] Spouse

Boxes checked on 6a and 6b 1
No. of children on 6c who:
- lived with you
- did not live with you due to divorce or separation (see instructions)
Dependents on 6c not entered above
Add numbers on lines above 1

Table with columns: (1) First name, Last name, (2) Dependent's social security number, (3) Dependent's relationship to you, (4) If child under age 17 qualifying for child tax credit (see instructions)

d Total number of exemptions claimed

Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2
8a Taxable interest. Attach Schedule B if required
8b Tax-exempt interest. Do not include on line 8a
9a Ordinary dividends. Attach Schedule B if required
9b Qualified dividends 650
10 Taxable refunds, credits, or offsets of state and local income taxes
11 Alimony received
12 Business income or (loss). Attach Schedule C or C-EZ
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here
14 Other gains or (losses). Attach Form 4797
15a IRA distributions
15b Taxable amount
16a Pensions and annuities
16b Taxable amount
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E
18 Farm income or (loss). Attach Schedule F
19 Unemployment compensation
20a Social security benefits
20b Taxable amount
21 Other income
22 Combine the amounts in the far right col for lines 7 through 21. This is your total income

Table with columns: Line number, Amount
7 28,000
8a 2,600
9a 800
13 4,500
22 35,900

Adjusted Gross Income

23 Educator expenses
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ
25 Health savings account deduction. Attach Form 8889
26 Moving expenses. Attach Form 3903
27 Deductible part of self-employment tax. Attach Schedule SE
28 Self-employed SEP, SIMPLE, and qualified plans
29 Self-employed health insurance deduction
30 Penalty on early withdrawal of savings
31a Alimony paid b Recipient's SSN
32 IRA deduction
33 Student loan interest deduction
34 Tuition and fees. Attach Form 8917
35 Domestic production activities deduction. Attach Form 8903
36 Add lines 23 through 35
37 Subtract line 36 from line 22. This is your adjusted gross income

Table with columns: Line number, Amount
36
37 35,900

Tax and Credits

Standard Deduction for - People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. All others: Single or Married filing separately, \$5,800 Married filing jointly or Qualifying widow(er), \$11,600 Head of household, \$8,500

Table with 3 columns: Line number, Description, and Amount. Rows include: 38 Amount from line 37 (adjusted gross income) 35,900; 39a Check boxes for blindness; 40 Itemized deductions (from Schedule A) or your standard deduction 5,800; 41 Subtract line 40 from line 38 30,100; 42 Exemptions. Multiply \$3,700 by the number on line 6d 3,700; 43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- 26,400; 44 Tax (see instructions). Check if any from: a Form(s) 8814 b Form 4972 c 962 election 2,766; 45 Alternative minimum tax (see instructions). Attach Form 6251; 46 Add lines 44 and 45 2,766; 47 Foreign tax credit. Attach Form 1116 if required; 48 Credit for child and dependent care expenses. Attach Form 2441; 49 Education credits from Form 8863, line 23; 50 Retirement savings contributions credit. Attach Form 8880; 51 Child tax credit (see instructions); 52 Residential energy credits. Attach Form 5695; 53 Other credits from Form: a 3800 b 8801 c; 54 Add lines 47 through 53. These are your total credits 2,766; 55 Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-

Other Taxes

Table with 3 columns: Line number, Description, and Amount. Rows include: 56 Self-employment tax. Attach Schedule SE; 57 Unreported social security and Medicare tax from Form: a 4137 b 8919; 58 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required; 59a Household employment taxes from Schedule H; 59b First-time homebuyer credit repayment. Attach Form 5405 if required; 60 Other taxes. Enter code(s) from instructions; 61 Add lines 55 through 60. This is your total tax 2,766

Payments

If you have a qualifying child, attach Schedule EIC.

Table with 3 columns: Line number, Description, and Amount. Rows include: 62 Federal income tax withheld from Forms W-2 and 1099 2,900; 63 2011 estimated tax payments and amount applied from 2010 return 2,000; 64a Earned income credit (EIC); b Nontaxable combat pay election 64b; 65 Additional child tax credit. Attach Form 8812; 66 American opportunity credit from Form 8863, line 14; 67 First-time homebuyer credit from Form 5405, line 10; 68 Amount paid with request for extension to file; 69 Excess social security and tier 1 RRTA tax withheld; 70 Credit for federal tax on fuels. Attach Form 4136; 71 Credits from Form: a 2439 b 8839 c 8801 d 8885; 72 Add lines 62, 63, 64a, and 65 through 71. These are your total payments 4,900

Refund

Direct deposit? See instructions.

Table with 3 columns: Line number, Description, and Amount. Rows include: 73 If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid 2,134; 74a Amount of line 73 you want refunded to you. If Form 8888 is attached, check here 2,134; b Routing number XXXXX XXXX Type: Checking Savings; d Account number XXXXX XXXX XXXX XXXX XXXX XXXX; 75 Amount of line 73 you want applied to your 2012 estimated tax 75

Amount You Owe

Table with 3 columns: Line number, Description, and Amount. Rows include: 76 Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions; 77 Estimated tax penalty (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 [X] 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.

Table for signatures and dates. Columns: Your signature, Date, Your occupation, Daytime phone number; Spouse's signature, Date, Spouse's occupation, Identity Protection PIN (see inst.)

Paid Preparer Use Only

Table for preparer information. Fields: Preparer's signature, Date, Check self-employed if PTIN; Print/Type preparer's name, Firm's name, Firm's address, Firm's EIN, Phone no.

SCHEDULE B
(Form 1040A or 1040)

Interest and Ordinary Dividends

OMB No. 1545-0074

2011

Attachment
Sequence No. **08**

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to Form 1040A or 1040.**

▶ **See instructions.**

Name(s) shown on return

Your social security number

DON KNIGHT

400-00-3002

Part I
Interest

1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions and list this interest first. Also, show that buyer's social security number and address ▶

Amount

(See instructions for Form 1040A, or Form 1040, line 8a.)

INFIDELITY SECURITIES COMAPY

2,600

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

INTEREST SUBTOTAL **2,600**

2 Add the amounts on line 1 **2** **2,600**

3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815 **3**

4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ▶ **4** **2,600**

Note. If line 4 is over \$1,500, you must complete Part III.

Part II
Ordinary Dividends

5 List name of payer ▶

INFIDELITY SECURITY COMPANY

800

(See instructions for Form 1040A, or Form 1040, line 9a.)

DIVIDEND SUBTOTAL **800**

6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ▶ **6** **800**

Note. If line 6 is over \$1,500, you must complete Part III.

Part III
Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over \$1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes

No

7a At any time during 2011, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions **X**

If "Yes," are you required to file Form TD F 90-22.1 to report that financial interest or signature authority? See Form TD F 90-22.1 and its instructions for filing requirements and exceptions to those requirements **X**

b If you are required to file Form TD F 90-22.1, enter the name of the foreign country where the financial account is located ▶

8 During 2011, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions **X**

**SCHEDULE D
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Capital Gains and Losses

▶ **Attach to Form 1040 or Form 1040NR.** ▶ **See Instructions for Schedule D (Form 1040).**
▶ **Use Form 8949 to list your transactions for lines 1, 2, 3, 8, 9, and 10.**

OMB No. 1545-0074

2011

Attachment
Sequence No. **12**

Name(s) shown on return

DON KNIGHT

Your social security number

400-00-3002

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

Complete Form 8949 before completing line 1, 2, or 3. This form may be easier to complete if you round off cents to whole dollars.	(e) Sales price from Form(s) 8949, line 2, column (e)	(f) Cost or other basis from Form(s) 8949, line 2, column (f)	(g) Adjustments to gain or loss from Form(s) 8949, line 2, column (g)	(h) Gain or (loss) Combine columns (e), (f), and (g)
1 Short-term totals from all Forms 8949 with box A checked in Part I		()		
2 Short-term totals from all Forms 8949 with box B checked in Part I		()		
3 Short-term totals from all Forms 8949 with box C checked in Part I		()		
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6 ()
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on page 2				7

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

Complete Form 8949 before completing line 8, 9, or 10. This form may be easier to complete if you round off cents to whole dollars.	(e) Sales price from Form(s) 8949, line 4, column (e)	(f) Cost or other basis from Form(s) 8949, line 4, column (f)	(g) Adjustments to gain or loss from Form(s) 8949, line 4, column (g)	(h) Gain or (loss) Combine columns (e), (f), and (g)
8 Long-term totals from all Forms 8949 with box A checked in Part II		()		
9 Long-term totals from all Forms 8949 with box B checked in Part II	8,000	()	(3,500)	4,500
10 Long-term totals from all Forms 8949 with box C checked in Part II		()		
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14 ()
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (h). Then go to Part III on page 2				15 4,500

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

EEA

Schedule D (Form 1040) 2011

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result</p> <p style="margin-left: 20px;">If line 16 is a gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.</p>	16	<u>4,500</u>
<p>17 Are lines 15 and 16 both gains? <input checked="" type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p>		
<p>18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet in the instructions ▶</p>	18	
<p>19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet in the instructions ▶</p>	19	
<p>20 Are lines 18 and 19 both zero or blank? <input checked="" type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Schedule D Tax Worksheet in the instructions. Do not complete lines 21 and 22 below.</p>		
<p>21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of:</p> <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) <p style="margin-left: 20px;">} ▶</p> <p>Note. When figuring which amount is smaller, treat both amounts as positive numbers.</p>	21	()
<p>22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.</p>		

Department of the Treasury
Internal Revenue Service

▶ **Do not send to the IRS. This is not a tax return.**
▶ **Keep this form for your records. See instructions.**

2011

Declaration Control Number (DCN) ▶

00-561332-020022

Taxpayer's name

DON KNIGHT

Social security number

400-00-3002

Spouse's name

Spouse's social security number

Part I Tax Return Information - Tax Year Ending December 31, 2011 (Whole Dollars Only)

1	Adjusted gross income (Form 1040, line 38; Form 1040A, line 22; Form 1040EZ, line 4)	1	35,900
2	Total tax (Form 1040, line 61; Form 1040A, line 35; Form 1040EZ, line 10)	2	2,766
3	Federal income tax withheld (Form 1040, line 62; Form 1040A, line 36; Form 1040EZ, line 7)	3	2,900
4	Refund (Form 1040, line 74a; Form 1040A, line 43a; Form 1040EZ, line 11; Form 1040-SS, Part I, line 12a) . .	4	2,134
5	Amount you owe (Form 1040, line 76; Form 1040A, line 45; Form 1040EZ, line 12)	5	

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 my electronic individual income tax return and accompanying schedules and statements for the tax year ending December 31, 2011, 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 my electronic income tax return. 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. I further understand that this authorization may apply to future Federal tax payments that I direct to be debited through the Electronic Federal Tax Payment System (EFTPS). I authorize EFTPS to issue me a personal identification number (PIN) to access EFTPS. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To request that my PIN be mailed to me, or 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 my electronic income tax return and, if applicable, my Electronic Funds Withdrawal Consent.

Taxpayer's PIN: check one box only

I authorize Drake Software to enter or generate my PIN 02002
ERO firm name Enter five numbers, but do not enter all zeros
as my signature on my tax year 2011 electronically filed income tax return.

I will enter my PIN as my signature on my tax year 2011 electronically filed income tax return. 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 _____ to enter or generate my PIN _____
ERO firm name Enter five numbers, but do not enter all zeros
as my signature on my tax year 2011 electronically filed income tax return.

I will enter my PIN as my signature on my tax year 2011 electronically filed income tax return. 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. 561332-12345
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature for the tax year 2011 electronically filed income tax return 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 **Publication 1345**, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns.

ERO's signature ▶ Preparer1 Date ▶ 12-19-2011

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

**Acknowledgement and General Information for
Taxpayers Who File Returns Electronically**

Thank you for participating in IRS e-file.

Taxpayer name DON KNIGHT

Taxpayer address (optional)

300 123RD AVE
SPARTANBURG, SC 29303

1. Your federal income tax return for 2011 was filed electronically with the PHILADELPHIA Submission Processing Center. The electronic filing services were provided by Drake Software.
2. Your return was accepted on _____ using a Personal Identification Number (PIN) as your electronic signature. You entered a PIN or authorized the Electronic Return Originator (ERO) to enter or generate a PIN for you. The Declaration Control Number (DCN) assigned to your return is _____.
3. Your return was accepted on _____. Please allow 4-6 weeks for the processing of your return. The Earned Income Credit or a dependent's exemption on your return may be reduced or disallowed due to a child's name and social security number mismatch.
4. Your electronic funds withdrawal payment was accepted.
5. Your electronic funds withdrawal payment was not accepted. You must pay the balance due by the prescribed due date. You may see your payment options in the "If You Owe Tax" section.
6. Your Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, was accepted on _____. The Declaration Control Number (DCN) assigned to your extension is _____.

**PLEASE DO NOT SEND A PAPER COPY OF YOUR RETURN TO THE IRS.
IF YOU DO, IT WILL DELAY THE PROCESSING OF THE RETURN.**

If You Need to Make a Change to Your Return

If you need to make a change or correct the return you filed electronically, you should send a Form 1040X, Amended U.S. Individual Income Tax Return, to the IRS Submission Processing Center that processes paper returns for your area. The address is available at www.irs.gov, or you can call the IRS toll-free at 1-800-829-1040.

If You Need to Ask About Your Refund

The IRS notifies your Electronic Return Originator (ERO) when your return is accepted, usually within 48 hours. If your return was not accepted, the IRS notifies your ERO of the reasons for rejection. If it has been more than three weeks since the IRS accepted your return and you have not received your refund, go to www.irs.gov and click on "Where's My Refund?" to view your refund status. Exception: If box 3 above is checked, please allow 4 to 6 weeks for processing of your return. A notice will be sent to you advising of changes to your return.

Also, you can call the TeleTax line at 1-800-829-4477, for automated refund information. You should have available the first social security number shown on your return, your filing status, and the exact amount of the refund you expect. TeleTax gives you the date for mailing or depositing your refund. You should receive your refund check within 30 days of the date given by TeleTax, or within one week of that date, if you chose direct deposit. If you do not receive it by then, or if TeleTax does not give your refund information, call the Refund Hotline at 1-800-829-1954.

The IRS uses refunds to cover overdue taxes and notifies you when this occurs. The Financial Management Service (FMS) offsets refunds through the Treasury Offset Program (TOP) to cover past due child support, federal agency non-tax debts such as student loans and state income tax obligations. FMS sends you an offset notice if it applies your refund or part of your refund to non-tax debts. If you have questions about the offset, contact the agency identified in the notice. You may also call the Treasury Offset Program Call Center at 1-800-304-3107, if you have additional questions.

If You Owe Tax

If your return has a balance due, you must pay the amount you owe by the prescribed due date. If you paid by electronic funds withdrawal (direct debit) or by credit card, no voucher is needed. The credit card service providers will charge a convenience fee based on the amount of taxes you are paying. The fees and the type of credit or debit cards accepted may vary between providers. You will be told the amount of the fee during the transaction and you will be given the option to either continue or end the transaction. For information on paying your taxes electronically, including by credit or debit card, go to www.irs.gov/e-pay.

If you are not paying electronically, you may use the Form 1040-V, Payment Voucher, which you can obtain from your Electronic Return Originator. If the IRS does not receive your payment by the prescribed due date, you will receive a notice that requests full payment of the tax due, plus penalties and interest. If you can not pay the amount in full, complete Form 9465, Installment Agreement Request, which you may file electronically. To apply for an installment agreement online, go to www.irs.gov. You may also order Form 9465 by calling 1-800-TAX-FORM (1-800-829-3676). If approved, the IRS charges a user fee to set up an installment agreement.

If You Need to Inquire About Your Electronic Funds Withdrawal Payment

You may call 1-888-353-4537, to inquire about the status of an electronic funds withdrawal payment. If there is a change to the bank account information included on your return, you should call this number to cancel a scheduled payment. You should have available the social security number of the first person listed on the tax return, the payment amount, and the bank account number. Cancellation requests must be received no later than 8:00 p.m. Eastern time, two business days prior to the scheduled payment date.

Refund Anticipation Loans

A refund anticipation loan is money borrowed from a lender based on the refund you expect to receive. This loan is a contract between you and a lender. The IRS is not associated with this contract, nor does it grant or deny the loan. **If you have questions about a refund anticipation loan, contact your Electronic Return Originator or the lender.**

Instructions to Electronic Return Originators

Line 2 - PIN Presence Indicator - Check box 2 if the taxpayer entered a PIN or authorized the ERO to enter or generate the PIN for the taxpayer, and the Acknowledgement File PIN Presence Indicator is a 1, 2, or 3. Form 8879, IRS e-file Signature Authorization, is required if the ERO enters or generates the PIN or if the Practitioner PIN method is used.

Use Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return, to send required paper forms or supporting documentation listed next to the form check boxes (do not send Forms W-2, W-2G, or 1099-R).

Line 3 - Exception Processing - Check box 3 if the Acknowledgement File Acceptance Code equals "E." The acceptance code indicates that this return has been previously rejected and this subsequent submission still has invalid data.

Line 4 - Payment Acknowledgement Literal - Check box 4 if the taxpayer requested to use electronic funds withdrawal to pay the balance due, and the Acknowledgement File Payment Acknowledgement Literal field equals "PYMNT RQST RECD."

Line 5 - Payment Acknowledgement Literal - Check box 5 if the taxpayer requested to use electronic funds withdrawal to pay the balance due, and the Acknowledgement File Payment Acknowledgement Literal field does not equal "PYMNT RQST RECD." If box 5 is checked, inform the taxpayer that he/she must pay by check, money order, debit card, or credit card.

Note: EROs can use the Acknowledgement File information, translated by the transmitter, to complete Form 9325.

		a Employee's social security number 400-00-3002		Safe, accurate, FAST! Use		IRS e-file		Visit the IRS website at www.irs.gov/efile		
b Employer identification number (EIN) 05-555555				1 Wages, tips, other compensation 28,000		2 Federal income tax withheld 2,900				
c Employer's name, address, and ZIP code CHILD CARE 21 SILVER SPRING ROAD FORT SCOTT KS 66701				3 Social security wages 28,000		4 Social security tax withheld 1,176				
				5 Medicare wages and tips 28,000		6 Medicare tax withheld 406				
				7 Social security tips		8 Allocated tips				
d Control number				9		10 Dependent care benefits				
e Employee's first name and initial DON KNIGHT 300 123RD AVE SPARTANBURG SC 29303				11 Nonqualified plans		12a See instructions for box 12				
				13 Statutory employee <input type="checkbox"/> Retmnt. plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b				
				14 Other		12c				
						12d				
f Employee's address and ZIP code										
15 State Employer's state ID no. SC KS83333		16 State wages, tips, etc. 28,000		17 State income tax 1,225		18 Local wages, tips, etc.		19 Local income tax		20 Locality name

Form **W-2** Wage and Tax Statement

EEA

2011

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 2011 Federal tax return by Drake Software

Name as shown on return

DON KNIGHT

Your Social Security Number

400-00-3002

Keep for Your Records

Interest and Dividends

- 1. Enter any amount from Form 1040, line 8a ... 1. 2,600
2. Enter any amount from Form 1040, line 8b, plus any amount on Form 8814, line 1b ... 2.
3. Enter any amount from Form 1040, line 9a ... 3. 800
4. Enter the amount from Form 1040, line 21, that is from Form 8814 if you are filing that form to report your child's interest and dividend income on your return. (If your child received an Alaska Permanent Fund dividend, use Worksheet 2, on the next page, to figure the amount to enter on this line.) ... 4.

Capital Gain Net Income

- 5. Enter the amount from Form 1040, line 13. If the amount on that line is a loss, enter -0- ... 5. 4,500
6. Enter any gain from Form 4797, Sales of Business Property, line 7. If the amount on that line is a loss, enter -0-. (But, if you completed lines 8 and 9 of Form 4797, enter the amount from line 9 instead.) ... 6.
7. Subtract line 6 of this worksheet from line 5 of this worksheet. (If the result is less than zero, enter -0-.) ... 7. 4,500

Royalties and Rental Income from Personal Property

- 8. Enter any royalty income from Schedule E, line 4, plus any income from the rental of personal property shown on Form 1040, line 21, minus any expenses from Schedule E, line 21, related to royalty income, plus any expenses from the rental of personal property deducted on Form 1040, line 36 of personal property deducted on Form 1040, line 36 (If the result is less than zero, enter -0-.) ... 8.

Passive Activities

- 9. Enter the total of all net income or losses from qualified joint ventures that are passive activities with rental real estate income reported on your (and your spouse's) Schedule C, line 31, or Schedule C-EZ, line 3, but not included in net earnings from self-employment. Do not include this amount on line 10 below ... 9.
10. Enter the total of any net income from passive activities (such as income included on Schedule E, lines 26, 29a (col. (g)), 34a (col. (d)), or 40) and the total of any losses from passive activities (included on Schedule E, lines 26, 29b (col. (f)), 34b (col. (c)), or 40). (See instructions below for line 10.) Do not include any amount you included on line 9 above ... 10.
11. Combine the amounts on lines 9 and 10 of this worksheet. (If the result is less than zero, enter -0-.) ... 11.
12. Adjustment from EIC screen ... 12.
13. Add the amounts on lines 1, 2, 3, 4, 7, 8, 11 and 12. Enter the total. This is your Investment Income ... 13. 7,900

14. Is the amount on line 13 more than \$3,150?

- [X] Yes. You cannot take the credit.
[] No. Go to Step 3 of the Form 1040 instructions for lines 64a and 64b to find out if you can take the credit (unless you are using this publication to find out if you can take the credit; in that case, go to Rule 7, next).

Instructions for line 10. In figuring the amount to enter on line 10, do not take into account any royalty income (or loss) included on line 26 of Schedule E or any amount included in your earned income. To find out if the income on line 26 or line 40 of Schedule E is from a passive activity, see the Schedule E instructions. If any of the rental real estate income (or loss) included on Schedule E, line 26, is not from a passive activity, print "NPA" and the amount of that income (or loss) on the dotted line next to line 26.

**Qualified Dividends and Capital Gain Tax Worksheet - Line 44 (Form 1040)
Line 28 (Form 1040A)**

(Keep for Your Records)

NAME DON KNIGHT	SSN 400-00-3002
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Before you begin:

- See the instructions for line 44 to see if you can use this worksheet to figure your tax.
- If you do not have to file Schedule D and you received capital gain distributions, be sure you checked the box on line 13 of Form 1040.

1. Enter the amount from Form 1040, line 43 (Form 1040A, line 27). However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet	1.	26,400
2. Enter the amount from Form 1040, line 9b (Form 1040A, line 9b)*	2.	650
3. Are you filing Schedule D?*		
<input checked="" type="checkbox"/> Yes. Enter the smaller of line 15 or 16 of Schedule D. If either line 15 or line 16 is blank or a loss, enter -0-	3.	4,500
<input type="checkbox"/> No. Enter the amount from Form 1040, line 13 (or Form 1040A, line 10)		
4. Add lines 2 and 3	4.	5,150
5. If filing Form 4952 (used to figure investment interest expense deduction), enter any amount from line 4g of that form. Otherwise, enter -0-	5.	-
6. Subtract line 5 from line 4. If zero or less, enter -0-	6.	5,150
7. Subtract line 6 from line 1. If zero or less, enter -0-	7.	21,250
8. Enter: \$34,500 if single or married filing separately, \$69,000 if married filing jointly or qualifying widow(er), \$46,250 if head of household.	8.	34,500
9. Enter the smaller of line 1 or line 8	9.	26,400
10. Enter the smaller of line 7 or line 9	10.	21,250
11. Subtract line 10 from line 9. This amount is taxed at 0%	11.	5,150
12. Enter the smaller of line 1 or line 6	12.	5,150
13. Enter the amount from line 11	13.	5,150
14. Subtract line 13 from line 12	14.	-
15. Multiply line 14 by 15% (.15)	15.	-
16. Figure the tax on the amount on line 7. If the amount on line 7 is less than \$100,000, use the Tax Table to figure this tax. If the amount on line 7 is \$100,000 or more, use the Tax Computation Worksheet	16.	2,766
17. Add lines 15 and 16	17.	2,766
18. Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure this tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet	18.	3,539
19. Tax on all taxable income. Enter the smaller of line 17 or line 18. Also include this amount on Form 1040, line 44 (Form 1040A, line 28). If you are filing Form 2555 or 2555-EZ, do not enter this amount on Form 1040, line 44 (or Form 1040A, line 28). Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet	19.	2,766

*If you are filing Form 2555 or 2555-EZ, see the footnote in the Foreign Earned Income Tax Worksheet before completing this line.

Carryover Worksheet
List of items that will carryover to the 2012 tax return
 (Keep for your records)

2011

Name(s) as shown on return

Your social security number

DON KNIGHT

400-00-3002

Carryover Amount

Itemized Deductions

Contributions subject to 100% of AGI limitations	_____
Contributions subject to 50% of AGI limitations	_____
Contributions subject to 30% of AGI limitations (50% capital gains appreciated property)	_____
Contributions subject to 30% of AGI limitations	_____
Contributions subject to 20% of AGI limitations (30% capital gains appreciated property)	_____
Taxable state and local refunds to Form 1040, line 10	_____
State/local taxes paid in 2012 to flow to the Schedule A	_____
Preparer Fee to flow to the Schedule A	_____
State donations and contributions carryover	_____
State overpayment applied to next year	_____

Expenses

Office in home operating expenses	_____
Office in home excess casualty losses and depreciation	_____
Disallowed investment interest expense	_____
Section 179 expense	_____
Operating expenses, from Form WK_E, Sch E - Rental limitation on deductions when used for personal use	_____
Excess depreciation, from Form WK_E, Sch E - Rental limitation on deductions when used for personal use	_____

Losses

Short-term capital loss	_____
Long-term capital loss	_____
Net operating loss	_____
Nonrecaptured net section 1231 losses	_____

Credits

Mortgage interest credit	_____	Investment credit	_____
General business credit (should be carried back before being carried forward)	_____	Work opportunity credit	_____
Credit for prior year minimum tax	_____	Alcohol and cellulosic biofuel credit	_____
Foreign Tax credit	_____	Low-income housing credit	_____
District of Columbia first time home owner's credit	_____	Renewable electricity credit	_____
Employer SS and Medicare taxes paid on tips credit	_____	Small employer health ins. credit	_____
		Res. energy efficient property credit	_____

Other

Overpayment applied to next year's estimates	_____
Federal tax liability for 2210 calculation	<u>2,766</u>
State tax liability for state 2210 calculation	_____
IRA basis	_____

Taxpayer _____

Spouse _____

Passive Activity

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At Risk Limitations

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____