

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.)

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

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)
ADAM	ISLEY	400-00-1857	SON	<input checked="" type="checkbox"/>
RACHEL	ISLEY	400-00-1831	DAUGHTER	<input checked="" type="checkbox"/>

d Total number of exemptions claimed **4**

Home address (number and street). If you have a P.O. box, see page 14. Apt. no.

435 DOWDLE MOUNTAIN ROAD

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

FRANKLIN NC 28734

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

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

No. of children on 6c who:

- lived with you **2**
- did not live with you due to divorce or separation (see page 18)

Dependents on 6c not entered above

Add numbers on lines above **4**

Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2 **7**

8a Taxable interest. Attach Schedule B if required **8a**

b Tax-exempt interest. Do not include on line 8a **8b**

9a Ordinary dividends. Attach Schedule B if required **9a**

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 **13 14,330**

14 Other gains or (losses). Attach Form 4797 **14 (2,000)**

15a IRA distributions **15a** **15b Taxable amount (see page 23)**

16a Pensions and annuities **16a** **16b Taxable amount (see page 24)**

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E **17**

18 Farm income or (loss). Attach Schedule F **18 (547)**

19 Unemployment compensation **19**

20a Social security benefits **20a** **20b Taxable amount (see page 26)**

21 Other income **21**

22 Add the amounts in the far right column for lines 7 through 21. This is your **total income** **22 11,783**

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**

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**

37 Subtract line 36 from line 22. This is your **adjusted gross income** **37 11,783**

**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 Schedule D-1 to list additional transactions for lines 1 and 8.

OMB No. 1545-0074

2008

Attachment
Sequence No. **12**

Name(s) shown on return

JOSEPH & MARY ISLEY

Your social security number

400-00-1809

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

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Yr., mo., day)	(c) Date sold (Yr., mo., day)	(d) Sales price (see page D-7 of the instructions)	(e) Cost or other basis (see page D-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1					
2 Enter your short-term totals, if any, from Schedule D-1, line 2			2		
3 Total short-term sales price amounts. Add lines 1 and 2 in column (d)			3		
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 on page D-7 of the instructions				6	()
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (f)				7	

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

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Yr., mo., day)	(c) Date sold (Yr., mo., day)	(d) Sales price (see page D-7 of the instructions)	(e) Cost or other basis (see page D-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
8					
9 Enter your long-term totals, if any, from Schedule D-1, line 9			9		
10 Total long-term sales price amounts. Add lines 8 and 9 in column (d)			10		
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	14,330
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 page D-2 of the instructions				13	
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet on page D-7 of the instructions				14	()
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (f). Then go to Part III on page 2				15	14,330

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result.</p> <p>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. A loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. 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	14,330
<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 on page D-8 of the instructions</p>	18	
<p>19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet on page D-9 of 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 40. Then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 38 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Schedule D Tax Worksheet on page D-10 of 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: 150px;">}</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 40. Then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 38 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.</p>		

**SCHEDULE F
(Form 1040)**

Profit or Loss From Farming

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.

2008

▶ See Instructions for Schedule F (Form 1040).

Attachment
Sequence No. **14**

Name of proprietor JOSEPH ISLEY		Social security number (SSN) 400-00-1809
A Principal product. Describe in one or two words your principal crop or activity for the current tax year. DAIRY AND CROPS		B Enter code from Part IV ▶
C Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual		D Employer ID number (EIN), if any 93-7676756

E Did you "materially participate" in the operation of this business during 2008? If "No," see page F-3 for limit on passive losses. Yes No

Part I Farm Income - Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 11.)
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes. Report these sales on Form 4797.

1	Sales of livestock and other items you bought for resale	1	9,375		
2	Cost or other basis of livestock and other items reported on line 1	2	5,715		
3	Subtract line 2 from line 1	3		3,660	
4	Sales of livestock, produce, grains, and other products you raised	4		120,500	
5a	Cooperative distributions (Form(s) 1099-PATR)	5a	845	5b Taxable amount	5b
6a	Agricultural program payments (see page F-3)	6a	7,450	6b Taxable amount	6b
7	Commodity Credit Corporation (CCC) loans (see page F-3):				
a	CCC loans reported under election	7a			
b	CCC loans forfeited	7b		7c Taxable amount	7c
8	Crop insurance proceeds and federal crop disaster payments (see page F-3):				
a	Amount received in 2008	8a		8b Taxable amount	8b
c	If election to defer to 2009 is attached, check here ▶ <input type="checkbox"/>			8d Amount deferred from 2007	8d
9	Custom hire (machine work) income	9			
10	Other income, including federal and state gasoline or fuel tax credit or refund (see page F-4)	10			
11	Gross income. Add amounts in the right column for lines 3 through 10. If you use the accrual method to figure your income, enter the amount from Part III, line 51 ▶	11		131,610	

Part II Farm Expenses - Cash and Accrual Method.
Do not include personal or living expenses such as taxes, insurance, or repairs on your home.

12	Car and truck expenses (see page F-5). Also, attach Form 4562	12	1,665	25	Pension and profit-sharing plans	25	
13	Chemicals	13	2,470	26	Rent or lease (see page F-6):		
14	Conservation expenses (see page F-5)	14		a	Vehicles, machinery, and equipment	26a	
15	Custom hire (machine work)	15		b	Other (land, animals, etc.)	26b	
16	Depreciation and section 179 expense deduction not claimed elsewhere (see page F-5)	16	52,916	27	Repairs and maintenance	27	6,823
17	Employee benefit programs other than on line 25	17		28	Seeds and plants	28	2,495
18	Feed	18	10,720	29	Storage and warehousing	29	2,500
19	Fertilizers and lime	19	8,460	30	Supplies	30	6,340
20	Freight and trucking	20	1,795	31	Taxes	31	3,945
21	Gasoline, fuel, and oil	21	3,785	32	Utilities	32	5,096
22	Insurance (other than health)	22	3,362	33	Veterinary, breeding, and medicine	33	9,105
23	Interest:			34	Other expenses (specify):		
a	Mortgage (paid to banks, etc.)	23a	3,175	a		34a	
b	Other	23b		b		34b	
24	Labor hired (less employment credits)	24	7,505	c		34c	
				d		34d	
				e		34e	
				f		34f	

35 **Total expenses.** Add lines 12 through 34f. If line 34f is negative, see instructions ▶ **132,157**

36 **Net farm profit or (loss).** Subtract line 35 from line 11. Partnerships, see page F-7.
 ● If a profit, enter the profit on both **Form 1040, line 18**, and **Schedule SE, line 1a**; on **Form 1040NR, line 19**; or on **Form 1041, line 6**.
 ● If a loss, you **must** go to line 37. ▶ **(547)**

37 If you have a loss, you **must** check the box that describes your investment in this activity (see page F-7).
 ● If you checked 37a, enter the loss on both **Form 1040, line 18**, and **Schedule SE, line 1a**; on **Form 1040NR, line 19**; or on **Form 1041, line 6**.
 ● If you checked 37b, you **must** attach **Form 6198**. Your loss may be limited. ▶

37a All investment is at risk.
 37b Some investment is not at risk.

**SCHEDULE J
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return

**Income Averaging for
Farmers and Fishermen**

▶ Attach to Form 1040 or Form 1040NR.
▶ See Instructions for Schedule J (Form 1040).

OMB No. 1545-0074

2008

Attachment
Sequence No. **20**

Social security number (SSN)

400-00-1809

JOSEPH & MARY ISLEY

1	Enter the taxable income from your 2008 Form 1040, line 43, or Form 1040NR, line 40	1	
2	Enter your elected farm income (see page J-2). Do not enter more than the amount on line 1	2	21,500
3	Subtract line 2 from line 1	3	0
4	Figure the tax on the amount on line 3 using the 2008 tax rates (see page J-2)	4	
5	If you used Schedule J to figure your tax for: <ul style="list-style-type: none"> • 2007, enter the amount from your 2007 Schedule J, line 11. • 2006 but not 2007, enter the amount from your 2006 Schedule J, line 15. • 2005 but not 2006 or 2007, enter the amount from your 2005 Schedule J, line 3. Otherwise, enter the taxable income from your 2005 Form 1040, line 43; Form 1040A, line 27; Form 1040EZ, line 6; or Form 1040NR, line 40; or Form 1040NR-EZ, line 14. If zero or less, see page J-2.	5	11,200
6	Divide the amount on line 2 by 3.0	6	7,167
7	Combine lines 5 and 6. If zero or less, enter -0-	7	18,367
8	Figure the tax on the amount on line 7 using the 2005 tax rates (see page J-4)	8	2,025
9	If you used Schedule J to figure your tax for: <ul style="list-style-type: none"> • 2007, enter the amount from your 2007 Schedule J, line 15. • 2006 but not 2007, enter the amount from your 2006 Schedule J, line 3. Otherwise, enter the taxable income from your 2006 Form 1040, line 43; Form 1040A, line 27; Form 1040EZ, line 6; or Form 1040NR, line 40; or Form 1040NR-EZ, line 14. If zero or less, see page J-6.	9	7,600
10	Enter the amount from line 6	10	7,167
11	Combine lines 9 and 10. If less than zero, enter as a negative amount	11	14,767
12	Figure the tax on the amount on line 11 using the 2006 tax rates (see page J-7)	12	1,477
13	If you used Schedule J to figure your tax for 2007, enter the amount from your 2007 Schedule J, line 3. Otherwise, enter the taxable income from your 2007 Form 1040, line 43; Form 1040A, line 27; Form 1040EZ, line 6; Form 1040NR, line 40; or Form 1040NR-EZ, line 14. If zero or less, see page J-9	13	20,896
14	Enter the amount from line 6	14	7,167
15	Combine lines 13 and 14. If less than zero, enter as a negative amount	15	28,063
16	Figure the tax on the amount on line 15 using the 2007 tax rates (see page J-9)	16	3,427
17	Add lines 4, 8, 12, and 16	17	6,929
18	If you used Schedule J to figure your tax for: <ul style="list-style-type: none"> • 2007, enter the amount from your 2007 Schedule J, line 12. • 2006 but not 2007, enter the amount from your 2006 Schedule J, line 16. • 2005 but not 2006 or 2007, enter the amount from your 2005 Schedule J, line 4. Otherwise, enter the tax from your 2005 Form 1040, line 44;* Form 1040A, line 28;* Form 1040EZ, line 10; or Form 1040NR, line 41;* or Form 1040NR-EZ, line 15.	18	965
19	If you used Schedule J to figure your tax for: <ul style="list-style-type: none"> • 2007, enter the amount from your 2007 Schedule J, line 16. • 2006 but not 2007, enter the amount from your 2006 Schedule J, line 4. Otherwise, enter the tax from your 2006 Form 1040, line 44;* Form 1040A, line 28;* Form 1040EZ, line 11; Form 1040NR, line 41;* or Form 1040NR-EZ, line 15.	19	455
20	If you used Schedule J to figure your tax for 2007, enter the amount from your 2007 Schedule J, line 4. Otherwise, enter the tax from your 2007 Form 1040, line 44;* Form 1040A, line 28;* Form 1040EZ, line 10; Form 1040NR, line 41;* or Form 1040NR-EZ, line 15	20	1,463
* Do not include any tax reported on this line from Forms 8814, 4972, or 8889, or from recapture of an education credit or charitable contribution deduction. Also, do not include alternative minimum tax from Form 1040A			
21	Add lines 18 through 20	21	2,883
22	Tax. Subtract line 21 from line 17. Also include this amount on Form 1040, line 44 or Form 1040NR, line 41	22	4,046

Caution. Your tax may be less if you figure it using the 2008 Tax Table, Tax Computation Worksheet, Qualified Dividends and Capital Gain Tax Worksheet, or Schedule D Tax Worksheet. Attach Schedule J only if you are using it to figure your tax.

For Paperwork Reduction Act Notice, see Form 1040 or Form 1040NR instructions.

EEA

Schedule J (Form 1040) 2008

REGULAR TAX BETTER; DO NOT FILE SCH J.

Name(s) shown on tax return. Do not enter name and identifying number if shown on page 1.

Identifying number

JOSEPH & MARY ISLEY

400-00-1809

SECTION B -- Business and Income-Producing Property

Part I Casualty or Theft Gain or Loss (Use a separate Part I for each casualty or theft.)

25 Description of properties (show type, location, and date acquired for each property). Use a separate line for each property lost or damaged from the same casualty or theft.

Property A SAM BREEDING BULL 2 FARM 2008-08-12

Property B

Property C

Property D

Table with columns for Properties A, B, C, D and rows for lines 26-34. Line 26: 2,000; Line 29: 2,000; Line 30: 0; Line 31: 2,000; Line 32: 2,000; Line 33: 2,000; Line 34: 2,000.

Part II Summary of Gains and Losses (from separate Parts I)

Table for Part II Summary of Gains and Losses. Line 35: SAM BREEDING BULL 2, (2,000); Line 36: Totals, (2,000); Line 37: Net gain or loss, (2,000); Line 38: Amount from line 36, column (b)(ii), (2,000).

Casualty or Theft of Property Held More Than One Year

Table for Casualty or Theft of Property Held More Than One Year. Line 39: Casualty or theft gains; Line 40: Losses; Line 41: Total losses; Line 42: Total gains; Line 43: Add amounts on line 41; Line 44a: Net gain/loss; Line 44b: Amount from line 41, column (b)(ii); Line 45: Final net gain/loss.

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

Department of the Treasury
Internal Revenue Service (99)

Attach to your tax return. See separate instructions.

Attachment
Sequence No. 27

Name(s) shown on return

Identifying number

JOSEPH & MARY ISLEY

400-00-1809

1 Enter the gross proceeds from sales or exchanges reported to you for 2008 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year (see instructions)

Table with 7 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Gross sales price, (e) Depreciation allowed or allowable since acquisition, (f) Cost or other basis, plus improvements and expense of sale, (g) Gain or (loss). Row 1: BREEDING COWS, 20000215, 20081113, 14,330, 7,425, 7,425, 14,330.

3 Gain, if any, from Form 4684, line 45 3
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 4
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 5
6 Gain, if any, from line 32, from other than casualty or theft 6
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: 7 14,330

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years (see instructions) 8
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions) 9

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

Table with 7 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Gross sales price, (e) Depreciation allowed or allowable since acquisition, (f) Cost or other basis, plus improvements and expense of sale, (g) Gain or (loss).

11 Loss, if any, from line 7 11 ()
12 Gain, if any, from line 7 or amount from line 8, if applicable 12
13 Gain, if any, from line 31 13
14 Net gain or (loss) from Form 4684, lines 37 and 44a 14 (2,000)
15 Ordinary gain from installment sales from Form 6252, line 25 or 36 15
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824 16
17 Combine lines 10 through 16 17 (2,000)

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:

a If the loss on line 11 includes a loss from Form 4684, line 41, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions 18a
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14 18b (2,000)

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

JOSEPH & MARY ISLEY

400-00-1809

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

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41 (minus any amount on Form 8914, line 2), and go to line 2. Otherwise, enter the amount from Form 1040, line 38 (minus any amount on Form 8914, line 2), and go to line 7. (If less than zero, enter as a negative amount.)	1	11,783
2	Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4, or 2.5% (.025) of Form 1040, line 38. If zero or less, enter -0-	2	
3	Taxes from Schedule A (Form 1040), line 9	3	
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet on page 2 of the instructions	4	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5	
6	If Form 1040, line 38, is over \$159,950 (over \$79,975 if married filing separately), enter the amount from line 11 of the Itemized Deductions Worksheet on page A-10 of the instructions for Schedule A (Form 1040)	6	()
7	If claiming the standard deduction, enter any amount from Form 4684, line 18a, as a negative amount	7	()
8	Tax refund from Form 1040, line 10 or line 21	8	()
9	Investment interest expense (difference between regular tax and AMT)	9	
10	Depletion (difference between regular tax and AMT)	10	
11	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	11	
12	Interest from specified private activity bonds exempt from the regular tax	12	
13	Qualified small business stock (7% of gain excluded under section 1202)	13	
14	Exercise of incentive stock options (excess of AMT income over regular tax income)	14	
15	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	15	
16	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	16	
17	Disposition of property (difference between AMT and regular tax gain or loss)	17	
18	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	18	
19	Passive activities (difference between AMT and regular tax income or loss)	19	
20	Loss limitations (difference between AMT and regular tax income or loss)	20	
21	Circulation costs (difference between regular tax and AMT)	21	
22	Long-term contracts (difference between AMT and regular tax income)	22	
23	Mining costs (difference between regular tax and AMT)	23	
24	Research and experimental costs (difference between regular tax and AMT)	24	
25	Income from certain installment sales before January 1, 1987	25	()
26	Intangible drilling costs preference	26	
27	Other adjustments, including income-based related adjustments	27	
28	Alternative tax net operating loss deduction	28	()
29	Alternative minimum taxable income. Combines lines 1 through 28. (If married filing separately and line 29 is more than \$214,900, see page 8 of the instructions.)	29	11,783

Part II Alternative Minimum Tax (AMT)

30	Exemption. (If you were under age 24 at the end of 2008, see page 8 of the instructions.) IF your filing status is AND line 29 is not over THEN enter on line 30 Single or head of household \$112,500 \$46,200 Married filing jointly or qualifying widow(er) 150,000 69,950 Married filing separately 75,000 34,975 If line 29 is over the amount shown above for your filing status, see page 8 of the instructions.	30	69,950
31	Subtract line 30 from line 29. If more than zero, go to line 32. If zero or less, enter -0- here and on lines 34 and 36 and skip the rest of Part II	31	0
32	<ul style="list-style-type: none"> ● If you are filing Form 2555 or 2555-EZ, see page 9 of the instructions for the amount to enter. ● If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on page 2 and enter the amount from line 55 here. ● All others: If line 31 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 31 by 26% (.26). Otherwise, multiply line 31 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result. 	32	
33	Alternative minimum tax foreign tax credit (see page 9 of the instructions)	33	
34	Tentative minimum tax. Subtract line 33 from line 32	34	0
35	Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 47). If you used Schedule J to figure your tax, the amount from line 44 of Form 1040 must be refigured without using Schedule J (see page 11 of the instructions)	35	
36	AMT. Subtract line 35 from line 34. If zero or less, enter -0-. Enter here and on Form 1040, line 45	36	0

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to your tax return.

2008
Attachment
Sequence No. **67**

Name(s) shown on return

Business or activity to which this form relates

Identifying number

JOSEPH & MARY ISLEY

SCHEDULE F - 1

400-00-1809

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
6				
7	Listed property. Enter the amount from line 29	7		
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7		8	
9	Tentative deduction. Enter the smaller of line 5 or line 8		9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562		10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)		11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11		12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	13		

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	42,500
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	5,864
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property	STATEMENT # 1					
b	5-year property						
c	7-year property						4,552
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs.		S/L	
h	Residential rental property			27.5 yrs.	MM	S/L	
i	Nonresidential real property			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L
b	12-year		12 yrs.			S/L
c	40-year		40 yrs.	MM		S/L

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	52,916
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Federal Supporting Statements

2008 PG01

Name(s) as shown on return

Your Social Security Number

JOSEPH & MARY ISLEY

400-00-1809

FORM 4562 - LINE 19C

STATEMENT # 1

<u>BASIS</u>	<u>RP</u>	<u>CV</u>	<u>METHOD</u>	<u>DEDUCTION</u>
31,500	7	HY	150 DB	3,374
11,000	7	HY	150 DB	1,178
TOTAL				<u>4,552</u>

Keep for Your Records

Name(s) as shown on return

JOSEPH ISLEY

Your social security number

400-00-1809

Use this worksheet if you answered "Yes" to Step 5, question 3, on page 48, and you do not elect to use your 2007 earned income to figure your EIC (see page 48).

- Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to Part 4.
- If you are married filing a joint return, include your spouse's amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

<p>Part 1</p> <p>Self-Employed, Members of the Clergy, and People With Church Employee Income Filing Schedule SE</p>	<p>1a. Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies.</p> <p>1b. Enter any amount from Schedule SE, Section B, line 4b, and line 5a.</p> <p>1c. Combine lines 1a and 1b.</p> <p>1d. Enter the amount from Schedule SE, Section A, line 6, or Section B, line 13, whichever applies.</p> <p>1e. Subtract line 1d from 1c.</p>	<table border="1"> <tr><td>1a</td><td></td></tr> <tr><td>1b</td><td></td></tr> <tr><td>1c</td><td></td></tr> <tr><td>1d</td><td></td></tr> <tr><td>1e</td><td></td></tr> </table>	1a		1b		1c		1d		1e	
1a												
1b												
1c												
1d												
1e												
<p>Part 2</p> <p>Self-Employed NOT Required To File Schedule SE</p> <p>For example, your net earnings from self-employment were less than \$400.</p>	<p>2. Do not include on these lines any statutory employee income, any net profit from services performed as a notary public, or any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or Form 4361.</p> <p>a. Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A*.</p> <p>b. Enter any net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1*.</p> <p>c. Combine lines 2a and 2b.</p> <p>*Reduce any Schedule K-1 amounts by any partnership section 179 expense deduction claimed, unreimbursed partnership expenses claimed, and depletion claimed on oil and gas properties. If you have any Schedule K-1 amounts, complete the appropriate line(s) of Schedule SE, Section A. Enter your name and social security number on Schedule SE and attach it to your return.</p>	<table border="1"> <tr><td>2a</td><td>(547)</td></tr> <tr><td>2b</td><td></td></tr> <tr><td>2c</td><td>(547)</td></tr> </table>	2a	(547)	2b		2c	(547)				
2a	(547)											
2b												
2c	(547)											
<p>Part 3</p> <p>Statutory Employees Filing Schedule C or C-EZ</p>	<p>3. Enter the amount from Schedule C, line 1, or Schedule C-EZ, line 1, that you are filing as a statutory employee.</p>	<table border="1"> <tr><td>3</td><td></td></tr> </table>	3									
3												
<p>Part 4</p> <p>All Filers Using Worksheet B</p>	<p>4a. Combine lines 1e, 2c, and 3. This is your total self-employed income.</p>	<table border="1"> <tr><td>4a</td><td>(547)</td></tr> </table>	4a	(547)								
4a	(547)											

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

(Keep for your records)

NAME JOSEPH & MARY ISLEY	SSN 400-00-1809
------------------------------------	---------------------------

Before you begin:

- See the instructions for line 44 that begin on page 36 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 worksheet on page 37 1. _____
2. Enter the amount from Form 1040, line 9b (Form 1040A, line 9b)* 2. _____
3. Are you filing Schedule D?*
- Yes.** Enter the **smaller** of line 15 or 16 of Schedule D. If either line 15 or line 16 is a loss, enter -0- 3. 14,330
- No.** Enter the amount from Form 1040, line 13 (or Form 1040A, line 10) 3. _____
4. Add lines 2 and 3 4. 14,330
5. If you are claiming investment interest expense on Form 4952, enter the 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. 14,330
7. Subtract line 6 from line 1. If zero or less, enter -0- 7. _____
8. Enter the **smaller** of:
 - The amount on line 1, or
 - \$32,550 if single or married filing separately,
 - \$65,100 if married filing jointly or qualifying widow(er),
 - \$43,650 if head of household.
 8. _____
9. Is the amount on line 7 equal to or more than the amount on line 8?
 - Yes.** Skip lines 9 and 10; go to line 11 and check the "No" box.
 - No.** Enter the amount from line 7 9. _____
10. Subtract line 9 from line 8 10. _____
11. Are the amounts on lines 6 and 10 the same?
 - Yes.** Skip lines 11 through 14; go to line 15.
 - No.** Enter the **smaller** of line 1 or line 6 11. _____
12. Enter the amount from line 10 (if line 10 is blank, enter -0-) 12. _____
13. Subtract line 12 from line 11 13. _____
14. Multiply line 13 by 15% (.15) 14. _____
15. Figure the tax on the amount on line 7. Use the Tax Table or Tax Computation Worksheet, whichever applies 15. _____
16. Add lines 14 and 15 16. _____
17. Figure the tax on the amount on line 1. Use the Tax Table or Tax Computation Worksheet, whichever applies 17. _____
18. **Tax on all taxable income.** Enter the **smaller** of line 16 or line 17. 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 worksheet on page 37 18. _____

*If you are filing Form 2555 or 2555-EZ, see the footnote in the worksheet on page 37 before completing this line.

Qualified Dividends and Capital Gain Tax Worksheet - For Schedule J - (Keep for your records)

NAME JOSEPH & MARY ISLEY	SSN 400-00-1809
------------------------------------	---------------------------

1. Enter the amount from Schedule J, line 3 1. _____
2. Enter the amount from Form 1040, line 9b (Form 1040A, Line 9b) 2. _____
3. Are you filing Schedule D?
 Yes. Enter the **smaller** of line 15 or 16 of Schedule D. If either
 line 15 or line 16 is a loss, enter -0- } 3. 14,330
 No. Enter the amount from Form 1040, line 13 (Form 1040A filers, enter amount from line 10) }
4. Add lines 2 and 3 4. 14,330
5. If you are claiming investment interest expense on Form 4952, enter
 the 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. 14,330
7. Subtract line 6 from line 1. If zero or less, enter -0- 7. _____
8. Enter the **smaller** of:
 ● The amount on line 1, or
 ● \$32,550 if single or married filing separately,
 \$65,100 if married filing jointly or qualifying widow(er),
 \$43,650 if head of household. } 8. _____
9. Is the amount on line 7 equal to or more than the amount on line 8?
 Yes. Skip lines 9 through 11; go to line 12 and check the "No" box.
 No. Enter the amount from line 7 9. _____
10. Subtract line 9 from line 8 10. _____
11. Are the amounts on lines 6 and 10 the same?
 Yes. Skip lines 12 through 15; go to line 16.
 No. Enter the **smaller** of line 1 or line 6 11. _____
12. Enter the amount from line 10 (if line 10 is blank, enter -0-) 12. _____
13. Subtract line 12 from line 11 13. _____
14. Multiply line 13 by 15% (.15) 14. _____
15. Figure the tax on the amount on line 7. Use the Tax Table or Tax Computation Worksheet, whichever applies 15. _____
16. Add lines 14 and 15 16. _____
17. Figure the tax on the amount on line 1. Use the Tax Table or Tax Computation Worksheet, whichever applies 17. _____
18. **Tax on all taxable income.** Enter the **smaller** of line 16 or line 17. Also include this amount on Schedule J,
 line 4 18. _____

Name(s) as shown on return JOSEPH & MARY ISLEY	Your social security number 400-00-1809
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CAUTION! To be a qualifying child for the child tax credit, the child must be **under age 17** at the end of 2008 and meet the other requirements listed in instructions.

Part 1

1. Number of qualifying children: 2 X \$1,000. Enter the result. 1 2,000

2. Enter the amount from Form 1040, line 38; Form 1040A, line 22; or Form 1040NR, line 36. 2 11,783

3. **1040 Filers.** Enter the total of any -

- Exclusion of income from Puerto Rico, and
- Amounts from Form 2555, lines 45 and 50; Form 2555-EZ, line 18; and Form 4563, line 15.

1040A and 1040NR Filers. Enter -0-.

4. Add lines 2 and 3. Enter the total. 4 11,783

5. Enter the amount shown below for your filing status.

- Married filing jointly - \$110,000
- Single, head of household, or qualifying widow(er) - \$75,000
- Married filing separately - \$55,000

6. Is the amount on line 4 more than the amount on line 5?

No. Leave line 6 blank. Enter -0- on line 7.

Yes. Subtract line 5 from line 4. 6 _____

If the result is not a multiple of \$1,000, increase it to the next multiple of \$1,000.
For example, increase \$425 to \$1,000, increase \$1,025 to \$2,000, etc.

7. Multiply the amount on line 6 by 5% (.05). Enter the result. 7 0

8. Is the amount on line 1 more than the amount on line 7?

No. STOP

You cannot take the child tax credit on Form 1040, line 52; Form 1040A, line 33; or Form 1040NR, line 47. You also cannot take the additional child tax credit on Form 1040, line 66; Form 1040A, line 41; or Form 1040NR, line 61. Complete the rest of your Form 1040, 1040A, or Form 1040NR.

Yes. Subtract line 7 from line 1. Enter the result. Go to Part 2. 8 2,000

Part 2

9. Enter the amount from Form 1040, line 46, Form 1040A, line 28, or Form 1040NR, line 43. 9 0

10. Add the amounts from -

Form 1040	or	Form 1040A	or	Form 1040NR	
Line 47		_____		Line 44	_____
Line 48		Line 29		Line 45	+ _____
Line 49		Line 30		_____	+ _____
Line 50		Line 31		_____	+ _____
Line 51		Line 32		Line 46	+ _____
Enter the total.					10 _____

11. Are you claiming any of the following credits?

- Mortgage interest credit, Form 8396
- Adoption credit, Form 8839
- Residential energy efficient property credit, Form 5695
- District of Columbia first-time homebuyer credit, Form 8859

No. Enter the amount from line 10. 11 _____

Yes. Complete the Line 11 Worksheet on the next page to figure the amount to enter here.

12. Subtract line 11 from line 9. Enter the result. 12 0

13. Is the amount on line 8 of this worksheet more than the amount on line 12?

No. Enter the amount from line 8.

Yes. Enter the amount from line 12. See the **TIP** below. 13 0

This is your child tax credit.

TIP You may be able to take the **additional child tax credit** on Form 1040, line 66; Form 1040A, line 41; or Form 1040NR, line 61, only if you answered "Yes" on line 13.

- First, complete your Form 1040 through line 65, Form 1040A through line 40a, or Form 1040NR through line 60.
- Then, use Form 8812 to figure any additional child tax credit.

Enter this amount on Form 1040, line 52; Form 1040A, line 33; or Form 1040NR, line 47.

1040 and 1040NR Filers - Earned Income Worksheet

2008

(Keep for your records)

Name(s) as shown on return

Your social security number

JOSEPH & MARY ISLEY

400-00-1809

Before you begin:

- Use this worksheet only if you were sent here from the Line 11 Worksheet on page 6 of this publication or line 4a of Form 8812, Additional Child Tax Credit.
- Disregard community property laws when figuring the amounts to enter on this worksheet.
- If married filing jointly, include your spouse's amounts with yours when completing this worksheet.

1.	a. Enter the amount from Form 1040, line 7, or Form 1040NR, line 8	1a.	<u> </u>
	b. Enter the amount of any nontaxable combat pay received. Also enter this amount on Form 8812, line 4b. This amount should be shown in Form(s) W-2, box 12, with code Q	1b.	<u> </u>
	Next , if you are filing Schedule C, C-EZ, F, or SE, or you received a Schedule K-1 (Form 1065 or Form 1065-B), go to line 2a. Otherwise, skip lines 2a through 2e and go to line 3.		
2.	a. Enter any statutory employee income reported on line 1 of Schedule C or C-EZ	2a.	<u> </u>
	b. Enter any net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1.* Reduce this amount by any unreimbursed nonfarm partnership expenses you deducted on Schedule E. Do not include any statutory employee income or any other amounts exempt from self-employment tax. Options and commodities dealers must add any gain or subtract any loss (in the normal course of dealing in or trading section 1256 contracts) from section 1256 contracts or related property	2b.	<u> </u>
	c. Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A.* Reduce this amount by any unreimbursed farm partnership expenses you deducted on Schedule E. Do not include any amounts exempt from self-employment tax	2c.	<u> (547)</u>
	d. If you used the farm optional method to figure net earnings from self-employment, enter the amount from Schedule SE, Section B, line 15. Otherwise, skip this line and enter on line 2e the amount from line 2c	2d.	<u> </u>
	e. If line 2c is a profit, enter the smaller of line 2c or line 2d. If line 2c is a (loss), enter the (loss) from line 2c	2e.	<u> (547)</u>
3.	Combine lines 1a, 1b, 2a, 2b, and 2e. If zero or less, stop . Do not complete the rest of this worksheet. Instead, enter -0- on line 2 of the Line 11 Worksheet on page 6 or line 4a of Form 8812, whichever applies	3.	<u> (547)</u>
4.	Enter any amount included on line 1a that is:		
	a. A scholarship or fellowship grant not reported on Form W-2	4a.	<u> </u>
	b. For work done while an inmate in a penal institution (enter "PRI" and this amount on the dotted line next to line 7 of Form 1040 or line 8 of Form 1040NR)	4b.	<u> </u>
	c. A pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan (enter "DFC" and this amount on the dotted line next to line 7 of Form 1040 or line 8 of Form 1040NR). This amount may be shown in box 11 of your Form W-2. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity	4c.	<u> </u>
5.	a. Enter any amount included on line 3 that is also included on Form 2555, line 43, or Form 2555-EZ, line 18. Do not include any amount that is also included on line 4a, 4b, or 4c above	5a.	<u> </u>
	b. Enter the amount, if any, from Form 2555, line 44, that is also deducted on Schedule C, C-EZ, or F, or included on Schedule E in partnership net income or (loss)	5b.	<u> </u>
	c. Subtract line 5b from line 5a	5c.	<u> </u>
6.	Enter the amount from Form 1040, line 27	6.	<u> </u>
7.	Add lines 4a through 4c, 5c, and 6	7.	<u> </u>
8.	Subtract line 7 from line 3	8.	<u> </u>

- If you were sent here from the Line 11 Worksheet on page 6, enter this amount on line 2 of that worksheet.
- If you were sent here from Form 8812, enter this amount on line 4a of that form.

* If you have any Schedule K-1 amounts and you are not required to file Schedule SE, complete the appropriate line(s) of Schedule SE, Section A. Put your name and social security number on Schedule SE and attach it to your return.

Depreciation Detail Listing

2008

FARM - DAIRY AND CROPS

PAGE 1

For your records only

* Item was disposed
of during current year.

Name(s) as shown on return JOSEPH & MARY ISLEY	Social security number/EIN 400-00-1809
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No.	Description	Date	Cost	Salvage	Business percentage	Section 179	Depreciation Basis	Life	Method	Rate	Current depr.	Accumulated Depreciation	Prior expense	Bonus depreciation	AMT Current
1	BAILER	20080123	63,000		100.00		31,500	7	150 DB HY	10.71	3,374	34,874		CY/50 31,500	3,374
2	TRACTOR 2	20080412	22,000		100.00		11,000	7	150 DB HY	10.71	1,178	12,178		CY/50 11,000	1,178
3	MILKING MACHINE	20070123	18,000		100.00		18,000	7	150 DB HY	19.13	3,443	5,243			3,443
4	MANURE SPREADER	20060309	3,625		100.00		3,625	7	150 DB HY	15.03	545	1,270			545
5	TRACTOR 1	20051107	14,575		100.00		14,575	7	150 DB MQ	12.87	1,876	7,706			1,876
Asset(s) Sold															
6	BREEDING COWS	20000215	7,425		100.00		7,425	5		0		7,425			
Totals			128,625				86,125				10,416	68,696		CY 42,500	10,416

Land Amount
Net Depreciable Cost

128,625

ST ADJ:

37,949

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

JOSEPH & MARY ISLEY

400-00-1809

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	1,847
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	

Other

Overpayment applied to next year's estimates	
Federal tax liability for 2210 calculation	0
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
