

For the year Jan. 1-Dec. 31, 2008, or other tax year beginning _____, 2008, ending _____, 20

OMB No. 1545-0074

Label (See instructions on page 14.)

L Your first name and initial: **CHARLES** Last name: **DUGGER**

A If a joint return, spouse's first name and initial: **DENISE** Last name: **DUGGER**

B Home address (number and street). If you have a P.O. box, see page 14. Apt. no.: **219 PASADENA AVE**

E City, town or post office, state, and ZIP code. If you have a foreign address, see page 14. **SACRAMENTO CA 95841**

Use the IRS label. Otherwise, please print or type.

Your social security number **400-00-1804**

Spouse's social security number **400-00-1873**

You must enter your SSN(s) above.

Checking a box below will not change your tax or refund.

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 14) **You** **Spouse**

Filing Status Check only one box.

1 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 page 15.) If the qualifying person is a child but not your dependent, enter this child's name here.

5 Qualifying widow(er) with dependent child (see page 16)

Exemptions

6a **Yourself.** If someone can claim you as a dependent, do not check box 6a

b **Spouse**

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) Check if qualifying child for child tax credit (see pg 17)
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

d Total number of exemptions claimed **2**

Boxes checked on 6a and 6b **2**

No. of children on 6c who:
 • lived with you _____
 • did not live with you due to divorce or separation (see page 18) _____

Dependents on 6c not entered above _____

Add numbers on lines above **2**

7 Wages, salaries, tips, etc. Attach Form(s) W-2	7	91,300
8a Taxable interest. Attach Schedule B if required	8a	813
b Tax-exempt interest. Do not include on line 8a	8b	
9a Ordinary dividends. Attach Schedule B if required	9a	246
b Qualified dividends (see page 21)	9b	
10 Taxable refunds, credits, or offsets of state and local income taxes (see page 22)	10	
11 Alimony received	11	
12 Business income or (loss). Attach Schedule C or C-EZ	12	
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	
14 Other gains or (losses). Attach Form 4797	14	
15a IRA distributions	15a	
b Taxable amount (see page 23)	15b	
16a Pensions and annuities	16a	
b Taxable amount (see page 24)	16b	
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
18 Farm income or (loss). Attach Schedule F	18	
19 Unemployment compensation	19	
20a Social security benefits	20a	
b Taxable amount (see page 26)	20b	
21 Other income	21	
22 Add the amounts in the far right column for lines 7 through 21. This is your total income	22	92,359

Adjusted Gross Income	23 Educator expenses (see page 28)	23	
	24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
	25 Health savings account deduction. Attach Form 8889	25	
	26 Moving expenses. Attach Form 3903	26	7,300
	27 One-half of self-employment tax. Attach Schedule SE	27	
	28 Self-employed SEP, SIMPLE, and qualified plans	28	
	29 Self-employed health insurance deduction (see page 29)	29	
	30 Penalty on early withdrawal of savings	30	
	31a Alimony paid b Recipient's SSN	31a	
	32 IRA deduction (see page 30)	32	
	33 Student loan interest deduction (see page 33)	33	
	34 Tuition and fees deduction. Attach Form 8917	34	
	35 Domestic production activities deduction. Attach Form 8903	35	
	36 Add lines 23 through 31a and 32 through 35	36	7,300
	37 Subtract line 36 from line 22. This is your adjusted gross income	37	85,059

Alternative Minimum Tax - Individuals

2008

Department of the Treasury Internal Revenue Service (99)

See separate instructions. Attach to Form 1040 or Form 1040NR.

Attachment Sequence No. 32

Name(s) shown on Form 1040 or Form 1040NR

Your social security number 400-00-1804

CHARLES & DENISE DUGGER

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

Table with 29 rows for Alternative Minimum Taxable Income. Line 1: 85,059. Line 29: 85,059.

Part II Alternative Minimum Tax (AMT)

Table with 11 rows for Alternative Minimum Tax (AMT). Line 30: 69,950. Line 32: 3,928. Line 34: 3,928. Line 35: 9,481. Line 36: (blank).

Education Credits

(Hope and Lifetime Learning Credits)

▶ See instructions to find out if you are eligible to take the credits.

2008

Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on return

▶ Attach to Form 1040 or Form 1040A.

Attachment
Sequence No. **50**

CHARLES & DENISE DUGGER

Your social security number
400-00-1804

Caution:

- You **cannot** take the Hope credit and the lifetime learning credit for the **same student** in the same year.
- You **cannot** take both an education credit and the tuition and fees deduction (see Form 8917) for the **same student** for the same year.

Part I Hope Credit. Caution: You **cannot** take the Hope credit for more than **2** tax years for the **same student**.

1	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions). Do not enter more than \$2,400* for each student.	(d) Enter the smaller of the amount in column (c) or \$1,200**	(e) Add column (c) and column (d)	(f) Enter one-half of the amount in column (e)

* For each student who attended an eligible educational institution in a Midwestern disaster area, **do not** enter more than \$4,800.
** For each student who attended an eligible educational institution in a Midwestern disaster area, enter the **smaller** of the amount in column (c) or \$2,400.

2 Tentative Hope credit. Add the amounts on line 1, column (f). If you are taking the lifetime learning credit for another student, go to Part II; otherwise, go to Part III ▶ **2**

Part II Lifetime Learning Credit

3	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions)
	DENISE DUGGER	400-00-1873	8,300
4	Add the amounts on line 3, column (c), and enter the total		4 8,300
5a	Enter the smaller of line 4 or \$10,000		5a 8,300
b	For students who attended an eligible educational institution in a Midwestern disaster area, enter the smaller of \$10,000 or their qualified expenses included on line 4 (see special rules on page 3)		5b
c	Subtract line 5b from line 5a		5c 8,300
6a	Multiply line 5b by 40% (.40)		6a
b	Multiply line 5c by 20% (.20)		6b 1,660
c	Tentative lifetime learning credit. Add lines 6a and 6b and go to Part III		6c 1,660

Part III Allowable Education Credits

7	Tentative education credits. Add lines 2 and 6c	7	1,660
8	Enter: \$116,000 if married filing jointly; \$58,000 if single, head of household, or qualifying widow(er)	8	116,000
9	Enter the amount from Form 1040, line 38,* or Form 1040A, line 22	9	85,059
10	Subtract line 9 from line 8. If zero or less, stop ; you cannot take any education credits	10	30,941
11	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	11	20,000
12	If line 10 is equal to or more than line 11, enter the amount from line 7 on line 13 and go to line 14. If line 10 is less than line 11, divide line 10 by line 11. Enter the result as a decimal (rounded to at least three places)	12	X .
13	Multiply line 7 by line 12 ▶	13	1,660
14	Enter the amount from Form 1040, line 46, or Form 1040A, line 28	14	9,481
15	Enter the total, if any, of your credits from Form 1040, lines 47 through 49, or Form 1040A, lines 29 and 30	15	
16	Subtract line 15 from line 14. If zero or less, stop ; you cannot take any education credits ▶	16	9,481
17	Education credits. Enter the smaller of line 13 or line 16 here and on Form 1040, line 50, or Form 1040A, line 31 ▶	17	1,660

* If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter.

Moving Expenses

▶ Attach to Form 1040 or Form 1040NR.

CHARLES & DENISE DUGGER

Your social security number
400-00-1804

- Before you begin:**
- See the **Distance Test** and **Time Test** in the instructions to find out if you can deduct your moving expenses.
 - See **Members of the Armed Forces** in the instructions, if applicable.

1	Transportation and storage of household goods and personal effects (see instructions)	1	6,450
2	Travel (including lodging) from your old home to your new home (see instructions). Do not include the cost of meals	2	850
3	Add lines 1 and 2	3	7,300
4	Enter the total amount your employer paid you for the expenses listed on lines 1 and 2 that is not included in box 1 of your Form W-2 (wages). This amount should be shown in box 12 of your Form W-2 with code P	4	
5	Is line 3 more than line 4? <input type="checkbox"/> No. You cannot deduct your moving expenses. If line 3 is less than line 4, subtract line 3 from line 4 and include the result on Form 1040, line 7, or Form 1040NR, line 8. <input checked="" type="checkbox"/> Yes. Subtract line 4 from line 3. Enter the result here and on Form 1040, line 26, or Form 1040NR, line 26. This is your moving expense deduction	5	7,300

General Instructions

What's New

For 2008, the standard mileage rate for using your vehicle to move to a new home is 19 cents a mile (27 cents a mile after June 30, 2008).

Purpose of Form

Use Form 3903 to figure your moving expense deduction for a move related to the start of work at a new principal place of work (workplace). If the new workplace is outside the United States or its possessions, you must be a U.S. citizen or resident alien to deduct your expenses.

If you qualify to deduct expenses for more than one move, use a separate Form 3903 for each move.

For more details, see Pub. 521, Moving Expenses.

Moving Expenses You Can Deduct

You can deduct the reasonable expenses of moving your household goods and personal effects and of traveling from your old home to your new home. Reasonable expenses can include the cost of lodging (but not meals) while traveling to your new home. You cannot deduct the cost of sightseeing trips.

Who Can Deduct Moving Expenses

If you move to a new home because of a new principal workplace, you may be able to deduct your moving expenses whether you are self-employed or an employee. But you must meet both the distance test and time test that follow.

TIP

Members of the Armed Forces may not have to meet the distance and time tests. See instructions.

Distance Test

Your new principal workplace must be at least 50 miles farther from your old home than your old workplace was. For example, if your old workplace was 3 miles from your old home, your new workplace must be at least 53 miles from that home. If you did not have an old workplace, your new workplace must be at least 50 miles from your old home. The distance between the two points is the shortest of the more commonly traveled routes between them.

TIP

To see if you meet the distance test, you can use the worksheet below.

Distance Test Worksheet

Keep a Copy for Your Records

1.	Number of miles from your old home to your new workplace	1.	<u>2,350</u> miles
2.	Number of miles from your old home to your old workplace	2.	<u>5</u> miles
3.	Subtract line 2 from line 1. If zero or less, enter -0-	3.	<u>2,345</u> miles
Is line 3 at least 50 miles?			
<input checked="" type="checkbox"/> Yes. You meet this test.			
<input type="checkbox"/> No. You do not meet this test. You cannot deduct your moving expenses. Do not complete Form 3903.			

First-Time Homebuyer Credit

▶ **Attach to Form 1040**

2008
 Attachment
 Sequence No. **163**

Names(s) shown on return

CHARLES & DENISE DUGGER

Your social security number

400-00-1804

Part I General Information

A Address of home qualifying for the credit (if different from the address shown on return)

219 PASADENA AVE SACRAMENTO, CA 95841

B Date acquired (see instructions)

10-30-2008

C If you are choosing to claim the credit on your 2008 return for a main home bought after December 31, 2008, and before December 1, 2009, check here (see instructions)

Part II Credit

1 Enter the **smaller** of:

- \$7,500 (\$8,000 if you purchased your home in 2009), but only half of that amount if married filing separately, **or**
- 10% of the purchase price of the home.

If someone other than a spouse also held an interest in the home, enter only your share of this amount (see instructions)

1	7,500
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2 Enter your modified adjusted gross income (see instructions)

2	85,059
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3 Is line 2 more than \$75,000 (\$150,000 if married filing jointly)?

No. Skip lines 3 through 5 and enter the amount from line 1 on line 6.

Yes. Subtract \$75,000 (\$150,000 if married filing jointly) from the amount on line 2 and enter the result

3	
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4 Divide line 3 by \$20,000 and enter the result as a decimal (rounded to at least three places).

Do not enter more than 1.000

4	X
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5 Multiply line 1 by line 4

5	
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6 Subtract line 5 from line 1. This is your **credit**. Enter here and on Form 1040, line 69

6	7,500
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Carryover Worksheet

List of items that will carryover to the 2009 tax return

2008

(Keep for your records)

Name(s) as shown on return

Your social security number

CHARLES & DENISE DUGGER

400-00-1804

Itemized Deductions

Carryover Amount

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 refund to Form 1040, line 10	
State/local taxes paid in 2009 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	

Losses

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

Credits

Mortgage interest credit	
General business credit (should be carried back before being carried forward)	
Credit for prior year minimum tax	
Foreign Tax credit	
District of Columbia first time home owner's credit	
Adoption credit	
First-time homebuyer Credit	7,500

Other

Overpayment applied to next year's estimates	
Federal tax liability for 2210 calculation	7,821
State tax liability for state 2210 calculation	
IRA basis Taxpayer _____ Spouse _____	
Excess depreciation, from Form WK_E, Sch E - Rental limitation on deductions when used for personal use	

Passive Activity

At Risk Limitations
