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L H HARRIS CERTIFIED PUBLIC ACCOUNTANT  
6400 REDWOOD DRIVE, SUITE 200  
ROHNERT PARK, CA 94928

Stephen J Peters & Nancy K Donovan  
21451 Hwy 128  
Yorkville, CA 95494  
|||||

**Filing Instructions**  
**Electronically Filed**  
**Form 1040 US Individual Income Tax Return**  
**With**  
**Form 1040-V Payment Voucher**  
**Form 8879 IRS e-file Signature Authorization**  
**Taxable Year Ended December 31, 2013**

**Name:** Stephen J Peters & Nancy K Donovan

**Date Due:** April 1, 2016

**Remittance:** A check in the amount of \$1,398 should be made payable to the United States Treasury and included with the voucher. Write [REDACTED] 2013 Form 1040" and your daytime phone number on the check.

**Mail To:** Internal Revenue Service  
P.O. Box 7704  
San Francisco, CA 94120-7704

Include Form 1040-V with your check.

**Signature:** Form 8879 IRS e-file Signature Authorization authorizes your electronically filed return to be signed with a Personal Identification Number (PIN) and certifies that Part I amounts are from your tax return. Review and sign the Form 8879 IRS e-file Signature Authorization and mail it as soon as possible to:

L H HARRIS CERTIFIED PUBLIC ACCOUNTANT  
6400 REDWOOD DRIVE, SUITE 200  
ROHNERT PARK, CA 94928

***Important:* Your return will not be filed with the IRS until the signed Form 8879 IRS e-file Signature Authorization has been received by this office.**

**Other:** Initial and date the copy of the Form 1040, and retain it for your records.

Retain a copy of the signed and dated Form 8879 for your records.

Do not attach your payment to Form 1040-V. Instead place them loose in the envelope.

Your return is being filed electronically with the IRS and is not required to be mailed. If you mail a paper copy of Form 1040 to the IRS it will delay processing of your return.

Both taxpayer and spouse should initial and date the return copy.

# 2013 Form 1040-V

## What Is Form 1040-V

It is a statement you send with your check or money order for any balance due on the "Amount you owe" line of your 2013 Form 1040, Form 1040A, or Form 1040EZ.

**TIP** You can also pay your taxes online or by phone either by a direct transfer from your bank account or by credit or debit card. Paying online or by phone is convenient and secure and helps make sure we get your payments on time. For more information, go to [www.irs.gov/e-pay](http://www.irs.gov/e-pay).

## How To Fill In Form 1040-V

**Line 1.** Enter your social security number (SSN). If you are filing a joint return, enter the SSN shown first on your return.

**Line 2.** If you are filing a joint return, enter the SSN shown second on your return.

**Line 3.** Enter the amount you are paying by check or money order.

**Line 4.** Enter your name(s) and address exactly as shown on your return. Please print clearly.

## How To Prepare Your Payment

- Make your check or money order payable to "United States Treasury." Do not send cash.

- Make sure your name and address appear on your check or money order.
- Enter your daytime phone number and your SSN on your check or money order. If you are filing a joint return, enter the SSN shown first on your return. Also enter "2013 Form 1040," "2013 Form 1040A," or "2013 Form 1040EZ," whichever is appropriate.

- To help us process your payment, enter the amount on the right side of your check like this: \$ XXX.XX. Do not use dashes or lines (for example, do not enter "\$ XXX—" or "\$ XXX <sup>XX</sup>/<sub>100</sub>").

## How To Send In Your 2013 Tax Return, Payment, and Form 1040-V

- Detach Form 1040-V along the dotted line.
- Do not staple or otherwise attach your payment or Form 1040-V to your return or to each other. Instead, just put them loose in the envelope.
- Mail your 2013 tax return, payment, and Form 1040-V to the address shown on the back that applies to you.

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**Mail To: Internal Revenue Service**

P.O. BOX 7704  
SAN FRANCISCO, CA 94120-7704

Form **1040-V** (2013)

▼ Detach Here and Mail With Your Payment and Return ▼

CUT HERE

Form <b>1040-V</b> Department of the Treasury Internal Revenue Service (99)	<b>Payment Voucher</b>  ► Do not staple or attach this voucher to your payment or return.	OMB No. 1545-0074  <b>2013</b>
1 Your social security number (SSN)  [REDACTED]	2 If a joint return, SSN shown second on your return  [REDACTED]	3 Amount you are paying by check or money order. Make your check or money order payable to "United States Treasury"  Dollars  <b>1,398</b>
4 Your first name and initial <b>STEPHEN J</b>	Last name <b>PETERS</b>	
If a joint return, spouse's first name and initial <b>NANCY K</b>	Last name <b>DONOVAN</b>	
Home address (number and street) <b>21451 HWY 128</b>	Apt. no.	City, town or post office, state, and ZIP code (if a foreign address, also complete spaces below.) <b>YORKVILLE CA 95494</b>
Foreign country name	Foreign province/state/county	Foreign postal code

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

**Filing Instructions**  
**Form 540 - California Resident Tax Return**  
**Taxable Year Ended December 31, 2013**

**Name:** Stephen J Peters & Nancy K Donovan

**Date Due:** AS SOON AS POSSIBLE

**Remittance:** None is required. No amount is due or overpaid.

**Signature:** Sign and date Form CA 8879, California e-file Signature Authorization for Individuals. Return it as soon as possible to:

L H HARRIS CERTIFIED PUBLIC ACCOUNTANT  
6400 REDWOOD DRIVE, SUITE 200  
ROHNERT PARK, CA 94928

**Other:** Your return is being filed electronically. Do not mail Form 540. Initial and date the copy of the return and retain it for your records.

Form **8879**

# U.S. e-file Signature Authorization

EXHIBIT WR-57  
OMB No. 1545-0074

# 2013

Department of the Treasury  
Internal Revenue Service

- ▶ Do not send to the IRS. This is not a tax return.
- ▶ Keep this form for your records.
- ▶ Information about Form 8879 and its instructions is at [www.irs.gov/form8879](http://www.irs.gov/form8879).

Submission Identification Number (SID) ▶

Taxpayer's name <b>STEPHEN J PETERS</b>	Social security number [REDACTED]
Spouse's name <b>NANCY K DONOVAN</b>	Spouse's social security number [REDACTED]

## Part I Tax Return Information — Tax Year Ending December 31, 2013 (Whole Dollars Only)

1 Adjusted gross income (Form 1040, line 38; Form 1040A, line 22; Form 1040EZ, line 4)	1	-27,471
2 Total tax (Form 1040, line 61; Form 1040A, line 35; Form 1040EZ, line 10)	2	1,486
3 Federal income tax withheld (Form 1040, line 62; Form 1040A, line 36; Form 1040EZ, line 7)	3	
4 Refund (Form 1040, line 74a; Form 1040A, line 43a; Form 1040EZ, line 11a; Form 1040-SS, Part I, line 13a)	4	
5 Amount you owe (Form 1040, line 76; Form 1040A, line 45; Form 1040EZ, line 12)	5	999

## Part II Taxpayer Declaration and Signature Authorization (Be sure you get and keep a copy of your return)

Under penalties of perjury, I declare that I have examined a copy of my electronic individual income tax return and accompanying schedules and statements for the tax year ending December 31, 2013, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts from my electronic income tax return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send my return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my federal taxes owed on this return and/or a payment of estimated tax, and the financial institution to debit the entry to this account. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To revoke (cancel) a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537. Payment cancellation requests must be received no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I further acknowledge that the personal identification number (PIN) below is my signature for my electronic income tax return and, if applicable, my Electronic Funds Withdrawal Consent.

Taxpayer's PIN: check one box only

I authorize L H HARRIS CPA ERO firm name to enter or generate my PIN [REDACTED] as my signature on my tax year 2013 electronically filed income tax return. Enter five numbers, but do not enter all zeros

I will enter my PIN as my signature on my tax year 2013 electronically filed income tax return. Check this box only if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Your signature ▶ [Signature] Date ▶ 4/18/2016

Spouse's PIN: check one box only

I authorize L H HARRIS CPA ERO firm name to enter or generate my PIN 22592 as my signature on my tax year 2013 electronically filed income tax return. Enter five numbers, but do not enter all zeros

I will enter my PIN as my signature on my tax year 2013 electronically filed income tax return. Check this box only if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Spouse's signature ▶ [Signature] Date ▶ 4.18.2016

## Practitioner PIN Method Returns Only—continue below

### Part III Certification and Authentication — Practitioner PIN Method Only

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. [REDACTED] Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature for the tax year 2013 electronically filed income tax return for the taxpayer(s) indicated above. I confirm that I am submitting this return in accordance with the requirements of the Practitioner PIN method and Publication 1345, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns.

ERO's signature ▶ L H HARRIS CPA Date ▶ \_\_\_\_\_

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

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

Form **8879** (2013)

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TAXABLE YEAR

FORM

2013

California e-file Signature Authorization for Individuals

8879

Your name <b>STEPHEN J PETERS</b>	Your SSN or ITIN [REDACTED]
Spouse's/RDP's name <b>NANCY K DONOVAN</b>	Spouse's/RDP's SSN or ITIN [REDACTED]

Part I Tax Return Information (whole dollars only)

1 California Adjusted Gross Income (Form 540, line 17; Form 540 2EZ, line 16; Long Form 540NR, line 32; or Short Form 540NR, line 32)	1	-36,574
2 Amount You Owe (Form 540, line 111; Form 540 2EZ, line 27; Long Form 540NR, line 121; or Short Form 540NR, line 121)	2	
3 Refund or No Amount Due (Form 540, line 115; Form 540 2EZ, line 28; Long Form 540NR, line 125; or Short Form 540NR, line 125)	3	

Part II Taxpayer Declaration and Signature Authorization (Be sure you obtain and keep a copy of your return.)

Under penalties of perjury, I declare that I have examined a copy of my individual income tax return and accompanying schedules and statements for the tax year ending December 31, 2013, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the information I provided to my Electronic Return Originator (ERO), Transmitter, or Intermediate Service Provider (including my name, address, and social security number or individual tax identification number) and the amounts shown in Part I above agree with the information and amounts shown on the corresponding lines of my electronic income tax return. If applicable, I authorize an electronic funds withdrawal of the amount on line 2 and/or the estimated tax payments as shown on my return and on form FTB 8455, California e-file Payment Record for Individuals, or a comparable form. If applicable, I declare that direct deposit refund amount on line 3 agrees with the direct deposit authorization stated on my return. If I have filed a joint return, this is an irrevocable appointment of the other spouse/RDP as an agent to authorize an electronic funds withdrawal or direct deposit. I authorize my ERO, Transmitter, or Intermediate Service Provider to transmit my complete return to the Franchise Tax Board (FTB). **If the processing of my return or refund is delayed, I authorize the FTB to disclose to my ERO, Intermediate Service Provider, and/or Transmitter the reason(s) for the delay or the date when the refund was sent.** If I am filing a balance due return, I understand that if the FTB does not receive full and timely payment of my tax liability, I remain liable for the tax liability and all applicable interest and penalties. I acknowledge that I have read and consent to the Electronic Funds Withdrawal Consent included on the copy of my electronic income tax return. I have selected a personal identification number (PIN) as my signature for my electronic income tax return and, if applicable, my Electronic Funds Withdrawal Consent.

Taxpayer's PIN: check one box only

I authorize L H HARRIS CPA to enter my PIN [REDACTED] as my signature on my 2013 e-filed California individual income tax return. ERO firm name Do not enter all zeros

I will enter my PIN as my signature on my 2013 e-filed California individual income tax return. Check this box only if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Your signature ► [Signature] Date ► 4/18/2016

Spouse's/RDP's PIN: check one box only

I authorize L H HARRIS CPA to enter my PIN [REDACTED] as my signature on my 2013 e-filed California individual income tax return. ERO firm name Do not enter all zeros

I will enter my PIN as my signature on my 2013 e-filed California individual income tax return. Check this box only if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Spouse's/RDP's signature ► Nancy K. Donovan Date ► 4.18.2016

Practitioner PIN Method Returns Only – continue below

Part III Certification and Authentication — Practitioner PIN Method Only

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. [REDACTED] Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature for the 2013 California individual income tax return for the taxpayer(s) indicated above. I confirm that I am submitting this return in accordance with the requirements of the Practitioner PIN method and FTB Pub. 1345, 2013 e-file Handbook for Authorized e-file Providers.

ERO's signature ► L H HARRIS CPA Date ► \_\_\_\_\_

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Form **1040**

## Two Year Comparison Report - Page 1

**2012 & 2013**

Name **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number XXXXXXXXXX

		2012	2013	Differences
		MFJ	MFJ	
Filing Status				
Dependents claimed		0	0	
1. Salaries and wages	1.			
2. Interest income	2.			
3. Tax exempt interest income	3.			
4. Dividend income	4.	78	71	-7
5. Qualified dividend income	5.	78	71	-7
6. Taxable state/local refunds	6.			
7. Alimony received	7.			
8. Business income/loss	8.	1	1	
9. Capital gain/loss	9.	-3,000	-3,000	
10. Other gains/losses	10.			
11. Taxable IRA distributions	11.			
12. Taxable pensions	12.			
13. Rent and royalty income including farm rental	13.			
14. Partnership/S corp income	14.			
15. Estate or trust income	15.			
16. Farm income/loss	16.	12,143	10,509	-1,634
17. Unemployment compensation	17.			
18. Taxable social security	18.			
19. Other income	19.	-36,267	-34,308	1,959
20. Total income	20.	-27,045	-26,727	318
21. Moving expenses	21.			
22. Deductible part of self-employment tax	22.	858	744	-114
23. SEP/SIMPLE/Qualified plans deductions	23.			
24. SE health insurance	24.			
25. Forfeited interest	25.			
26. Alimony paid	26.			
27. IRA deductions	27.			
28. Student loan interest	28.			
29. Other adjustments	29.			
30. Adjusted gross income	30.	-27,903	-27,471	432
31. Medical	31.	15,102	22,731	7,629
32. Taxes	32.	5,174	5,342	168
33. Interest	33.			
34. Contributions	34.			
35. Casualty losses	35.			
36. Miscellaneous expenses	36.			
37. Allowable itemized deductions	37.	20,276	28,073	7,797
38. Standard deduction	38.	11,900	12,200	300
		ITEMIZED	ITEMIZED	
39. Deduction taken	39.	20,276	28,073	7,797
40. Subtract line 39 from line 30	40.	-48,179	-55,544	-7,365
41. Exemptions	41.	7,600	7,800	200
42. Taxable income	42.	0	0	

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Form **1040**

**Two Year Comparison Report - Page 2**

**2012 & 2013**

Name  
**STEPHEN J PETERS & NANCY K DONOVAN**

Taxpayer Identification Number  
[REDACTED]

		2012	2013	Differences
43.	Taxable income from 2YR page 1, line 42	0	0	
44.	Tax on taxable income	0	0	
45.	Alternative minimum tax			
46.	Child care credit			
47.	Education credits			
48.	Retirement savings credit			
T	49. Child tax credit			
a	50. General business credit			
x	51. Other credits			
	52. Total credits			
C	53. Net tax liability			
o	54. Self-employment taxes	1,492	1,486	-6
m	55. Other taxes			
p	56. Total tax	1,492	1,486	-6
u	57. Income tax withheld	22		-22
t	58. Estimated tax payments			
a	59. Earned income credit	475	487	12
t	60. Additional Child tax credit			
i	61. Other refundable tax credits			
o	62. Other payments			
n	63. Total payments	497	487	-10
	64. Tax due/-refund	995	999	4
	65. Penalties and interest	442	399	-43
	66. Net tax due/-refund	1,397	1,398	-39
	67. Refund applied to estimated tax payments			
	68. Refund received			
	69. Marginal tax rate	10.0%	10.0%	
	70. Effective tax rate	%	%	

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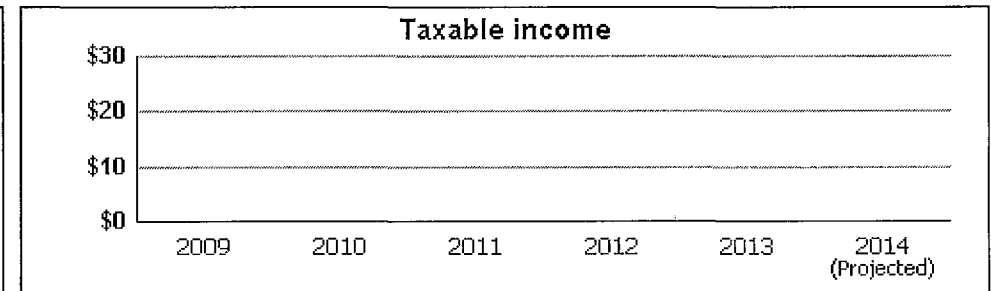
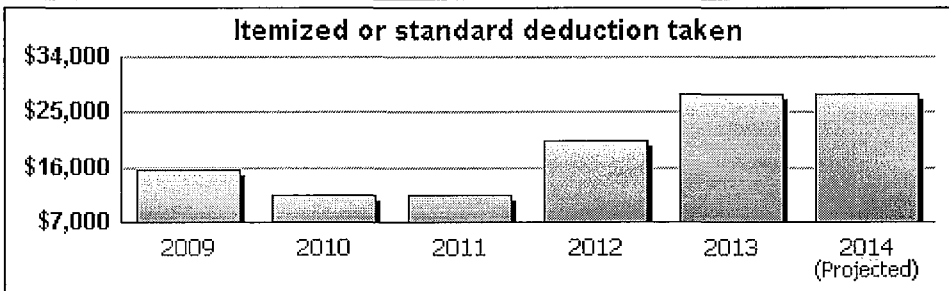
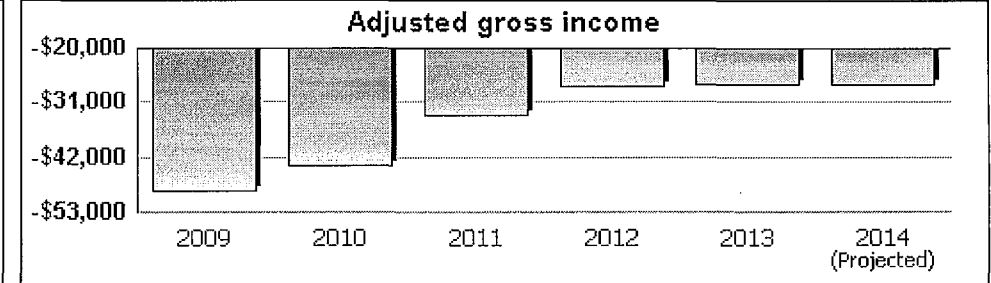
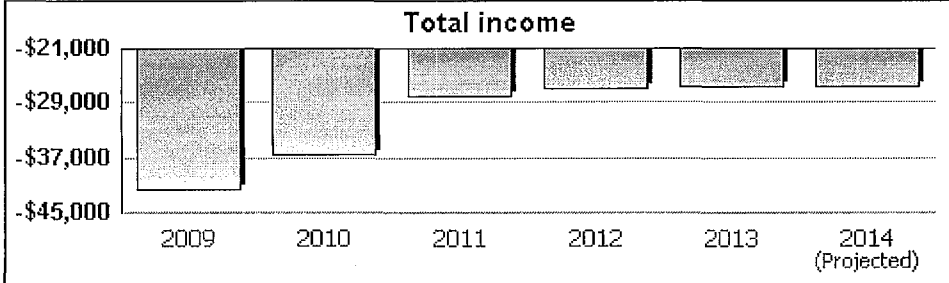
Form **1040** Tax Return History Report - Page 1 2013

Name **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number XXXXXXXXXX

	2009	2010	2011	2012	2013	2014 PROJECTED
Filing Status	MFJ	MFJ	MFJ	MFJ	MFJ	MFJ
Salaries and wages						
Interest income	1,100	37				71
Dividend income	50	55	70	78	71	
Business income/loss	-691	3,040	4,596	1	1	1
Capital gains/losses	-3,000	-3,000	-3,000	-3,000	-3,000	-3,000
Other gains/losses						
IRA distributions, pensions, annuities						
Rent, royalty, farm rental income						
Partnership/S corp income						
Estate or trust income						
Farm income/loss	-790	3,304	10,033	12,143	10,509	10,509
Other income/loss	-38,401	-39,882	-39,882	-36,267	-34,308	-34,308
Total income	-41,732	-36,446	-28,183	-27,045	-26,727	-26,727
Total adjustments	6,805	7,074	5,304	858	744	744
Adjusted gross income	-48,537	43,520	-32,487	27,903	-27,471	-27,471
Allowable itemized deductions	15,558	8,507	1,370	20,276	28,073	28,073
Standard deduction	12,400	11,400	11,600	11,900	12,200	13,600
Itemized or standard deduction taken	15,558	11,400	11,600	20,276	28,073	28,073
Exemptions	7,300	7,300	7,400	7,600	7,800	7,900
Taxable income						

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1 Combined with Interest income on the Federal Tax Projection Worksheet    2 Combined with Rent, royalty, farm rental income on the Federal Tax Projection Worksheet as Schedule E income/loss

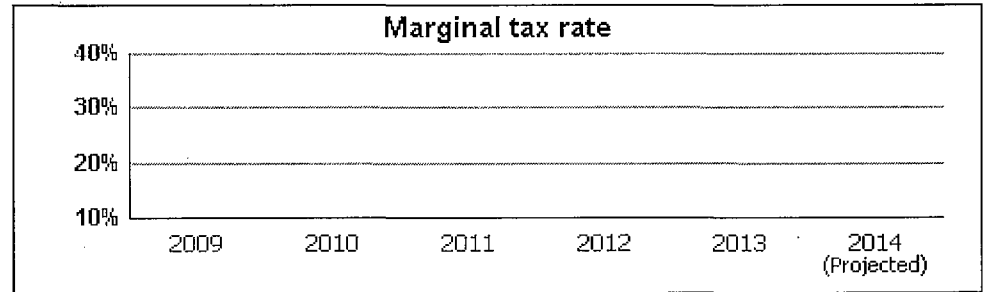
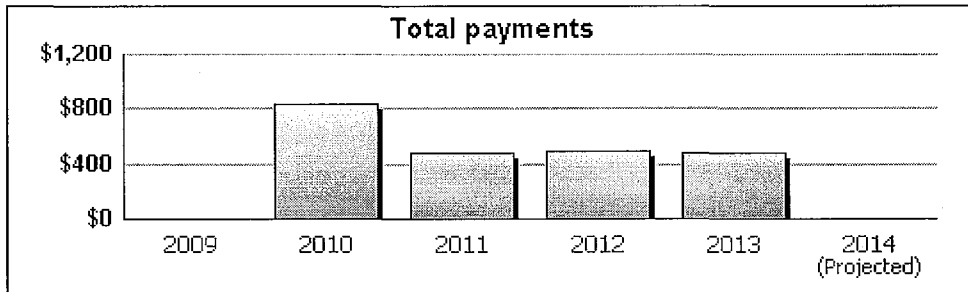
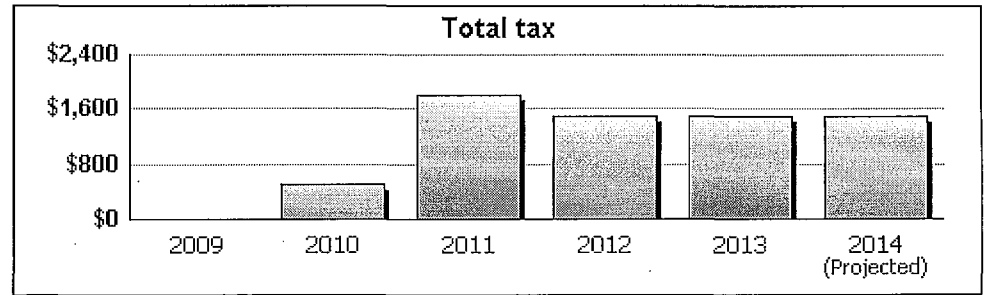
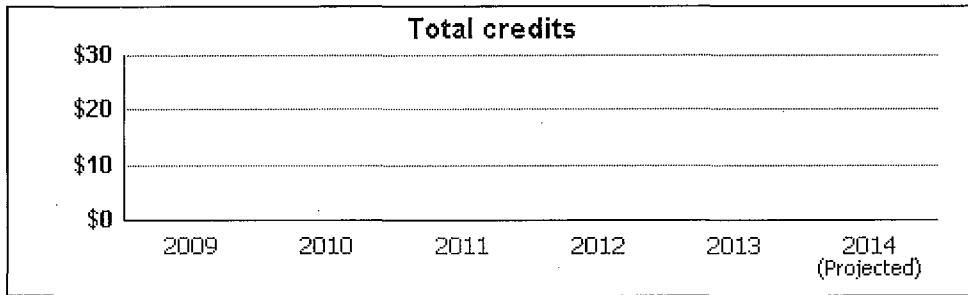


Form **1040** Tax Return History Report - Page 2 **2013**

Name **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number [REDACTED]

	2009	2010	2011	2012	2013	2014 PROJECTED
Taxable income						
Tax on taxable income						
Alternative minimum tax						
Total credits						
<b>Net tax liability</b>						
Self-employment taxes		497	1,797	1,492	1,486	1,486
Other taxes						
<b>Total tax</b>		497	1,797	1,492	1,486	1,486
Income tax withheld			50	22		
Estimated tax payments			30			
Other payments		835	395	475	487	
<b>Total payments</b>		835	475	497	487	
<b>Total due/-refund</b>		-338	1,322	995	999	1,486
Penalties and interest			648	442	399	
<b>Net tax due/-refund</b>		-338	1,970	1,437	1,398	1,486
Refund applied to estimated tax payments			338			
Refund received						
<b>Marginal tax rate</b>	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
<b>Effective tax rate</b>	%	%	%	%	%	%

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Form **1040****Two Year Comparison Report - Schedule C****2012 & 2013**Name  
**NANCY K DONOVAN**Taxpayer identification number  
[REDACTED]Principal business or profession  
**JEWELRY SALES**Unit  
**1**

Income		2012	2013	Differences
1. Gross receipts or sales	1.	1	1	
2. Returns and allowances	2.			
3. Cost of goods sold	3.			
4. Gross profit	4.	1	1	
5. Other income	5.			
6. Gross income	6.	1	1	

Expenses		2012	2013	Differences
7. Advertising	7.			
8. Car and truck expenses	8.			
9. Commissions and fees	9.			
10. Contract labor	10.			
11. Depletion	11.			
12. Depreciation and section 179 expense deduction	12.			
13. Employee benefit programs	13.			
14. Insurance (other than health)	14.			
15. Interest - mortgage (paid to banks, etc.)	15.			
16. Interest - other	16.			
17. Legal and professional services	17.			
18. Office expense	18.			
19. Pension and profit-sharing plans	19.			
20. Rent or lease - vehicles, machinery, and equipment	20.			
21. Rent or lease - other business property	21.			
22. Repairs and maintenance	22.			
23. Supplies (not included in cost of goods sold)	23.			
24. Taxes and licenses	24.			
25. Travel	25.			
26. Total meals and entertainment	26.			
26a. Nondeductible meals and entertainment	26a.			
26b. Deductible meals and entertainment	26b.			
27. Utilities	27.			
28. Wages (less employment credits)	28.			
29. Other expenses	29.			
30. Total expenses	30.			

Profit/ (loss)		2012	2013	Differences
31. Tentative profit (loss)	31.	1	1	
32. Expenses for business use of home	32.			
33. Net profit or (loss)	33.	1	1	

Cost of Goods Sold		2012	2013	Differences
34. Inventory - Beginning of year	34.	8,806	8,806	
35. Purchases	35.			
36. Labor	36.			
37. Materials	37.			
38. Other costs	38.			
39. Goods available for sale (sum of lines 34-38)	39.	8,806	8,806	
40. Inventory - End of year	40.	8,806	8,806	

Form <b>1040</b>	<b>Two Year Comparison Report - Schedule F</b>	2012 & 2013
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Name <b>STEPHEN J PETERS &amp; NANCY K DONOVAN</b>	Taxpayer identification number [REDACTED]
---	--

Description <b>LIVESTOCK VINEYARD ETC</b>	Unit <b>1</b>
--	------------------

		2012	2013	Differences
<b>Income</b>				
1. Sales of livestock and items bought for resale (cash method)	1.			
2. Cost or other basis of livestock and other items (cash method)	2.			
3. Sales of livestock, produce, grains, etc. raised (cash method)	3.	72,440	56,974	-15,466
4. Taxable cooperative distributions	4.			
5. Taxable agricultural program payments	5.			
6. Total CCC loans reported under election	6.			
7. Taxable amount of CCC loans forfeited	7.			
8. Taxable crop insurance proceeds received in current year	8.			
9. Taxable crop insurance proceeds deferred from prior year	9.			
10. Custom hire (machine work) income	10.			
11. Other income	11.			
12. Sales of livestock and other items (accrual method)	12.			
13. Inventory of livestock and other items at BOY (accrual method)	13.			
14. Cost of livestock and other items purchased (accrual method)	14.			
15. Livestock and other items available for sale (accrual method)	15.			
16. Inventory of livestock and other items EOY (accrual method)	16.			
17. Cost of livestock and other items sold (accrual method)	17.			
18. Gross income	18.	72,440	56,974	-15,466

		2012	2013	Differences
<b>Expenses</b>				
19. Car and truck expenses	19.	3,040	3,008	-32
20. Chemicals	20.	387	197	-190
21. Conservation expenses	21.			
22. Custom hire (machine work)	22.	4,539	1,800	-2,739
23. Depreciation and section 179 expense deduction	23.	3,495	1,943	-1,552
24. Employee benefit programs	24.			
25. Feed purchased	25.			
26. Fertilizers and lime	26.	773	669	-104
27. Freight and trucking	27.			
28. Gasoline, fuel, and oil	28.	4,243	3,705	-538
29. Insurance (other than health)	29.	3,497	3,630	133
30. Interest - mortgage (paid to banks, etc.)	30.			
31. Interest - other	31.			
32. Labor hired (less employment credits)	32.			
33. Pension and profit-sharing plans	33.			
34. Rent or lease - vehicles, machinery, and equipment	34.	54	93	39
35. Rent or lease - other (land, animals, etc.)	35.			
36. Repairs and maintenance	36.	748	1,120	372
37. Seeds and plants purchased	37.			
38. Storage and warehousing	38.			
39. Supplies purchased	39.	7,319	14,176	6,857
40. Taxes	40.		212	212
41. Utilities	41.	3,279	3,599	320
42. Veterinary, breeding, and medicine	42.			
43. Other expenses	43.	28,923	12,313	-16,610
44. Total expenses	44.	60,297	46,465	-13,832

		2012	2013	Differences
<b>Profit/(loss)</b>				
45. Net farm profit or (loss)	45.	12,143	10,509	-1,634

1040

## Federal Return Summary

2013

Name

Taxpayer Identification Number

STEPHEN J PETERS &amp; NANCY K DONOVAN

Tax Form 1040

Filing Status MFJ

Dependents

## Income

Salaries & wages	
Taxable interest income	
Tax exempt interest	
Dividend income	71
Qualified dividends	71
Taxable state/local refunds	
Alimony received	
Business income/-loss	1
Capital gain/-loss	-3,000
Other gain/-loss (Form 4797)	
Taxable IRA distributions	
Taxable pension distributions	
Rental, royalty, partnership, etc. income/-loss	
Farm income/-loss	10,509
Unemployment compensation	
Taxable social security benefits	
Other income	-34,308
<b>Total income</b>	<b>-26,727</b>

## Adjustments

Moving expenses	
Deductible part of self-employment tax	744
SEP, SIMPLE, and qualified plan deduction	
Self-employed health insurance deduction	
Alimony paid	
IRA deduction	
Student loan interest deduction	
Other adjustments	
<b>Total adjustments</b>	<b>744</b>
<b>Adjusted gross income</b>	<b>-27,471</b>

## Deductions

Medical and Dental expenses	22,731
Taxes paid	5,342
Interest paid	
Charitable contributions	
Other itemized deductions	
<b>Total allowable itemized deductions</b>	<b>28,073</b>
or, Standard deduction	
Exemption amount	7,800
<b>Taxable income</b>	

## Tax Computation

Regular tax	
Alternative minimum tax	
<b>Total tax before credits</b>	
Child and dependent care credit	
Education credits	
Other credits	
<b>Total credits</b>	
<b>Tax after credits</b>	
Self-employment tax	1,486
Additional tax on IRAs, etc.	
Other taxes	
<b>Total tax</b>	<b>1,486</b>

## Payments

Federal income tax withheld	
Estimated payments	
Other payments/credits	487
<b>Total payments</b>	<b>487</b>

## Refund/Amount Due

Amount overpaid	
Overpayment applied	
Form 2210 penalty	
<b>Amount due/-refund</b>	<b>999</b>
Failure to file penalty	225
Failure to pay penalty	120
Late filing interest	54
<b>Net amount due/-refund</b>	<b>1,398</b>

## 2014 Estimates

1st quarter	
2nd quarter	
3rd quarter	
4th quarter	
<b>Total</b>	

## Tax Rates

Marginal tax rate	10.0	%
Effective tax rate		%
Rate of Long-term capital gain/qualified dividends	0.0	%

Form **8879**

# IRS e-file Signature Authorization

EXHIBIT WR-57

OMB No. 1545-0074

# 2013

Department of the Treasury  
Internal Revenue Service

- ▶ Do not send to the IRS. This is not a tax return.
- ▶ Keep this form for your records.
- ▶ Information about Form 8879 and its instructions is at [www.irs.gov/form8879](http://www.irs.gov/form8879).

Submission Identification Number (SID) ▶

Taxpayer's name <b>STEPHEN J PETERS</b>	Social security number [REDACTED]
Spouse's name <b>NANCY K DONOVAN</b>	Spouse's social security number [REDACTED]

## Part I Tax Return Information — Tax Year Ending December 31, 2013 (Whole Dollars Only)

1 Adjusted gross income (Form 1040, line 38; Form 1040A, line 22; Form 1040EZ, line 4)	1	-27,471
2 Total tax (Form 1040, line 61; Form 1040A, line 35; Form 1040EZ, line 10)	2	1,486
3 Federal income tax withheld (Form 1040, line 62; Form 1040A, line 36; Form 1040EZ, line 7)	3	
4 Refund (Form 1040, line 74a; Form 1040A, line 43a; Form 1040EZ, line 11a; Form 1040-SS, Part I, line 13a)	4	
5 Amount you owe (Form 1040, line 76; Form 1040A, line 45; Form 1040EZ, line 12)	5	999

## Part II Taxpayer Declaration and Signature Authorization (Be sure you get and keep a copy of your return)

Under penalties of perjury, I declare that I have examined a copy of my electronic individual income tax return and accompanying schedules and statements for the tax year ending December 31, 2013, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts from my electronic income tax return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send my return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my federal taxes owed on this return and/or a payment of estimated tax, and the financial institution to debit the entry to this account. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To revoke (cancel) a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537. Payment cancellation requests must be received no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I further acknowledge that the personal identification number (PIN) below is my signature for my electronic income tax return and, if applicable, my Electronic Funds Withdrawal Consent.

Taxpayer's PIN: check one box only

- I authorize L H HARRIS CPA ERO firm name to enter or generate my PIN [REDACTED] 2 as my signature on my tax year 2013 electronically filed income tax return. Enter five numbers, but do not enter all zeros
- I will enter my PIN as my signature on my tax year 2013 electronically filed income tax return. Check this box only if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Your signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

Spouse's PIN: check one box only

- I authorize L H HARRIS CPA ERO firm name to enter or generate my PIN [REDACTED] 2 as my signature on my tax year 2013 electronically filed income tax return. Enter five numbers, but do not enter all zeros
- I will enter my PIN as my signature on my tax year 2013 electronically filed income tax return. Check this box only if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Spouse's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

## Practitioner PIN Method Returns Only—continue below

### Part III Certification and Authentication — Practitioner PIN Method Only

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. [REDACTED]  
Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature for the tax year 2013 electronically filed income tax return for the taxpayer(s) indicated above. I confirm that I am submitting this return in accordance with the requirements of the Practitioner PIN method and Publication 1345, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns.

ERO's signature ▶ L H HARRIS CPA Date ▶ \_\_\_\_\_

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

Taxpayer Name	<u>STEPHEN J</u>	<u>PETERS</u>
Spouse Name	<u>NANCY K</u>	<u>DONOVAN</u>

DO NOT SUBMIT THIS DOCUMENT TO IRS UNLESS REQUESTED TO DO SO

**ERO Declaration**

I declare that the information contained in this electronic tax return is the information furnished to me by the taxpayer. If the taxpayer furnished me a completed tax return, I declare that the information contained in this electronic tax return is identical to that contained in the return provided by the taxpayer. If the furnished return was signed by a paid preparer, I declare I have entered the paid preparer's identifying information in the appropriate portion of this electronic return. If I am the paid preparer, under the penalties of perjury I declare that I have examined this electronic return, and to the best of my knowledge and belief, it is true, correct, and complete. This declaration is based on all information of which I have any knowledge.

**ERO Signature**

I am signing this Tax Return by entering my PIN below.

ERO's PIN [REDACTED]

**Taxpayer Declarations**

**Perjury Statement**

Under penalties of perjury, I declare that I have examined this return, including any accompanying statements and schedules and, to the best of my knowledge and belief, it is true, correct, and complete.

**Consent to Disclosure**

I consent to allow my Intermediate Service Provider, transmitter, or Electronic Return Originator (ERO) to send my return to IRS and to receive the following information from IRS: a) an acknowledgment of receipt or reason for rejection of transmission; b) the reason for any delay in processing or refund; and, c) the date of any refund.

**Electronic Funds Withdrawal Consent**

**CLIENT COPY**

If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automatic Electronic Funds Withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my Federal taxes owed on this return and/or a payment of estimated tax, and the financial institution to debit the entry to this account. I further understand that this authorization may apply to future Federal tax payments that I direct to be debited through the Electronic Federal Tax Payment System (EFTPS). I authorize EFTPS to issue me a personal identification number (PIN) to access EFTPS. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To request that my PIN be mailed to me, or to revoke (cancel) a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537. Payment cancellation requests must be received no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I further acknowledge that the personal identification number (PIN) below is my signature for my electronic income tax return and, if applicable, my Electronic Funds Withdrawal consent.

I am signing this Tax Return/Form and Electronic Funds Withdrawal Consent, if applicable, by entering my Self-Select PIN below.

Date (all numerics) \_\_\_\_\_

Taxpayer's PIN (enter five numbers, other than all zeroes) [REDACTED]

Spouse's PIN (enter five numbers, other than all zeroes) [REDACTED]

**Form 1310 Signature and Verification**

Completion of this section indicates that I am requesting a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I have examined this Form 1310 claim, and to the best of my knowledge and belief, it is true, correct and complete.

\_\_\_\_\_  
Signature of person claiming refund

\_\_\_\_\_  
Date

Form

1040

Department of the Treasury—Internal Revenue Service (99) U.S. Individual Income Tax Return

2013

OMB No. 1545-0074

EXHIBIT WR-57 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2013, or other tax year beginning , 2013, ending , 20 See separate instructions.

Your first name and initial: STEPHEN J Last name: PETERS Your social security number: [REDACTED]

If a joint return, spouse's first name and initial: NANCY K Last name: DONOVAN Spouse's social security number: [REDACTED]

Home address (number and street): 21451 HWY 128 Apt. no. [REDACTED] Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code: YORKVILLE CA 95494 Presidential Election Campaign

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

Filing Status 1 Single 2 Married filing jointly (checked) 3 Married filing separately 4 Head of household 5 Qualifying widow(er)

Exemptions 6a Yourself (checked) 6b Spouse (checked) 6c Dependents: (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) Child under age 17 (checked)

Income 7 Wages, salaries, tips, etc. 8a Taxable interest 8b Tax-exempt interest 9a Ordinary dividends 9b Qualified dividends 10 Taxable refunds, credits, or offsets of state and local income taxes 11 Alimony received 12 Business income or (loss) 13 Capital gain or (loss) 14 Other gains or (losses) 15a IRA distributions 15b Taxable amount 16a Pensions and annuities 16b Taxable amount 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. 18 Farm income or (loss) 19 Unemployment compensation 20a Social security benefits 20b Taxable amount 21 Other income. List type and amount: SEE STATEMENT 1 22 Combine the amounts in the far right column for lines 7 through 21. This is your total income: -26,727

Adjusted Gross Income 23 Educator expenses 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ 25 Health savings account deduction. Attach Form 8889 26 Moving expenses. Attach Form 3903 27 Deductible part of self-employment tax. Attach Schedule SE: 744 28 Self-employed SEP, SIMPLE, and qualified plans 29 Self-employed health insurance deduction 30 Penalty on early withdrawal of savings 31a Alimony paid b Recipient's SSN 31a 32 IRA deduction 32 33 Student loan interest deduction 33 34 Tuition and fees. Attach Form 8917 34 35 Domestic production activities deduction. Attach Form 8903 35 36 Add lines 23 through 35: 744 37 Subtract line 36 from line 22. This is your adjusted gross income: -27,471



Tax and Credits

38 Amount from line 37 (adjusted gross income) 38 **27,471**

39a Check  You were born before January 2, 1949,  Blind. } Total boxes checked  39a

if:  Spouse was born before January 2, 1949,  Blind. }

b If your spouse itemizes on a separate return or you were a dual-status alien, check here  39b

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin) 40 **28,073**

41 Subtract line 40 from line 38 41 **-55,544**

42 Exemptions. If line 38 is \$150,000 or less, multiply \$3,900 by the number on line 6d. Otherwise, see instructions 42 **7,800**

43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- 43 **0**

44 Tax (see instr.). Check if any from: a  Form(s) 8814 b  Form 4972 c  44 **0**

45 Alternative minimum tax (see instructions). Attach Form 6251 45

46 Add lines 44 and 45 46

47 Foreign tax credit. Attach Form 1116 if required 47

48 Credit for child and dependent care expenses. Attach Form 2441 48

49 Education credits from Form 8863, line 19 49

50 Retirement savings contributions credit. Attach Form 8880 50

51 Child tax credit. Attach Schedule 8812, if required 51

52 Residential energy credits. Attach Form 5695 52

53 Other credits from Form: a  3800 b  8801 c  53

54 Add lines 47 through 53. These are your total credits 54

55 Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- 55 **0**

56 Self-employment tax. Attach Schedule SE 56 **1,486**

57 Unreported social security and Medicare tax from Form: a  4137 b  8919 57

58 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required 58

59a Household employment taxes from Schedule H 59a

b First-time homebuyer credit repayment. Attach Form 5405 if required 59b

60 Taxes from: a  Form 8959 b  Form 8960 c  Instructions; enter code(s) 60

61 Add lines 55 through 60. This is your total tax 61 **1,486**

Standard Deduction for—

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others:

Single or Married filing separately, \$6,100

Married filing jointly or Qualifying widow(er), \$12,200

Head of household, \$8,950

Other Taxes

Payments

If you have a qualifying child, attach Schedule EIC.

62 Federal income tax withheld from Forms W-2 and 1099 62

63 2013 estimated tax payments and amount applied from 2012 return 63

64a Earned income credit (EIC) **487**

b Nontaxable combat pay election **64b**

65 Additional child tax credit. Attach Schedule 8812 65

66 American opportunity credit from Form 8863, line 8 66

67 Reserved 67

68 Amount paid with request for extension to file 68

69 Excess social security and tier 1 RRTA tax withheld 69

70 Credit for federal tax on fuels. Attach Form 4136 70

71 Credits from Form: a  2439 b  Reserved c  8885 d  71

72 Add lines 62, 63, 64a, and 65 through 71. These are your total payments 72 **487**

Refund

73 If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid 73

74a Amount of line 73 you want refunded to you. If Form 8888 is attached, check here  74a

b Routing number  c Type:  Checking  Savings

d Account number

75 Amount of line 73 you want applied to your 2014 estimated tax 75

Amount You Owe

76 Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions 76 **999**

77 Estimated tax penalty (see instructions) 77

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)?  Yes. Complete below.  No

Designee's name **LAWRENCE H. HARRIS, CPA** Personal identification number (PIN)

Phone no. **707-546-2727**

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature  Date  Your occupation **FARMER** Daytime phone number

Spouse's signature. If a joint return, both must sign.  Date  Spouse's occupation **FARMER** If the IRS sent you an Identity Protection PIN, enter it here (see instr.)

Paid **LAWRENCE H. HARRIS, CPA** Preparer's signature **LAWRENCE H. HARRIS, CPA** Date **03/30/16** Check  if self-employed PTIN

Preparer Firm's name **L H HARRIS CERTIFIED PUBLIC ACCOUNTANT** Firm's EIN

Use Only Firm's address **6400 REDWOOD DRIVE, SUITE 200 ROHNERT PARK CA 94928** Phone no. **707-546-2727**

SCHEDULE A (Form 1040)

Itemized Deductions

EXHIBIT WR-57

OMB No. 1545-0074

Information about Schedule A and its separate instructions is at www.irs.gov/schedulea.

2013

Department of the Treasury Internal Revenue Service (99)

Attach to Form 1040.

Attachment Sequence No. 07

Name(s) shown on Form 1040

Your social security number

STEPHEN J PETERS & NANCY K DONOVAN

<b>Medical and Dental Expenses</b>		Caution. Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see instructions)	1	22,731		
2	Enter amount from Form 1040, line 38	2	-27,471		
3	Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1949, multiply line 2 by 7.5% (.075) instead	3			
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4			22,731
<b>Taxes You Paid</b>		5 State and local (check only one box):			
a	<input type="checkbox"/> Income taxes, or	5			
b	<input type="checkbox"/> General sales taxes	6	5,342		
6	Real estate taxes (see instructions)	7			
7	Personal property taxes	8			
8	Other taxes. List type and amount	9			5,342
9	Add lines 5 through 8				
<b>Interest You Paid</b>		10 Home mortgage interest and points reported to you on Form 1098		10	
<b>Note.</b> Your mortgage interest deduction may be limited (see instructions).		11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address		11	
		12 Points not reported to you on Form 1098. See instructions for special rules		12	
		13 Mortgage insurance premiums (see instructions)		13	
		14 Investment interest. Attach Form 4952 if required. (See instructions.)		14	
		15 Add lines 10 through 14		15	
<b>Gifts to Charity</b>		16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions		16	
If you made a gift and got a benefit for it, see instructions.		17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500		17	
		18 Carryover from prior year		18	
		19 Add lines 16 through 18		19	
<b>Casualty and Theft Losses</b>		20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)		20	
<b>Job Expenses and Certain Miscellaneous Deductions</b>		21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.)		21	
		22 Tax preparation fees		22	
		23 Other expenses—investment, safe deposit box, etc. List type and amount		23	
		24 Add lines 21 through 23		24	
		25 Enter amount from Form 1040, line 38		25	
		26 Multiply line 25 by 2% (.02)		26	
		27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-		27	
<b>Other Miscellaneous Deductions</b>		28 Other—from list in instructions. List type and amount		28	
<b>Total Itemized Deductions</b>		29 Is Form 1040, line 38, over \$150,000?		29	28,073
		<input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.			
		<input type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.			
		30 If you elect to itemize deductions even though they are less than your standard deduction, check here			

CLIENT COPY

SCHEDULE B

(Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Interest and Ordinary Dividends

Attach to Form 1040A or 1040.

Information about Schedule B (Form 1040A or 1040) and its instructions is at www.irs.gov/scheduleb.

EXHIBIT WR-57 Q145 No. 1545-0074

2013

Attachment Sequence No. 08

Name(s) shown on return

STEPHEN J PETERS & NANCY K DONOVAN

Part I Interest

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

(See instructions on back and the instructions for Form 1040A, or Form 1040, line 8a.)

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

- 2 Add the amounts on line 1
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815
4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a

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

Amount

1

2

3

4

Part II Ordinary Dividends

5 List name of payer PRINCIPAL

(See instructions on back and the instructions for Form 1040A, or Form 1040, line 9a.)

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

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

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

Amount

5

6

71

71

CLIENT COPY

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

Part III Foreign Accounts and Trusts

7a At any time during 2013, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions

If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), formerly TD F 90-22.1, to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements

(See instructions on back.)

b If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located

8 During 2013, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions on back

Yes No

Grid for question 7a

Grid for question 7b

Grid for question 8

Department of the Treasury  
 Internal Revenue Service (99)

▶ For information on Schedule C and its instructions, go to [www.irs.gov/schedulec](http://www.irs.gov/schedulec).  
 ▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor <b>NANCY K DONOVAN</b>		Social security number (SSN) [REDACTED]
A Principal business or profession, including product or service (see instructions) <b>JEWELRY SALES</b>	B Enter code from instructions ▶ [REDACTED]	
C Business name. If no separate business name, leave blank.	D Employer ID number (EIN), (see instr.)	
E Business address (including suite or room no.) ▶ <b>21451 HWY 128</b> City, town or post office, state, and ZIP code <b>YORKVILLE CA 95494</b>		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶		
G Did you "materially participate" in the operation of this business during 2013? If "No," see instructions for limit on losses	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
H If you started or acquired this business during 2013, check here	▶ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I Did you make any payments in 2013 that would require you to file Form(s) 1099? (see instructions)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
J If "Yes," did you or will you file required Forms 1099?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Part I Income</b>		
1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	▶ <input type="checkbox"/>	1 1
2 Returns and allowances		2
3 Subtract line 2 from line 1		3 1
4 Cost of goods sold (from line 42)		4
5 Gross profit. Subtract line 4 from line 3		5 1
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6
7 Gross income. Add lines 5 and 6		7 1

<b>Part II Expenses</b>			<b>Enter expenses for business use of your home only on line 30.</b>		
8 Advertising	8		18 Office expense (see instructions)	18	
9 Car and truck expenses (see instructions)	9		19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21 Repairs and maintenance	21	
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	
15 Insurance (other than health)	15		23 Taxes and licenses	23	
16 Interest:			24 Travel, meals, and entertainment:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b		b Deductible meals and entertainment (see instructions)	24b	
17 Legal and professional services	17		25 Utilities	25	
			26 Wages (less employment credits)	26	
			27a Other expenses (from line 48)	27a	
			b Reserved for future use	27b	
28 Total expenses before expenses for business use of home. Add lines 8 through 27a			28	0	
29 Tentative profit or (loss). Subtract line 28 from line 7			29	1	
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30			30		
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.			31	1	
32 If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited.			32a	<input type="checkbox"/> All investment is at risk.	
			32b	<input type="checkbox"/> Some investment is not at risk.	



**SCHEDULE D  
(Form 1040)**

**Capital Gains and Losses**

EXHIBIT WR-57

OMB No. 1545-0074

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.  
▶ Information about Schedule D and its separate instructions is at [www.irs.gov/scheduled](http://www.irs.gov/scheduled).  
▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

**2013**  
Attachment  
Sequence No. 12

Name(s) shown on return: **STEPHEN J PETERS & NANCY K DONOVAN**  
Your social security number: [REDACTED]

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

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
<b>1a</b> Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b . . . . .				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked . . . . .				
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked . . . . .				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked . . . . .				
<b>4</b> Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824 . . . . .				<b>4</b>
<b>5</b> Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . . . .				<b>5</b>
<b>6</b> Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions . . . . .				<b>6</b> ( <b>8,907</b> )
<b>7</b> <b>Net short-term capital gain or (loss).</b> Combine lines 4 through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back . . . . .				<b>7</b> <b>-8,907</b>

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

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
<b>8a</b> Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b . . . . .				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked . . . . .				
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked . . . . .				
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked . . . . .				
<b>11</b> 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 . . . . .				<b>11</b>
<b>12</b> Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . . . .				<b>12</b>
<b>13</b> Capital gain distributions. See the instructions . . . . .				<b>13</b>
<b>14</b> Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions . . . . .				<b>14</b> ( <b>23,932</b> )
<b>15</b> <b>Net long-term capital gain or (loss).</b> Combine lines 8a through 14 in column (h). Then go to Part III on the back . . . . .				<b>15</b> <b>-23,932</b>

Part III Summary

16 Combine lines 7 and 15 and enter the result	16	-32,839
<ul style="list-style-type: none"> <li>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.</li> <li>If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22.</li> <li>If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.</li> </ul>		
17 Are lines 15 and 16 both gains? <input type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet in the instructions	18	
19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet in the instructions	19	
20 Are lines 18 and 19 both zero or blank? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). Do not complete lines 21 and 22 below.  <input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Do not complete lines 21 and 22 below.		
21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of: <ul style="list-style-type: none"> <li>The loss on line 16 or</li> <li>(\$3,000), or if married filing separately, (\$1,500)</li> </ul>	21	(3,000)
<b>Note.</b> When figuring which amount is smaller, treat both amounts as positive numbers.		
22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input checked="" type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42).  <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.		

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SCHEDULE F (Form 1040)

Profit or Loss From Farming

OMB No. 1545-0074

2013

Department of the Treasury Internal Revenue Service (99)

Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B. Information about Schedule F and its separate instructions is at www.irs.gov/schedulef.

Attachment Sequence No. 14

Name of proprietor

Social security number (SSN)

STEPHEN J PETERS & NANCY K DONOVAN

A Principal crop or activity: LIVESTOCK VINEYARD E; B Enter code from Part IV: 111900; C Accounting method: [X] Cash [ ] Accrual; D Employer ID number (EIN), (see instr.)

E Did you "materially participate" in the operation of this business during 2013? [X] Yes [ ] No; F Did you make any payments in 2013 that would require you to file Form(s) 1099 (see instructions)? [ ] Yes [X] No; G If "Yes," did you or will you file required Forms 1099? [ ] Yes [ ] No

Part I Farm Income - Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 9.)

Table with 9 rows and 3 columns: Description, Amount, Taxable amount. Total gross income: 56,974.

Part II Farm Expenses - Cash and Accrual Method. Do not include personal or living expenses (see instructions).

Table with 34 rows and 3 columns: Description, Amount, Taxable amount. Total net farm profit: 10,509.

35 Did you receive an applicable subsidy in 2013? [ ] Yes [ ] No; 36 Check the box that describes your investment in this activity and see instructions for where to report your loss. a [ ] All investment is at risk. b [ ] Some investment is not at risk.

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule F (Form 1040) 2013



**SCHEDULE SE  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Self-Employment Tax**

► Information about Schedule SE and its separate instructions is at [www.irs.gov/schedulese](http://www.irs.gov/schedulese).

► Attach to Form 1040 or Form 1040NR.

EXHIBIT WR-57

OMB No. 1545-0074

**2013**

Attachment  
Sequence No. **17**

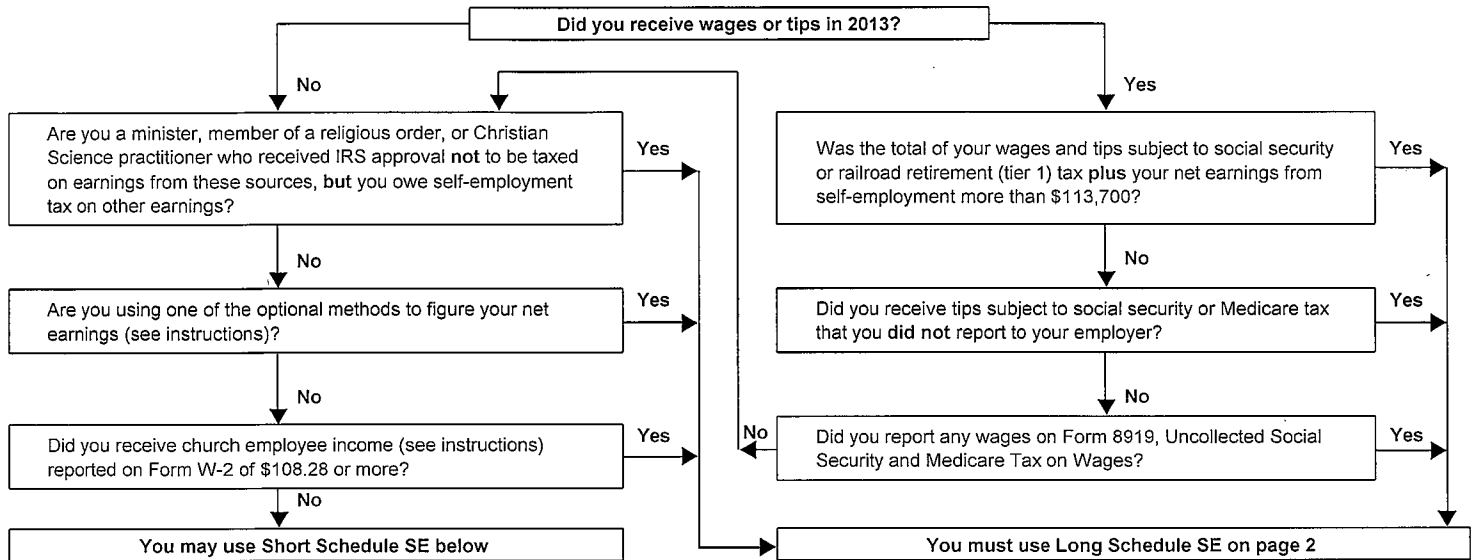
Name of person with self-employment income (as shown on Form 1040)  
**STEPHEN J PETERS**

Social security number of person  
with self-employment income ►

Before you begin: To determine if you must file Schedule SE, see the instructions.

**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

Note. Use this flowchart only if you must file Schedule SE. If unsure, see Who Must File Schedule SE in the instructions.



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**Section A — Short Schedule SE. Caution** Read above to see if you can use Short Schedule SE.

1a	Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	5,255
b	If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Z	1b	( )
2	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. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report	2	
3	Combine lines 1a, 1b, and 2	3	5,255
4	Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b Note. If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.	4	4,853
5	Self-employment tax. If the amount on line 4 is: • \$113,700 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 56, or Form 1040NR, line 54 • More than \$113,700, multiply line 4 by 2.9% (.029). Then, add \$14,098.80 to the result. Enter the total here and on Form 1040, line 56, or Form 1040NR, line 54	5	743
6	Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27	6	372

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

Schedule SE (Form 1040) 2013

**SCHEDULE SE  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Self-Employment Tax**

▶ Information about Schedule SE and its separate instructions is at [www.irs.gov/schedulese](http://www.irs.gov/schedulese).

▶ Attach to Form 1040 or Form 1040NR.

EXHIBIT WR-57

OMB No. 1545-0074

**2013**

Attachment  
Sequence No. 17

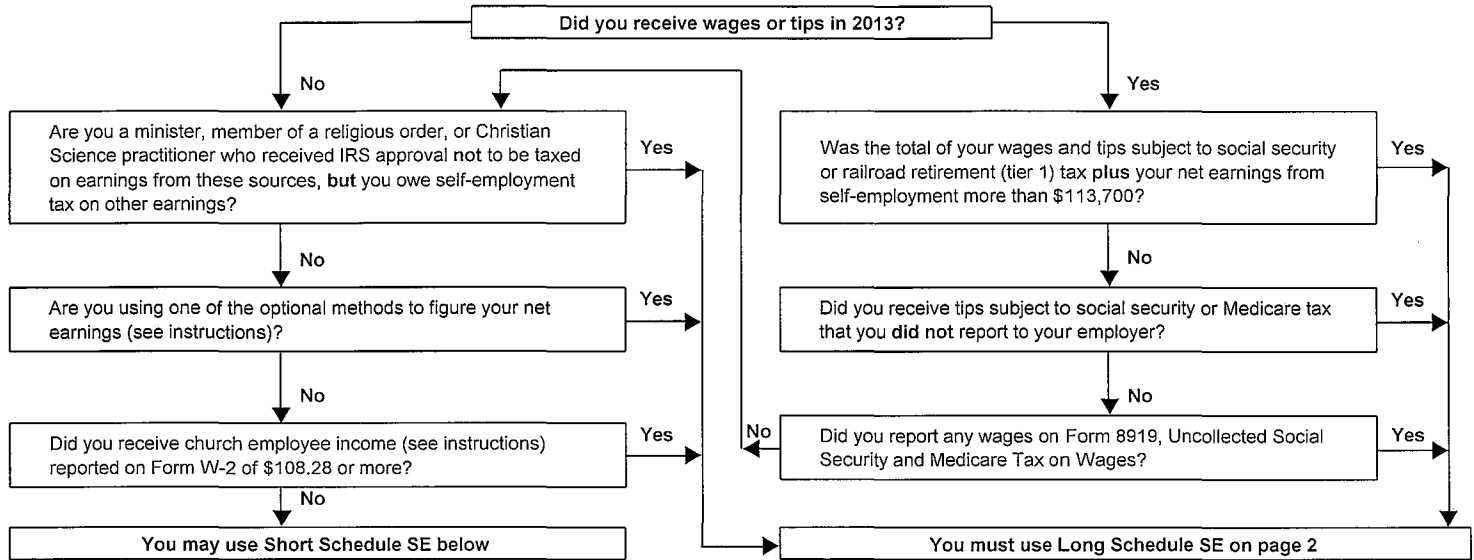
Name of person with self-employment income (as shown on Form 1040)  
**NANCY K DONOVAN**

Social security number of person with self-employment income ▶

Before you begin: To determine if you must file Schedule SE, see the instructions.

**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

Note. Use this flowchart only if you must file Schedule SE. If unsure, see Who Must File Schedule SE in the instructions.



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**Section A — Short Schedule SE. Caution.** Read above to see if you can use Short Schedule SE.

<b>1a</b> Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	5,254
<b>b</b> If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Z	1b	( )
<b>2</b> 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. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report	2	1
<b>3</b> Combine lines 1a, 1b, and 2	3	5,255
<b>4</b> Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b Note. If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.	4	4,853
<b>5</b> Self-employment tax. If the amount on line 4 is: • \$113,700 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 56, or Form 1040NR, line 54 • More than \$113,700, multiply line 4 by 2.9% (.029). Then, add \$14,098.80 to the result. Enter the total here and on Form 1040, line 56, or Form 1040NR, line 54	5	743
<b>6</b> Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27	6	372

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

Schedule SE (Form 1040) 2013

Form **8867**

# Paid Preparer's Earned Income Credit Checklist

**2013**

Attachment Sequence No. 177

Department of the Treasury  
Internal Revenue Service

▶ To be completed by preparer and filed with Form 1040, 1040A, or 1040EZ.  
▶ Information about Form 8867 and its separate instructions is at [www.irs.gov/form8867](http://www.irs.gov/form8867).

Taxpayer name(s) shown on return

**STEPHEN J PETERS & NANCY K DONOVAN**

Taxpayer's social security number

[REDACTED]

For the definitions of the following terms, see Pub. 596.

- Investment Income
- Qualifying Child
- Earned Income
- Full-time Student

## Part I All Taxpayers

1 Enter preparer's name and PTIN ▶ **LAWRENCE H. HARRIS, CPA** P00043496

2 Is the taxpayer's filing status married filing separately? .....

Yes  No

▶ If you checked "Yes" on line 2, stop; the taxpayer cannot take the EIC. Otherwise, continue.

3 Does the taxpayer (and the taxpayer's spouse if filing jointly) have a social security number (SSN) that allows him or her to work or is valid for EIC purposes? See the instructions before answering .....

Yes  No

▶ If you checked "No" on line 3, stop; the taxpayer cannot take the EIC. Otherwise, continue.

4 Is the taxpayer (or the taxpayer's spouse if filing jointly) filing Form 2555 or 2555-EZ (relating to the exclusion of foreign earned income)? .....

Yes  No

▶ If you checked "Yes" on line 4, stop; the taxpayer cannot take the EIC. Otherwise, continue.

5a Was the taxpayer (or the taxpayer's spouse) a nonresident alien for any part of 2013? .....

Yes  No

▶ If you checked "Yes" on line 5a, go to line 5b. Otherwise, skip line 5b and go to line 6.

b Is the taxpayer's filing status married filing jointly? .....

Yes  No

▶ If you checked "Yes" on line 5a and "No" on line 5b, stop; the taxpayer cannot take the EIC. Otherwise, continue.

6 Is the taxpayer's investment income more than \$3,300? See Rule 6 in Pub. 596 before answering .....

Yes  No

▶ If you checked "Yes" on line 6, stop; the taxpayer cannot take the EIC. Otherwise, continue.

7 Could the taxpayer be a qualifying child of another person for 2013? If the taxpayer's filing status is married filing jointly, check "No." Otherwise, see Rule 10 (Rule 13 if the taxpayer does not have a qualifying child) in Pub. 596 before answering .....

Yes  No

▶ If you checked "Yes" on line 7, stop; the taxpayer cannot take the EIC. Otherwise, go to Part II or Part III, whichever applies.

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For Paperwork Reduction Act Notice, see separate instructions.

Form **8867** (2013)

Part III Taxpayers Without a Qualifying Child

16 Was the taxpayer's main home, and the main home of the taxpayer's spouse if filing jointly, in the United States for more than half the year? (Military personnel on extended active duty outside the United States are considered to be living in the United States during that duty period. See Pub. 596.)  Yes  No

▶ If you checked "No" on line 16, stop; the taxpayer cannot take the EIC. Otherwise, continue.

17 Was the taxpayer, or the taxpayer's spouse if filing jointly, at least age 25 but under age 65 at the end of 2013? See the instructions before answering  Yes  No

▶ If you checked "No" on line 17, stop; the taxpayer cannot take the EIC. Otherwise, continue.

18 Is the taxpayer eligible to be claimed as a dependent on anyone else's federal income tax return for 2013? If the taxpayer's filing status is married filing jointly, check "No"  Yes  No

▶ If you checked "Yes" on line 18, stop; the taxpayer cannot take the EIC. Otherwise, continue.

19 Are the taxpayer's earned income and adjusted gross income each less than the limit that applies to the taxpayer for 2013? See Pub. 596 for the limit  Yes  No

▶ If you checked "No" on line 19, stop; the taxpayer cannot take the EIC. If you checked "Yes" on line 19, the taxpayer can take the EIC. If the taxpayer's EIC was reduced or disallowed for a year after 1996, see Pub. 596 to find out if Form 8862 must be filed. Go to line 20.

Part IV Due Diligence Requirements

20 Did you complete Form 8867 based on current information provided by the taxpayer or reasonably obtained by you?  Yes  No

21 Did you complete the EIC worksheet found in the Form 1040, 1040A, or 1040EZ instructions (or your own worksheet that provides the same information as the 1040, 1040A, or 1040EZ worksheet)?  Yes  No

22 If any qualifying child was not the taxpayer's son or daughter, do you know or did you ask why the parents were not claiming the child?  Yes  No  Does not apply

23 If the answer to question 13a is "Yes" (indicating that the child lived for more than half the year with someone else who could claim the child for the EIC), did you explain the tiebreaker rules and possible consequences of another person claiming your client's qualifying child?  Yes  No  Does not apply

24 Did you ask this taxpayer any additional questions that are necessary to meet your knowledge requirement? See the instructions before answering  Yes  No  Does not apply

**To comply with the EIC knowledge requirement, you must not know or have reason to know that any information you used to determine the taxpayer's eligibility for, and the amount of, the EIC is incorrect. You may not ignore the implications of information furnished to you or known by you, and you must make reasonable inquiries if the information furnished to you appears to be incorrect, inconsistent, or incomplete. At the time you make these inquiries, you must document in your files the inquiries you made and the taxpayer's responses.**

25 Did you document (a) the taxpayer's answer to question 22 (if applicable), (b) whether you explained the tiebreaker rules to the taxpayer and any additional information you got from the taxpayer as a result, and (c) any additional questions you asked and the taxpayer's answers?  Yes  No  Does not apply

▶ You have complied with all the due diligence requirements if you:

- Completed the actions described on lines 20 and 21 and checked "Yes" on those lines,
- Completed the actions described on lines 22, 23, 24, and 25 (if they apply) and checked "Yes" (or "Does not apply") on those lines,
- Submit Form 8867 in the manner required, and
- Keep all five of the following records for 3 years from the latest of the dates specified in the instructions under Document Retention:
  - Form 8867, Paid Preparer's Earned Income Credit Checklist,
  - The EIC worksheet(s) or your own worksheet(s),
  - Copies of any taxpayer documents you relied on to determine eligibility for or amount of EIC,
  - A record of how, when, and from whom the information used to prepare the form and worksheet(s) was obtained, and
  - A record of any additional questions you asked and your client's answers.

▶ You have not complied with all the due diligence requirements if you checked "No" on line 20, 21, 22, 23, 24, or 25. You may have to pay a \$500 penalty for each failure to comply.

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**Part V Documents Provided to You**

26 Identify below any document that the taxpayer provided to you and that you relied on to determine the taxpayer's EIC eligibility. Check all that apply. Keep a copy of any documents you relied on. See the instructions before answering. If there is no qualifying child, check box a. If there is no disabled child, check box o.

**Residency of Qualifying Child(ren)**

- a No qualifying child
- b School records or statement
- c Landlord or property management statement
- d Health care provider statement
- e Medical records
- f Child care provider records
- g Placement agency statement
- h Social service records or statement
- i Place of worship statement
- j Indian tribal official statement
- k Employer statement
- l Other (specify) ▼
- m Did not rely on any documents, but made notes in file
- n Did not rely on any documents

**Disability of Qualifying Child(ren)**

- o No disabled child
- p Doctor statement
- q Other health care provider statement
- r Social services agency or program statement
- s Other (specify) ▼
- t Did not rely on any documents, but made notes in file
- u Did not rely on any documents

27 If a Schedule C is included with this return, identify below the information that the taxpayer provided to you and that you relied on to prepare the Schedule C. Check all that apply. Keep a copy of any documents you relied on. See the instructions before answering. If there is no Schedule C, check box a.

**Documents or Other Information**

- a No Schedule C
- b Business license
- c Forms 1099
- d Records of gross receipts provided by taxpayer
- e Taxpayer summary of income
- f Records of expenses provided by taxpayer
- g Taxpayer summary of expenses
- h Bank statements
- i Reconstruction of income and expenses
- j Other (specify) ▼
- k Did not rely on any documents, but made notes in file
- l Did not rely on any documents

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**Federal Statements**

Statement 1 - Form 1040, Line 21 - Other Income

<u>Description</u>	<u>Amount</u>
PRIOR YEAR NOL	\$ -39,882
TOTAL DEBT CANCELED	5,574
TOTAL	<u>\$ -34,308</u>

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**Federal Statements**

**LIVESTOCK VINEYARD ETC**

**Statement 2 - Schedule F, Line 32 - Other Expenses**

<u>Description</u>	<u>Amount</u>
DMV	\$ 452
ENTERTAINMENT	1,621
FINANCE CHARGES	565
MISC FARM EXPENSES	4,739
SMALL TOOLS	246
DUES AND SUBSCRIPTIONS	473
POSTAGE AND SHIPPING	138
OFFICE EXPENSE	79
CUSTOM HIRE GRAPE HARVEST	4,000
TOTAL	<u>\$ 12,313</u>

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Form **1040**

**Auto Worksheet**

**2013**

Name **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number [REDACTED]

Description **JEWELRY SALES** Form/Schedule **C** Unit number **1**

Vehicle 1 - Date **03/12/04** Description **AUTO**

Vehicle 2 - Date \_\_\_\_\_ Description \_\_\_\_\_

Vehicle 3 - Date \_\_\_\_\_ Description \_\_\_\_\_

Vehicle 4 - Date \_\_\_\_\_ Description \_\_\_\_\_

**General Information**

	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4
1. Total mileage	_____	_____	_____	_____
2. Business miles ( 56.5 cents per mile)	_____	_____	_____	_____
3. Commuting mileage	_____	_____	_____	_____
4. Other mileage	_____	_____	_____	_____
5. Business use percentage	_____ %	_____ %	_____ %	_____ %

**Actual Expenses**

6. Parking fees and tolls	_____	_____	_____	_____
7 a. Gasoline	_____	_____	_____	_____
b. Oil	_____	_____	_____	_____
c. Repairs	_____	_____	_____	_____
d. Maintenance	_____	_____	_____	_____
e. Tires	_____	_____	_____	_____
f. Car washes	_____	_____	_____	_____
g. Insurance	_____	_____	_____	_____
h. Interest	_____	_____	_____	_____
i. Registration	_____	_____	_____	_____
j. Licenses	_____	_____	_____	_____
k. Property taxes	_____	_____	_____	_____
l. Other vehicle expenses	_____	_____	_____	_____
m. Vehicle rentals (net of inclusion amount)	_____	_____	_____	_____
8. Total expenses. Add lines 7a - 7m	_____	_____	_____	_____
9. Business use percentage from line 5	_____ %	_____ %	_____ %	_____ %
10. Business use portion of actual expenses	_____	_____	_____	_____
11. Depreciation	_____	_____	_____	_____
12. Total actual expense allowable. Add lines 6, 10 and 11	_____	_____	_____	_____

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**Standard Mileage Rate Method**

13. Business mileage (line 2) multiplied by applicable rate	_____	_____	_____	_____
14. Parking fees and tolls from line 6	_____	_____	_____	_____
15. Line 7h and 7k (Int & taxes) multiplied by bus pct (line 5)	_____	_____	_____	_____
16. Standard mileage rate	_____	_____	_____	_____

Allowable Deduction	Vehicle expense	Vehicle rentals	Vehicle depreciation	Total allowable deduction
_____	_____	_____	_____	_____



Form 1040

Auto Worksheet

Name **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number [REDACTED]

Description **LIVESTOCK VINEYARD ETC** Form/Schedule **F** Unit number **1**

Vehicle 1 - Date **10/07/00** Description **TRUCK**

Vehicle 2 - Date \_\_\_\_\_ Description \_\_\_\_\_

Vehicle 3 - Date \_\_\_\_\_ Description \_\_\_\_\_

Vehicle 4 - Date \_\_\_\_\_ Description \_\_\_\_\_

General Information

	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4
1. Total mileage	_____	_____	_____	_____
2. Business miles ( 56.5 cents per mile)	_____	_____	_____	_____
3. Commuting mileage	_____	_____	_____	_____
4. Other mileage	_____	_____	_____	_____
5. Business use percentage	_____ %	_____ %	_____ %	_____ %

Actual Expenses

6. Parking fees and tolls	_____	_____	_____	_____
7 a. Gasoline	_____	_____	_____	_____
b. Oil	_____	_____	_____	_____
c. Repairs	_____	_____	_____	_____
d. Maintenance	_____	_____	_____	_____
e. Tires	_____	_____	_____	_____
f. Car washes	_____	_____	_____	_____
g. Insurance	_____	_____	_____	_____
h. Interest	_____	_____	_____	_____
i. Registration	_____	_____	_____	_____
j. Licenses	_____	_____	_____	_____
k. Property taxes	_____	_____	_____	_____
l. Other vehicle expenses	_____	_____	_____	_____
m. Vehicle rentals (net of inclusion amount)	_____	_____	_____	_____
8. Total expenses. Add lines 7a - 7m	_____	_____	_____	_____
9. Business use percentage from line 5	_____ %	_____ %	_____ %	_____ %
10. Business use portion of actual expenses	_____	_____	_____	_____
11. Depreciation	_____	_____	_____	_____
12. Total actual expense allowable. Add lines 6, 10 and 11	_____	_____	_____	_____

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Standard Mileage Rate Method

13. Business mileage (line 2) multiplied by applicable rate	_____	_____	_____	_____
14. Parking fees and tolls from line 6	_____	_____	_____	_____
15. Line 7h and 7k (Int & taxes) multiplied by bus pct (line 5)	_____	_____	_____	_____
16. Standard mileage rate	_____	_____	_____	_____

Allowable Deduction	Vehicle expense	Vehicle rentals	Vehicle depreciation	Total allowable deduction
_____	_____	_____	_____	_____

Form **1040**

**Capital Loss Carryover Worksheets**

**2013**

Name  
**STEPHEN J PETERS & NANCY K DONOVAN**

Taxpayer Identification Number  
[REDACTED]

**2013 to 2014 Capital Loss Carryover Worksheet**

Use this worksheet to figure your capital loss carryovers from 2013 to 2014 if Schedule D, Line 21, is a loss and (a) that loss is a smaller loss than the loss on Schedule D, line 16, or (b) Form 1040, line 41, is less than zero. Otherwise, you do not have any carryovers.

1. Enter the amount from Form 1040, line 41. If a loss, enclose the amount in parentheses	1.	<u>(55,544)</u>
2. Enter the loss from Schedule D, line 21, as a positive amount	2.	<u>3,000</u>
3. Combine lines 1 and 2. If zero or less, enter -0-	3.	<u>0</u>
4. Enter the smaller of line 2 or line 3	4.	<u>          </u>
If line 7 of Schedule D is a loss, go to line 5; otherwise, enter -0- on line 5 and go to line 9.		
5. Enter the loss from Schedule D, line 7, as a positive amount	5.	<u>8,907</u>
6. Enter any gain from Schedule D, line 15. If a loss, enter -0-	6.	<u>          </u>
7. Add lines 4 and 6	7.	<u>          </u>
8. Short-term capital loss carryover to 2014. Subtract line 7 from line 5. If zero or less, enter -0-	8.	<u>8,907</u>
If line 15 of Schedule D is a loss, go to line 9; otherwise, skip lines 9 through 13.		
9. Enter the loss from Schedule D, line 15, as a positive amount	9.	<u>23,932</u>
10. Enter any gain from Schedule D, line 7	10.	<u>          </u>
11. Subtract line 5 from line 4. If zero or less, enter -0-	11.	<u>0</u>
12. Add lines 10 and 11	12.	<u>          </u>
13. Long-term capital loss carryover to 2014. Subtract line 12 from line 9. If zero or less, enter -0-	13.	<u>23,932</u>

**2013 to 2014 Capital Loss Carryover Worksheet, AMT**

Use this worksheet to figure AMT capital loss carryovers from 2013 to 2014 if AMT Schedule D, Line 21, is a loss and (a) that loss is a smaller loss than the loss on AMT Schedule D, line 16 or (b) Form 6251, line 26 is a loss. Otherwise, you do not have any carryovers.

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1. Enter the amount from Form 6251, line 28. If a loss, enclose the amount in parentheses	1.	<u>(11,461)</u>
2. Enter the loss from AMT Schedule D, line 21 as a positive amount	2.	<u>3,000</u>
3. Combine lines 1 and 2. If zero or less, enter -0-	3.	<u>0</u>
4. Enter the smaller of line 2 or line 3	4.	<u>          </u>
If line 7 of AMT Schedule D is a loss, go to line 5; otherwise, enter -0- on line 5 and go to line 9.		
5. Enter the loss from AMT Schedule D, line 7 as a positive amount	5.	<u>          </u>
6. Enter the gain, if any, from AMT Schedule D, line 15	6.	<u>          </u>
7. Add lines 4 and 6	7.	<u>          </u>
8. AMT Short-term capital loss carryover to 2014. Subtract line 7 from line 5. If zero or less, enter -0-	8.	<u>          </u>
If line 15 of AMT Schedule D is a loss, go to line 9; otherwise, skip lines 9 through 13.		
9. Enter the loss from AMT Schedule D, line 15, as a positive amount	9.	<u>18,337</u>
10. Enter the gain, if any, from AMT Schedule D, line 7	10.	<u>          </u>
11. Subtract line 5 from line 4. If zero or less, enter -0-	11.	<u>0</u>
12. Add lines 10 and 11	12.	<u>          </u>
13. AMT Long-term capital loss carryover to 2014. Subtract line 12 from line 9. If zero or less, enter -0-	13.	<u>18,337</u>

**Form 982 Reduction of Capital Loss Carryovers to 2014**

	Regular	AMT
1. Subtract 2013 to 2014 Capital Loss Carryover Worksheet, line 7 from line 5	1. <u>          </u>	<u>          </u>
2. Form 982 line 9 reduction of tax attributes applied to short-term capital loss carryover	2. <u>          </u>	<u>          </u>
3. Adjusted Short-term capital loss carryover to 2014. Subtract line 2 from line 1. Enter this amount on line 8 in the 2013 to 2014 Capital Loss Carryover Worksheet	3. <u>          </u>	<u>          </u>
4. Subtract 2013 to 2014 Capital Loss Carryover Worksheet, line 12 from line 9	4. <u>          </u>	<u>          </u>
5. Form 982 line 9 reduction of tax attributes applied to long-term capital loss carryover	5. <u>          </u>	<u>          </u>
6. Adjusted Long-term capital loss carryover to 2014. Subtract line 5 from line 4. Enter this amount on line 13 in the 2013 to 2014 Capital Loss Carryover Worksheet	6. <u>          </u>	<u>          </u>

Form **1040**

**General Sales Tax Deduction Worksheet**

**2013**

Name as shown on return  
**STEPHEN J PETERS & NANCY K DONOVAN**

Taxpayer Identification Number

State of  
**CALIFORNIA**

Locality of  
**MENDOCINO (1.150)**

**General Sales Tax from IRS Tables**

- 1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 37 ..... 1. -27,471
- 2. Add the nontaxable amounts from Form 1040, lines 8b, 15a, 16a, 20a (Exclude rollovers and tax-free Sec. 1035 exchanges) ..... 2. \_\_\_\_\_
- 3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation. Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2013 ..... 3. \_\_\_\_\_
- 4. Add lines 1 through 3, this is income for general sales tax table purposes ..... 4. -27,471
- 5. Enter the amount from the sales tax table in the Schedule A instructions. Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8 and enter the amount from line 5 on line 9 ..... 5. \_\_\_\_\_
- 6. Enter the number of days of residence in state ..... 6. \_\_\_\_\_
- 7. Total days in year ..... 7. 365
- 8. Divide line 6 by line 7 (rounded to at least 3 decimal places) ..... 8. \_\_\_\_\_
- 9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table. .... 9. \_\_\_\_\_

**Local Sales Tax Using IRS Tables**

- 10. Enter the amount from the sales tax table in the Schedule A instructions. .... 10. \_\_\_\_\_
- 11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Missouri, New York State, North Carolina, South Carolina, Tennessee, Utah, Virginia, or West Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions. .... 11. \_\_\_\_\_
- 12. Enter the local general sales tax rate (exclude statewide local sales tax rate) ..... 12. 1.15000
- 13. Enter the state general sales tax rate (include statewide local sales tax rate) ..... 13. 7.5000
- 14. Divide line 12 by line 13 (rounded to at least 3 decimal places) ..... 14. 0.153
- 15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19. If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19. .... 15. \_\_\_\_\_
- 16. Enter the number of days of residence in locality ..... 16. \_\_\_\_\_
- 17. Total days in year ..... 17. 365
- 18. Divide line 16 by line 17 (rounded to at least 3 decimal places) ..... 18. \_\_\_\_\_
- 19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables. .... 19. \_\_\_\_\_

**General Sales Tax Summary**

- 20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets ..... 20. \_\_\_\_\_
- 21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets ..... 21. \_\_\_\_\_
- 22. Add lines 20 and 21, this is the total General Sales taxes using the tables ..... 22. \_\_\_\_\_
- 23. Enter the actual state and local general sales taxes paid ..... 23. \_\_\_\_\_
- 24. Enter the greater of line 22 or line 23 ..... 24. \_\_\_\_\_
- 25. Enter the state and local taxes paid on specified items (major purchases) ..... 25. \_\_\_\_\_
- 26. Add lines 24 and 25, this is the deductible General Sales tax ..... 26. \_\_\_\_\_
- 27. Enter total state and local income taxes paid ..... 27. \_\_\_\_\_

Enter the greater of line 26 or 27 on Schedule A, line 5. If line 26 is greater, mark Schedule A, line 5b. If line 27 is greater, mark Schedule A, line 5a.

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Form **1040**

**Charitable Contribution Carryover Worksheet**

**2013**

Name as shown on return

**STEPHEN J**

**PETERS**

Taxpayer Identification Number

**Current Year Contributions**

AGI \* -27,471  
\*Adjusted for NOL 15,411

Overall Charitable Contribution AGI Limitation 7,706

	Contribution	AGI Limitation	CY Amount Utilized	Utilized by NOL	Carryover to Next Year
50% Cash	<u>645</u>	<u>7,706</u>			<u>645</u>
50% NonCash					
50% Cap Gain (30%)					
30% Cash					
30% NonCash					
20% NonCash					
Qual Conservation					
Totals	<u>645</u>				<u>645</u>

**50% Limitation Carryover Items**

50% AGI Limitation \_\_\_\_\_ Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008					
Fourth - 2009					
Third - 2010					
Second - 2011					
First - 2012					
Totals					

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Capital gain property 50% (30%) Carryover Items  
50/30% AGI Limitation \_\_\_\_\_ Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008					
Fourth - 2009					
Third - 2010					
Second - 2011					
First - 2012					
Totals					

**30% Limitation Carryover Items**

30% AGI Limitation \_\_\_\_\_ Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008					
Fourth - 2009					
Third - 2010					
Second - 2011					
First - 2012					
Totals					

**20% Limitation Carryover Items**

20% AGI Limitation \_\_\_\_\_ Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008					
Fourth - 2009					
Third - 2010					
Second - 2011					
First - 2012					
Totals					

Cash contributions to Schedule A, Line 16 \_\_\_\_\_ Carryover from prior years to Schedule A, Line 18 \_\_\_\_\_  
Non-cash contributions to Schedule A, Line 17 \_\_\_\_\_ Contributions utilized by NOL, Wrk 2, Line 24 \_\_\_\_\_

Form **1040****Late Filing Interest and Penalty Worksheets****2013**

Name

Taxpayer Identification Number

**STEPHEN J PETERS & NANCY K DONOVAN****Late Filing Interest Worksheet**

Description	Amount	Balance	# of Days	Interest Rate %	Interest Amount
TAX DUE - 4/15/14	999	999			
LATE FILING PENALTY (FTF)	225	1,224			
4/15/14 - 6/30/14		1,224	76	3.00	8
6/30/14 - 9/30/14		1,232	92	3.00	9
9/30/14 - 12/31/14		1,241	92	3.00	9
12/31/14 - 3/31/15		1,250	90	3.00	9
3/31/15 - 6/30/15		1,259	91	3.00	9
6/30/15 - 9/30/15		1,268	92	3.00	10
UNKNOWN RATES AFTER 9/30/15					
DATE FILED - 4/01/16		1,278			
Total Late Filing Interest (Int)					<u>54</u>

**Late Payment Penalty Worksheet**

Description	Amount	Balance	# of Months	Penalty Amount
TAX DUE - 4/15/14	999	999		
4/15/14 - 4/01/16		999	24	120
DATE FILED - 4/01/16		1,119		
Total Late Payment Penalty (FTP)				<u>120</u>

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Form **1040**

**Net Operating Loss Worksheet 3**

**2013**

Name  
**STEPHEN J PETERS & NANCY K DONOVAN**

Taxpayer Identification Number

**Net Operating Loss Carryover Information**

Prior Year Carryover	Prior Amounts Utilized/Generated Current Year	Carryover to 2014
1998	1998	1998
1999	1999	1999
2000	2000	2000
2001	2001	2001
2002	2002	2002
2003	2003	2003
2004	2004	2004
2005	2005	2005
2006	2006	2006
2007	2007	2007
2008	2008	2008
2009	2009	2009
2010	2010	2010
2011	2011	2011
2012	2012	2012
	2013	2013
	Total	Total

**AMT Net Operating Loss Carryover Information**

Prior Year Carryover	Prior Amounts Utilized/Generated Current Year	Carryover to 2014
1998	1998	1998
1999	1999	1999
2000	2000	2000
2001	2001	2001
2002	2002	2002
2003	2003	2003
2004	2004	2004
2005	2005	2005
2006	2006	2006
2007	2007	2007
2008	2008	2008
2009	2009	2009
2010	2010	2010
2011	2011	2011
2012	2012	2012
	2013	2013
	Total	Total

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**Special Allowance for Rental Real Estate With Active Participation - Recalculation for NOL Carryover Calculation**

1. Enter the smaller of the loss on line 1d or the loss on line 4 from Form 8582 ..... 1. \_\_\_\_\_
2. Enter \$150,000. If married filing separately, see the instructions ..... 2. \_\_\_\_\_
3. Enter NOL modified adjusted gross income, but not less than zero ..... 3. \_\_\_\_\_  
Note: If line 3 is equal to or greater than line 2, skip lines 4 and 5, enter -0- on line 6. Otherwise, go to line 4.
4. Subtract line 3 from line 2 ..... 4. \_\_\_\_\_
5. Multiply line 4 by 50% (.5) Do not enter more than \$25,000. If married filing separately, see the instructions. .... 5. \_\_\_\_\_
6. Enter the smaller of line 1 or line 5 ..... 6. \_\_\_\_\_
7. Amount from Form 8582, Part II, Line 10 ..... 7. \_\_\_\_\_
8. Line 7 less Line 6. Adjustment to adjusted gross income for special allowance ..... 8. \_\_\_\_\_

Form <b>1040</b>	<b>Net Operating Loss Worksheet 5 - AMT Carryover Calculation</b>	<b>2013</b>
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Name <b>STEPHEN J PETERS &amp; NANCY K DONOVAN</b>	Taxpayer Identification Number [REDACTED]
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**USE YOUR 2013 FORM 1040 TO COMPLETE THE WORKSHEET:**

1. Enter as a positive number your AMT NOL deduction .....	9,932	
2. Enter your alternative minimum taxable income without the NOL deduction .....	-11,461	
3. Enter as a positive number any net capital loss deduction .....	3,000	
4. Enter as a positive number any gain excluded on the sale of qualified small business stock .....	0	
5. Enter the amount of any domestic production activities deduction .....	0	
6. Enter any adjustments to adjusted gross income .....	0	
7. Enter any adjustments to itemized deductions from below .....	22,086	
8. <b>Modified alternative taxable income.</b> Combine lines 2 through 7 (but not less than zero) .....		13,625
9. <b>Alternative taxable income limitation.</b> Enter 90% of line 8 .....		12,263
10. <b>AMT NOL carryover to 2014.</b> Subtract line 9 from line 1 (but not less than zero) .....		0

**ADJUSTMENTS TO ITEMIZED DEDUCTIONS (Individuals Only)**

11. Enter your adjusted gross income without the NOL deduction .....	12,411	
12. Combine lines 3, 4, 5, and 6 above .....	3,000	
13. <b>Modified adjusted gross income.</b> Combine lines 11 and 12 above .....		15,411

**ADJUSTMENTS TO MEDICAL EXPENSES:**

14. Enter your medical expenses from Schedule A (Form 1040), line 4 If you or your spouse was 65 or older, complete lines 15 through 23, else enter the amount from line 14 on line 23 .....	22,731	
15. Enter your medical and dental adjustment from Form 6251, line 2 .....		
16. Subtract line 15 from line 14 and enter the result (but not less than zero) .....		
17. Enter your medical expenses from Schedule A (Form 1040), line 1 .....		
18. Multiply line 13 by 7.5% (.075) .....	0	
19. Subtract line 18 from line 17 and enter the result (but not less than zero) .....	0	
20. Multiply line 13 by 10% (.10) .....		
21. Subtract line 20 from line 17 and enter the result (but not less than zero) .....		
22. Enter the lesser of line 19 or line 21 .....		
23. Subtract line 22 from line 16 and enter the result .....		22,731

**ADJUSTMENTS TO QUALIFIED MORTGAGE INSURANCE PREMIUMS:**

24. Enter your qualified mortgage insurance premiums deduction from Schedule A (Form 1040), line 13 .....		
25. Refigure your mortgage insurance premiums deduction using line 13 above as your AGI .....		
26. Subtract line 25 from line 24 .....		

**ADJUSTMENTS TO CHARITABLE CONTRIBUTIONS:**

27. Enter your charitable contributions deduction from the AMT Contribution Worksheet .....	0	
28. Refigure your charitable contributions deduction using line 13 above as your AGI .....	645	
29. Subtract line 28 from line 27 .....		-645

**ADJUSTMENT TO CASUALTY AND THEFT LOSSES:**

30. Enter your casualty and theft losses from Form 4684, line 18 .....		
31. Enter your casualty and theft losses from Form 4684, line 16 .....		
32. Multiply line 31 by 10% (.10) .....		
33. Subtract line 32 from line 31 and enter the result (but not less than zero) .....		
34. Subtract line 33 from line 30 .....		

**TOTAL ADJUSTMENTS TO ITEMIZED DEDUCTIONS:**

35. Combine lines 23, 26, 29 and 34. ....		22,086
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Form **1040**

**Schedule EIC Worksheet 1**

**2013**

Name <b>STEPHEN J PETERS &amp; NANCY K DONOVAN</b>	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 15px;"></div>
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**Worksheet 1. Investment Income**

Interest and Dividends

- |  |    |           |
|--|----|-----------|
| 1. Enter any amount from Form 1040, line 8a. ....  | 1. |           |
| 2. Enter any amount from Form 1040, line 8b plus any amount on Form 8814, line 1b. ....  | 2. |           |
| 3. Enter any amount from Form 1040, line 9a. ....  | 3. | <b>71</b> |
| 4. Enter the amount from Form 1040, line 21, that is from Form 8814 if you are filing that form to report your child's interest and dividend income on your return. .... | 4. |           |

Capital Gain Net Income

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

Royalties and Rental Income from Personal Property

- |  |     |  |
|--|-----|--|
| 8. Enter any royalty income from Schedule E, line 23b, plus any income from the rental of personal property shown on Form 1040, line 21. ....                          | 8.  |  |
| 9. Enter any expenses from Schedule E, line 20, related to royalty income, plus any expenses from the rental of personal property deducted on Form 1040, line 36. .... | 9.  |  |
| 10. Subtract the amount on line 9 of this worksheet from the amount on line 8. (If the result is less than zero, enter zero.) ....                                     | 10. |  |

Passive Activities

- |  |     |           |
|--|-----|-----------|
| 11. Enter the total net income from passive activities. ....   | 11. |           |
| 12. Add the amounts on lines 1, 2, 3, 4, 7, 10 and 11. Enter the total. This is your Investment Income. .... | 12. | <b>71</b> |

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**Worksheet 2. Earned Income**

- |   |    |          |
|---|----|----------|
| 1. Enter the amount from line 7 (Form 1040 or Form 1040A) or line 1 (Form 1040EZ). ....   | 1. |          |
| 2. If you received a taxable scholarship or fellowship grant that was not reported to you on a Form W-2 but was included in the total on line 7 (Form 1040 or Form 1040A) or line 1 (Form 1040EZ), enter the amount. ....   | 2. |          |
| 3. Clergy. If you are a member of the clergy who files Schedule SE and the amount on line 2 of that schedule includes an amount that was also reported on line 7 (Form 1040), enter that amount. ....   | 3. |          |
| 4. Church employees. If you received wages as a church employee, enter any amount you included on both line 5a of Schedule SE and line 7 (Form 1040). ....  | 4. |          |
| 5. If you received a pension or annuity from a nonqualified deferred compensation plan or a section 457 plan and it was included in the total on line 7 (Form 1040 or Form 1040A) or line 1 (Form 1040EZ), enter the amount. (This amount may be reported 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 of the pension or annuity.) .... | 5. |          |
| 6. Add the amounts on lines 2, 3, 4 and 5 of this worksheet. ....   | 6. |          |
| 7. If you received nontaxable combat pay that you elect to include in earned income, enter the amount. ....   | 7. |          |
| 8. Subtract line 6 of this worksheet from line 1. Add to this amount any nontaxable combat pay from line 7. This is your earned income. ....  | 8. | <b>0</b> |



Form **1040****Schedule EIC Worksheet 2****2013**

Name

Taxpayer Identification Number

**STEPHEN J PETERS & NANCY K DONOVAN****Earned Income Credit Worksheet B****1. Self-Employed, Clergy and People with Church Employee Income Filing Schedule SE**

a. Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies.

1a. 10,510

b. Enter any amount from Schedule SE, Section B, line 4b and line 5a.

1b. \_\_\_\_\_

c. Add lines 1a and 1b

1c. 10,510

d. Enter the amount from Schedule SE, Section A, line 6, or Section B, line 13, whichever applies.

1d. 744

e. Subtract line 1d from line 1c.

1e. 9,766**2. Self-Employed NOT Required To File Schedule SE**

Do not include on these lines any statutory employee income, any net profit from services performed as a notary public, any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or Form 4361, or any other amounts exempt from self-employment tax.

a. Enter any net farm profit or (loss) from schedule F, line 34, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A

2a. \_\_\_\_\_

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.

2b. \_\_\_\_\_

c. Add lines 2a and 2b.

2c. \_\_\_\_\_

**3. Statutory Employees Filing Schedule C or C-EZ**

Enter the amount from Schedule C, line 1, or Schedule C-EZ, line 1, that you are filing as a statutory employee.

3. \_\_\_\_\_

**4. All filers Using EIC Worksheet B**

a. Enter your earned income from Worksheet 2, line 8.

4a. \_\_\_\_\_

b. Combine lines 1e, 2c, 3 and 4a. This is your total earned income.

4b. 9,766

Is the amount on line 4b less than:

- \$46,227 (\$51,567 for married filing jointly) if you have 3 or more qualifying children, or
- \$43,038 (\$48,378 for married filing jointly) if you have 2 qualifying children, or
- \$37,870 (\$43,210 for married filing jointly) if you have one qualifying child, or
- \$14,340 (\$19,680 for married filing jointly) if you do not have a qualifying child?

YES. Continue on to line 5.

NO. Stop, you cannot take the credit.

5. Look up the amount on line 4b above in the EIC Table in the instructions to find the credit. Use the correct column for your filing status. Enter the credit here.

5. 487

6. Enter your adjusted gross income (line 38 of Form 1040; line 22 of Form 1040A; or line 4 of Form 1040-EZ).

6. -27,471**Note:** If the amounts on lines 4b and 6 are the same, skip line 7 and enter the amount from line 5 on line 8

7. If you have:

- No qualifying children, is the amount on line 6 less than \$8,000 (\$13,350 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 6 less than \$17,550 (\$22,900 if married filing jointly)?

YES. Leave line 7 blank; enter the amount from line 5 on line 8.

NO. Lookup the amount on line 6 in the EIC table in the instructions.

Use the correct column for your filing status and the number of children you have. Enter the credit here.

7. \_\_\_\_\_

8. Look at the amounts on lines 5 and 7. Then, enter the smaller amount on line 8. This is your earned income credit.

8. 487**CLIENT COPY**

Form <b>1040</b>	<b>Net Earnings from Self-Employment Worksheet</b>	<b>2013</b>
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Name <b>STEPHEN J PETERS &amp; NANCY K DONOVAN</b>	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 15px;"></div>
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	Taxpayer	Spouse
<b>Farm profit or (loss)</b>		
Schedule F .....	5,255	5,254
Farm Partnerships - Schedule K-1, box 14, code A .....	( )	( )
Auto expense from farm partnerships .....	( )	( )
Amortization from farm partnerships .....	( )	( )
Depreciation & Section 179 from farm partnerships .....	( )	( )
Depletion from farm partnerships .....	( )	( )
Other expenses from farm partnerships .....	( )	( )
Home office expenses from farm partnerships .....	( )	( )
Unreimbursed partnership expenses from farm partnerships .....	( )	( )
Debt financed acquisition interest from farm partnerships .....	( )	( )
Farm adjustment to SE income .....	( )	( )
<b>Net farm profit or (loss) - Schedule SE line 1a</b>	5,255	5,254
<b>Conservation Reserve Program payments to social security/disability benefit recipients included on Sch F, In 4b or listed on Sch K-1 (Form 1065), box 20, code Y - Sch SE line 1b</b>	( 0 )	( 0 )
<b>Nonfarm profit or (loss)</b>		
Schedule C (excluding minister Schedule C income reported below) .....	( )	1
Nonfarm partnerships - Schedule K-1, box 14, code A .....	( )	( )
Auto expense from nonfarm partnerships .....	( )	( )
Amortization from nonfarm partnerships .....	( )	( )
Depreciation & section 179 from nonfarm partnerships .....	( )	( )
Depletion from nonfarm partnerships .....	( )	( )
Other expenses from nonfarm partnerships .....	( )	( )
Home office expenses from nonfarm partnerships .....	( )	( )
Unreimbursed partnership expenses from nonfarm partnerships .....	( )	( )
Debt financed acquisition interest from nonfarm partnerships .....	( )	( )
Employee business expenses - Form 2106 (excluding minister 2106 expenses reported below) .....	( )	( )
Nonfarm adjustment to SE income .....	( )	( )
Self-employment income reported as other income .....	( )	( )
Self-employment income from contracts and straddles .....	( )	( )
Minister/clergy self-employment income (from Clergy Worksheet Page 4, line 8) .....	( )	( )
<b>Net nonfarm profit or (loss) - Schedule SE line 2</b>	0	1
<b>Other income items subject to and/or exempt from self-employment tax</b>		
Fees received for services performed as a notary public .....	( )	( )
Earnings while debtor in a chapter 11 bankruptcy case .....	( )	( )
Taxable community property income/-loss .....	( )	( )
Exempt community property income/-loss .....	( )	( )
<b>Net adjustment included on Schedule SE, line 3</b>	0	0
<b>Net profit (loss) from self-employment activities - Schedule SE line 3</b>	5,255	5,255
Church employee income - Schedule SE, Page 2 line 5a	( )	( )

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**Federal Statements**

Form 1040, Dividend Income

Payer	Ordinary Dividends	Qualified Dividends
PRINCIPAL	\$ 71	\$ 71
TOTAL	\$ 71	\$ 71

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**Federal Statements**

Schedule A, Line 1 - Medical and Dental Expenses

<u>Description</u>	<u>Amount</u>
MEDICAL/DENTAL EXPENSES	\$ 22,102
\$0.240/MILE * 2,621 MILES	629
TOTAL	<u>\$ 22,731</u>

Schedule A, Line 16 - Charitable Contributions by Cash or Check

<u>Description</u>	<u>Amount</u>
CASH CONTRIBUTIONS	\$ 645
DISALLOWED CASH CONTRIBUTION	-645
TOTAL	<u>\$ 0</u>

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**Federal Statements****LIVESTOCK VINEYARD ETC****Schedule F, Line 2 - Sales of Products You Raised**

<u>Description</u>	<u>Amount</u>
WINEGRAPE SALES	\$ 56,974
TOTAL	\$ <u>56,974</u>

**LIVESTOCK VINEYARD ETC****Schedule F, Line 29 - Taxes**

<u>Description</u>	<u>Amount</u>
VINEYARD ASSESSMENT FEE	\$ 86
FIRE PREVENTION FEE	126
TOTAL	\$ <u>212</u>

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**Federal Asset Report**  
**JEWELRY SALES**

FYE: 12/31/2013

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	Per Conv Meth	Prior	Current
<b>Listed Property:</b>									
1	AUTO	3/12/04	0	62.70		0	0 HY	0	0
			<u>0</u>			<u>0</u>		<u>0</u>	<u>0</u>
	<b>Grand Totals</b>		0			0		0	0
	<b>Less: Dispositions and Transfers</b>		0			0		0	0
	<b>Less: Start-up/Org Expense</b>		0			0		0	0
	<b>Net Grand Totals</b>		<u>0</u>			<u>0</u>		<u>0</u>	<u>0</u>

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**Federal Asset Report  
LIVESTOCK VINEYARD ETC**

FYE: 12/31/2013

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	PerConv Meth	Prior	Current
<b>Prior MACRS:</b>									
4	TOOLS & EQUIPM	7/01/87	5,414			5,414	5 HY 200DB	5,414	0
5	IMPROVEMENTS	7/01/87	8,421			8,421	10 HY 200DB	8,421	0
6	FARM VEHICLE	7/01/87	21,405			21,405	7 HY 200DB	21,405	0
7	FARM EQUIPMENT	10/11/95	16,088			16,088	7 HY 150DB	16,088	0
8	FENCING	7/01/90	1,704			1,704	7 HY 200DB	1,704	0
9	PIPES & VALVES	7/01/90	3,600			3,600	7 HY 200DB	3,600	0
13	'86 FORD PICKUP	7/01/93	2,000			2,000	7 HY 200DB	2,000	0
14	EQUIPMENT	7/10/00	6,200	X		0	7 HY 150DB	6,200	0
15	OFFICE COMPUTER	7/10/00	1,731	X		0	7 HY 150DB	1,731	0
17	STORAGE CONTAINERS	6/03/02	3,200	X	X	0	7 MQ 150DB	3,200	0
18	3500 VINES	10/01/02	22,815		X	15,970	10 MQ S/L	22,815	0
19	1996 FORD F 350	4/07/03	5,000		X	3,500	5 HY 150DB	5,000	0
20	2003 MINI BLAST SPRAYER	5/13/03	4,526		X	2,263	7 HY 150DB	4,526	0
21	2003 JOHN DEERE GATOR 6X4	3/21/03	7,547		X	5,283	3 HY 150DB	7,547	0
22	2200 VINES	5/12/03	6,270		X	3,135	10 HY S/L	6,113	157
23	AVIATORS	6/15/05	8,685	X		0	5 HY 200DB	8,685	0
			<u>124,606</u>			<u>88,783</u>		<u>124,449</u>	<u>157</u>
<b>ACRS:</b>									
1	IMPROVEMENTS	9/01/86	1,963			1,963	10 HY PRE	1,963	0
	<b>Total ACRS Depreciation</b>		<u>1,963</u>			<u>1,963</u>		<u>1,963</u>	<u>0</u>
<b>Other Depreciation:</b>									
2	FARM BUILDING	8/01/86	62,500			62,500	35 MO S/L	47,324	1,786
	<b>Total Other Depreciation</b>		<u>62,500</u>			<u>62,500</u>		<u>47,324</u>	<u>1,786</u>
	<b>Total ACRS and Other Depreciation</b>		<u>64,463</u>			<u>64,463</u>		<u>49,287</u>	<u>1,786</u>
<b>Listed Property:</b>									
16	TRUCK	10/07/00	0	77.72		0	0 HY	0	0
			<u>0</u>			<u>0</u>		<u>0</u>	<u>0</u>
	<b>Grand Totals</b>		189,069			153,246		173,736	1,943
	<b>Less: Dispositions and Transfers</b>		0			0		0	0
	<b>Less: Start-up/Org Expense</b>		0			0		0	0
	<b>Net Grand Totals</b>		<u>189,069</u>			<u>153,246</u>		<u>173,736</u>	<u>1,943</u>

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# Bonus Depreciation Report

FYE: 12/31/2013

Asset	Property Description	Date In Service	Tax Cost	Bus Pct	Tax Sec 179 Exp	Current Bonus	Prior Bonus	Tax - Basis for Depr
<b>Activity: LIVESTOCK VINEYARD ETC</b>								
17	STORAGE CONTAINERS	6/03/02	3,200		3,200	0	0	0
18	3500 VINES	10/01/02	22,815		0	0	6,845	15,970
19	1996 FORD F 350	4/07/03	5,000		0	0	1,500	3,500
20	2003 MINI BLAST SPRAYER	5/13/03	4,526		0	0	2,263	2,263
21	2003 JOHN DEERE GATOR 6X4	3/21/03	7,547		0	0	2,264	5,283
22	2200 VINES	5/12/03	6,270		0	0	3,135	3,135
	<b>LIVESTOCK VINEYARD ETC</b>		<u>49,358</u>		<u>0</u>	<u>0</u>	<u>16,007</u>	<u>30,151</u>
	<b>Grand Total</b>		<u>49,358</u>		<u>0</u>	<u>0</u>	<u>16,007</u>	<u>30,151</u>

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**AMT Asset Report  
JEWELRY SALES**

FYE: 12/31/2013

Asset	Description	Date In Service	Cost	Bus Sec % 179Bonus	Basis for Depr	PerConv Meth	Prior	Current
<b>Listed Property:</b>								
I	AUTO	3/12/04	0	62.70	0	0 HY	0	0
			<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>
	<b>Grand Totals</b>		0		0		0	0
	<b>Less: Dispositions and Transfers</b>		<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>
	<b>Net Grand Totals</b>		<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>

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**AMT Asset Report**  
**LIVESTOCK VINEYARD ETC**

FYE: 12/31/2013

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	PerConv Meth	Prior	Current
<b>Prior MACRS:</b>									
4	TOOLS & EQUIPM	7/01/87	5,414			5,414	5 HY 200DB	5,414	0
5	IMPROVEMENTS	7/01/87	8,421			8,421	10 HY 200DB	8,421	0
6	FARM VEHICLE	7/01/87	21,405			21,405	7 HY 200DB	21,405	0
7	FARM EQUIPMENT	10/11/95	16,088			16,088	7 HY 150DB	16,088	0
8	FENCING	7/01/90	1,704			1,704	7 HY 200DB	1,704	0
9	PIPES & VALVES	7/01/90	3,600			3,600	7 HY 200DB	3,600	0
13	'86 FORD PICKUP	7/01/93	2,000			2,000	7 HY 200DB	2,000	0
14	EQUIPMENT	7/10/00	6,200	X		0	7 HY 150DB	6,200	0
15	OFFICE COMPUTER	7/10/00	1,731	X		0	7 HY 150DB	1,731	0
17	STORAGE CONTAINERS	6/03/02	3,200	X	X	0	7 MQ150DB	3,200	0
18	3500 VINES	10/01/02	22,815			22,815	20 MQ S/L	13,261	1,141
19	1996 FORD F 350	4/07/03	5,000		X	3,500	5 HY 150DB	5,000	0
20	2003 MINI BLAST SPRAYER	5/13/03	4,526		X	2,263	7 HY 150DB	4,526	0
21	2003 JOHN DEERE GATOR 6X4	3/21/03	7,547		X	5,283	3 HY 150DB	7,547	0
22	2200 VINES	5/12/03	6,270		X	3,135	10 HY S/L	6,113	157
23	AVIATORS	6/15/05	8,685	X		0	5 HY 150DB	8,685	0
			<u>124,606</u>			<u>95,628</u>		<u>114,895</u>	<u>1,298</u>
<b>ACRS:</b>									
1	IMPROVEMENTS	9/01/86	1,963			1,963	10 HY PRE	177	0
	<b>Total ACRS Depreciation</b>		<u>1,963</u>			<u>1,963</u>		<u>177</u>	<u>0</u>
<b>Other Depreciation:</b>									
2	FARM BUILDING	8/01/86	62,500			62,500	35 MO S/L	28,571	1,786
	<b>Total Other Depreciation</b>		<u>62,500</u>			<u>62,500</u>		<u>28,571</u>	<u>1,786</u>
	<b>Total ACRS and Other Depreciation</b>		<u>64,463</u>			<u>64,463</u>		<u>28,748</u>	<u>1,786</u>
<b>Listed Property:</b>									
16	TRUCK	10/07/00	0	77.72		0	0 HY	0	0
			<u>0</u>			<u>0</u>		<u>0</u>	<u>0</u>
	<b>Grand Totals</b>		189,069			160,091		143,643	3,084
	<b>Less: Dispositions and Transfers</b>		<u>0</u>			<u>0</u>		<u>0</u>	<u>0</u>
	<b>Net Grand Totals</b>		<u>189,069</u>			<u>160,091</u>		<u>143,643</u>	<u>3,084</u>

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# Depreciation Adjustment Report

FYE: 12/31/2013

## All Business Activities

Form	Unit	Asset	Description	Tax	AMT	AMT Adjustments/ Preferences
<b>MACRS Adjustments:</b>						
F	1	4	TOOLS & EQUIPM	0	0	0
F	1	5	IMPROVEMENTS	0	0	0
F	1	6	FARM VEHICLE	0	0	0
F	1	7	FARM EQUIPMENT	0	0	0
F	1	8	FENCING	0	0	0
F	1	9	PIPES & VALVES	0	0	0
F	1	13	'86 FORD PICKUP	0	0	0
F	1	14	EQUIPMENT	0	0	0
F	1	15	OFFICE COMPUTER	0	0	0
F	1	17	STORAGE CONTAINERS	0	0	0
F	1	18	3500 VINES	0	1,141	-1,141
F	1	19	1996 FORD F 350	0	0	0
F	1	20	2003 MINI BLAST SPRAYER	0	0	0
F	1	21	2003 JOHN DEERE GATOR 6X4	0	0	0
F	1	22	2200 VINES	157	157	0
F	1	23	AVIATORS	0	0	0
				<u>157</u>	<u>1,298</u>	<u>-1,141</u>

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**Future Depreciation Report**    **FYE: 12/31/14**

FYE: 12/31/2013

**JEWELRY SALES**

<u>Asset</u>	<u>Description</u>	<u>Date In Service</u>	<u>Cost</u>	<u>Tax</u>	<u>AMT</u>
<b>Listed Property:</b>					
1	AUTO	3/12/04	<u>0</u>	<u>0</u>	<u>0</u>
			<u>0</u>	<u>0</u>	<u>0</u>
	<b>Grand Totals</b>		<u>0</u>	<u>0</u>	<u>0</u>

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**Future Depreciation Report FYE: 12/31/14**

FYE: 12/31/2013

**LIVESTOCK VINEYARD ETC**

Asset	Description	Date In Service	Cost	Tax	AMT
<b>Prior MACRS:</b>					
4	TOOLS & EQUIPM	7/01/87	5,414	0	0
5	IMPROVEMENTS	7/01/87	8,421	0	0
6	FARM VEHICLE	7/01/87	21,405	0	0
7	FARM EQUIPMENT	10/11/95	16,088	0	0
8	FENCING	7/01/90	1,704	0	0
9	PIPES & VALVES	7/01/90	3,600	0	0
13	'86 FORD PICKUP	7/01/93	2,000	0	0
14	EQUIPMENT	7/10/00	6,200	0	0
15	OFFICE COMPUTER	7/10/00	1,731	0	0
17	STORAGE CONTAINERS	6/03/02	3,200	0	0
18	3500 VINES	10/01/02	22,815	0	1,141
19	1996 FORD F 350	4/07/03	5,000	0	0
20	2003 MINI BLAST SPRAYER	5/13/03	4,526	0	0
21	2003 JOHN DEERE GATOR 6X4	3/21/03	7,547	0	0
22	2200 VINES	5/12/03	6,270	0	0
23	AVIATORS	6/15/05	8,685	0	0
			<u>124,606</u>	<u>0</u>	<u>1,141</u>

**ACRS:**

1	IMPROVEMENTS	9/01/86	1,963	0	0
	<b>Total ACRS Depreciation</b>		<u>1,963</u>	<u>0</u>	<u>0</u>

**Other Depreciation:**

2	FARM BUILDING	8/01/86	62,500	1,786	1,786
	<b>Total Other Depreciation</b>		<u>62,500</u>	<u>1,786</u>	<u>1,786</u>

**Total ACRS and Other Depreciation** 64,463 1,786 1,786

**Listed Property:**

16	TRUCK	10/07/00	0	0	0
			<u>0</u>	<u>0</u>	<u>0</u>

**Grand Totals** 189,069 1,786 2,927

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Form **1040****Federal Tax Projection Worksheet 1 - Tax Computation****2013 & 2014**

Name **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number [REDACTED]

		2013	2014	Differences
		MFJ	MFJ	
	Filing Status .....			
	Dependents .....			
	1. Salaries and wages .....	1.		
	2. Interest and dividend income .....	2. 71	71	
	3. Taxable state/local refunds .....	3.		
	4. Alimony received .....	4.		
	5. Business income/loss .....	5. 1	1	
I	6. Capital gain/loss .....	6. -3,000	-3,000	
n	7. Other gains/losses .....	7.		
c	8. Taxable IRA distributions .....	8.		
o	9. Taxable pensions and annuities .....	9.		
m	10. Schedule E income/loss .....	10.		
e	11. Farm income/loss .....	11. 10,509	10,509	
	12. Unemployment benefits .....	12.		
	13. Taxable social security benefits .....	13.	0	
	14. Other income .....	14. -34,308	-34,308	
	15. Total income .....	15. -26,727	-26,727	
A	16. Moving expenses .....	16.		
d	17. Deductible part of self-employment tax .....	17. 744	744	
j	18. SEP/SIMPLE/Qualified plans deductions .....	18.		
u	19. Self-employed health insurance deduction .....	19.		
s	20. Forfeited interest .....	20.		
t	21. Alimony paid .....	21.		
m	22. IRA deductions .....	22.		
e	23. Student loan interest deduction .....	23.		
n	24. Other adjustments .....	24.		
s	25. Adjusted gross income .....	25. -27,471	-27,471	
D	26. Medical .....	26. 22,731	22,731	
e	27. State and local or sales taxes .....	27.		
d	28. Real estate taxes .....	28. 5,342	5,342	
u	29. Personal property & other taxes .....	29.		
c	30. Interest .....	30.		
t	31. Contributions .....	31.		
i	32. Casualty losses .....	32.		
o	33. Miscellaneous expenses .....	33.		
n	34. Allowable itemized deductions .....	34. 28,073	28,073	
s	35. Standard deduction .....	35. 12,200	13,600	1,400
		ITEMIZED	ITEMIZED	
	36. Deduction taken .....	36. 28,073	28,073	
	37. Subtract line 36 from line 25 .....	37. -55,544	-55,544	
	38. Exemptions .....	38. 7,800	7,900	100
	39. Taxable income .....	39. 0	0	

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Form **1040****Federal Tax Projection Worksheet 2 - Tax Computation****2013 & 2014**Name **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number [REDACTED]

Filing Status		2013	2014	Differences
		MFJ	MFJ	
40. Taxable income from TPW page 1, line 39	40.	0	0	
41. Tax on taxable income	41.			
42. Taxes from Forms 4972, 8814, and add'l taxes	42.			
43. Alternative minimum tax	43.			
44. Add lines 41, 42 and 43	44.			
45. Foreign tax credit	45.			
T 46. Child and dependent care credit	46.			
a 47. Education credits	47.			
x 48. Retirement savings credit	48.			
49. Credit for the elderly	49.			
C 50. Child tax credit	50.			
o 51. Nonbusiness energy property credit	51.			
m 52. Qualified electric plug-in vehicle credit (Form 8834)	52.			
p 53. Alternative motor vehicle credit (Form 8910)	53.			
u 54. Qualified plug-in electric motor vehicle (Form 8936)	54.			
t 55. Mortgage interest credit	55.			
a 56. D.C. first-time homebuyer credit	56.			
t 57. Residential energy efficient property credit	57.			
i 58. Adoption credit	58.			
o 59. General business credit	59.			
n 60. Prior year minimum tax credit	60.			
61. Other credits	61.			
62. Total credits	62.			
63. Net tax liability	63.			
64. Self-employment tax	64.	1,486	1,486	
65. Tax on unreported tips	65.			
66. Tax on IRA or qualified plans	66.			
67. Household employment taxes	67.			
68. Other taxes	68.			
69. Total tax	69.	1,486	1,486	
70. Income tax withheld	70.			
71. Estimated tax payments	71.			
72. Earned income credit	72.	487		-487
73. Additional child tax credit	73.			
74. Reserved	74.			
75. Other payments	75.			
76. Total payments	76.	487		-487
77. Net tax due/-refund	77.	999	1,486	487
78. Marginal tax rate	78.	10.0%	10.0%	
79. Effective tax rate	79.	%	%	
80. Rate of Long-term capital gain/qual. dividends	80.	0.0%	%	

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Form <b>1040</b>	<b>Tax Projection Worksheet - Itemized Deduction &amp; Personal Exemptions</b>	<b>2014</b>
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Name <b>STEPHEN J PETERS &amp; NANCY K DONOVAN</b>	Taxpayer Identification Number [REDACTED]
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**2014 Itemized Deductions Worksheet**

1. Enter the total of the amounts from TPW, lines 26, 27, 28, 29, 30, 31, 32 and 33 .....	1.	28,073
2. Enter the total of the amounts from TPW, lines 26, 30 (investment interest only), and 32, plus any gambling and casualty or theft losses included on line 33. ....	2.	22,731
3. Subtract line 2 from line 1. If the result is zero, <b>stop here</b> ; enter the amount from line 1 above on TPW, line 34 .....	3.	5,342
4. Multiply line 3 by 80% (.80) .....	4.	4,274
5. Enter the amount from TPW, line 25 .....	5.	-27,471
6. Enter \$305,050 if married filing jointly or qualifying widow(er); \$279,650 if head of household; \$254,200 if single; or \$152,525 if married filing separately .....	6.	305,050
7. Subtract line 6 from line 5. If the result is zero or less, <b>stop here</b> ; enter the amount from line 1 above on TPW, line 34 .....	7.	0
8. Multiply line 7 by 3% (.03) .....	8.	
9. Enter the <b>smaller</b> of line 4 or line 8 .....	9.	
10. <b>Total itemized deductions.</b> Subtract line 9 from line 1. Enter the result here and on TPW, line 34 .....	10.	

**2014 Exemptions Worksheet**

1. Multiply \$3,950 by the total number of exemptions claimed on TPW .....	1.	7,900
2. Enter the amount from TPW, line 25 .....	2.	-27,471
3. Enter on line 3 the amount shown below for your filing status: <ul style="list-style-type: none"> <li>• Single - \$254,200</li> <li>• Married filing jointly or Qualifying widow(er) - \$305,050</li> <li>• Married filing separately - \$152,525</li> <li>• Head of household - \$279,650</li> </ul>	3.	305,050
4. Subtract line 3 from line 2. If zero or less, <b>stop here</b> ; enter the amount from line 1 above on TPW, line 38 .....	4.	0
<b>Note:</b> If line 4 is more than \$122,500 (more than \$61,250 if married filing separately), <b>stop here</b> ; you cannot take a deduction for exemptions. Enter -0- on TPW, line 38.		
5. Divide line 4 by \$2,500 (\$1,250 if married filing separately). If the result is not a whole number, round it up to the next higher whole number (for example, increase 0.0004 to 1) .....	5.	
6. Multiply line 5 by 2% (.02) and enter the result as a decimal amount .....	6.	
7. Multiply line 1 by line 6 .....	7.	
8. <b>Deduction for exemptions.</b> Subtract line 7 from line 1. Enter the result here and on TPW, line 38 .....	8.	

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Form <b>540</b>	<b>California Two Year Comparison Report</b>	<b>2012 &amp; 2013</b>
-----------------	--	------------------------

Name: **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number: XXXXXXXXXX

		2012	2013	Differences
Income	1. Wages, salaries, tips, etc	1.		
	2. Interest	2.		
	3. Dividends	3.	78	71 (7)
	4. Alimony	4.		
	5. Business income/loss	5.	1	1
	6. Capital gain/loss	6.	-3,000	-3,000
	7. Other gains/losses	7.		
	8. Taxable IRA distributions	8.		
	9. Taxable pensions/annuities	9.		
	10. Rent, royalty, partnership, S corporation, trust	10.		
	11. Farm income/loss	11.	11,230	10,353 (877)
	12. Other income/loss	12.	-45,214	-43,255 1,959
	13. <b>Total income</b>	13.	-36,905	-35,830 1,075
Adjustments	14. Certain business expenses	14.		
	15. Moving expenses	15.		
	16. SE tax adjustment	16.	746	744 (2)
	17. Keogh/SEP/SIMPLE plans	17.		
	18. SE Health Insurance	18.		
	19. Penalty on early withdrawal of savings	19.		
	20. Alimony paid	20.		
	21. IRA deductions	21.		
	22. Student loan deduction	22.		
	23. Other adjustments	23.		
	24. <b>Adjusted gross income</b>	24.	-37,651	-36,574 1,077
Tax Computation	25. Itemized deduction	25.	20,276	28,073 7,797
	26. Standard deduction	26.		
	27. <b>Taxable income</b>	27.	0	0
	28. Tax (Before Exemption Credits)	28.	0	0
	29. Exemptions (Not less than 0)	29.	208	212 4
	30. Additional taxes (Schedule G-1 and Form 5870A)	30.		
	31. <b>Tax before credits</b>	31.	0	0
	32. Total credits (Not less than 0)	32.	0	0
	33. Alternative minimum tax	33.		
	34. Mental Health Services tax	34.		
	35. Other taxes and credit recapture	35.		
	36. <b>Total tax (Includes 453(A) interest)</b>	36.	0	0
	37. Income tax withheld	37.		
	38. Estimates	38.		
39. Other payments	39.			
40. Excess state disability insurance	40.			
41. <b>Total payments</b>	41.			
42. <b>Tax due/-refund</b>	42.	0	0	
43. Use tax	43.			
44. Contributions	44.			
45. Penalties and interest	45.			
46. <b>Net tax due/-refund</b>	46.			
47. <b>Marginal tax rate</b>	47.	1.00 %	1.00 %	
48. <b>Effective tax rate</b>	48.	%	%	

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### California Individual Return Summary Tax Year 2013

STEPHEN J PETERS & NANCY K DONOVAN

#### Income, Adjustments, and Deductions

Federal Adjusted Gross Income		-27,471
Subtractions		48,985
Additions		39,882
Adjusted gross income		-36,574
Itemized deductions <input checked="" type="checkbox"/> Standard deduction <input type="checkbox"/>		28,073
Taxable income		0

#### Tax, Payments, and Credits

Income tax		
Part-year/Nonresident taxable income		
Part-year/Nonresident tax rate		%
Part-year/Nonresident tax		
Exemption credits		212
Additional tax		
Total credits		
Total other taxes		
Total tax		0
Income tax withheld		
Estimate, extension and other payments		
Excess California Supplemental Disability Insurance		

#### Overpayment applied to 2014

Use tax		
Contributions		
Parks Pass Purchase		
Amount due/-refund		0

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#### Refund/Amount Due

Underpayment of estimates penalty		
Late payment interest		
Failure to file penalty		
Failure to pay penalty		
Net amount due/-refund		0

#### Miscellaneous Information

Tax form	540
Residency type	RESIDENT
Direct debit withdrawal date	
Direct debit amount	
Marginal tax rate	1.000%
Effective tax rate	%

#### 2014 Estimates

1st quarter	
2nd quarter	
3rd quarter	
4th quarter	
Total estimates	



Taxpayer Name STEPHEN J PETERS  
 Spouse Name NANCY K DONOVAN

DO NOT SUBMIT THIS DOCUMENT TO FTB UNLESS REQUESTED TO DO SO

**ERO Declaration**

I declare that the information contained in this electronic tax return is the information furnished to me by the taxpayer. If the taxpayer furnished me a completed tax return, I declare that the information contained in this electronic tax return is identical to that contained in the return provided by the taxpayer. If the furnished return was prepared by a paid preparer, I declare that the paid preparer manually signed the return and that I have entered the paid preparer's identifying information in the appropriate portion of this electronic return. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

I have provided the taxpayer(s) with a copy of all forms and information that I will file with the FTB and I have followed all other requirements described in the FTB Pub. 1345, 2013 e-file Handbook for Authorized e-file Providers.

**ERO Signature**

I am signing this Tax Return by entering my PIN below.

ERO's PIN XXXXXXXXXX

**Perjury Statement**

Under penalties of perjury, I declare that I have examined this 2013 California income tax return, including any accompanying statements and schedules, and that, to the best of my knowledge and belief, the information is true, correct, and complete.

**Consent to Disclosure**

I consent to allow my Electronic Return Originator, Transmitter, or Intermediate Service Provider to send my return to the Franchise Tax Board (FTB). Additionally, I consent to allow the FTB to reply with an acknowledgment of receipt indicating whether or not my return was accepted, and if rejected, the reason(s) for the rejection. If the processing of my return or refund is delayed, I authorize the FTB to disclose the reason(s) for the delay or when the refund was sent.

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**Decedent Signature and Verification**

Completion of this section indicates that I am requesting a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I am the legal representative of the deceased taxpayer's estate or am entitled to the refund as the deceased's surviving relative or sole beneficiary under the provisions of the California Probate Code. I further declare that I have examined this return and, to the best of my knowledge and belief, it is true, correct, and complete. I will retain a copy of federal Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, or a copy of the death certificate with my copy of this return.

Name of person claiming refund - Taxpayer \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Name of person claiming refund - Spouse \_\_\_\_\_  
 Date: \_\_\_\_\_

**Electronic Funds Withdrawal Consent**

I authorize the Franchise Tax Board and its designated Financial Agent to withdraw the return payment and/or estimated tax payments as designated on my California e-file Payment Record (form FTB 8455). If I have filed a joint return, this is an irrevocable appointment of the other spouse as an agent to authorize an electronic funds withdrawal.

To cancel an electronic funds withdrawal, I must call the FTB at (916) 845-0353 at least two working days before the date of withdrawal.

I understand that if the FTB does not receive full and timely payment of my tax liability, I remain liable for the tax liability and all applicable interest and penalties.

The taxpayer(s) and I have signed form FTB 8879. By entering the PIN(s) below, this Tax Return, and Electronic funds Withdrawal Consent if applicable, is considered signed.

Date: \_\_\_\_\_  
 Taxpayer's PIN: XXXXXXXXXX  
 Spouse's PIN: XXXXXXXXXX

California Resident Income Tax Return 2013

540 C1 Side 1

APE

081-40-2504 PETE 553-92-8657 13 PBA 423940
STEPHEN J PETERS
NANCY K DONOVAN

A
R
RP

21451 HWY 128
YORKVILLE CA 95494 12-18-1949 05-10-1952

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- 1 Single
2 Married/RDP filing jointly. See instr.
3 Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here

If your California filing status is different from your federal filing status, check the box here

6 If someone can claim you (or your spouse/RDP) as a dependent, check the box here. See instr.

For line 7, line 8, line 9, and line 10: Multiply the amount you enter in the box by the pre-printed dollar amount for that line. Whole dollars only

- 7 Personal: If you checked box 1, 3, or 4 above, enter 1 in the box. If you checked box 2 or 5, enter 2, in the box. If you checked the box on line 6, see instructions
8 Blind: If you (or your spouse/RDP) are visually impaired, enter 1; if both are visually impaired, enter 2
9 Senior: If you (or your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2

10 Dependents: Do not include yourself or your spouse/RDP.

Table with 3 columns: First name, Last name, and Dependent's relationship to you. Includes radio buttons for selection.

Total dependent exemptions X \$326 =

11 Exemption amount: Add line 7 through line 10. Transfer this amount to line 32

Your name: STEPHEN J PETERS

Your SSN or ITIN: [REDACTED]

**Taxable Income**

12 State wages from your Form(s) W-2, box 16 ..... ● 12 [ ] 00

13 Enter federal adjusted gross income from Form 1040, line 37; 1040A, line 21; or 1040EZ, line 4 ..... ● 13 (27,471) 00

14 California adjustments – subtractions. Enter the amount from Schedule CA (540), line 37, column B ..... ● 14 48,985 00

15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses. See instructions ..... 15 (76,456) 00

16 California adjustments – additions. Enter the amount from Schedule CA (540), line 37, column C ..... ● 16 39,882 00

17 California adjusted gross income. Combine line 15 and line 16 ..... ● 17 (36,574) 00

18 Enter the larger of:
 

- Your California **itemized deductions** from Schedule CA (540), line 44; OR
- Your California **standard deduction** shown below for your filing status:
  - Single or Married/RDP filing separately ..... \$3,906
  - Married/RDP filing jointly, Head of household, or Qualifying widow(er) ..... \$7,812
- If the box on line 6 is checked, STOP. See instructions ..... ● 18 28,073 00

19 Subtract line 18 from line 17. This is your taxable income. If less than zero, enter -0- ..... ● 19 0 00

**Tax**

31 Tax. Check the box if from:  Tax Table  Tax Rate Schedule  
 ●  FTB 3800 ●  FTB 3803 ..... ● 31 0 00

32 Exemption credits. Enter the amount from line 11. If your federal AGI is more than \$172,615, see instructions ..... ● 32 212 00

33 Subtract line 32 from line 31. If less than zero, enter -0- ..... ● 33 0 00

34 Tax. See instructions Check the box if from:  Schedule G-1  FTB 5870A ..... ● 34 [ ] 00

35 Add line 33 and line 34 ..... ● 35 0 00

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**Special Credits**

40 Nonrefundable Child and Dependent Care Expenses Credit. See instructions ..... ● 40 [ ] 00

41 New jobs credit, amount generated. See instructions ..... ● 41 [ ] 00

42 New jobs credit, amount claimed. See instructions ..... ● 42 [ ] 00

43 Enter credit name [ ] code ● [ ] and amount ..... ● 43 [ ] 00

44 Enter credit name [ ] code ● [ ] and amount ..... ● 44 [ ] 00

45 To claim more than two credits, see instructions. Attach Schedule P (540) ..... ● 45 [ ] 00

46 Nonrefundable renter's credit. See instructions ..... ● 46 [ ] 00

47 Add line 40 and line 42 through line 46. These are your total credits ..... ● 47 [ ] 00

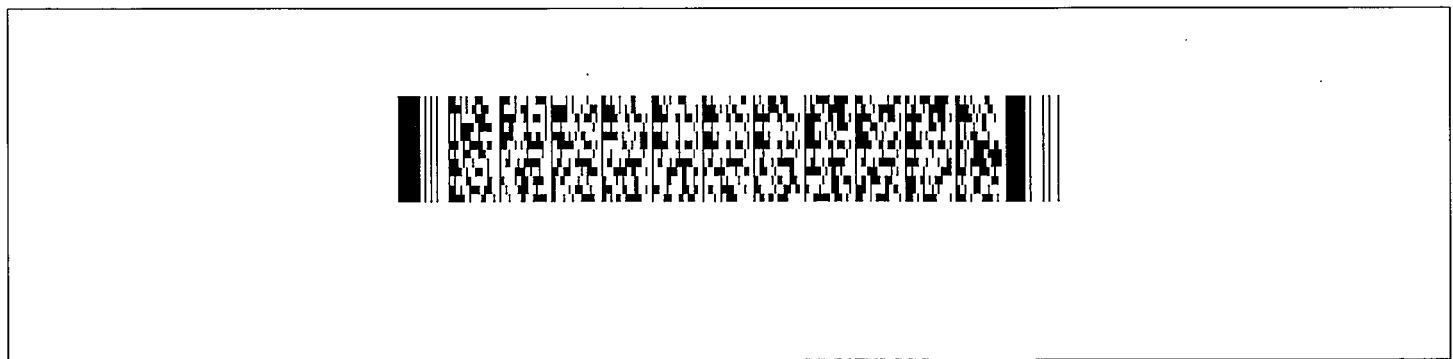
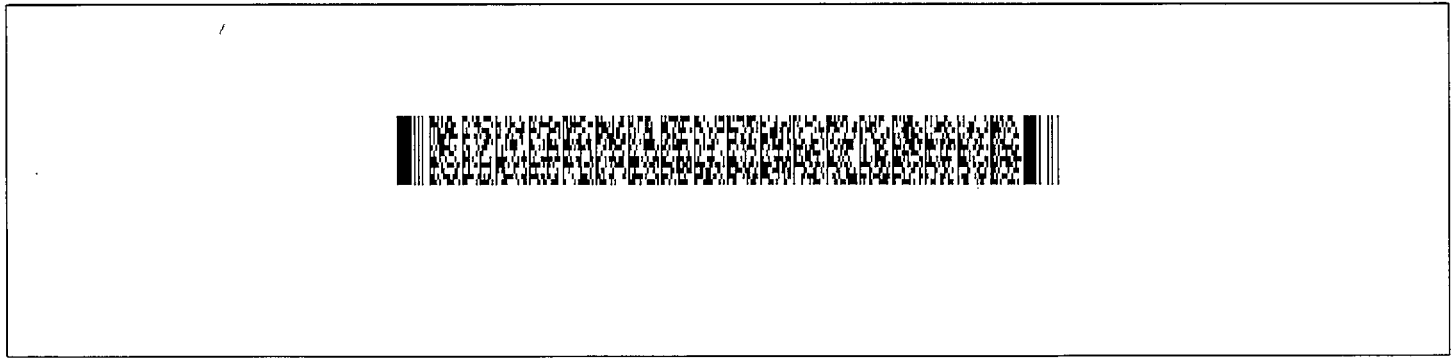
48 Subtract line 47 from line 35. If less than zero, enter -0- ..... ● 48 0 00

Your name: **STEPHEN J PETERS**

Your SSN or ITIN: [REDACTED]

Other Taxes	61	Alternative minimum tax. Attach Schedule P (540)	<input type="radio"/>	61	<input type="text"/>	<input type="text"/>	00
	62	Mental Health Services Tax. See instructions.	<input type="radio"/>	62	<input type="text"/>	<input type="text"/>	00
	63	Other taxes and credit recapture. See instructions.	<input type="radio"/>	63	<input type="text"/>	<input type="text"/>	00
	64	Add line 48, line 61, line 62, and line 63. This is your total tax	<input type="radio"/>	64	<input type="text" value="0"/>	<input type="text"/>	00
Payments	71	California income tax withheld. See instructions	<input type="radio"/>	71	<input type="text"/>	<input type="text"/>	00
	72	2013 CA estimated tax and other payments. See instructions	<input type="radio"/>	72	<input type="text"/>	<input type="text"/>	00
	73	Real estate and other withholding. See instructions	<input type="radio"/>	73	<input type="text"/>	<input type="text"/>	00
	74	Excess SDI (or VPDI) withheld. See instructions	<input type="radio"/>	74	<input type="text"/>	<input type="text"/>	00
	75	Add line 71, line 72, line 73, and line 74. These are your total payments. See instructions	<input checked="" type="radio"/>	75	<input type="text" value="0"/>	<input type="text"/>	00
Overpaid Tax Tax Due	91	Overpaid tax. If line 75 is more than line 64, subtract line 64 from line 75	<input checked="" type="radio"/>	91	<input type="text"/>	<input type="text"/>	00
	92	Amount of line 91 you want applied to your 2014 estimated tax	<input type="radio"/>	92	<input type="text"/>	<input type="text"/>	00
	93	Overpaid tax available this year. Subtract line 92 from line 91	<input type="radio"/>	93	<input type="text"/>	<input type="text"/>	00
	94	Tax due. If line 75 is less than line 64, subtract line 75 from line 64	<input checked="" type="radio"/>	94	<input type="text"/>	<input type="text"/>	00

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Your name: STEPHEN J PETERS

Your SSN or ITIN: [REDACTED]

Use Tax 95 Use Tax. This is not a total line. See instructions 95 0 00

Contributions		Code	Amount
	California Seniors Special Fund. See instructions	● 400	[ ] 00
	Alzheimer's Disease/Related Disorders Fund	● 401	[ ] 00
	California Fund for Senior Citizens	● 402	[ ] 00
	Rare and Endangered Species Preservation Program	● 403	[ ] 00
	State Children's Trust Fund for the Prevention of Child Abuse	● 404	[ ] 00
	California Breast Cancer Research Fund	● 405	[ ] 00
	California Firefighters' Memorial Fund	● 406	[ ] 00
	Emergency Food for Families Fund	● 407	[ ] 00
	California Peace Officer Memorial Foundation Fund	● 408	[ ] 00
	California Sea Otter Fund	● 410	[ ] 00
	Municipal Shelter Spay-Neuter Fund	● 412	[ ] 00
	California Cancer Research Fund	● 413	[ ] 00
	Child Victims of Human Trafficking Fund	● 419	[ ] 00
	California YMCA Youth and Government Fund	● 420	[ ] 00
	California Youth Leadership Fund	● 421	[ ] 00
	School Supplies for Homeless Children Fund	● 422	[ ] 00
	State Parks Protection Fund/Parks Pass Purchase	● 423	[ ] 00
	Protect Our Coast and Oceans Fund	● 424	[ ] 00
	Keep Arts in Schools Fund	● 425	[ ] 00
	American Red Cross, California Chapters Fund	● 426	[ ] 00
	110 Add code 400 through code 426. This is your total contribution	● 110	[ ] 00

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Your name: STEPHEN J PETERS

Your SSN or ITIN: [REDACTED]

111 AMOUNT YOU OWE. Add line 94, line 95, and line 110. See instructions. Do not send cash.

Mail to: FRANCHISE TAX BOARD

PO BOX 942867

SACRAMENTO CA 94267-0009

Pay online - Go to [ftb.ca.gov](http://ftb.ca.gov) for more information.

Amount You Owe

111 [ ] 00

Interest and Penalties

112 Interest, late return penalties, and late payment penalties

112 [ ] 00

113 Underpayment of estimated tax. Check the box:

FTB 5805 attached

FTB 5805F attached

113 [ ] 00

114 Total amount due. See instructions. Enclose, but do not staple, any payment

114 [ ] 00

115 REFUND OR NO AMOUNT DUE. Subtract line 95 and line 110 from line 93. See instructions.

Mail to: FRANCHISE TAX BOARD

PO BOX 942840

SACRAMENTO CA 94240-0009

Fill in the information to authorize direct deposit of your refund into one or two accounts. Do not attach a voided check or a deposit slip. See instructions.

Have you verified the routing and account numbers? Use whole dollars only.

All or the following amount of my refund (line 115) is authorized for direct deposit into the account shown below:

Refund and Direct Deposit

● Routing number

[ ]

● Type

Checking  
 Savings

● Account number

[ ]

● 116 Direct deposit amount

[ ] 00

The remaining amount of my refund (line 115) is authorized for direct deposit into the account shown below:

● Routing number

[ ]

● Type

Checking  
 Savings

● Account number

[ ]

● 117 Direct deposit amount

[ ] 00

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IMPORTANT: See the instructions to find out if you should attach a copy of your complete federal tax return.

Under penalties of perjury, I declare that I have examined this tax return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Your signature

X [ ]

Date

[ ]

Spouse's/RDP's signature (if a joint tax return, both must sign)

X [ ]

Your email address (optional). Enter only one email address.

[ ]

Daytime phone number (optional)

[ ]

Sign Here

Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)

LAWRENCE H. HARRIS, CPA

03/30/16

It is unlawful to forge a spouse's/RDP's signature.

Firm's name (or yours, if self-employed)

L H HARRIS CERTIFIED PUBLIC ACCOUNTANT

● PTIN

[REDACTED]

Firm's address

6400 REDWOOD DRIVE, SUITE 200  
ROHNERT PARK CA 94928

● FEIN

[REDACTED]

Joint tax return? (See instructions.)

Do you want to allow another person to discuss this tax return with us? See instructions

●  Yes  No

Print Third Party Designee's Name

LAWRENCE H. HARRIS, CPA

Telephone Number

707-546-2727

TAXABLE YEAR

2013 California Adjustments — Residents

CA (540)

Important: Attach this schedule behind Form 540, Side 5 as a supporting California schedule.

Name(s) as shown on tax return

STEPHEN J PETERS
NANCY K DONOVAN

SSN or ITIN

Part I Income Adjustment Schedule

Section A - Income

Table with columns: Federal Amounts (taxable amounts from your federal tax return), Subtractions (See instructions), Additions (See instructions). Rows include: 7 Wages, salaries, tips, etc.; 8 Taxable interest; 9 Ordinary dividends; 10 Taxable refunds, credits, offsets of state and local income taxes; 11 Alimony received; 12 Business income or (loss); 13 Capital gain or (loss); 14 Other gains or (losses); 15 IRA distributions; 16 Pensions and annuities; 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc.; 18 Farm income or (loss); 19 Unemployment compensation; 20 Social security benefits; 21 Other income (California lottery winnings, NOL from FTB 3805D, 3805Z, Disaster loss carryover, Federal NOL, NOL carryover from FTB 3805V).

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Section B - Adjustments to Income

Table with columns: Federal Amounts (taxable amounts from your federal tax return), Subtractions (See instructions), Additions (See instructions). Rows include: 23 Educator expenses; 24 Certain business expenses of reservists, performing artists, and fee-basis government officials; 25 Health savings account deduction; 26 Moving expenses; 27 Deductible part of self-employment tax; 28 Self-employed SEP, SIMPLE, and qualified plans; 29 Self-employed health insurance deduction; 30 Penalty on early withdrawal of savings; 31a Alimony paid; 32 IRA deduction; 33 Student loan interest deduction; 34 Tuition and fees; 35 Domestic production activities deduction; 36 Add line 23 through line 31a and line 32 through line 35 in columns A, B, and C. See instructions; 37 Total. Subtract line 36 from line 22 in columns A, B, and C. See instructions.

STEPHEN J  
NANCY K

PETERS  
DONOVAN



Part II Adjustments to Federal Itemized Deductions

38 Federal itemized deductions. Enter the amount from federal Schedule A (Form 1040), lines 4, 9, 15, 19, 20, 27, and 28 .....  38 28,073

39 Enter total of federal Schedule A (Form 1040), line 5 (State Disability Insurance, and state and local income tax, or General Sales Tax), and line 8 (foreign income taxes **only**). See instructions .....  39 \_\_\_\_\_

40 Subtract line 39 from line 38 .....  40 28,073

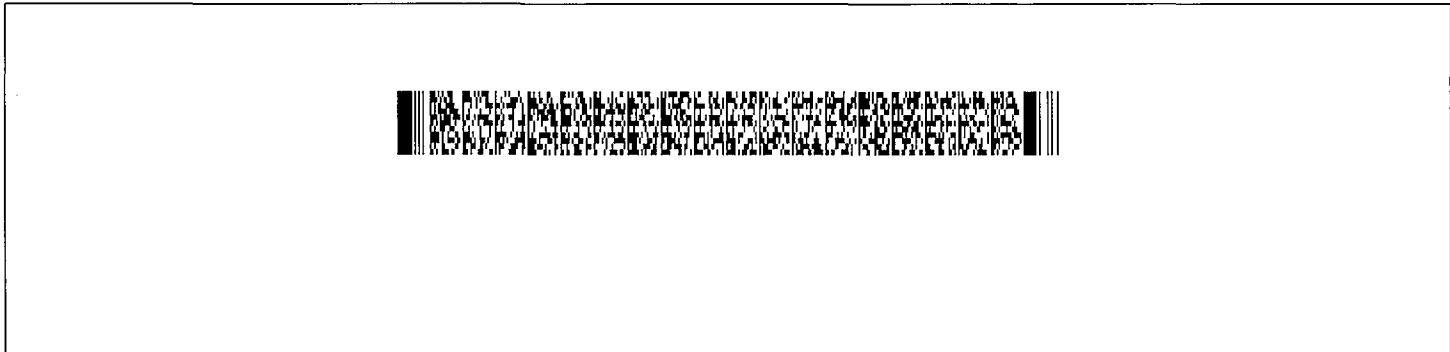
41 Other adjustments including California lottery losses. See instructions. Specify \_\_\_\_\_  41 \_\_\_\_\_

42 Combine line 40 and line 41 .....  42 28,073

43 Is your federal AGI (Form 540, line 13) more than the amount shown below for your filing status?  
 Single or married/RDP filing separately ..... \$172,615  
 Head of household ..... \$258,927  
 Married/RDP filing jointly or qualifying widow(er) ..... \$345,235  
 No. Transfer the amount on line 42 to line 43.  
 Yes. Complete the Itemized Deductions Worksheet in the instructions for Schedule CA (540), line 43 .....  43 28,073

44 Enter the larger of the amount on line 43 or your standard deduction listed below  
 Single or married/RDP filing separately ..... \$3,906  
 Married/RDP filing jointly, head of household, or qualifying widow(er) ..... \$7,812  
 Transfer the amount on line 44 to Form 540, line 18 .....  44 28,073

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TAXABLE YEAR **2013** Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations — Individuals, Estates, and Trusts

Attach to your California tax return.

Names as shown on return

SSN or ITIN

FEIN

**STEPHEN J PETERS & NANCY K DONOVAN**

**Part I** Computation of Current Year NOL for Individuals, Estates, and Trusts. If you do not have a current year NOL, go to Part II.

**Section A — California Residents Only** (Nonresidents go to Section B.)

1	Adjusted gross income from 2013 Form 540, line 17. If negative, use brackets. Estates and Trusts, begin on line 3	1	<u>(36,574)</u>	00
2	Itemized deductions or standard deduction from 2013 Form 540, line 18	2	<u>(28,073)</u>	00
3 a	Combine line 1 and line 2. (Estates and Trusts, enter taxable income, see instructions.) If negative, use brackets. If positive, enter -0- here and on line 25. Do not complete the rest of Section A. You do not have a current year NOL. Complete Part II and Part III if you have a carryover from prior years.	3a	<u>(64,647)</u>	00
b	2013 designated disaster loss included in line 3a. Enter as a positive number	3b		00
c	Combine line 3a and line 3b. If negative, use brackets and continue to line 4. If zero or more, do not complete the rest of Part I. Enter the amount from line 3b, if any, in Part III, line 3, column (d) and complete Part II and Part III as instructed	3c	<u>(64,647)</u>	00

Enter amounts on line 4 through line 24 as if they were all positive numbers. See instructions.

4	Nonbusiness capital losses	4	<u>27,414</u>	00
5	Nonbusiness capital gains. See instructions	5		00
6	If line 4 is more than line 5, enter the difference; otherwise, enter -0-	6	<u>27,414</u>	00
7	If line 4 is less than line 5, enter the difference; otherwise, enter -0-	7	<u>0</u>	00
8	Nonbusiness deductions	8	<u>28,073</u>	00
9	Nonbusiness income other than capital gains	9	<u>5,645</u>	00
10	Add line 7 and line 9	10	<u>5,645</u>	00
11	If line 8 is more than line 10, enter the difference; otherwise, enter -0-	11	<u>22,428</u>	00
12	If line 8 is less than line 10, enter the difference; otherwise, enter -0-	12	<u>0</u>	00
13	Business capital losses	13	<u>0</u>	00
14	Business capital gains	14	<u>0</u>	00
15	Add line 12 and line 14	15		00
16	If line 13 is more than line 15, enter the difference; otherwise, enter -0-	16	<u>0</u>	00
17	Add line 6 and line 16	17	<u>27,414</u>	00
18	Enter the loss, if any, from line 8 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 9, column (c), of Schedule D (541). If you do not have a loss on that line, skip line 18 through line 21 and enter on line 22 the amount from line 17	18	<u>27,414</u>	00
19	Enter the loss, if any, from line 9 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 10 of Schedule D (541). Enter as a positive number	19	<u>3,000</u>	00
20	If line 18 is more than line 19, enter the difference; otherwise, enter -0-	20	<u>24,414</u>	00
21	If line 19 is more than line 18, enter the difference; otherwise, enter -0-	21	<u>0</u>	00
22	Subtract line 20 from line 17. If zero or less, enter -0-	22	<u>3,000</u>	00
23	NOL and disaster loss carryovers from prior years. See instructions	23	<u>48,829</u>	00
24	Add lines 11, 21, 22, and 23	24	<u>74,257</u>	00
25	Current Year NOL. Combine line 3c and line 24. See instructions. If more than zero, enter -0-. You do not have a current year NOL to carryback or carryover	25	<u>0</u>	00

If the Individual, Estate, or Trust is using the current year NOL to carryback to offset taxable income for taxable years 2011 and/or 2012, complete Part IV, NOL Carryback, on Side 4 before completing Part I, Section A, lines 26-28 below. Enter lines 26 and 27 as positive numbers.

26	2013 NOL carryback used to offset 2011 taxable income. Enter the amount from Part IV, line 3, col. (f)	26	<u>0</u>	00
27	2013 NOL carryback used to offset 2012 taxable income. Enter the amount from Part IV, line 3, col. (h)	27	<u>0</u>	00
28	2013 NOL carryover to 2014. Combine line 25, line 26, and line 27. See instructions.	28		00

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STEPHEN J PETERS & NANCY K DONOVAN

Section B — Nonresidents and Part-Year Residents Only — Computation of Current Year California NOL

	A	B	C	D	E
	Enter total amounts as if you were a CA resident for entire year.	Enter amounts earned or received from CA sources if you were a nonresident for the entire year.	Enter amounts earned or received during the portion of the year you were a CA resident.	Enter amounts earned or received from CA sources during the portion of the year you were a nonresident.	Total Combine columns C and D
1 Adjusted gross income. See instructions If negative, use brackets	1				
2 Itemized deductions or standard deduction. See instructions	2 ( ) ( ) ( ) ( )				
3 a Combine line 1 and line 2. See instructions	3a				
b 2013 designated disaster loss included in line 3a. Enter as a positive number	3b				
c Combine line 3a and line 3b. If negative, use brackets and continue to line 4	3c				
Enter amounts on line 4 through line 24 as if they were all positive numbers.					
4 Nonbusiness capital losses	4				
5 Nonbusiness capital gains	5				
6 If line 4 is more than line 5, enter the difference; otherwise, enter -0-	6 0	0	0	0	0
7 If line 4 is less than line 5, enter the difference; otherwise, enter -0-	7				
8 Nonbusiness deductions	8				
9 Nonbusiness income other than capital gains	9				
10 Add line 7 and line 9	10				
11 If line 8 is more than line 10, enter the difference; otherwise, enter -0-	11 0	0	0	0	0
12 If line 8 is less than line 10, enter the difference; otherwise, enter -0-	12 0	0	0	0	0
13 Business capital losses	13				
14 Business capital gains	14				
15 Add line 12 and line 14	15				
16 If line 13 is more than line 15, enter the difference; otherwise, enter -0-	16 0	0	0	0	0
17 Add line 6 and line 16	17				
18 Enter the loss, if any, from line 4 of Schedule D (540NR) worksheet for nonresidents and part-year residents. See instructions	18 0	0	0	0	0
19 Enter the loss, if any, from line 5 of Schedule D (540NR) worksheet for nonresidents and part-year residents. Enter as a positive number	19				
20 If line 18 is more than line 19, enter the difference; otherwise, enter -0-	20 0	0	0	0	0
21 If line 19 is more than line 18, enter the difference; otherwise, enter -0-	21 0	0	0	0	0
22 Subtract line 20 from line 17. If zero or less, enter -0-	22 0	0	0	0	0
23 NOL and disaster loss carryovers from prior years	23				
24 Add lines 11, 21, 22, 23	24				
25 Current Year NOL. Combine line 3c and line 24. See instructions. If more than zero, enter -0-	25 0	0	0	0	0
If the individual, Estate, or Trust is using the current year NOL to carryback to offset taxable income for taxable years 2011 and/or 2012, complete Part IV, NOL Carryback, on Side 4 before completing Part I, Section B, lines 26-28 below. Enter lines 26 and 27 as positive numbers.					
26 2013 NOL carryback used to offset 2011 taxable income. Enter the amount from Part IV, line 3, col. (f)	26 0	0	0	0	0
27 2013 NOL carryback used to offset 2012 taxable income. Enter the amount from Part IV, line 3, col. (h)	27 0	0	0	0	0
28 2013 NOL carryover to 2014. Combine line 25, line 26, and line 27. See instructions.	28 0	0	0	0	0

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**STEPHEN J PETERS & NANCY K DONOVAN**

**Section C — Election to Waive Carryback**

Check the box if the Individual, Estate, or Trust elects to "relinquish" the entire carryback period with respect to a 2013 NOL under IRC Section 172(b)(3). By making the election, the Individual, Estate, or Trust is electing to carry an NOL forward instead of carrying it back in the previous two years. Once the election is made, it is **irrevocable**. See instructions.

Continue with Part II, Determine 2013 Modified Taxable Income (MTI) and Part III, NOL Carryover and Disaster Loss Carryover Limitations. Do not complete Part IV, NOL Carryback.

**Part II Determine 2013 Modified Taxable Income (MTI).** Be sure to read the instructions for Part II.

1	Taxable income. See instructions	1	(64,647)	00
Enter amounts on line 2 through line 4 as if they were all positive numbers.				
2	Capital loss deduction included in line 1	2	3,000	00
3	Disaster loss carryover included in line 1	3		00
4	NOL carryover included in line 1	4	48,829	00
5	MTI. Combine line 1 through line 4. If line 5 is zero or less, enter -0-	5	0	00

**Part III NOL Carryover and Disaster Loss Carryover Limitations.** See Instructions.

		(g)	
		Available balance	
1	MTI from Part II, line 5	1	

**Prior Year NOLs**

(a) Year of loss	(b) Code See instr.	(c) Type of NOL See below*	(d) Initial loss	(e) Carryover from 2012	(f) Amount used in 2013	(g)	(h) Carryover to 2014 col. (e) - col (f)
2	SEE WORKSHEET		54,706	48,829			48,829

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**Current Year NOLs**

							col. (d) - col (f)
3	2013	DIS					
4	2013						
	2013						
	2013						

\*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

5	NOL carryover. Add the carryover amounts in column (h) that are not the result of a disaster loss	5	48,829	00
6	Disaster loss carryover. Enter the total loss carryover amounts in column (h) that are the result of disaster losses	6	0	00



TAXABLE YEAR

# Depreciation and Amortization Adjustments

3885A

2013

Do not complete this form if your California depreciation amounts are the same as federal amounts.

Name(s) as shown on tax return

SSN or ITIN

STEPHEN J PETERS & NANCY K DONOVAN

### Part I Identify the Activity as Passive or Nonpassive. (See instructions.)

Business or activity to which form FTB 3885A relates

1  This form is being completed for a passive activity.

This form is being completed for a nonpassive activity.

LIVESTOCK VINEYARD ETC

### Part II Election to Expense Certain Tangible Property (IRC Section 179).

2 Enter the amount from line 12 of the Tangible Property Expense Worksheet in the instructions  2

### Part III Depreciation

(a) Description of property placed in service	(b) Date placed in service mm/dd/yyyy	(c) California basis for depreciation	(d) Method	(e) Life or rate	(f) California depreciation deduction
3					

4 Add the amounts on line 3, column (f)	4	
5 California depreciation for assets placed in service prior to 2013	5	2,099
6 Total California depreciation from this activity. Add the amounts on line 2, line 4, and line 5	6	2,099
7 Total federal depreciation from this activity. Enter depreciation from federal Form 4562, line 22	7	1,943
8 a If line 6 is more than line 7, enter the difference here and see instructions	8a	156
b If line 6 is less than line 7, enter the difference here and see instructions	8b	

### Part IV Amortization

(a) Description of cost	(b) Date amortization begins mm/dd/yyyy	(c) California basis for amortization	(d) Code section	(e) Period or percentage	(f) California amortization deduction
9					

10 Total California amortization from this activity. Add the amounts on line 9, column (f)	10	
11 California amortization of costs that began before 2013	11	
12 Total California amortization from this activity. Add the amounts on line 10 and line 11	12	
13 Total federal amortization from this activity. Enter amortization from federal Form 4562, line 44	13	
14 a If line 12 is more than line 13, enter the difference here and see instructions	14a	
b If line 12 is less than line 13, enter the difference here and see instructions	14b	

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Form **540/540NR**

California Auto Worksheet

**2013**

Name **STEPHEN J PETERS & NANCY K DONOVAN** Taxpayer Identification Number [REDACTED]

Description **JEWELRY SALES** Form/Schedule **C** Unit number **1**

Vehicle 1 - Date 03/12/04 Description AUTO

Vehicle 2 - Date \_\_\_\_\_ Description \_\_\_\_\_

Vehicle 3 - Date \_\_\_\_\_ Description \_\_\_\_\_

Vehicle 4 - Date \_\_\_\_\_ Description \_\_\_\_\_

**General Information**

	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4
1. Total mileage	_____	_____	_____	_____
2. Business mileage (56.5 cents per mile)	_____	_____	_____	_____
3. Commuting mileage	_____	_____	_____	_____
4. Other mileage	_____	_____	_____	_____
5. Business use percentage	_____ %	_____ %	_____ %	_____ %

**Actual Expenses**

6. Parking fees and tolls	_____	_____	_____	_____
7 a. Gasoline	_____	_____	_____	_____
b. Oil	_____	_____	_____	_____
c. Repairs	_____	_____	_____	_____
d. Maintenance	_____	_____	_____	_____
e. Tires	_____	_____	_____	_____
f. Car washes	_____	_____	_____	_____
g. Insurance	_____	_____	_____	_____
h. Interest	_____	_____	_____	_____
i. Registration	_____	_____	_____	_____
j. Licenses	_____	_____	_____	_____
k. Property taxes	_____	_____	_____	_____
l. Other vehicle expenses	_____	_____	_____	_____
m. Vehicle rentals (net of inclusion amount)	_____	_____	_____	_____
8. Total expenses. Add lines 7a - 7m	_____	_____	_____	_____
9. Business use percentage from line 5	_____ %	_____ %	_____ %	_____ %
10. Business use portion of actual expenses	_____	_____	_____	_____
11. Depreciation	_____	_____	_____	_____
12. Total actual expense allowable. Add lines 6, 10 and 11	_____	_____	_____	_____

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**Standard Mileage Rate Method**

13. Business mileage (line 2) multiplied by applicable rate	_____	_____	_____	_____
14. Parking fees and tolls from line 6	_____	_____	_____	_____
15. Line 7h and 7k (Int & taxes) multiplied by bus pct (line 5)	_____	_____	_____	_____
16. Standard mileage rate	_____	_____	_____	_____

Allowable Deduction      Vehicle expense      Vehicle rentals      Vehicle depreciation      Total allowable deduction

\_\_\_\_\_

Form **540/540NR**

**California Auto Worksheet**

**2013**

Name

Taxpayer Identification Number

**STEPHEN J PETERS & NANCY K DONOVAN**

Description

**LIVESTOCK VINEYARD ETC**

Form/Schedule **F**

Unit number **1**

Vehicle 1 - Date	<u>10/07/00</u>	Description	<u>TRUCK</u>
Vehicle 2 - Date	_____	Description	_____
Vehicle 3 - Date	_____	Description	_____
Vehicle 4 - Date	_____	Description	_____

**General Information**

Vehicle 1

Vehicle 2

Vehicle 3

Vehicle 4

1. Total mileage	_____	_____	_____	_____
2. Business mileage (56.5 cents per mile)	_____	_____	_____	_____
3. Commuting mileage	_____	_____	_____	_____
4. Other mileage	_____	_____	_____	_____
5. Business use percentage	_____ %	_____ %	_____ %	_____ %

**Actual Expenses**

6. Parking fees and tolls	_____	_____	_____	_____
7 a. Gasoline	_____	_____	_____	_____
b. Oil	_____	_____	_____	_____
c. Repairs	_____	_____	_____	_____
d. Maintenance	_____	_____	_____	_____
e. Tires	_____	_____	_____	_____
f. Car washes	_____	_____	_____	_____
g. Insurance	_____	_____	_____	_____
h. Interest	_____	_____	_____	_____
i. Registration	_____	_____	_____	_____
j. Licenses	_____	_____	_____	_____
k. Property taxes	_____	_____	_____	_____
l. Other vehicle expenses	_____	_____	_____	_____
m. Vehicle rentals (net of inclusion amount)	_____	_____	_____	_____
8. Total expenses. Add lines 7a - 7m	_____	_____	_____	_____
9. Business use percentage from line 5	_____ %	_____ %	_____ %	_____ %
10. Business use portion of actual expenses	_____	_____	_____	_____
11. Depreciation	_____	_____	_____	_____
12. Total actual expense allowable. Add lines 6, 10 and 11	_____	_____	_____	_____

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**Standard Mileage Rate Method**

13. Business mileage (line 2) multiplied by applicable rate	_____	_____	_____	_____
14. Parking fees and tolls from line 6	_____	_____	_____	_____
15. Line 7h and 7k (Int & taxes) multiplied by bus pct (line 5)	_____	_____	_____	_____
16. Standard mileage rate	_____	_____	_____	_____

<b>Allowable Deduction</b>	Vehicle expense	Vehicle rentals	Vehicle depreciation	Total allowable deduction
_____	_____	_____	_____	_____

Form **540/540NR**

**California Capital Loss Carryover Worksheet**

**2013**

Names

Taxpayer Identification Number

**STEPHEN J PETERS & NANCY K DONOVAN**



**Total Sources**

1. Loss from Schedule D, line 11, stated as a positive number .....	1. <u>3,000</u>
2. Amount from Form 540, line 17 .....	2. <u>-36,574</u>
3. Amount from Form 540, line 18 .....	3. <u>28,073</u>
4. Subtract line 3 from line 2. If less than zero, enter as a negative amount .....	4. <u>-64,647</u>
5. Combine line 1 and line 4. If less than zero, enter -0- .....	5. <u>0</u>
6. Loss from Schedule D, line 8, enter as a positive number .....	6. <u>27,414</u>
7. Smaller of line 1 or line 5 .....	7. _____
8. Subtract line 7 from line 6. This is your capital loss carryover to 2014 .....	8. <u>27,414</u>

**California Sources**

1. Allowed loss from Schedule D worksheet, stated as a positive number .....	1. _____
2. Amount from Schedule CA(540NR), line 37, column e .....	2. _____
3. Amount from Schedule CA(540NR), line 48 .....	3. _____
4. Subtract line 3 from line 2. If less than zero, enter as a negative amount .....	4. _____
5. Combine line 1 and line 4. If less than zero, enter -0- .....	5. _____
6. Total loss from Schedule D worksheet, enter as a positive number .....	6. _____
7. Smaller of line 1 or line 5 .....	7. _____
8. Subtract line 7 from line 6. This is your capital loss carryover to 2014 .....	8. _____

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Form **540/540NR**

**California Charitable Contribution Carryover Worksheet**

**2013**

Name as shown on return

**STEPHEN J**

**PETERS**

Taxpayer Identification Number

[REDACTED]

**Current Year Contributions**

Federal AGI -27,471

Overall Charitable Contribution AGI Limitation \_\_\_\_\_

	Contribution	AGI Limitation	Amount Utilized in 2013	Utilized by NOL	Carryover to 2014
50% Cash	645				645
50% NonCash					
50% Cap Gain (30%)					
30% Cash					
30% NonCash					
20% NonCash					
Totals	645				645

**50% Limitation Carryover Items**

50% AGI Limitation \_\_\_\_\_

Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008					
Fourth - 2009	325				325
Third - 2010	500				500
Second - 2011	1,138				1,138
First - 2012	550				550
Totals	2,513				2,513

**Capital gain property to 50% (30%) Carryover Items**

50/30% AGI Limitation \_\_\_\_\_

Remaining Overall AGI Limitation \_\_\_\_\_

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Fifth - 2008					
Fourth - 2009					
Third - 2010					
Second - 2011					
First - 2012					
Totals					

**30% Limitation Carryover Items**

30% AGI Limitation \_\_\_\_\_

Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008					
Fourth - 2009					
Third - 2010					
Second - 2011					
First - 2012					
Totals					

**20% Limitation Carryover Items**

20% AGI Limitation \_\_\_\_\_

Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008					
Fourth - 2009					
Third - 2010					
Second - 2011					
First - 2012					
Totals					

Allowed California contributions \_\_\_\_\_

Allowed federal contributions (Federal Schedule A, Line 19) \_\_\_\_\_

Contributions adjustment, Schedule CA, Line 41 \_\_\_\_\_

Form **540/540NR**

**California Charitable Contribution Carryover Worksheet AMT**

**2013**

Name as shown on return

**STEPHEN J**

**PETERS**

Taxpayer Identification Number

[REDACTED]

**Current Year Contributions**

AGI -27,471 Overall Charitable Contribution AGI Limitation \_\_\_\_\_

	Contribution	AGI Limitation	CY Amount Utilized	Utilized by AMT NOL	Carryover to Next Year
50% Cash .....	<b>645</b>	_____	_____	_____	<b>645</b>
50% NonCash .....	_____	_____	_____	_____	_____
50% Cap Gain (30%) .....	_____	_____	_____	_____	_____
30% Cash .....	_____	_____	_____	_____	_____
30% NonCash .....	_____	_____	_____	_____	_____
20% NonCash .....	_____	_____	_____	_____	_____
Totals .....	<b>645</b>	_____	_____	_____	<b>645</b>

**50% Limitation Carryover Items**

50% AGI Limitation \_\_\_\_\_ Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008 .....	_____	_____	_____	_____	_____
Fourth - 2009 .....	_____	_____	_____	_____	_____
Third - 2010 .....	<b>500</b>	_____	_____	_____	<b>500</b>
Second - 2011 .....	<b>1,138</b>	_____	_____	_____	<b>1,138</b>
First - 2012 .....	<b>550</b>	_____	_____	_____	<b>550</b>
Totals .....	<b>2,188</b>	_____	_____	_____	<b>2,188</b>

**Capital gain property to 50% (30%) Carryover Items**

50/30% AGI Limitation \_\_\_\_\_ Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008 .....	_____	_____	_____	_____	_____
Fourth - 2009 .....	_____	_____	_____	_____	_____
Third - 2010 .....	_____	_____	_____	_____	_____
Second - 2011 .....	_____	_____	_____	_____	_____
First - 2012 .....	_____	_____	_____	_____	_____
Totals .....	_____	_____	_____	_____	_____

**30% Limitation Carryover Items**

30% AGI Limitation \_\_\_\_\_ Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008 .....	_____	_____	_____	_____	_____
Fourth - 2009 .....	_____	_____	_____	_____	_____
Third - 2010 .....	_____	_____	_____	_____	_____
Second - 2011 .....	_____	_____	_____	_____	_____
First - 2012 .....	_____	_____	_____	_____	_____
Totals .....	_____	_____	_____	_____	_____

**20% Limitation Carryover Items**

20% AGI Limitation \_\_\_\_\_ Remaining Overall AGI Limitation \_\_\_\_\_

Fifth - 2008 .....	_____	_____	_____	_____	_____
Fourth - 2009 .....	_____	_____	_____	_____	_____
Third - 2010 .....	_____	_____	_____	_____	_____
Second - 2011 .....	_____	_____	_____	_____	_____
First - 2012 .....	_____	_____	_____	_____	_____
Totals .....	_____	_____	_____	_____	_____

Charitable contributions allowed for AMT \_\_\_\_\_

Charitable contributions allowed for reg tax \_\_\_\_\_

Charitable contribution adj to Sch P, line 13 \_\_\_\_\_

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TAXABLE YEAR **2013** Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations — Individuals, Estates, and Trusts

Attach to your California tax return.

SSN or ITIN

Names as shown on return

FEIN

**STEPHEN J PETERS & NANCY K DONOVAN**

**Part I** Computation of Current Year NOL for Individuals, Estates, and Trusts. If you do not have a current year NOL, go to Part II.

**Section A — California Residents Only** (Nonresidents go to Section B.)

1	Adjusted gross income from 2013 Form 540, line 17. If negative, use brackets. Estates and Trusts, begin on line 3	1	N/A	00
2	Itemized deductions or standard deduction from 2013 Form 540, line 18	2	(N/A)	00
3	a Combine line 1 and line 2. (Estates and Trusts, enter taxable income, see instructions.) If negative, use brackets. If positive, enter -0- here and on line 25. Do not complete the rest of Section A. You do not have a current year NOL. Complete Part II and Part III if you have a carryover from prior years.	3a	N/A	00
	b 2013 designated disaster loss included in line 3a. Enter as a positive number	3b	N/A	00
	c Combine line 3a and line 3b. If negative, use brackets and continue to line 4. If zero or more, do not complete the rest of Part I. Enter the amount from line 3b, if any, in Part III, line 3, column (d) and complete Part II and Part III as instructed (Schedule P line 21 AMTI exclusion)	3c	(10,320)	00

Enter amounts on line 4 through line 24 as if they were all positive numbers. See instructions.

4	Nonbusiness capital losses	4	26,839	00
5	Nonbusiness capital gains. See instructions	5		00
6	If line 4 is more than line 5, enter the difference; otherwise, enter -0-	6	26,839	00
7	If line 4 is less than line 5, enter the difference; otherwise, enter -0-	7	0	00
8	Nonbusiness deductions	8	28,073	00
9	Nonbusiness income other than capital gains	9	5,645	00
10	Add line 7 and line 9	10	5,645	00
11	If line 8 is more than line 10, enter the difference; otherwise, enter -0-	11	22,428	00
12	If line 8 is less than line 10, enter the difference; otherwise, enter -0-	12	0	00
13	Business capital losses	13	0	00
14	Business capital gains	14	0	00
15	Add line 12 and line 14	15		00
16	If line 13 is more than line 15, enter the difference; otherwise, enter -0-	16	0	00
17	Add line 6 and line 16	17	26,839	00
18	Enter the loss, if any, from line 8 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 9, column (c), of Schedule D (541). If you do not have a loss on that line, skip line 18 through line 21 and enter on line 22 the amount from line 17	18	26,839	00
19	Enter the loss, if any, from line 9 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 10 of Schedule D (541). Enter as a positive number	19	3,000	00
20	If line 18 is more than line 19, enter the difference; otherwise, enter -0-	20	23,839	00
21	If line 19 is more than line 18, enter the difference; otherwise, enter -0-	21	0	00
22	Subtract line 20 from line 17. If zero or less, enter -0-	22	3,000	00
23	NOL and disaster loss carryovers from prior years. See instructions	23		00
24	Add lines 11, 21, 22, and 23	24	25,428	00
25	Current Year NOL. Combine line 3c and line 24. See instructions. If more than zero, enter -0-. You do not have a current year NOL to carryback or carryover	25	0	00

If the Individual, Estate, or Trust is using the current year NOL to carryback to offset taxable income for taxable years 2011 and/or 2012, complete Part IV, NOL Carryback, on Side 4 before completing Part I, Section A, lines 26-28 below. Enter lines 26 and 27 as positive numbers.

26	2013 NOL carryback used to offset 2011 taxable income. Enter the amount from Part IV, line 3, col. (f)	26	0	00
27	2013 NOL carryback used to offset 2012 taxable income. Enter the amount from Part IV, line 3, col. (h)	27	0	00
28	2013 NOL carryover to 2014. Combine line 25, line 26, and line 27. See instructions.	28		00

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Section B — Nonresidents and Part-Year Residents Only — Computation of Current Year California NOL

	A	B	C	D	E
	Enter total amounts as if you were a CA resident for entire year.	Enter amounts earned or received from CA sources if you were a nonresident for the entire year.	Enter amounts earned or received during the portion of the year you were a CA resident.	Enter amounts earned or received from CA sources during the portion of the year you were a nonresident.	Total Combine columns C and D
1 Adjusted gross income. See instructions If negative, use brackets	1				
2 Itemized deductions or standard deduction. See instructions	2				
3 a Combine line 1 and line 2. See instructions.	3a				
b 2013 designated disaster loss included in line 3a. Enter as a positive number	3b				
c Combine line 3a and line 3b. If negative, use brackets and continue to line 4	3c	(Schedule P line 21)	(Schedule P line 36)		
Enter amounts on line 4 through line 24 as if they were all positive numbers.					
4 Nonbusiness capital losses	4				
5 Nonbusiness capital gains	5				
6 If line 4 is more than line 5, enter the difference; otherwise, enter -0-	6	0	0	0	0
7 If line 4 is less than line 5, enter the difference; otherwise, enter -0-	7				
8 Nonbusiness deductions	8				
9 Nonbusiness income other than capital gains	9				
10 Add line 7 and line 9	10				
11 If line 8 is more than line 10, enter the difference; otherwise, enter -0-	11	0	0	0	0
12 If line 8 is less than line 10, enter the difference; otherwise, enter -0-	12	0	0	0	0
13 Business capital losses	13				
14 Business capital gains	14				
15 Add line 12 and line 14	15				
16 If line 13 is more than line 15, enter the difference; otherwise, enter -0-	16	0	0	0	0
17 Add line 6 and line 16	17				
18 Enter the loss, if any, from line 4 of Schedule D (540NR) worksheet for nonresidents and part-year residents. See instructions	18	0	0	0	0
19 Enter the loss, if any, from line 5 of Schedule D (540NR) worksheet for nonresidents and part-year residents. Enter as a positive number	19				
20 If line 18 is more than line 19, enter the difference; otherwise, enter -0-	20	0	0	0	0
21 If line 19 is more than line 18, enter the difference; otherwise, enter -0-	21	0	0	0	0
22 Subtract line 20 from line 17. If zero or less, enter -0-	22	0	0	0	0
23 NOL and disaster loss carryovers from prior years	23				
24 Add lines 11, 21, 22, 23	24				
25 Current Year NOL. Combine line 3c and line 24. See instructions. If more than zero, enter -0-	25	0	0	0	0
If the Individual, Estate, or Trust is using the current year NOL to carryback to offset taxable income for taxable years 2011 and/or 2012, complete Part IV, NOL Carryback, on Side 4 before completing Part I, Section B, lines 26-28 below. Enter lines 26 and 27 as positive numbers.					
26 2013 NOL carryback used to offset 2011 taxable income. Enter the amount from Part IV, line 3, col. (f)	26	0	0	0	0
27 2013 NOL carryback used to offset 2012 taxable income. Enter the amount from Part IV, line 3, col. (h)	27	0	0	0	0
28 2013 NOL carryover to 2014. Combine line 25, line 26, and line 27. See instructions.	28	0	0	0	0

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STEPHEN J PETERS & NANCY K DONOVAN

Section C — Election to Waive Carryback

Check the box if the Individual, Estate, or Trust elects to "relinquish" the entire carryback period with respect to a 2013 NOL under IRC Section 172(b)(3). By making the election, the Individual, Estate, or Trust is electing to carry an NOL forward instead of carrying it back in the previous two years. Once the election is made, it is irrevocable. See instructions.

Continue with Part II, Determine 2013 Modified Taxable Income (MTI) and Part III, NOL Carryover and Disaster Loss Carryover Limitations. Do not complete Part IV, NOL Carryback.

Part II Determine 2013 Modified Taxable Income (MTI). Be sure to read the instructions for Part II.

Table with 5 rows for Part II: Taxable income, Capital loss deduction, Disaster loss carryover, NOL carryover, and MTI. Values include (19,930), 3,000, and 0.

Part III NOL Carryover and Disaster Loss Carryover Limitations. See Instructions.

Table for Part III with columns for (g) Available balance and (h) Carryover to 2014. Row 1 shows MTI from Part II, line 5.

Prior Year NOLs

Table for Prior Year NOLs with columns (a) Year of loss, (b) Code, (c) Type of NOL, (d) Initial loss, (e) Carryover from 2012, (f) Amount used in 2013, and (h) Carryover to 2014. Includes 'SEE WORKSHEET' and 'CLIENT COPY' watermark.

Current Year NOLs

Table for Current Year NOLs with columns (a) Year of loss, (b) Code, (c) Type of NOL, (d) Initial loss, (e) Carryover from 2012, (f) Amount used in 2013, and (h) Carryover to 2014. Includes 'col. (d) - col (f)'.

\*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

Summary table for lines 5 and 6: 5 NOL carryover (44,062) and 6 Disaster loss carryover (0).





Schedule D AMT Worksheet

EXHIBIT WR-57

TAXABLE YEAR

California Capital Gain or Loss Adjustment

SCHEDULE D (540/540NR)

2013

Name(s) as shown on return: STEPHEN J PETERS, NANCY K DONOVAN. Social security number: [REDACTED]

Table with 5 columns: (a) Description of property, (b) Sales price, (c) Cost or other basis, (d) Loss, (e) Gain.

Table with 5 columns: (a) Description of property, (b) Sales price, (c) Cost or other basis, (d) Loss, (e) Gain. Row 1: 100 shares of 'Z' (S stock).

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Summary table for California AMT capital loss carryover. Lines 2-10 showing calculations for net gain/loss, capital gain distributions, total gains, total loss, and carryover amount.

AMT Capital Loss Carryover Worksheet

Summary table for AMT Capital Loss Carryover Worksheet. Lines 1-6 showing calculations for carryover to 2014.

**California Statements**

**Schedule P - Aggregate Gross Receipts**

<u>Description</u>	<u>Amount</u>
BUSINESS	\$ 1
FARM	56,974
TOTAL	<u>\$ 56,975</u>

**Schedule P, Page 1 - Alternative Minimum Taxable Income Exclusion**

<u>Description</u>	<u>Amount</u>
BUSINESS	\$ 1
FARM	10,353
SELF EMPLOYMENT TAX	-744
TOTAL	<u>\$ 9,610</u>

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FYE: 12/31/2013

## CA Asset Report JEWELRY SALES

Asset	Description	Date In Service	Cost	Basis for Depr	CA Prior	CA Current	Federal Current	Difference Fed - CA
<b>Listed Property:</b>								
1	AUTO	3/12/04	0	0	0	0	0	0
			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<b>Grand Totals</b>		0	0	0	0	0	0
	<b>Less: Dispositions</b>		0	0	0	0	0	0
	<b>Less: Start-up/Org Expense</b>		0	0	0	0	0	0
	<b>Net Grand Totals</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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**CA Asset Report**  
**LIVESTOCK VINEYARD ETC**

FYE: 12/31/2013

Asset	Description	Date In Service	Cost	Basis for Depr	CA Prior	CA Current	Federal Current	Difference Fed - CA
<b>Prior MACRS:</b>								
4	TOOLS & EQUIPM	7/01/87	5,414	5,414	5,414	0	0	0
5	IMPROVEMENTS	7/01/87	8,421	8,421	8,421	0	0	0
6	FARM VEHICLE	7/01/87	21,405	21,405	21,405	0	0	0
7	FARM EQUIPMENT	10/11/95	16,088	16,088	16,088	0	0	0
8	FENCING	7/01/90	1,704	1,704	1,704	0	0	0
9	PIPES & VALVES	7/01/90	3,600	3,600	3,600	0	0	0
13	'86 FORD PICKUP	7/01/93	2,000	2,000	2,000	0	0	0
14	EQUIPMENT	7/10/00	6,200	0	6,200	0	0	0
15	OFFICE COMPUTER	7/10/00	1,731	0	1,731	0	0	0
17	STORAGE CONTAINERS	6/03/02	3,200	0	3,200	0	0	0
18	3500 VINES	10/01/02	22,815	22,815	22,815	0	0	0
19	1996 FORD F 350	4/07/03	5,000	5,000	5,000	0	0	0
20	2003 MINI BLAST SPRAYER	5/13/03	4,526	4,526	4,526	0	0	0
21	2003 JOHN DEERE GATOR 6X4	3/21/03	7,547	7,547	7,547	0	0	0
22	2200 VINES	5/12/03	6,270	6,270	5,957	313	157	-156
23	AVIATORS	6/15/05	8,685	0	8,685	0	0	0
			<u>124,606</u>	<u>104,790</u>	<u>124,293</u>	<u>313</u>	<u>157</u>	<u>-156</u>
<b>ACRS:</b>								
1	IMPROVEMENTS	9/01/86	1,963	1,963	1,963	0	0	0
	<b>Total ACRS Depreciation</b>		<u>1,963</u>	<u>1,963</u>	<u>1,963</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Other Depreciation:</b>								
2	FARM BUILDING	8/01/86	62,500	62,500	47,324	1,786	1,786	0
	<b>Total Other Depreciation</b>		<u>62,500</u>	<u>62,500</u>	<u>47,324</u>	<u>1,786</u>	<u>1,786</u>	<u>0</u>
	<b>Total ACRS and Other Depreciation</b>		<u>64,463</u>	<u>64,463</u>	<u>49,287</u>	<u>1,786</u>	<u>1,786</u>	<u>0</u>
<b>Listed Property:</b>								
16	TRUCK	10/07/00	0	0	0	0	0	0
			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<b>Grand Totals</b>		<u>189,069</u>	<u>169,253</u>	<u>173,580</u>	<u>2,099</u>	<u>1,943</u>	<u>-156</u>
	<b>Less: Dispositions</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<b>Less: Start-up/Org Expense</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<b>Net Grand Totals</b>		<u>189,069</u>	<u>169,253</u>	<u>173,580</u>	<u>2,099</u>	<u>1,943</u>	<u>-156</u>

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**CA Future Depreciation Report**

**FYE: 12/31/14**

FYE: 12/31/2013

**JEWELRY SALES**

<u>Asset</u>	<u>Description</u>	<u>Date In Service</u>	<u>Cost</u>	<u>CA</u>
<b>Listed Property:</b>				
1	AUTO	3/12/04	<u>0</u>	<u>0</u>
			<u>0</u>	<u>0</u>
	<b>Grand Totals</b>		<u>0</u>	<u>0</u>

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**CA Future Depreciation Report** **FYE: 12/31/14**

FYE: 12/31/2013

**LIVESTOCK VINEYARD ETC**

Asset	Description	Date In Service	Cost	CA
<b>Prior MACRS:</b>				
4	TOOLS & EQUIPM	7/01/87	5,414	0
5	IMPROVEMENTS	7/01/87	8,421	0
6	FARM VEHICLE	7/01/87	21,405	0
7	FARM EQUIPMENT	10/11/95	16,088	0
8	FENCING	7/01/90	1,704	0
9	PIPES & VALVES	7/01/90	3,600	0
13	'86 FORD PICKUP	7/01/93	2,000	0
14	EQUIPMENT	7/10/00	6,200	0
15	OFFICE COMPUTER	7/10/00	1,731	0
17	STORAGE CONTAINERS	6/03/02	3,200	0
18	3500 VINES	10/01/02	22,815	0
19	1996 FORD F 350	4/07/03	5,000	0
20	2003 MINI BLAST SPRAYER	5/13/03	4,526	0
21	2003 JOHN DEERE GATOR 6X4	3/21/03	7,547	0
22	2200 VINES	5/12/03	6,270	0
23	AVIATORS	6/15/05	8,685	0
			<u>124,606</u>	<u>0</u>

**ACRS:**

1	IMPROVEMENTS	9/01/86	1,963	0
	<b>Total ACRS Depreciation</b>		<u>1,963</u>	<u>0</u>

**Other Depreciation:**

2	FARM BUILDING	8/01/86	62,500	1,786
	<b>Total Other Depreciation</b>		<u>62,500</u>	<u>1,786</u>

**Total ACRS and Other Depreciation** 64,463 1,786

**Listed Property:**

16	TRUCK	10/07/00	0	0
			<u>0</u>	<u>0</u>

**Grand Totals** 189,069 1,786

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Form **540/540NR**

**California Schedule CA Reconciliation Report  
Business, Rental, Farm and Farm Rental Activities**

**2013**

Name <b>STEPHEN J PETERS &amp; NANCY K DONOVAN</b>		Taxpayer Identification Number [REDACTED]	
Activity <b>LIVESTOCK VINEYARD ETC</b>	TSJ <b>J</b>	Form <b>F</b>	Unit <b>1</b>
Passive Activity Type	Disposition		

	Federal	(Subtraction)/Addition	California	California Sources (PY/NR only)
Gross Income	56,974		56,974	
Car and Truck expense	3,008		3,008	
Depletion				
Depreciation	1,943	156	2,099	
Vehicle rentals				
Amortization				
Prior year at-risk				
Enterprise zone expenses				
Other expenses	41,514		41,514	
Adjustment				
Total expenses	46,465	156	46,621	0
Tentative Profit or (Loss)	10,509	(156)	10,353	0
Home office				
Net Profit or (Loss)	10,509	(156)	10,353	0
Disallowed excess farm losses				
At-risk adjustment				
Prior year PAL carryover				
PAL adjustment				
Taxable Income or (Loss)	10,509	(156)	10,353	0

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