

INDIVIDUAL

INDIVIDUAL PREPARATION FAST ANSWER CHARTS

TAX
YEAR **2020**

Federal Tax Rate Schedule

Single Taxable Income				
\$ 0 to 9,875	× 10.0%	minus	\$ 0.00	= Tax
9,876 to 40,125	× 12.0%	minus	197.50	= Tax
40,126 to 85,525	× 22.0%	minus	4,210.00	= Tax
85,526 to 163,300	× 24.0%	minus	5,920.50	= Tax
163,301 to 207,350	× 32.0%	minus	18,984.50	= Tax
207,351 to 518,400	× 35.0%	minus	25,205.00	= Tax
518,401 and over	× 37.0%	minus	35,573.00	= Tax

Married Filing Jointly (MFJ) or Qualifying Widow(er) (QW) Taxable Income

\$ 0 to 19,750	× 10.0%	minus	\$ 0.00	= Tax
19,751 to 80,250	× 12.0%	minus	395.00	= Tax
80,251 to 171,050	× 22.0%	minus	8,420.00	= Tax
171,051 to 326,600	× 24.0%	minus	11,841.00	= Tax
326,601 to 414,700	× 32.0%	minus	37,969.00	= Tax
414,701 to 622,050	× 35.0%	minus	50,410.00	= Tax
622,051 and over	× 37.0%	minus	62,851.00	= Tax

Married Filing Separately (MFS) Taxable Income

\$ 0 to 9,875	× 10.0%	minus	\$ 0.00	= Tax
9,876 to 40,125	× 12.0%	minus	197.50	= Tax
40,126 to 85,525	× 22.0%	minus	4,210.00	= Tax
85,526 to 163,300	× 24.0%	minus	5,920.50	= Tax
163,301 to 207,350	× 32.0%	minus	18,984.50	= Tax
207,351 to 311,025	× 35.0%	minus	25,205.00	= Tax
311,026 and over	× 37.0%	minus	31,425.50	= Tax

Head of Household (HOH) Taxable Income

\$ 0 to 14,100	× 10.0%	minus	\$ 0.00	= Tax
14,101 to 53,700	× 12.0%	minus	282.00	= Tax
53,701 to 85,500	× 22.0%	minus	5,652.00	= Tax
85,501 to 163,300	× 24.0%	minus	7,362.00	= Tax
163,301 to 207,350	× 32.0%	minus	20,426.00	= Tax
207,351 to 518,400	× 35.0%	minus	26,646.50	= Tax
518,401 and over	× 37.0%	minus	37,014.50	= Tax

Standard Deduction

Single or MFS	\$12,400	Additional age 65 or older, or blind, per person, per event:	
MFJ or QW	\$24,800	MFJ, QW, or MFS	\$1,300
HOH.....	\$18,650	Single or HOH	\$1,650

Dependents. The standard deduction is the greater of \$1,100 or earned income plus \$350, up to regular standard deduction.

Personal Exemption Deduction

Personal exemption deduction per person	\$0
Qualifying relative gross income limit	\$4,300

Kiddie Tax

Applies to children with unearned income over \$2,200.
Earned income. Up to \$12,400 not taxed. Over \$12,400 taxed at child's rate.
Unearned income. Taxed at parents' tax rates if over \$2,200.

Filing Requirements—for Most Taxpayers

If filing status is:	And at the end of 2020, taxpayer was:	Then file a return if gross income was at least:
Single	Under age 65	\$12,400
	Age 65 or older	\$14,050
MFJ	Under age 65 (both spouses)	\$24,800
	Age 65 or older (one spouse)	\$26,100
	Age 65 or older (both spouses)	\$27,400
MFS	Any age	\$5
HOH	Under age 65	\$18,650
	Age 65 or older	\$20,300
QW	Under age 65	\$24,800
	Age 65 or older	\$26,100

Social Security and Medicare Taxes

Maximum earnings subject to:		Social Security tax rate:	
Social Security tax	\$137,700	Employee	6.20%
Medicare tax	No Limit	Self-employed	12.40%
Maximum Social Security tax:		Medicare tax rate:	
Employee	\$8,537.40	Employee	1.45%
Self-employed	\$17,074.80	Self-employed	2.90%

Additional Medicare Tax

The additional Medicare tax is a 0.9% additional tax on combined wages, compensation, and self-employment income above threshold amount.

Filing Status	Threshold Amount
Single, HOH, QW	\$200,000
MFJ	\$250,000
MFS	\$125,000

Employee. An employer must withhold the additional Medicare tax on wages or compensation it pays to an individual in excess of \$200,000 in a calendar year, without regard to the individual's filing status or wages paid by another employer.

Phaseouts Based on Modified AGI

Student Loan Interest	Traditional IRA—Covered By Employer			
MFJ.....\$140,000 to \$170,000	MFJ, QW.....\$104,000 to \$124,000			
Single, HOH, QW...\$ 70,000 to \$ 85,000	Single, HOH.....\$65,000 to \$ 75,000			
MFS.....Does not qualify	MFS.....\$0 to \$ 10,000			
American Opportunity Credit	Spouse not covered by employer.....\$196,000 to \$206,000			
	Roth IRA			
MFJ.....\$160,000 to \$180,000	MFJ, QW.....\$196,000 to \$206,000			
Single, HOH, QW...\$ 80,000 to \$ 90,000	Single, HOH.....\$124,000 to \$139,000			
MFS.....Does not qualify	MFS.....\$ 0 to \$ 10,000			
Lifetime Learning Credit				
MFJ.....\$118,000 to \$138,000				
Single, HOH, QW...\$ 59,000 to \$ 69,000				
MFS.....Does not qualify				
Child Tax Credit/Credit for Other Dependents. Phaseout begins at:	Retirement Savings Contributions			
MFJ.....\$400,000	Credit—AGI up to:			
Single, HOH, MFS, QW.....\$200,000	<i>Rate</i>	<i>MFJ</i>	<i>HOH</i>	<i>Single, QW, MFS</i>
	50%	\$39,000	\$29,250	\$19,500
	20%	\$42,500	\$31,875	\$21,250
	10%	\$65,000	\$48,750	\$32,500
	0%	\$65,001	\$48,751	\$32,501
Tuition/Fees Deduction	Adoption Expense Credit or Exclusion			
MFJ.....\$130,000 to \$160,000	MFJ, Single,			
Single, HOH, QW...\$ 65,000 to \$ 80,000	HOH, QW.....\$214,520 to \$254,520			
MFS.....Does not qualify				

DEPENDENTS

HOW A CHILD OR OTHER QUALIFYING PERSON AFFECTS A CLIENT'S TAX RETURN FAST ANSWER CHARTS

TAX
YEAR **2020**

Dependency Tests for 2020

All seven of the following tests must be met in order for a taxpayer to claim another person as a dependent. Test numbers 4 through 7 vary depending on whether the person is a qualifying child or a qualifying relative.

1) **Dependent taxpayer test.** To claim another person as a dependent, the taxpayer, or spouse of the taxpayer if filing jointly, cannot be eligible to be claimed as a dependent on someone else's tax return.

2) **Joint return test.** A person cannot be treated as a dependent if he or she files a joint return with a spouse. This rule does not apply if the joint return was filed only to claim a refund of withheld income tax or estimated tax paid.

3) **Citizen or resident test.** The person claimed as a dependent must be either a U.S. citizen, U.S. national, U.S. resident alien, or a resident of Canada or Mexico. An adopted child (or child lawfully placed for legal adoption) that lived with the taxpayer all year passes this test if the taxpayer is a U.S. citizen or U.S. national.

Qualifying Child	Qualifying Relative
<p>4) Relationship test. The child must be the taxpayer's son, daughter, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of these, such as a grandchild, niece, or nephew.</p> <p>Note: If a child meets tests 4 through 7 for more than one taxpayer, see <i>Qualifying Child of More Than One Person</i>, page 3-3.</p>	<p>4) Relationship or member of household test. A relative of the taxpayer must be:</p> <ul style="list-style-type: none"> • A son, daughter, stepchild, foster child, or a descendant of any of these (such as a grandchild), • A brother, sister, half brother, half sister, or a son or daughter of either of these (such as a niece or nephew), • A father, mother, or a direct ancestor or sibling of either of them (such as a grandmother, grandfather, aunt, or uncle), but not foster parent, • A stepbrother, stepsister, stepfather, stepmother, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law, or • Any other person (other than the spouse) who lived with the taxpayer all year as a member of the taxpayer's household if the relationship does not violate local law. See <i>Exceptions to Time Lived With Taxpayer</i>, below.
<p>5) Residency test. The child must have lived with the taxpayer for more than half of the year. See <i>Exceptions to Time Lived With Taxpayer</i>, below.</p>	<p>5) Not a qualifying child test. The relative must not be a qualifying child of any other taxpayer for the year. For this purpose, a person is not a taxpayer if he or she is not required to file a tax return and either does not file a return or only files a return to get a refund of withheld income tax or estimated tax paid.</p>
<p>6) Age test. The child must be:</p> <ul style="list-style-type: none"> • Under age 19 at the end of the year and younger than the taxpayer (or spouse, if MFJ), or • A student under age 24 at the end of the year and younger than the taxpayer (or spouse, if MFJ), see <i>Student</i>, below, or • Permanently and totally disabled at any time during the year, regardless of age. See <i>Permanently and Totally Disabled</i>, below. 	<p>6) Gross income test. The relative must have gross income of less than \$4,300 in 2020.</p> <p>Gross income defined. Gross income is all income (money, property, services) that is not exempt from tax. Gross income includes all taxable unemployment compensation, taxable Social Security benefits, and certain scholarship and fellowship grants. Scholarships received by degree candidates that are used for tuition, fees, supplies, books, and equipment required for particular courses are generally not included in gross income. See <i>Exception to Gross Income Test</i>, below.</p>
<p>7) Support test. The child cannot provide over half of his or her own support during the year.</p> <p>Note: Third party payments (welfare, TANF, etc.) and scholarships received by a student are not considered support provided by the child.</p>	<p>7) Support test. The taxpayer must provide over half of the relative's total support during the year. This test does not apply for persons who qualify as dependents under the children of divorced or separated parents rule, the multiple support agreements rules, and the rule for kidnapped children. See <i>Dependent Parent Special Rule</i>, below.</p>
<p>Note: If a taxpayer's child is not a dependent under the qualifying child rules, the child may still qualify as a dependent under the qualifying relative rules. However, claiming the child as a dependent under the qualifying relative rules will not qualify the taxpayer for the Earned Income Credit or the Child Tax Credit.</p>	
<p>Exceptions to Time Lived With Taxpayer</p>	<p>Temporary absences for special circumstances, such as school, vacation, business, medical care, military service, or detention in a juvenile facility, count as time the person lived in the home. A child who was born or died during the year is treated as having lived with the taxpayer for more than half of the year if the taxpayer's home was the child's home for more than half the time he or she was alive. A stillborn child does not qualify as a dependent. A child kidnapped by a non-family member may still be a qualifying child. See <i>Kidnapped Child</i>, page 3-2.</p>
<p>Student</p>	<p>A student must be enrolled full-time during some part of each of any five calendar months during the year at a school, or taking a full-time on-farm training course given by a school, or a state, county, or local government agency. See <i>School Defined</i>, page 3-2.</p>
<p>Permanently and Totally Disabled</p>	<p>A person is permanently and totally disabled if, at any time during the year, he or she cannot engage in any substantial gainful activity because of a physical or mental condition, and a doctor has determined that this condition has lasted, or can be expected to last, continuously for at least a year or can be expected to lead to death.</p>
<p>Exception to Gross Income Test</p>	<p>If the taxpayer's qualifying relative is permanently and totally disabled at any time during the year, certain income for services performed at a sheltered workshop is excluded for this test.</p>
<p>Dependent Parent Special Rule</p>	<p>If the taxpayer's qualifying person is the taxpayer's father or mother, the taxpayer may be eligible to file as Head of Household even if the father or mother does not live with the taxpayer. However, the taxpayer must be able to claim the father or mother as a dependent and pay more than half the cost of keeping up a home that was the main home for the entire year for the father or mother. This includes paying more than half the cost of keeping the parent in a rest home or home for the elderly.</p>

SOCIAL SECURITY & MEDICARE

SOCIAL SECURITY BENEFITS, REPORTING, TAXATION, AND MEDICARE FAST ANSWER CHARTS

TAX
YEAR **2020**

Social Security—How to Qualify for Benefits

- Work and pay Social Security taxes to earn credits toward Social Security benefits.
- The number of credits needed depends on when the individual was born.

Credits

- A worker receives one credit for each \$1,410 earned in 2020.
- The amount of earnings needed for a quarter of coverage increases automatically each year with increases in the national average wage index.
- A maximum of four credits may be earned annually.

Taxability of Social Security Benefits

Taxable		Nontaxable
• Retirement benefits	• Spousal benefits	• Supplemental Security Income (SSI)
• Survivor benefits	• Disability benefits	• Lump-sum death benefit
• Family benefits		

Working While Receiving Social Security Benefits

A person can receive Social Security retirement or survivor's benefits and work at the same time. However, benefits may be reduced based on age and earnings amount. Different rules apply to disability benefits recipients who continue to work.

Age	Reduction in Benefits
Full retirement age.	No reduction in benefits.
Prior to attaining full retirement age during 2020.	Benefits are reduced by \$1 for every \$3 in excess of \$48,600 (2020).
Younger than full retirement age at the end of 2020.	Benefits are reduced by \$1 for each \$2 earned above \$18,240 (2020).

Social Security—Full Retirement Age

Year of Birth	Full Retirement Age	Year of Birth	Full Retirement Age
Born prior to 1938	Age 65	1955	Age 66, 2 months
1938	Age 65, 2 months	1956	Age 66, 4 months
1939	Age 65, 4 months	1957	Age 66, 6 months
1940	Age 65, 6 months	1958	Age 66, 8 months
1941	Age 65, 8 months	1959	Age 66, 10 months
1942	Age 65, 10 months	1960 or later	Age 67
1943 – 1954	Age 66		

January 1 birthday. Individuals born on January 1 of any year should refer to the previous year in this chart.

2020 Social Security and Medicare Highlights

Social Security benefits increase ... 1.60%	Medicare tax rate:
Maximum earnings subject to:	Employee 1.45%
Social Security tax \$137,700	Self-employed 2.90%
Medicare tax No limit	Earnings needed for one quarter of coverage \$1,410
Maximum Social Security tax:	Earnings limit to receive full Social Security benefits:
Employee \$8,537.40	Under full retirement age ¹ .. \$18,240
Self-employed \$17,074.80	Year of full retirement age ² \$48,600
Maximum Medicare tax No limit	Full retirement age No limit
Social Security tax rate:	Medicare premiums:
Employee 6.20%	Part A (per month) \$458.00
Self-employed 12.40%	Part B (per month) ³ \$144.60
Maximum Social Security benefits at full retirement age:	Hospital deductible \$1,408.00
Maximum monthly benefit \$3,011	
Full retirement age 66 and 0 months	

¹ \$1 in benefits is withheld for every \$2 in earnings above limit.

² Applies only to earnings for months prior to attaining full retirement age. \$1 in benefits is withheld for every \$3 in earnings above the limit.

³ Standard monthly premium. High income taxpayers see 2020 Medicare Costs chart, page 4-6.

Additional Medicare tax on earned income. Medicare tax for FICA and self-employment income is increased by 0.9% for earned income in excess of \$250,000 MFJ, \$125,000 MFS, and \$200,000 any other filing status.

Additional Medicare tax on net investment income. A 3.8% Medicare tax applies to net investment income in excess of \$250,000 MFJ and QW, \$125,000 MFS, and \$200,000 any other filing status.

Social Security—Early Retirement Reduced Benefits

A person can begin receiving Social Security benefits early, at age 62. The following table illustrates the effect on a primary beneficiary's benefit, and a spouse's benefit who normally would receive 50% of the primary beneficiary's primary insurance amount (PIA) when Social Security benefits begin at age 62.

Year of Birth	Primary's Reduction Percentage	Spouse's Reduction Percentage	A \$1,000 (\$500 Spousal) Benefit Reduced To:
1937 or earlier	20.00%	25.00%	\$800 (\$375)
1938	20.83%	25.83%	\$791 (\$370)
1939	21.67%	26.67%	\$783 (\$366)
1940	22.50%	27.50%	\$775 (\$362)
1941	23.33%	28.33%	\$766 (\$358)
1942	24.17%	29.17%	\$758 (\$354)
1943 – 1954	25.00%	30.00%	\$750 (\$350)
1955	25.83%	30.83%	\$741 (\$345)
1956	26.67%	31.67%	\$733 (\$341)
1957	27.50%	32.50%	\$725 (\$337)
1958	28.33%	33.33%	\$716 (\$333)
1959	29.17%	34.17%	\$708 (\$329)
1960 and later	30.00%	35.00%	\$700 (\$325)

Lump-Sum Death Benefits

If the beneficiary is...	Then the evidence the claimant needs to submit is...				
	Age	Relationships		Dependency or Support	Death of Worker
Surviving spouse living in same household	—	Marriage	Parent-Child	—	X
Eligible surviving spouse, excluding divorced spouse	X ³	X ³	—	—	X
Eligible children	X ³	—	X ³	X ^{1,3}	X

¹ A legitimate or adopted child is ordinarily considered dependent on his or her parent, however, certain evidence may be needed in the case of other types of children.

² Proof of full-time school attendance required if child is 18–19 and is not disabled.

³ To qualify for the lump-sum, the claimant must present evidence that proves he or she does (or could) qualify for monthly benefits in the month the worker died.

MILITARY

SPECIAL SITUATIONS PERTAINING TO U.S. ARMED FORCES PERSONNEL FAST ANSWER CHARTS

TAX
YEAR **2020**

Extensions of Deadlines

Deadlines for filing tax returns and claims for refund, paying taxes, and taking any other actions with the IRS are automatically extended for:

- Servicemembers performing qualified service in or out of a combat zone, including time spent in a missing status.
- Servicemembers deployed on a contingency operation, outside the United States and away from the permanent duty station.
- Support personnel serving in a combat zone or contingency operation in support of the Armed Forces, including the Red Cross, accredited correspondents, and civilians acting under Armed Forces direction.

Extensions for spouses. The spouse of a servicemember who served in a combat zone or contingency operation is entitled to the same deadline extensions as the servicemember, with two exceptions.

- 1) The extension does not apply to a spouse for any tax year beginning more than two years after the date the area ceases to be a combat zone or the operation ceases to be a contingency operation.
- 2) The extension does not apply to a spouse for any period the servicemember is hospitalized in the United States for injuries incurred in a combat zone or contingency operation.

Interest-Free Deferral Request

Income taxes, including taxes payable under an installment agreement, that become due before or during military service may be deferred without interest or penalty if all the following three conditions are met.

- 1) The servicemember is performing military service,
- 2) The servicemember requests deferral from the IRS because his or her ability to pay the tax has been materially affected by military service, and
- 3) The taxes are paid in full by the end of 180 days after the taxpayer terminates or is released from military service.

National Guard servicemembers are included in this provision if:

- Under a call to active service by the President or the Secretary of Defense for a period of more than 30 days, and
- The call is in response to a national emergency that is declared by the President and supported by federal funds.

How to request deferral. Requests for deferral of tax payments must be made in writing. There is no specific form provided for this process.

- A servicemember with a current payment agreement in place must make the request with the IRS office where the agreement was made.
- Servicemembers without current payment agreements must wait until an IRS notice is received. Request for deferral is made with the IRS office that issued the notice.
- Requests must include the servicemember's name, Social Security Number, monthly income and source before military service, current monthly income, military rank, date entered military service, and date eligible for discharge.
- If possible, enclose a copy of the military orders with the request.

IRS approval is not automatic. The IRS reviews each request for deferral and notifies the servicemember in writing.

Note: These provisions do not apply to the employee share of Social Security and Medicare taxes, which are deducted from wages.

Tax Return Filing Extensions

Inside the U.S. Automatic 6-month extension to October 15 by filing **Form 4868**, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*.

Outside the U.S. Automatic

2-month extension to June 15 (without filing **Form 4868**, but must attach statement to return), if: (Can file **Form 4868** for extension to October 15.)

- Servicemember currently lives and main place of business or post of duty is outside the U.S. and Puerto Rico, or
- Servicemember in military or naval service on assigned tour of duty outside the U.S. and Puerto Rico for period including return due date.

Note: Extension of time to file is not extension of time to pay tax due.

Special Extension of IRS Deadlines

Issue	Actions for Which Special Extension Applies
Income, estate, gift, employment, or excise tax	<ul style="list-style-type: none"> • Filing any tax return or paying any tax due. • Assessment of tax or examination of return by the IRS.
IRA	<ul style="list-style-type: none"> • Making a qualified contribution to an IRA. • Repayment of IRA distributions.
Credits and refunds	<ul style="list-style-type: none"> • Filing a claim for credit or refund for any tax. • Bringing suit for any claim for credit or refund. • Allowance by the IRS of a credit or refund.
Notices and collections	<ul style="list-style-type: none"> • Giving or making any notice or demand by the IRS for liability or payment of any tax. • Collection by the IRS of any tax due. • Bringing suit by the United States for any tax due.
Tax Court	<ul style="list-style-type: none"> • Filing a petition with the Tax Court for redetermination of a deficiency. • Filing a petition for review of a Tax Court decision.

Length of Automatic Special Extension

180 days after the later of last day of:	plus	Number of days left to take action with the IRS when qualifying service began.
<ul style="list-style-type: none"> • Qualifying service¹ or • Continuous qualified hospitalization.² 		
¹ Qualifying service. Service in a combat zone, support service outside a combat zone, or service in a contingency operation.		
² Qualified hospitalization. Any hospitalization outside the U.S. and up to five years in the U.S. if due to an injury from qualifying service.		
Note: Qualified hospitalization is not considered for computing the IRS collection period.		

Example: Calculating Length of Special Extension

Sgt. McGee was deployed to a combat zone on December 1, 2018, and remained there through March 31, 2020. Special extension deadlines are calculated below.

Tax year	2018	2019	2020
Usual due date	4/15/19	7/15/20	4/15/21
Usual time period for taking action	1/1–4/15/19	1/1–7/15/20	1/1–4/15/21
+ 180 days = total ext. days	105 days	197 days	105 days
Extended deadline	285	377	285
	1/10/21	4/12/21	1/10/21*

*The special extension does not apply for the 2020 return because it ends before the usual due date.

INTERNATIONAL

FOREIGN INCOME, EXCLUSIONS, AND CREDITS FAST ANSWER CHARTS

TAX
YEAR **2020**

Taxation of Worldwide Income

- The following general rules apply to U.S. citizens and resident aliens.
- Worldwide income from all sources is subject to federal income tax, regardless of where the taxpayer is living.
 - The same filing requirements apply no matter where the taxpayer is living.

Form 1040 or Form 1040-NR?

Form 1040, U.S. Individual Income Tax Return

- U.S. citizens and resident aliens who meet usual filing requirements.
- A nonresident alien who:
 - Elects to be taxed as a resident alien, and
 - Is married to a U.S. citizen or resident alien at the end of the tax year.

Form 1040-NR, U.S. Nonresident Alien Income Tax Return

- All nonresident aliens engaged in a trade or business in the U.S.
- File even if no gross income was earned in the U.S. or if U.S. income was exempt from U.S. tax under a tax treaty or any IRC section.

Resident Aliens

- A resident alien of the United States is a noncitizen who meets either the green card test or substantial presence test for the calendar year.
- Resident aliens of the U.S. are subject to federal income tax on their worldwide income from all sources, regardless of where they live.

Green Card Test

- The taxpayer was a lawful permanent resident of the United States at any time during the calendar year.
- Lawful residency means that the taxpayer has been given the privilege, according to immigration laws, of residing permanently in the U.S. as an immigrant.
- The taxpayer is generally issued an alien registration card, or "green card," by U.S. immigration services.

Substantial Presence Test

- The taxpayer lived in the U.S. for at least 183 days during the current calendar year and the two preceding years, with a minimum of 31 of those days occurring during the current year.
- For purposes of counting the 183 days, count one-third of the days in the first preceding year and one-sixth of the days in the second preceding year.
- Do not count days spent commuting between the U.S. and Canada or Mexico, days when the taxpayer was in transit between the U.S. and other countries, or days spent as a crew member of a foreign vessel. Do not count days when the taxpayer had to remain in the U.S. because of a medical condition that occurred while he or she was in the U.S. Do not count days the taxpayer was an exempt individual.

Taxpayer Abroad Extension Summary¹

Extension Type	Who Qualifies?	How to File	When to File Extension	Calendar Year Return Extended To
Automatic two-month ²	U.S. citizens or resident aliens who, on the regular due date of the return are: <ul style="list-style-type: none"> Living outside of the U.S. and Puerto Rico and whose main place of business or post of duty is outside those areas. In military or naval service on duty outside those areas. 	Attach a statement to the return explaining which of the two situations qualified the taxpayer for the extension.	June 15	June 15
Additional four-month	Taxpayers who qualify for the automatic two-month extension can generally get an additional four months to file, for a total of six months from the regular due date.	File Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return.	June 15	October 15
IRS discretionary two-month ³	Taxpayers who are out of the country and qualify for the automatic two-month and six-month extension. This option is not available for taxpayers who use Form 2350 .	Write a letter to the IRS explaining why the additional time is needed. Mail to: Department of the Treasury, Internal Revenue Service Center, Austin, TX 73301-0045	October 15	December 15
Extension of time to qualify for the Foreign Earned Income Exclusion ²	U.S. citizens or resident aliens who: <ul style="list-style-type: none"> Expect to meet either the bona fide residence test or physical presence test, but not until after the return is due, and Whose tax home is in a foreign country (or countries) throughout the period of bona fide residence or physical presence. 	File Form 2350, Application for Extension of Time to File U.S. Income Tax Return.	June 15	30 days after taxpayer expects to meet test.

¹ Additional extension provisions apply for U.S. Armed Forces personnel serving in combat zones or qualified hazardous duty areas.

² Automatic two-month extension of time to pay but interest applies during extension.

³ Extension is not automatic and may be denied.

BUSINESS

SCHEDULE C AND ENTITY TAX PREPARATION FAST ANSWER CHARTS

TAX
YEAR **2020**

Taxation Summary—Corporations and Partnerships

	S Corporation	C Corporation	Partnership
Taxation	Income and deductions are passed through to shareholders, avoiding corporate-level tax. Generally, no entity level income tax is paid.	Income is taxed at the corporate level. Profits are distributed to shareholders as taxable dividends, creating "double tax."	Income and deductions are passed through to partners. A partnership does not pay income tax at the entity level.
Income	Business income from an S corporation is passed through to shareholders and taxed as ordinary income.	After-tax profits of a C corporation may be distributed to shareholders as dividends. Qualified dividends are generally taxed to the individual shareholder at long-term capital gain rates (0%, 15%, or 20%).	Income from a partnership is passed through to shareholders and taxed as ordinary income. Guaranteed payments and general partners' share of income is subject to self-employment tax at the individual level.
Losses	Business losses passing through to an S corporation shareholder are treated as ordinary losses.	A C corporation does not pass losses through to shareholders.	Business losses passing through to partners are treated as ordinary losses.

Business Filing Requirements

Form Entity	Filing Requirement	Filing Deadline – Calendar Year	Filing Deadline – Fiscal Year
Schedule C (Form 1040) Sole proprietorship (including single-member LLC)	Required to file Form 1040 if taxpayer has self-employment income of at least \$400.	April 15	15th day of the 4th month after the end of the individual's tax year.
Form 1065 Partnership (including LLC classified as partnership)	Any partnership that engages in a trade or business or has gross income is required to file a return.	March 15	15th day of the 3rd month after the end of the partnership's tax year.
Form 1120-S S corporation	All S corporations required to file return regardless of amount of income/deductions.	March 15	15th day of the 3rd month after the end of the S corporation's tax year.
Form 1120 C corporation	All C corporations required to file return regardless of amount of income/deductions.	April 15	15th day of the 4th month after the end of the C corporation's tax year.*

* A C corporation with a fiscal tax year ending June 30 must file by the 15th day of the 3rd month after the end of its tax year (September 15).

C Corporation Distributions

	Taxable to Shareholder	Deductible by Corporation
Wages	X	X
Dividends	X	
Fringe benefits		X
Loan repayments (interest)	X	X
Rent payments	X	X
Return of capital (over basis)	X	

C Corporation Basis—IRC §351 Nontaxable Transfers

General rule. No gain or loss is recognized if property is transferred to a corporation in exchange for stock and immediately after the person is in control of the corporation.

Shareholder's Basis in Stock	Corporation's Basis in Property
Adjusted basis of property	Adjusted basis of property in hands of the shareholder
+ Gain recognized	+ Gain recognized by the shareholder on the transfer
+ Cash paid	
– Cash received	
– FMV of property received	
– Liabilities transferred	

C Corporations

Tax Rate	All taxable income of a C corporation, including a personal service corporation (PSC), is taxed at a flat rate of 21%.
Dividends Received Deduction	A C corporation can deduct a percentage of dividends received during the tax year.
	20% or more ownership. 65% dividends received deduction.
	Less than 20% ownership. 50% dividends received deduction.
	• Small business investment company. • Corporate member of same affiliated group. 100% dividends received deduction.
AMT	Alternative minimum tax (AMT) is repealed for C corporations.

Net Operating Loss (NOL) (IRC§172)

Default Rules	NOLs arising in tax years 2018, 2019, and 2020: • Must be carried back five years, unless election is made. • Carryover is unlimited. • Special rules for farmers do not apply.
Election	Taxpayers can make an irrevocable election to waive the entire five-year carryback period. • The election for NOLs arising in 2020 must be made by the due date of the 2020 return (including extensions). • The election for NOLs arising in 2018 or 2019 must be made by the due date (including extensions) of the return for the first taxable year ending after March 27, 2020.

Note: The 20% QBI deduction is not taken into account when computing NOL.

Limited Liability Company (LLC)

LLC can be classified as a disregarded entity (single-member), a partnership (two or more members), or a corporation (with an election).

LLC Classification	Filing Requirements
Disregarded entity	Single-member owner reports LLC income/expenses on Schedule C (Form 1040) , unless election is made to be taxed as a corporation.
Partnership	Multi-member LLC must file Form 1065 (partnership return), unless election is made to be taxed as corporation.
Corporation	• LLC classified as S corporation files Form 1120-S . • LLC classified as C corporation files Form 1120 .

1099-MISC, Miscellaneous Income

Box	Description	Report On
1 Rents	Amounts of \$600 or more for all types of rents, such as real estate rentals for office space, machine rentals, and pasture rentals.	Line 8, Schedule 1; Schedule C; Schedule E; or Form 4835 .
2 Royalties	Gross royalty payments of \$10 or more. Royalties from oil, gas, or other mineral properties before reduction for severance and other taxes withheld and paid. Includes royalty payments from patents, copyrights, trade names, and trademarks. Also, royalties paid by a publisher directly to an author or literary agent, unless the agent is a corporation.	Schedule E or Schedule C.
3 Other income	Other income of \$600 or more required to be reported on Form 1099-MISC that is not reportable in one of the other boxes on the form. Includes prizes and awards that are not for services performed.	Line 8, Schedule 1, unless other form applies.
5 Fishing boat proceeds	An individual's share of all proceeds from the sale of a catch or the FMV of a distribution in kind to each crew member of fishing boats with normally fewer than 10 crew members.	Schedule C.
6 Medical and health care payments	Payments of \$600 or more made to each physician or other supplier or provider of medical or health care services. Includes payments made by medical and health care insurers under health, accident, and sickness insurance programs.	Schedule C.
7 Payer made direct sales of \$5,000...	If box is checked, indicates sales of \$5,000 or more to a person on buy-sell, deposit-commission, or other commission basis for resale anywhere other than in a permanent retail establishment.	Generally, Schedule C.
8 Substitute payments in lieu of dividends or interest	Aggregate payments of at least \$10 of substitute payments received by a broker for a customer in lieu of dividends or tax-exempt interest as a result of a loan of a customer's securities. A customer includes an individual, trust, estate, partnership, association, company, or corporation.	Line 8, Schedule 1.
9 Crop insurance proceeds	Crop insurance proceeds of \$600 or more paid to farmers by insurance companies unless the farmer has informed the insurance company that expenses have been capitalized.	Schedule F or Form 4835 .
10 Gross proceeds paid to an attorney	Gross proceeds of \$600 or more paid to an attorney in connection with legal services (regardless of whether the services are performed for the payer). Report only the taxable part as income.	Return for entity or individual required to report income.
12 Section 409A deferrals	May show current year deferrals as a nonemployee under a nonqualified deferred compensation (NQDC) plan subject to IRC section 409A, plus any earnings on current and prior year deferrals.	Not reported on Form 1040 .
13 Excess golden parachute payments	The amount of the excess of any parachute payment over the base amount (the average annual compensation for services includible in the individual's gross income of the most recent five tax years).	20% reported as "EPP" on line 8, Schedule 2.
14 Nonqualified deferred compensation	Shows deferred amounts includible in income as a nonemployee under an NQDC plan that does not meet the requirements of IRC section 409A. Amount also shown in box 1, Form 1099-NEC , <i>Nonemployee Compensation</i> . Any amount in box 12 that is currently taxable is also included in box 14. Subject to an additional 20% tax of the amount required to be included in income, plus premium interest tax.	Reported as "NQDC" on line 8, Schedule 2.

1099-NEC, Nonemployee Compensation

Box	Description	Report On
1 Nonemployee compensation	<p>Nonemployee compensation (NEC) of \$600 or more. Includes fees, commissions, prizes, awards, and other forms of compensation for services performed by a nonemployee. Also includes:</p> <ul style="list-style-type: none"> • Cash received for the sale of fish. • Oil and gas payments for a working interest, whether or not services are performed. • Expenses incurred for use of an entertainment facility treated as compensation to nonemployee. • Federal executive agency payments to vendors for services, including corporations. <p>Nonqualified deferred compensation (NQDC). Amount of all deferrals (plus earnings) reported in box 14, Form 1099-MISC, that are includible in gross income because the NQDC plan fails to satisfy the requirements of IRC section 409A.</p>	Schedule C, <i>Profit or Loss From Business</i> , or Schedule F, <i>Profit or Loss From Farming</i> , and Schedule SE, <i>Self-Employment Tax</i> .

1099-INT, Interest Income

Box	Description	Report On
1 Interest income	Taxable interest income. This amount does not include amounts reported in box 3 (U.S. Savings Bonds and Treasury obligations), or interest exempt from federal tax.	Line 2b, Form 1040 , and Part I, Schedule B, if total interest is more than \$1,500.
2 Early withdrawal penalty	Interest or principal forfeited because of an early withdrawal of time savings deposits. This amount is an adjustment to income on Form 1040 .	Line 17, Schedule 1.
3 Interest on U.S. Savings Bonds and Treas. obligations	Interest on U.S. Savings Bonds, Treasury bills, Treasury notes, and Treasury bonds. This amount is not included in box 1. Interest from Treasury bills, notes, and bonds is subject to federal tax but is exempt from all state and local taxation.	Line 2b, Form 1040 , and Part I, Schedule B, if total interest is more than \$1,500.
5 Investment expenses	Taxpayer's share of investment expenses of a single-class real estate mortgage investment conduit (REMIC). This amount is included in box 1.	Not deductible.
6 Foreign tax paid	Foreign tax withheld and paid. Reported in U.S. dollars. This amount may be claimed as a deduction or credit.	Form 1116 , <i>Foreign Tax Credit</i> ; or line 1, Schedule 3; or line 6, Schedule A, if applicable.
7 Foreign country or U.S. possession	Shows the country or U.S. possession to which the foreign tax was paid.	
8 Tax-exempt interest	Interest used to finance government operations issued by a state, the District of Columbia, a U.S. possession, an Indian tribal government, a political subdivision, or qualified volunteer fire department. Exempt from federal income tax but generally subject to state and local tax unless the interest is from that state or local government.	Line 2a, Form 1040 .

1099-INT, Interest Income—continued on page 2-3

DEPRECIATION

MACRS, RECOVERY PERIODS, AND DEPRECIATION PERCENTAGE FAST ANSWER CHARTS

TAX
YEAR **2020**

Half-Year Convention Depreciation Rates

3-, 5-, 7-, 10-, 15-, and 20-Year Property						
Year	200DB 3-year	200DB 5-year	200DB 7-year	200DB 10-year	150DB 15-year	150DB 20-year
1	33.33%	20.00%	14.29%	10.00%	5.00%	3.750%
2	44.45	32.00	24.49	18.00	9.50	7.219
3	14.81	19.20	17.49	14.40	8.55	6.677
4	7.41	11.52	12.49	11.52	7.70	6.177
5		11.52	8.93	9.22	6.93	5.713
6		5.76	8.92	7.37	6.23	5.285
7			8.93	6.55	5.90	4.888
8			4.46	6.55	5.90	4.522
9				6.56	5.91	4.462
10				6.55	5.90	4.461
11				3.28	5.91	4.462
12					5.90	4.461
13					5.91	4.462
14					5.90	4.461
15					5.91	4.462
16					2.95	4.461
17						4.462
18						4.461
19						4.462
20						4.461
21						2.231

MACRS Recovery Periods

Common Assets	GDS
Any property without a class life	7 years
Appliances, carpets, furniture, etc., used in residential rental real estate activities	5 years
Autos and trucks	5 years
Computers, printers, etc.	5 years
Farm buildings (other than single-purpose)	20 years
Fences	15 years
Land	Not depreciable
Land improvements	15 years
Nonresidential real estate (including home office)	39 years
Office equipment	5 years
Office furniture	7 years
Qualified improvement property	15 years*
Rent-to-own property (qualified)	3 years
Residential rental property (buildings)	27.5 years
Single-purpose agricultural structures	10 years
Tractor units for over the road	3 years
See <i>Farming Asset Recovery Periods</i> , page 8-5.	
See <i>Technical error fixed</i> , page 8-4.	

2020 Section 179 Limits

Deduction limit	\$1,040,000
SUV limit	\$25,900
Investment limit phaseout begins	\$2,590,000
The limits are indexed for inflation.	

2020 MACRS Depreciation Methods

General Depreciation System (GDS)	Default system for all property unless: • Required by law to use ADS, or • Electing to use ADS on Part III, Form 4562 , <i>Depreciation and Amortization</i> .
Alternative Depreciation System (ADS)	Mandatory for the following property: • Listed property used 50% or less for business. • Farm property used when an election not to apply the uniform capitalization rules is in effect. • Imported property, or property used primarily outside the U.S. • Property financed by tax-exempt bonds, or tax-exempt use property. • Nonresidential real property, residential rental property, or qualified improvement property held by an electing real property trade or business. [IRC §163(j)(7)(B)] • Property with a recovery period of 10 years or more under GDS that is held by an electing farming business. [IRC §163(j)(7)(C)]

	Type of Property	Benefit
GDS using 200DB	<ul style="list-style-type: none"> Nonfarm 3-, 5-, 7-, and 10-year property. Farm 3-, 5-, 7-, and 10-year property placed in service after December 31, 2017, in tax years ending after December 31, 2017. Method not allowed for AMT purposes. 	<ul style="list-style-type: none"> Provides a greater deduction during the earlier recovery years. Changes to SL when SL provides an equal or greater deduction.
GDS using 150DB	<ul style="list-style-type: none"> Farm 3-, 5-, 7-, or 10-year property placed in service before 2018. All 15- and 20-year property. May be elected for property eligible for 200DB Must be used for AMT purposes unless SL is elected. 	<ul style="list-style-type: none"> Provides a greater deduction during the earlier recovery years. Changes to SL when SL provides an equal or greater deduction.
GDS using SL	<ul style="list-style-type: none"> Nonresidential real property. Residential rental property. Trees or vines bearing fruits or nuts. Water utility property. Qualified improvement property placed in service after December 31, 2017. May be elected for any property eligible for 200DB or 150DB. 	<ul style="list-style-type: none"> Provides for equal yearly deductions (except first and last years). Shorter recovery periods than ADS SL.
ADS using SL	<ul style="list-style-type: none"> Mandatory for certain property listed in <i>Alternative Depreciation System (ADS)</i>, above. May be elected for any property. 	<ul style="list-style-type: none"> Provides for equal yearly deductions (except first and last years). Longer recovery periods than GDS SL.

Special depreciation. Certain property placed in service in 2020 may be eligible for a special depreciation allowance. See *Special Depreciation Allowance*, page 8-5.

REPAIRS & IMPROVEMENTS

WHEN TO CAPITALIZE AND WHEN TO DEDUCT PROPERTY EXPENDITURES FAST ANSWER CHARTS

TAX
YEAR **2020**

Repairs and Improvements

Repairs	Improvements
<p>Costs that are deductible:</p> <ul style="list-style-type: none"> Keep the property in good operating condition. Do not materially add value to the property. Do not substantially prolong the property's life. 	<p>Costs that must be capitalized:*</p> <ul style="list-style-type: none"> Improve or better the property (Betterment). Restore the property (Restoration). Adapt the property to new or different uses (Adaptation).
<p>Examples:</p> <ul style="list-style-type: none"> Repainting inside or out. Fixing gutters. Fixing damaged carpet. Fixing leaks. Plastering. Replacing broken windows. Servicing office equipment. Cleaning and lubricating machinery. 	<p>Examples:</p> <ul style="list-style-type: none"> Room additions. Remodeling. Landscaping. New roof or flooring/carpeting. Wiring upgrades. New heating/cooling and plumbing systems. Installing a security system. Replacing gravel driveway with concrete.
<p>* The cost of an improvement is depreciated according to the MACRS class and recovery period of the underlying property.</p>	

MACRS Recovery Periods

Common Assets	GDS
Any property without a designated class life	7 years
Appliances, carpets, furniture, etc., used in residential rental real estate activities	5 years
Automobiles and trucks	5 years
Computers and peripheral equipment	5 years
Farm buildings (other than single-purpose)	20 years
Farm machinery and equipment (new)	5 years
Farm machinery and equipment (used)	7 years
Fences	15 years
Fences (agricultural)	7 years
Land	Not depreciable
Land improvements	15 years
Nonresidential real property (including home office)	39 years
Office machinery (calculators, copiers, etc.)	5 years
Office furniture and fixtures (desks, files, safes)	7 years
Oil and gas well drilling assets	5 years
Qualified improvement property (QIP)	15 years*
Qualified technological equipment (telephone station equipment installed on customer's premises or medical equipment)	5 years
Rent-to-own property (qualified)	3 years
Residential rental property (buildings)	27.5 years
Single-purpose agricultural or horticultural structures	10 years
Tractor units for over-the-road use	3 years
Trees or vines bearing fruit or nuts	10 years

* **Technical error fixed.** The technical error (QIP as 39-year property) was fixed and QIP is retroactively classified as 15-year property. A taxpayer must change its depreciation method for QIP placed in service after December 31, 2017, for tax years ending in 2018, 2019, or 2020. Make a late election, revoke, or withdraw an election by filing an amended return or **Form 3115, Application for Change in Accounting Method**. For more information, see Revenue Procedure 2020-25.

Repairs

A taxpayer may deduct amounts paid for repairs and maintenance to tangible property if the amounts paid are not otherwise required to be capitalized. See also *Materials and Supplies*, [page 9-5](#).

A taxpayer may elect to capitalize repair and maintenance costs consistent with its books and records. See *Capitalize Repair and Maintenance Costs Election*, [page 9-5](#).

Improvements—General Steps

- 1) Identify the unit of property. See *Unit of Property*, [page 9-2](#).
- 2) Determine whether expenditure is for an improvement to the unit of property or is deductible as repairs, maintenance, or some other business expense. Improvement means an addition to or partial replacement of property that results in a betterment of the unit of property, restores the unit of property, or adapts the unit of property to a new use. Improvements are classified as betterments, restorations, or adaptations. See *Improvement Types*, [page 9-4](#).
- 3) Amounts paid to improve a unit of property must be capitalized unless a safe harbor applies.
 - *De Minimis Safe Harbor Election*, [page 9-6](#).
 - *Small Taxpayer Safe Harbor Election*, below.
 - *Routine Maintenance Safe Harbor*, [page 9-5](#).
 - *Remodel-Refresh Safe Harbor*, [page 9-4](#).

Costs incurred during an improvement. A taxpayer must capitalize all the direct costs of an improvement and all the indirect costs (including, for example, otherwise deductible repair costs and certain component removal costs that are not dispositions) that directly benefit or are incurred by reason of an improvement. These costs may include amounts paid over a period of more than one year, depending on the facts and circumstances.

Indirect costs that do not directly benefit and are not incurred by reason of an improvement are not required to be capitalized, even if they are incurred at the same time as an improvement.

Small Taxpayer Safe Harbor Election

Qualifying small taxpayers (average annual gross receipts \$10 million or less) may elect not to apply the improvement rules to an eligible building property and expense the cost if the total amount paid for repairs, maintenance, improvements, and similar activities performed on the eligible building does not exceed the lesser of:

- \$10,000, or
- 2% of the unadjusted basis of the eligible building.

Eligible Building	An eligible building has an unadjusted basis of \$1 million or less and must be owned or leased by the qualifying taxpayer.
Under This Election	A taxpayer includes amounts expensed under the de minimis safe harbor election and under the routine maintenance safe harbor to determine the annual amount paid for repairs, maintenance, improvements, and similar activities performed on the building.
Making the Election	The annual election is made on a building-to-building basis by including a statement on the taxpayer's timely filed tax return (including extensions) for the taxable year the costs are incurred for the eligible building. The statement must be titled "Section 1.263(a)-3(h) Safe Harbor Election for Small Taxpayers" and include the taxpayer's name, address, taxpayer identification number, and description of each eligible building property to which the taxpayer is applying the election. The election may not be revoked.

STARTING A BUSINESS

ENTITY COMPARISON AND ITEMS TO CONSIDER WHEN STARTING A BUSINESS FAST ANSWER CHARTS

TAX
YEAR **2020**

Entity Classification Elections

Entity	Default Filing	Entity Options	Cannot Be Taxed as:
Individual	Sole proprietor, Sch. C (or Sch. F for farm business)	Corporation	Partnership
Partnership	Partnership, Form 1065	Corporation	Sole proprietor
Corporation (formed as a corporation under state law)	C corporation, Form 1120 ; or S corporation, Form 1120-S (with S election)	N/A	Sole proprietor; Partnership
LLC (single-member)	Sole proprietor, Sch. C (or Sch. F for farm business), as disregarded entity unless election is made to be treated as corporation.	Corporation	Partnership
LLC (multiple-owner)	Partnership, Form 1065	Corporation	Sole proprietor

Employer Identification Number (EIN)

Apply online	www.irs.gov/Businesses/Small-Businesses-Self-Employed/Apply-for-an-Employer-Identification-Number-EIN-Online
Phone	Domestic EIN requests received by toll-free phones will be referred to the EIN Online Assistant. For international applicants, call 267-941-1099.
Fax	Use the following fax numbers based on where the principal business is located: One of the 50 states or the District of Columbia: Attn: EIN Operation..... Fax: 855-641-6935 No legal residence or place of business in any state: Attn: EIN Operation..... Fax: 855-215-1627
Mail	Internal Revenue Service Attn: EIN Operation, Cincinnati, OH 45999

Business Agreements

Incorporation agreements, Partnership agreements, LLC agreements. Consult an attorney to ensure compliance with state laws when forming a business entity. The following issues should be addressed in an agreement to form a business entity. This list is not all-inclusive.

The Business Entity

- Name, address of business.
- Names, addresses of shareholders.
- Description of business purposes.
 - Products, services, market.
- Number and duties of employees.
- Special allocations for partnerships.
- Contributions to capital.
 - Loans and repayment guarantees.

The Business Owners

Responsibilities of owners

- Administrative duties.
- Services to be performed.
- Hours dedicated to the business.
- Time off.
- Length of commitment.

Compensation of owners

- Wages/guaranteed/other payments.
- Contributions to retirement funds.

Payment of expenses not covered by business operations

- Stop-loss agreements, percentage contributions in case of shortfall.
- Expenses to be paid personally by owners.
- Provisions for additional capital contributions.

Decisions and disagreements

- Situations that will require a vote.
- Majority or unanimous vote requirements.
- Arbitration agreement.

Divisions of responsibility

- Authority to hire, fire, train employees.
- Authority to make loans, purchase inventory and supplies, enter into contracts, and incur business debts.

Draws

- Scheduled draws.
- Limits and restrictions on draws.

Rights of owner withdrawal or transfer of interest

- Ability to withdraw.
- Requirements for sale of interest.
- Rights of first refusal.
- Ability to sell to outside party.
- Advance notice of retirement.
- Methods of evaluating owner share.

Death of an owner

- Buy/sell agreements, succession plan.
- Rights and authority of relatives.
- Location of each owner's will.
- Right to divide interest of owner.

Books and Records

Responsibility

- Bookkeeping, accounting, and tax compliance.
- Legal compliance.

Recordkeeping

- Fiscal or calendar year.
- Accounting method, tax elections.
- Location of books and records.

Amendment Provisions

Circumstances, authority, procedures.

- Vote required for amendment.

Situations when amendment is:

- Mandatory
- Optional

Which Forms to File

Taxpayer	Applicable Taxes	Forms to File	Taxpayer	Applicable Taxes	Forms to File
Sole proprietor	Income tax.....	Form 1040 and Schedules C or F	Partner in a partnership (individual)	Income tax.....	Form 1040 and Schedule E
	Self-employment tax.....	Form 1040 and Schedule SE		Self-employment tax.....	Form 1040 and Schedule SE
	Estimated tax.....	Form 1040-ES		Estimated tax.....	Form 1040-ES
	Employment taxes: • Social Security and Medicare taxes and income tax withholding.....	Forms 941, 943, or 944	C corporation or S corporation	Income tax.....	Form 1120 (C corporation) Form 1120-S (S corporation)
	• Federal unemployment tax (FUTA).....	Form 940		Estimated tax.....	Form 1120-W (C corporation)
Partnership	Excise taxes.....	Forms 720, 2290, 730, or 11-C	S corporation shareholder (individual)	Employment taxes and excise taxes.....	Same as sole proprietor
	Annual return of income.....	Form 1065		Income tax.....	Form 1040 and Schedule E
	Employment taxes and excise taxes.....	Same as sole proprietor		Estimated tax.....	Form 1040-ES

Note: File a separate form or schedule for each business. Additional forms and schedules may be needed.