



Income Tax

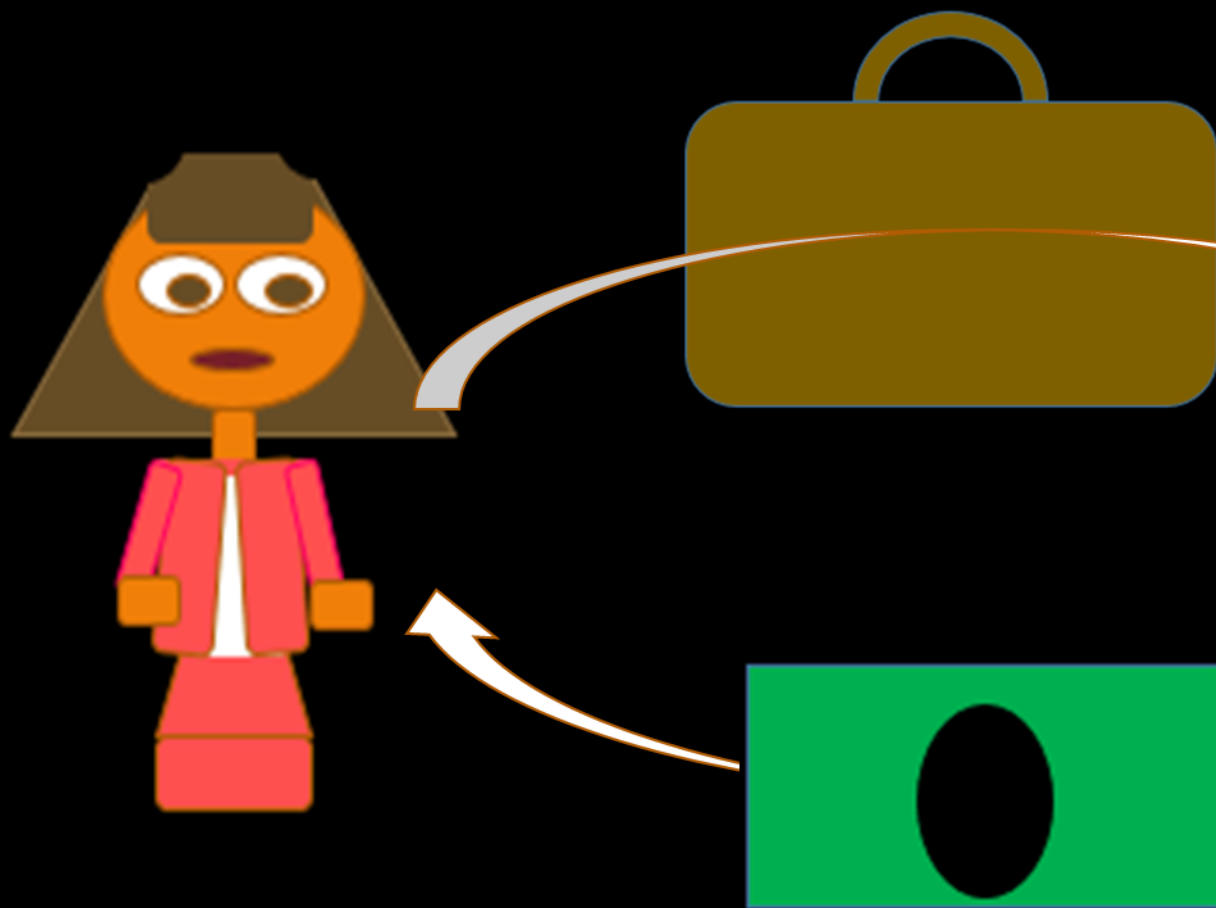
2023-2024



Income Reporting
Forms, Concepts, &
Overview



	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

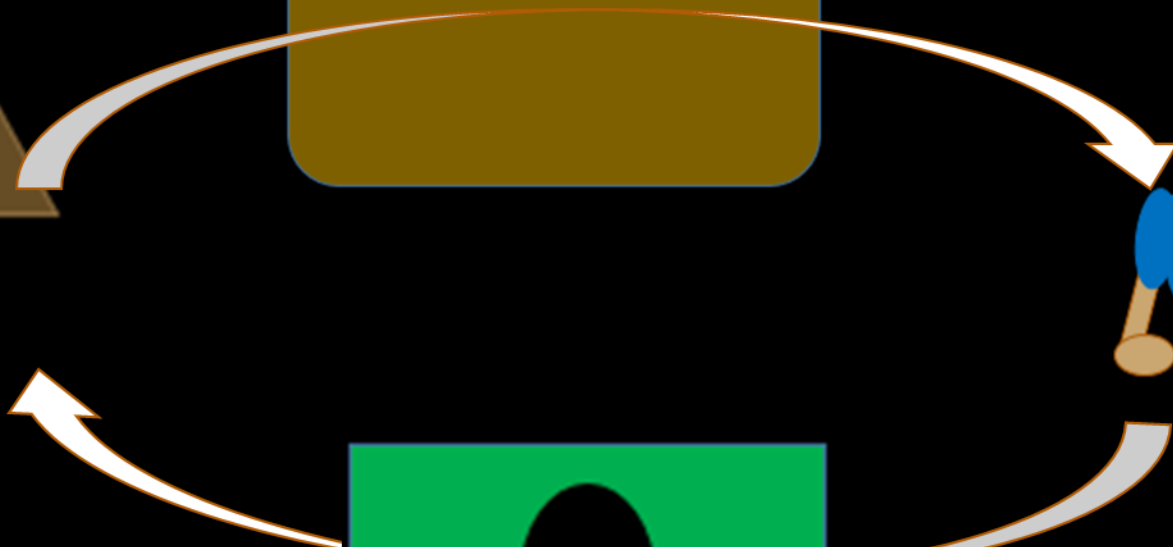




W-2



**Form 1040
Sch. C**

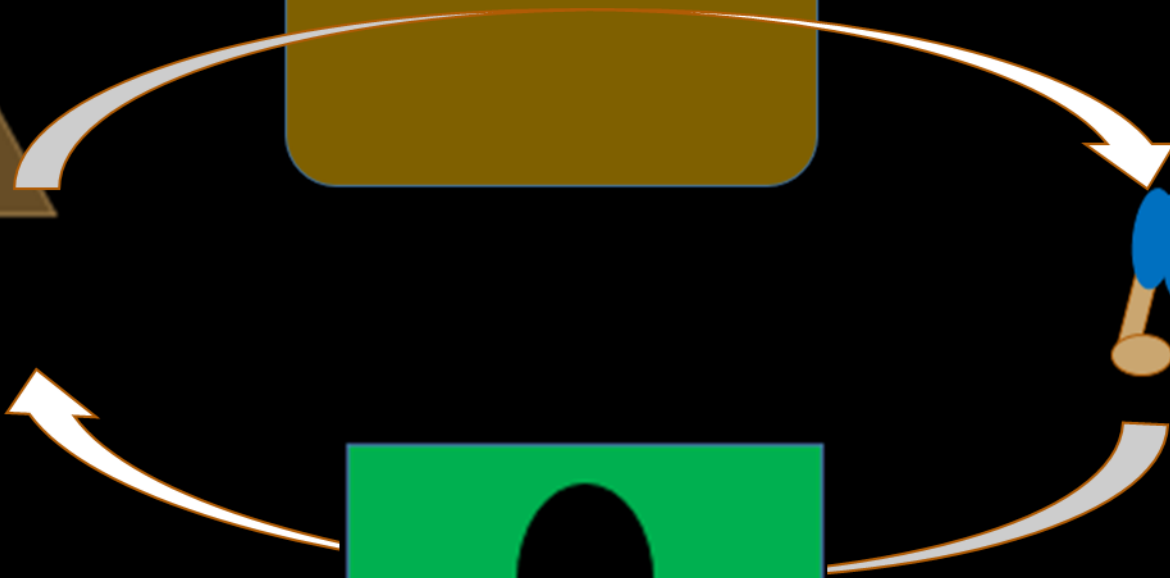


**Form 1040
Sch. C**

**Form
1099**



**Form 1040
Sch. C**



Compensation

W-2

Interest Income

1099 INT

Rents, Royalties. . .

1099 Misc.

Dividends

1099 Div

Distribution from
Retirement Plans

1099 R

Gain on Sale of
Investments

1099 B

Nonemployee
Compensation

1099-NEC

Social security benefits

SSA-1099

Gambling winnings

W-2G





Income Tax

2023-2024



Taxable Income Overview





TAX YEAR
2023

1040 (and 1040-SR)

**Line
Instructions
for
Forms 1040
and 1040-SR**

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or
Married filing
separately,
\$13,850
- Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
- Head of
household,
\$20,800
- If you checked
any box under
*Standard
Deduction*,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b	Taxable interest
3a	Qualified dividends	3a	b	Ordinary dividends
4a	IRA distributions	4a	b	Taxable amount
5a	Pensions and annuities	5a	b	Taxable amount
6a	Social security benefits	6a	b	Taxable amount
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2023

Attachment
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions):		
3	Business income or (loss). Attach Schedule C	3	
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss	8a	()
b	Gambling	8b	
c	Cancellation of debt	8c	
d	Foreign earned income exclusion from Form 2555	8d	()
e	Income from Form 8853	8e	
f	Income from Form 8889	8f	
g	Alaska Permanent Fund dividends	8g	
h	Jury duty pay	8h	
i	Prizes and awards	8i	
j	Activity not engaged in for profit income	8j	
k	Stock options	8k	



Income

Generally, you must report all income except income that is exempt from tax by law. For details, see the following instructions and the Schedule 1 instructions, especially the instructions for lines 1 through 7 and Schedule 1, lines 1 through 8z. Also see Pub. 525.

Forgiveness of Paycheck Protection Program (PPP) Loans

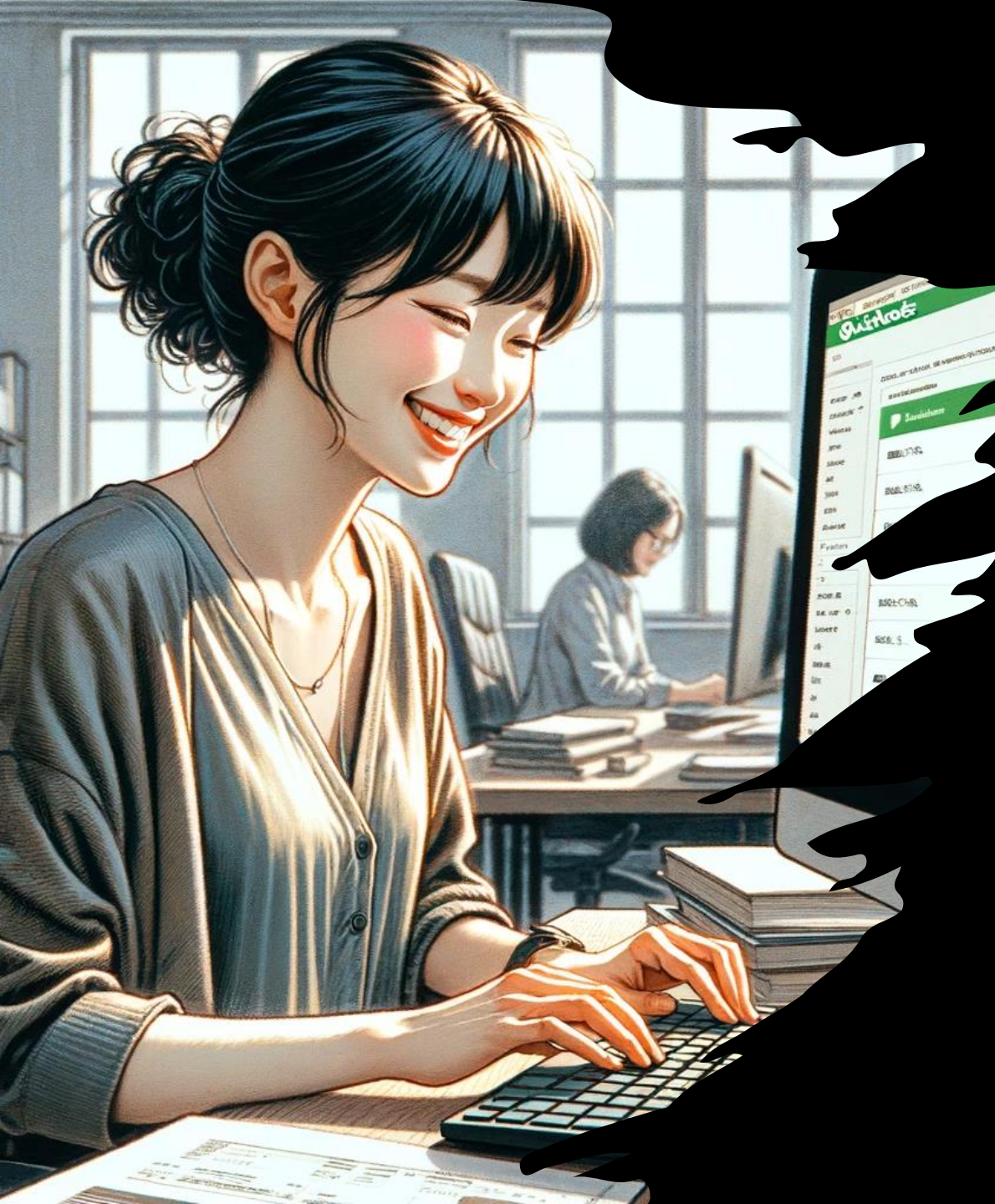
You don't need to include the amount of a forgiven PPP Loan in your income. Although you don't need to report the income from the forgiveness of your PPP Loan on Form 1040 or 1040-SR, you do need to report certain information related to your PPP Loan as an attachment to your tax return. For more information, see Pub. 525.

Foreign-Source Income

You must report unearned income, such as interest, dividends, and pensions, from sources outside the United States unless exempt by law or a tax treaty. You must also report earned income, such as wages and tips, from sources outside the United States.

If you worked abroad, you may be able to exclude part or all of your foreign earned income. For details, see Pub. 54 and Form 2555.





Foreign retirement plans.

If you were a beneficiary of a foreign retirement plan, you may have to report the undistributed income earned in your plan. However, if you were the beneficiary of a Canadian registered retirement plan, see Rev. Proc. 2014-55, 2014-44 I.R.B. 753, available at [IRS.gov/irb/2014-44_IRB#RP-2014-55](https://www.irs.gov/irb/2014-44_IRB#RP-2014-55), to find out if you can elect to defer tax on the undistributed income.

Report distributions from foreign pension plans on lines 5a and 5b.

Foreign accounts and trusts.

You must complete Part III of Schedule B if you:

Had a foreign account; or

Received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

You may also have to file Form 3520.

Foreign financial assets.

If you had foreign financial assets in 2023, you may have to file Form 8938. See Form 8938 and its instructions.

Chapter 11 Bankruptcy Cases - If you are a debtor in a chapter 11 bankruptcy case, income taxable to the bankruptcy estate and reported on the estate's income tax return includes:

Earnings from services you performed after the beginning of the case (both wages and self-employment income); and

Income from property described in section 541 of title 11 of the U.S. Code that you either owned when the case began or that you acquired after the case began and before the case was closed, dismissed, or converted to a case under a different chapter.





Because this income is taxable to the estate, don't include this income on your own individual income tax return. The only exception is for purposes of figuring your self-employment tax.

For that purpose, you must take into account all your self-employment income for the year from services performed both before and after the beginning of the case.

Also, you (or the trustee if one is appointed) must allocate between you and the bankruptcy estate the wages, salary, or other compensation and withheld income tax reported to you on Form W-2.

A similar allocation is required for income and withheld income tax reported to you on Forms 1099.

You must also include a statement that indicates you filed a chapter 11 case and that explains how income and withheld income tax reported to you on Forms W-2 and 1099 are allocated between you and the estate.

For more details, including acceptable allocation methods, see Notice 2006-83, 2006-40 I.R.B. 596, available at [IRS.gov/irb/2006-40_IRB#NOT-2006-83](https://www.irs.gov/irb/2006-40_IRB#NOT-2006-83).

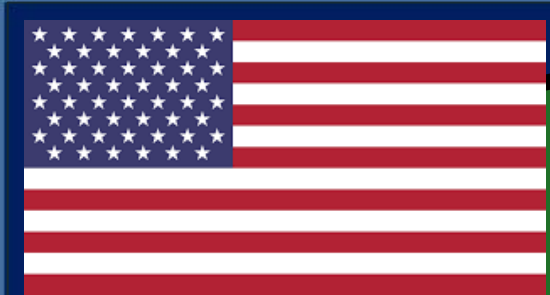
Community Property States

Community property states include Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin. If you and your spouse lived in a community property state, you must usually follow state law to determine what is community income and what is separate income. For details, see Form 8958 and Pub. 555.

Nevada, Washington, and California domestic partners.

A registered domestic partner in Nevada, Washington, or California must generally report half the combined community income of the individual and their domestic partner. See Form 8958 and Pub. 555.

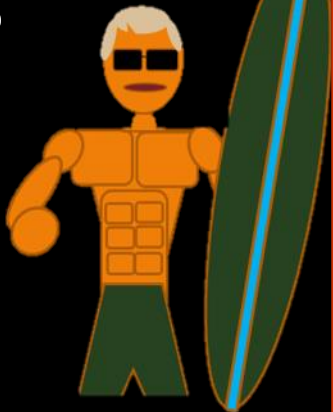




Income Tax

2023-2024



Income Line 1
Including W-2 
Wages & Tip Income



TAX YEAR
2023

1040 (and 1040-SR)

**Line
Instructions
for
Forms 1040
and 1040-SR**

	Income
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=	Adjusted Gross Income (AGI)
-	Greater of:
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	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or
Married filing
separately,
\$13,850
- Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
- Head of
household,
\$20,800
- If you checked
any box under
*Standard
Deduction*,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b	Taxable interest
3a	Qualified dividends	3a	b	Ordinary dividends
4a	IRA distributions	4a	b	Taxable amount
5a	Pensions and annuities	5a	b	Taxable amount
6a	Social security benefits	6a	b	Taxable amount
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2023

Attachment
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions):		
3	Business income or (loss). Attach Schedule C	3	
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss	8a	()
b	Gambling	8b	
c	Cancellation of debt	8c	
d	Foreign earned income exclusion from Form 2555	8d	()
e	Income from Form 8853	8e	
f	Income from Form 8889	8f	
g	Alaska Permanent Fund dividends	8g	
h	Jury duty pay	8h	
i	Prizes and awards	8i	
j	Activity not engaged in for profit income	8j	
k	Stock options	8k	

22222		VOID <input type="checkbox"/>		a Employee's social security number		For Official Use Only OMB No. 1545-0008					
b Employer identification number (EIN)					1 Wages, tips, other compensation		2 Federal income tax withheld				
c Employer's name, address, and ZIP code					3 Social security wages		4 Social security tax withheld				
					5 Medicare wages and tips		6 Medicare tax withheld				
					7 Social security tips		8 Allocated tips				
d Control number					9		10 Dependent care benefits				
e Employee's first name and initial			Last name		Suff.	11 Nonqualified plans		12a See instructions for box 12 Code			
f Employee's address and ZIP code						13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b Code			
						14 Other		12c Code			
								12d Code			
15 State Employer's state ID number		16 State wages, tips, etc.		17 State income tax		18 Local wages, tips, etc.		19 Local income tax		20 Locality name	

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

2024

Department of the Treasury—Internal Revenue Service
For Privacy Act and Paperwork Reduction
Act Notice, see the separate instructions.

Copy A—For Social Security Administration. Send this entire page with
Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

Cat. No. 10134D

Do Not Cut, Fold, or Staple Forms on This Page

W-2

	a Employee's Social Security number 681-84-8347	For Official Use Only	
b Employer identification number (EIN) 55-5555555	1 Wages compensation \$40,000	2 Federal income tax withheld \$4,000	
c Employer's name, address, and ZIP code	3 Social security wages \$40,000	4 Social security tax withheld \$2,480	
	5 Medicare wages \$40,000	6 Medicare tax withheld \$580	
	7 Social security tips	8 Allocated tips	
d Control number	9 Verification code	10 Dependent care benefits	
e employee's name	11 Nonqualified plans	12a See instruction for box 12	D
	13 Retirement Plan	12b	DD
	14 Other		
		12c	
		12d	
f Employees address and ZIP code			
15 Employer's State ID number	16 State wages	17 State income tax	

W-2

	a Employee's Social Security number 681-21-4853	For Official Use Only	
b Employer identification number (EIN) 55-5555555	1 Wages compensation \$170,000	2 Federal income tax withheld \$42,500	
c Employer's name, address, and ZIP code	3 Social security wages \$160,200	4 Social security tax withheld \$9,932	
	5 Medicare wages \$170,000	6 Medicare tax withheld \$2,465	
	7 Social security tips	8 Allocated tips	
d Control number	9 Verification code	10 Dependent care benefits	
e employee's name	11 Nonqualified plans	12a See instruction for box 12	D
	13 Retirement Plan	12b	DD
	x		
	14 Other	12c	
		12d	
f Employees address and ZIP code			
15 Employer's State ID number	16 State wages	17 State income tax	

W-2		
	a Employee's Social Security number 681-31-1284	For Official Use Only
b Employer identification number (EIN) 55-5555555	1 Wages compensation \$170,000	2 Federal income tax withheld \$42,500
c Employer's name, address, and ZIP code	3 Social security wages \$160,200	4 Social security tax withheld \$9,932
	5 Medicare wages \$180,000	6 Medicare tax withheld \$2,610
	7 Social security tips	8 Allocated tips
d Control number	9 Verification code	10 Dependent care benefits
e employee's name	11 Nonqualified plans	A \$10,000
	13 Retirement Plan	12b
	x	
	14 Other	12c
		12d
f Employees address and ZIP code		
15 Employer's State ID number	16 State wages	17 State income tax

D

DD



Line 1a - Total Amount From Form(s) W-2, Box 1

- Enter the total amount from Form(s) W-2, box 1. If a joint return, also include your spouse's income from Form(s) W-2, box 1.

Caution

- *If you earned wages while you were an inmate in a penal institution, report these amounts on Schedule 1, line 8u. Do not report these wages on line 1a. See the instructions for Schedule 1, line 8u.*

Caution

- *If you received a pension or annuity from a nonqualified defer-red compensation plan or a nongovernmental section 457(b) plan and it was reported in box 1 of Form W-2, do not include this amount on Form 1040, line 1a. This amount is re-reported on Schedule 1, line 8t.*

Line 1b - Household Employee Wages Not Reported on Form(s) W-2

Enter the total of your wages received as a household employee that was not reported on Form(s) W-2. An employer isn't required to provide a Form W-2 to you if they paid you wages of less than \$2,600 in 2023. For information on employment taxes for household employees, see *Tax Topic 756*.



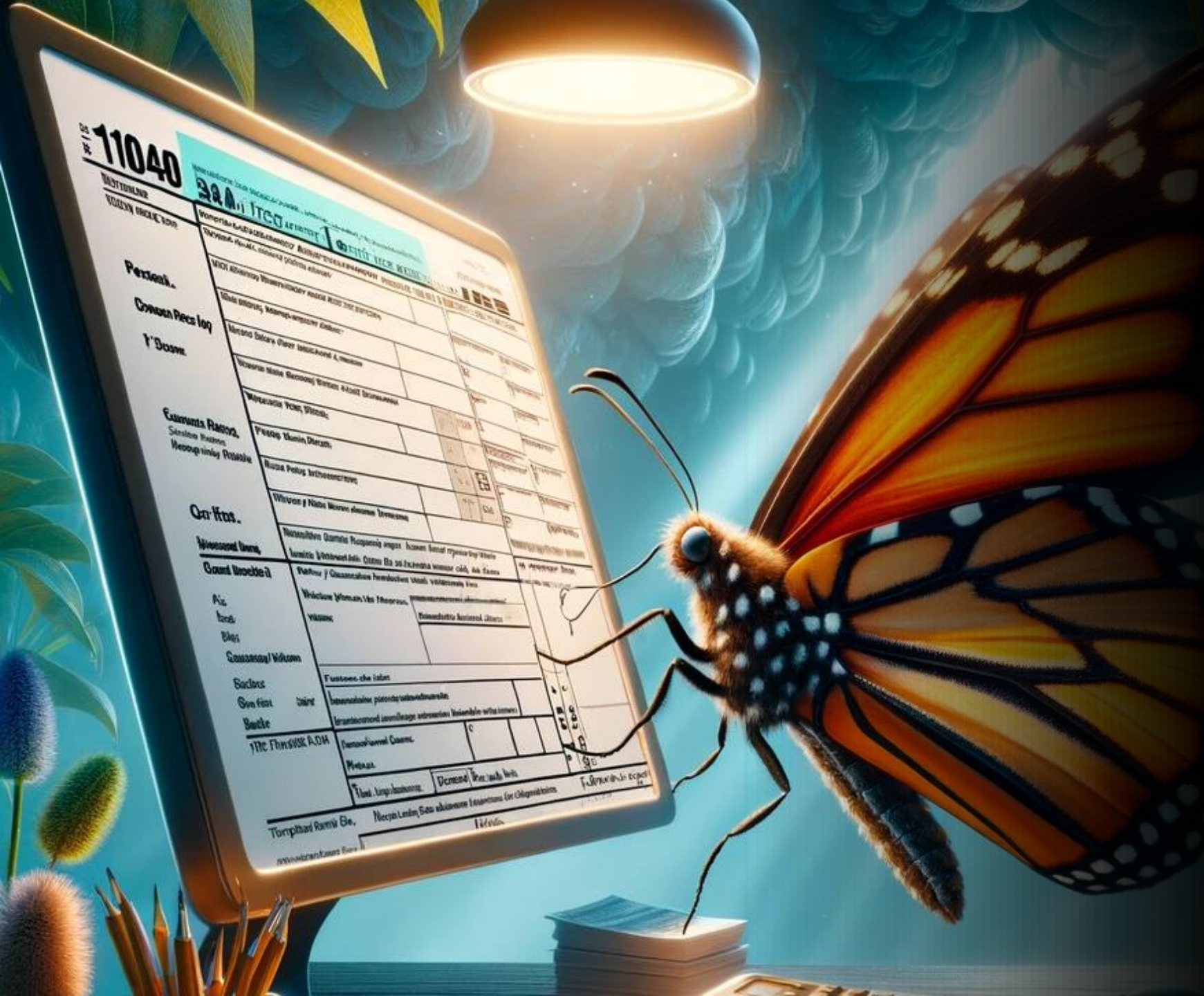


Line 1c - Tip Income Not Reported on Line 1a

- Enter the total of your tip income that was not reported on Form 1040, line 1a. This should include any tip income you didn't report to your employer and any allocated tips shown in box 8 on your Form(s) W-2 unless you can prove that your unreported tips are less than the amount in box 8.
- Allocated tips aren't included as income in box 1. See Pub. 531 for more details. Also include the value of any noncash tips you received, such as tickets, passes, or other items of value. Although you don't report these non-cash tips to your employer, you must re-report them on line 1c.

Tip

- *You may owe social security and Medicare or railroad retirement (RTTA) tax on unreported tips. See the instructions for Schedule 2, line 5.*



Line 1d - Medicaid Waiver Payments Not Reported on Form(s) W-2, Box 1

- Enter your taxable Medicaid waiver payments that were not reported on Form(s) W-2. Also enter the total of your taxable and nontaxable Medicaid waiver payments that were not reported on Form(s) W-2, or not reported in box 1 of Form(s) W-2, if you choose to include nontaxable payments in earned income for purposes of claiming a credit or other tax benefit.
- If you and your spouse both received nontaxable Medicaid waiver payments during the year, you and your spouse can make different choices about including payments in earned income. See the instructions for Schedule 1, line 8s.

Enter the total of your taxable dependent care benefits from Form 2441, line 26. Dependent care benefits should be shown in box 10 of your Form(s) W-2. But first complete Form 2441 to see if you can exclude part or all of the benefits.

**Line 1e - Taxable
Dependent Care
Benefits From Form
2441, Line 26**



Child and Dependent Care Expenses

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form2441 for instructions and the latest information.

Name(s) shown on return

Your social security number

A You can't claim a credit for child and dependent care expenses if your filing status is married filing separately unless you meet the requirements listed in the instructions under *Married Persons Filing Separately*. If you meet these requirements, check this box ☐

B If you or your spouse was a student or was disabled during 2023 and you're entering deemed income of \$250 or \$500 a month on Form 2441 based on the income rules listed in the instructions under *If You or Your Spouse Was a Student or Disabled*, check this box ☐

Part I **Persons or Organizations Who Provided the Care—You must complete this part.**If you have more than three care providers, see the instructions and check this box ☐

1 (a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Was the care provider your household employee in 2023? For example, this generally includes nannies but not daycare centers. (see instructions)	(e) Amount paid (see instructions)
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	

Did you receive
dependent care benefits?☐ **No** Complete only Part II below.☐ **Yes** Complete Part III on page 2 next.

Caution: If the care provider is your household employee, you may owe employment taxes. For details, see the Instructions for Schedule H (Form 1040). If you incurred care expenses in 2023 but didn't pay them until 2024, or if you prepaid in 2023 for care to be provided in 2024, don't include these expenses in column (d) of line 2 for 2023. See the instructions.



Line 1f - Employer-Provided Adoption Benefits From Form 8839, Line 29

- Enter the total of your employer-provided adoption benefits from Form 8839, line 29. Employer-provided adoption benefits should be shown in box 12 of your Form(s) W-2 with code T.
- But see the Instructions for Form 8839 to find out if you can exclude part or all of the benefits.
- You may also be able to exclude amounts if you adopted a child with special needs and the adoption became final in 2023.

Qualified Adoption Expenses

Attach to Form 1040, 1040-SR, or 1040-NR.
Go to www.irs.gov/Form8839 for instructions and the latest information.

OMB No. 1545-0074

2023
Attachment
Sequence No. **38**

Name(s) shown on return

Your social security number

Part I **Information About Your Eligible Child or Children**—You **must** complete this part.
See instructions for details, including what to do if you need more space.

1	(a) Child's name		(b) Child's year of birth	Check if child was—			(f) Child's identifying number	(g) Check if adoption became final in 2023 or earlier
	First	Last		(c) born before 2006 and disabled	(d) a child with special needs	(e) a foreign child		
Child 1				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Child 2				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Child 3				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>

Caution: If the child was a foreign child, see **Special rules** in the instructions for line 1, column (e), before you complete Part II or Part III. If you received **employer-provided adoption benefits**, complete Part III on the back next.

Part II **Adoption Credit**

Line 1g - Wages From Form 8919, Line 6

Enter the total of your wages from Form 8919, line 6.





Line 1h - Other Earned Income

Tip

- *If you received scholarship or fellowship grants that were not reported to you on Form W-2, report these amounts on Schedule 1, line 8r. See the instructions for Schedule 1, line 8r.*

The following types of income must be included in the total on line 1h.

Strike or lockout benefits (other than bona fide gifts).

Excess elective deferrals. The amount deferred should be shown in box 12 of your Form W-2, and the "Retirement plan" box in box 13 should be checked. If the total amount you (or your spouse if filing jointly) deferred for 2023 under all plans was more than \$22,500 (excluding catch-up contributions as explained later), include the excess on line 1h. This limit is (a) \$15,500 if you have only SIMPLE plans, or (b) \$25,500 for section 403(b) plans if you qualify for the 15-year rule in Pub. 571. Although designated Roth contributions are subject to this limit, don't include the excess attributable to such contributions on line 1h. They are already included as income in box 1 of your Form W-2.

A higher limit may apply to participants in section 457(b) deferred compensation plans for the 3 years before retirement age. Contact your plan administrator for more information.

If you were age 50 or older at the end of 2023, your employer may have allowed an additional deferral (catch-up contributions) of up to \$7,500 (\$3,500 for section 401(k)(11) and SIMPLE plans). This additional deferral amount isn't subject to the overall limit on elective deferrals.

Disability pensions shown on Form 1099-R if you haven't reached the minimum retirement age set by your employer. But see *Insurance Premiums for Retired Public Safety Officers* in the instructions for lines 5a and 5b. Disability pensions received after you reach minimum retirement age and other payments shown on Form 1099-R (other than payments from an IRA*) are reported on lines 5a and 5b. Payments from an IRA are reported on lines 4a and 4b.

Corrective distributions from a retirement plan shown on Form 1099-R of excess elective deferrals and excess contributions (plus earnings). But don't include distributions from an IRA* on line 1h. Instead, report distributions from an IRA on lines 4a and 4b.



Line 1i - Nontaxable Combat Pay Election

- If you elect to include your nontaxable combat pay in your earned income when figuring the EIC, enter the amount on line 1i. See the instructions for line 27.



Were You a Statutory Employee?

If you were a statutory employee, the “Statutory employee” box in box 13 of your Form W-2 should be checked.

Statutory employees include full-time life insurance salespeople and certain agent or commission drivers, certain traveling salespeople, and certain homeworkers.

Statutory employees report the amount shown in box 1 of Form W-2 on a Schedule C along with any related business expenses.



Missing or Incorrect Form W-2?

- Your employer is required to provide or send Form W-2 to you no later than January 31, 2024. If you don't receive it by early February, use *Tax Topic 154* to find out what to do.
- Even if you don't get a Form W-2, you must still report your earnings. If you lose your Form W-2 or it is incorrect, ask your employer for a new one.





Income Tax

2023-2024



W-2 Income

Example



W-2

	a Employee's Social Security number 681-84-8347	For Official Use Only	
b Employer identification number (EIN) 55-5555555	1 Wages compensation \$40,000	2 Federal income tax withheld \$4,000	
c Employer's name, address, and ZIP code	3 Social security wages \$40,000	4 Social security tax withheld \$2,480	
	5 Medicare wages \$40,000	6 Medicare tax withheld \$580	
	7 Social security tips	8 Allocated tips	
d Control number	9 Verification code	10 Dependent care benefits	
e employee's name	11 Nonqualified plans	12a See instruction for box 12	D
	13 Retirement Plan	12b	DD
	14 Other	12c	
		12d	
f Employees address and ZIP code			
15 Employer's State ID number	16 State wages	17 State income tax	

W-2

	a Employee's Social Security number 681-21-4853	For Official Use Only	
b Employer identification number (EIN) 55-5555555	1 Wages compensation \$170,000	2 Federal income tax withheld \$42,500	
c Employer's name, address, and ZIP code	3 Social security wages \$160,200	4 Social security tax withheld \$9,932	
	5 Medicare wages \$170,000	6 Medicare tax withheld \$2,465	
	7 Social security tips	8 Allocated tips	
d Control number	9 Verification code	10 Dependent care benefits	
e employee's name	11 Nonqualified plans	12a See instruction for box 12	D
	13 Retirement Plan x	12b	DD
	14 Other	12c	
		12d	
f Employees address and ZIP code			
15 Employer's State ID number	16 State wages	17 State income tax	

W-2			
	a Employee's Social Security number 681-31-1284	For Official Use Only	
b Employer identification number (EIN) 55-5555555	1 Wages compensation \$170,000	2 Federal income tax withheld \$42,500	
c Employer's name, address, and ZIP code	3 Social security wages \$160,200	4 Social security tax withheld \$9,932	
	5 Medicare wages \$180,000	6 Medicare tax withheld \$2,610	
	7 Social security tips	8 Allocated tips	
d Control number	9 Verification code	10 Dependent care benefits	
e employee's name	11 Nonqualified plans	A \$10,000	D
	13 Retirement Plan	12b	DD
	x		
	14 Other	12c	
			12d
f Employees address and ZIP code			
15 Employer's State ID number	16 State wages	17 State income tax	

22222		VOID <input type="checkbox"/>		a Employee's social security number		For Official Use Only OMB No. 1545-0008							
b Employer identification number (EIN)				1 Wages, tips, other compensation		2 Federal income tax withheld							
c Employer's name, address, and ZIP code				3 Social security wages		4 Social security tax withheld							
				5 Medicare wages and tips		6 Medicare tax withheld							
				7 Social security tips		8 Allocated tips							
d Control number				9		10 Dependent care benefits							
e Employee's first name and initial		Last name		Suff.		11 Nonqualified plans		12a See instructions for box 12					
f Employee's address and ZIP code				13 Statutory employee <input type="checkbox"/>		Retirement plan <input type="checkbox"/>		Third-party sick pay <input type="checkbox"/>		12b			
				14 Other				12c					
								12d					
15 State		Employer's state ID number		16 State wages, tips, etc.		17 State income tax		18 Local wages, tips, etc.		19 Local income tax		20 Locality name	

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

2024

Department of the Treasury—Internal Revenue Service

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Copy A—For Social Security Administration. Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

Cat. No. 10134D

Do Not Cut, Fold, or Staple Forms on This Page

Future developments. For the latest information about developments related to Form W-2, such as legislation enacted after it was published, go to www.irs.gov/FormW2.

Notice to Employee

Do you have to file? Refer to the Form 1040 instructions to determine if you are required to file a tax return. Even if you don't have to file a tax return, you may be eligible for a refund if box 2 shows an amount or if you are eligible for any credit.

Earned income tax credit (EITC). You may be able to take the EITC for 2024 if your adjusted gross income (AGI) is less than a certain amount. The amount of the credit is based on income and family size. Workers without children could qualify for a smaller credit. You and any qualifying children must have valid social security numbers (SSNs). You can't take the EITC if your investment income is more than the specified amount for 2024 or if income is earned for services provided while you were an inmate at a penal institution. For 2024 income limits and more information, visit www.irs.gov/EITC. See also Pub. 596. **Any EITC that is more than your tax liability is refunded to you, but only if you file a tax return.**

Employee's social security number (SSN). For your protection, this form may show only the last four digits of your SSN. However, your employer has reported your complete SSN to the IRS and the Social Security Administration (SSA).

Clergy and religious workers. If you aren't subject to social security and Medicare taxes, see Pub. 517.

Corrections. If your name, SSN, or address is incorrect, correct Copies B, C, and 2 and ask your employer to correct your employment record. Be sure to ask the employer to file Form W-2c, Corrected Wage and Tax Statement, with the SSA to correct any name, SSN, or money amount error reported to the SSA on Form W-2. Be sure to get your copies of Form W-2c from your employer for all corrections made so you may file them with your tax return. If your name and SSN are correct but aren't the same as shown on your social security card, you should ask for a new card that displays your correct name at any SSA office or by calling 800-772-1213. You may also visit the SSA website at www.SSA.gov.

Cost of employer-sponsored health coverage (if such cost is provided by the employer). The reporting in box 12, using code DD, of the cost of employer-sponsored health coverage is for your information only. **The amount reported with code DD is not taxable.**

Credit for excess taxes. If you had more than one employer in 2024 and more than \$10,453.20 in social security and/or Tier 1 railroad retirement (RRTA) taxes were withheld, you may be able to claim a credit for the excess against your federal income tax. See the Form 1040 instructions. If you had more than one railroad employer and more than \$6,129.90 in Tier 2 RRTA tax was withheld, you may be able to claim a refund on Form 843. See the Instructions for Form 843.

(See also *Instructions for Employee* on the back of Copy C.)

Instructions for Employee

(See also *Notice to Employee* on the back of Copy B.)

Box 1. Enter this amount on the wages line of your tax return.

Box 2. Enter this amount on the federal income tax withheld line of your tax return.

Box 5. You may be required to report this amount on Form 8959. See the Form 1040 instructions to determine if you are required to complete Form 8959.

Box 6. This amount includes the 1.45% Medicare tax withheld on all Medicare wages and tips shown in box 5, as well as the 0.9% Additional Medicare Tax on any of those Medicare wages and tips above \$200,000.

Box 8. This amount is **not** included in box 1, 3, 5, or 7. For information on how to report tips on your tax return, see the Form 1040 instructions.

You must file Form 4137 with your income tax return to report at least the allocated tip amount unless you can prove with adequate records that you received a smaller amount. If you have records that show the actual amount of tips you received, report that amount even if it is more or less than the allocated tips. Use Form 4137 to figure the social security and Medicare tax owed on tips you didn't report to your employer. Enter this amount on the wages line of your tax return. By filing Form 4137, your social security tips will be credited to your social security record (used to figure your benefits).

Box 10. This amount includes the total dependent care benefits that your employer paid to you or incurred on your behalf (including amounts from a section 125 (cafeteria) plan). Any amount over your employer's plan limit is also included in box 1. See Form 2441.

Box 11. This amount is (a) reported in box 1 if it is a distribution made to you from a nonqualified deferred compensation or nongovernmental section 457(b) plan, or (b) included in box 3 and/or box 5 if it is a prior year deferral under a nonqualified or section 457(b) plan that became taxable for social security and Medicare taxes this year because there is no longer a substantial risk of forfeiture of your right to the deferred amount. This box shouldn't be used if you had a deferral and a distribution in the same calendar year. If you made a deferral and

received a distribution in the same calendar year, and you are or will be age 62 by the end of the calendar year, your employer should file Form SSA-131, Employer Report of Special Wage Payments, with the Social Security Administration and give you a copy.

Box 12. The following list explains the codes shown in box 12. You may need this information to complete your tax return. Elective deferrals (codes D, E, F, and S) and designated Roth contributions (codes AA, BB, and EE) under all plans are generally limited to a total of \$23,000 (\$16,000 if you only have SIMPLE plans; \$26,000 for section 403(b) plans if you qualify for the 15-year rule explained in Pub. 571). Deferrals under code G are limited to \$23,000. Deferrals under code H are limited to \$7,000.

However, if you were at least age 50 in 2024, your employer may have allowed an additional deferral of up to \$7,500 (\$3,500 for section 401(k)(11) and 408(p) SIMPLE plans). This additional deferral amount is not subject to the overall limit on elective deferrals. For code G, the limit on elective deferrals may be higher for the last 3 years before you reach retirement age. Contact your plan administrator for more information. Amounts in excess of the overall elective deferral limit must be included in income. See the Form 1040 instructions.

Note: If a year follows code D through H, S, Y, AA, BB, or EE, you made a make-up pension contribution for a prior year(s) when you were in military service. To figure whether you made excess deferrals, consider these amounts for the year shown, not the current year. If no year is shown, the contributions are for the current year.

A—Uncollected social security or RRTA tax on tips. Include this tax on Form 1040 or 1040-SR. See the Form 1040 instructions.

B—Uncollected Medicare tax on tips. Include this tax on Form 1040 or 1040-SR. See the Form 1040 instructions.

C—Taxable cost of group-term life insurance over \$50,000 (included in boxes 1, 3 (up to the social security wage base), and 5)

D—Elective deferrals to a section 401(k) cash or deferred arrangement. Also includes deferrals under a SIMPLE retirement account that is part of a section 401(k) arrangement.

E—Elective deferrals under a section 403(b) salary reduction agreement

(continued on back of Copy 2)

Instructions for Employee *(continued from back of Copy C)*

Box 12 *(continued)*

F—Elective deferrals under a section 408(k)(6) salary reduction SEP

G—Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan

H—Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan. See the Form 1040 instructions for how to deduct.

J—Nontaxable sick pay (information only, not included in box 1, 3, or 5)

K—20% excise tax on excess golden parachute payments. See the Form 1040 instructions.

L—Substantiated employee business expense reimbursements (nontaxable)

M—Uncollected social security or RRTA tax on taxable cost of group-term life insurance over \$50,000 (former employees only). See the Form 1040 instructions.

N—Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (former employees only). See the Form 1040 instructions.

P—Excludable moving expense reimbursements paid directly to a member of the U.S. Armed Forces (not included in box 1, 3, or 5)

Q—Nontaxable combat pay. See the Form 1040 instructions for details on reporting this amount.

R—Employer contributions to your Archer MSA. Report on Form 8853.

S—Employee salary reduction contributions under a section 408(p) SIMPLE plan

T—Adoption benefits (not included in box 1). Complete Form 8839 to figure any taxable and nontaxable amounts.

V—Income from exercise of nonstatutory stock option(s) (included in boxes 1, 3 (up to the social security wage base), and 5). See Pub. 525 for reporting requirements.

W—Employer contributions (including amounts the employee elected to contribute using a section 125 (cafeteria) plan) to your health savings account. Report on Form 8889.

Y—Deferrals under a section 409A nonqualified deferred compensation plan

Z—Income under a nonqualified deferred compensation plan that fails to satisfy section 409A. This amount is also included in box 1. It is subject to an additional 20% tax plus interest. See the Form 1040 instructions.

AA—Designated Roth contributions under a section 401(k) plan

BB—Designated Roth contributions under a section 403(b) plan

DD—Cost of employer-sponsored health coverage. **The amount reported with code DD is not taxable.**

EE—Designated Roth contributions under a governmental section 457(b) plan. This amount does not apply to contributions under a tax-exempt organization section 457(b) plan.

FF—Permitted benefits under a qualified small employer health reimbursement arrangement

GG—Income from qualified equity grants under section 83(i)

HH—Aggregate deferrals under section 83(i) elections as of the close of the calendar year

II—Medicaid waiver payments excluded from gross income under Notice 2014-7.

Box 13. If the "Retirement plan" box is checked, special limits may apply to the amount of traditional IRA contributions you may deduct. See Pub. 590-A.

Box 14. Employers may use this box to report information such as state disability insurance taxes withheld, union dues, uniform payments, health insurance premiums deducted, nontaxable income, educational assistance payments, or a member of the clergy's parsonage allowance and utilities. Railroad employers use this box to report railroad retirement (RRTA) compensation, Tier 1 tax, Tier 2 tax, Medicare tax, and Additional Medicare Tax. Include tips reported by the employee to the employer in railroad retirement (RRTA) compensation.

Note: Keep **Copy C** of Form W-2 for at least 3 years after the due date for filing your income tax return. However, to help **protect your social security benefits**, keep Copy C until you begin receiving social security benefits, just in case there is a question about your work record and/or earnings in a particular year.



Line 1a - Total Amount From Form(s) W-2, Box 1

- Enter the total amount from Form(s) W-2, box 1. If a joint return, also include your spouse's income from Form(s) W-2, box 1.

Caution

- *If you earned wages while you were an inmate in a penal institution, report these amounts on Schedule 1, line 8u. Do not report these wages on line 1a. See the instructions for Schedule 1, line 8u.*

Caution

- *If you received a pension or annuity from a nonqualified defer-red compensation plan or a nongovernmental section 457(b) plan and it was reported in box 1 of Form W-2, do not include this amount on Form 1040, line 1a. This amount is re-reported on Schedule 1, line 8t.*

Line 1b - Household Employee Wages Not Reported on Form(s) W-2

Enter the total of your wages received as a household employee that was not reported on Form(s) W-2. An employer isn't required to provide a Form W-2 to you if they paid you wages of less than \$2,600 in 2023. For information on employment taxes for household employees, see *Tax Topic 756*.



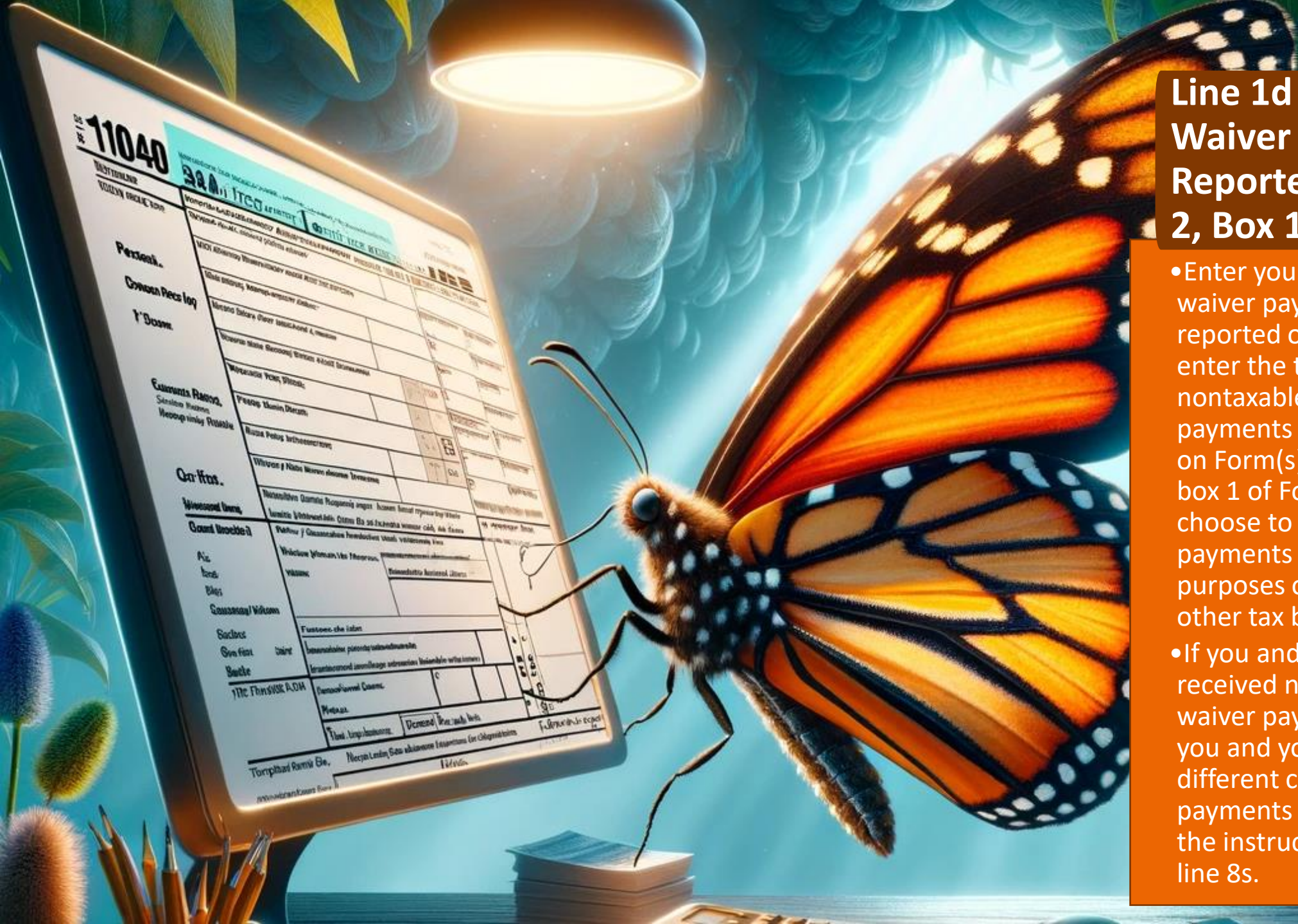


Line 1c - Tip Income Not Reported on Line 1a

- Enter the total of your tip income that was not reported on Form 1040, line 1a. This should include any tip income you didn't report to your employer and any allocated tips shown in box 8 on your Form(s) W-2 unless you can prove that your unreported tips are less than the amount in box 8.
- Allocated tips aren't included as income in box 1. See Pub. 531 for more details. Also include the value of any noncash tips you received, such as tickets, passes, or other items of value. Although you don't report these non-cash tips to your employer, you must re-report them on line 1c.

Tip

- *You may owe social security and Medicare or railroad retirement (RTTA) tax on unreported tips. See the instructions for Schedule 2, line 5.*



Line 1d - Medicaid Waiver Payments Not Reported on Form(s) W-2, Box 1

- Enter your taxable Medicaid waiver payments that were not reported on Form(s) W-2. Also enter the total of your taxable and nontaxable Medicaid waiver payments that were not reported on Form(s) W-2, or not reported in box 1 of Form(s) W-2, if you choose to include nontaxable payments in earned income for purposes of claiming a credit or other tax benefit.
- If you and your spouse both received nontaxable Medicaid waiver payments during the year, you and your spouse can make different choices about including payments in earned income. See the instructions for Schedule 1, line 8s.

Enter the total of your taxable dependent care benefits from Form 2441, line 26. Dependent care benefits should be shown in box 10 of your Form(s) W-2. But first complete Form 2441 to see if you can exclude part or all of the benefits.

**Line 1e - Taxable
Dependent Care
Benefits From Form
2441, Line 26**



Child and Dependent Care Expenses

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form2441 for instructions and the latest information.

Name(s) shown on return

Your social security number

A You can't claim a credit for child and dependent care expenses if your filing status is married filing separately unless you meet the requirements listed in the instructions under *Married Persons Filing Separately*. If you meet these requirements, check this box ☐

B If you or your spouse was a student or was disabled during 2023 and you're entering deemed income of \$250 or \$500 a month on Form 2441 based on the income rules listed in the instructions under *If You or Your Spouse Was a Student or Disabled*, check this box ☐

Part I **Persons or Organizations Who Provided the Care—You must complete this part.**If you have more than three care providers, see the instructions and check this box ☐

1 (a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Was the care provider your household employee in 2023? For example, this generally includes nannies but not daycare centers. (see instructions)	(e) Amount paid (see instructions)
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	

Did you receive
dependent care benefits?☐ **No** Complete only Part II below.☐ **Yes** Complete Part III on page 2 next.

Caution: If the care provider is your household employee, you may owe employment taxes. For details, see the Instructions for Schedule H (Form 1040). If you incurred care expenses in 2023 but didn't pay them until 2024, or if you prepaid in 2023 for care to be provided in 2024, don't include these expenses in column (d) of line 2 for 2023. See the instructions.



Line 1f - Employer-Provided Adoption Benefits From Form 8839, Line 29

- Enter the total of your employer-provided adoption benefits from Form 8839, line 29. Employer-provided adoption benefits should be shown in box 12 of your Form(s) W-2 with code T.
- But see the Instructions for Form 8839 to find out if you can exclude part or all of the benefits.
- You may also be able to exclude amounts if you adopted a child with special needs and the adoption became final in 2023.

Qualified Adoption Expenses

Attach to Form 1040, 1040-SR, or 1040-NR.
Go to www.irs.gov/Form8839 for instructions and the latest information.

OMB No. 1545-0074

2023
Attachment
Sequence No. **38**

Name(s) shown on return

Your social security number

Part I **Information About Your Eligible Child or Children**—You **must** complete this part.
See instructions for details, including what to do if you need more space.

1	(a) Child's name		(b) Child's year of birth	Check if child was—			(f) Child's identifying number	(g) Check if adoption became final in 2023 or earlier
	First	Last		(c) born before 2006 and disabled	(d) a child with special needs	(e) a foreign child		
Child 1				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Child 2				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Child 3				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>

Caution: If the child was a foreign child, see **Special rules** in the instructions for line 1, column (e), before you complete Part II or Part III. If you received **employer-provided adoption benefits**, complete Part III on the back next.

Part II **Adoption Credit**

Line 1g - Wages From Form 8919, Line 6

Enter the total of your wages from Form 8919, line 6.





Line 1h - Other Earned Income

Tip

- *If you received scholarship or fellowship grants that were not reported to you on Form W-2, report these amounts on Schedule 1, line 8r. See the instructions for Schedule 1, line 8r.*

The following types of income must be included in the total on line 1h.

Strike or lockout benefits (other than bona fide gifts).

Excess elective deferrals. The amount deferred should be shown in box 12 of your Form W-2, and the "Retirement plan" box in box 13 should be checked. If the total amount you (or your spouse if filing jointly) deferred for 2023 under all plans was more than \$22,500 (excluding catch-up contributions as explained later), include the excess on line 1h. This limit is (a) \$15,500 if you have only SIMPLE plans, or (b) \$25,500 for section 403(b) plans if you qualify for the 15-year rule in Pub. 571. Although designated Roth contributions are subject to this limit, don't include the excess attributable to such contributions on line 1h. They are already included as income in box 1 of your Form W-2.

A higher limit may apply to participants in section 457(b) deferred compensation plans for the 3 years before retirement age. Contact your plan administrator for more information.

If you were age 50 or older at the end of 2023, your employer may have allowed an additional deferral (catch-up contributions) of up to \$7,500 (\$3,500 for section 401(k)(11) and SIMPLE plans). This additional deferral amount isn't subject to the overall limit on elective deferrals.

Disability pensions shown on Form 1099-R if you haven't reached the minimum retirement age set by your employer. But see *Insurance Premiums for Retired Public Safety Officers* in the instructions for lines 5a and 5b. Disability pensions received after you reach minimum retirement age and other payments shown on Form 1099-R (other than payments from an IRA*) are reported on lines 5a and 5b. Payments from an IRA are reported on lines 4a and 4b.

Corrective distributions from a retirement plan shown on Form 1099-R of excess elective deferrals and excess contributions (plus earnings). But don't include distributions from an IRA* on line 1h. Instead, report distributions from an IRA on lines 4a and 4b.



Line 1i - Nontaxable Combat Pay Election

- If you elect to include your nontaxable combat pay in your earned income when figuring the EIC, enter the amount on line 1i. See the instructions for line 27.



Were You a Statutory Employee?

If you were a statutory employee, the “Statutory employee” box in box 13 of your Form W-2 should be checked.

Statutory employees include full-time life insurance salespeople and certain agent or commission drivers, certain traveling salespeople, and certain homeworkers.

Statutory employees report the amount shown in box 1 of Form W-2 on a Schedule C along with any related business expenses.



Missing or Incorrect Form W-2?

- Your employer is required to provide or send Form W-2 to you no later than January 31, 2024. If you don't receive it by early February, use *Tax Topic 154* to find out what to do.
- Even if you don't get a Form W-2, you must still report your earnings. If you lose your Form W-2 or it is incorrect, ask your employer for a new one.





Income Tax

2023-2024



Interest Income





TAX YEAR
2023

1040 (and 1040-SR)

**Line
Instructions
for
Forms 1040
and 1040-SR**

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.	1a	Total amount from Form(s) W-2, box 1 (see instructions)			1a			
	b	Household employee wages not reported on Form(s) W-2			1b			
	c	Tip income not reported on line 1a (see instructions)			1c			
	d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)			1d			
	e	Taxable dependent care benefits from Form 2441, line 26			1e			
	f	Employer-provided adoption benefits from Form 8839, line 29			1f			
	g	Wages from Form 8919, line 6			1g			
	h	Other earned income (see instructions)			1h			
	i	Nontaxable combat pay election (see instructions)			1i			
	z	Add lines 1a through 1h			1z			
Attach Sch. B if required. Standard Deduction for— • Single or Married filing separately, \$13,850 • Married filing jointly or Qualifying surviving spouse, \$27,700 • Head of household, \$20,800 • If you checked any box under <i>Standard Deduction</i> , see instructions.	2a	Tax-exempt interest	2a		b	Taxable interest	2b	
	3a	Qualified dividends	3a		b	Ordinary dividends	3b	
	4a	IRA distributions	4a		b	Taxable amount	4b	
	5a	Pensions and annuities	5a		b	Taxable amount	5b	
	6a	Social security benefits	6a		b	Taxable amount	6b	
	c	If you elect to use the lump-sum election method, check here (see instructions)			<input type="checkbox"/>			
	7	Capital gain or (loss). Attach Schedule D if required. If not required, check here			<input type="checkbox"/>	7		
	8	Additional income from Schedule 1, line 10				8		
	9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income				9		
	10	Adjustments to income from Schedule 1, line 26				10		
	11	Subtract line 10 from line 9. This is your adjusted gross income				11		
	12	Standard deduction or itemized deductions (from Schedule A)				12		
	13	Qualified business income deduction from Form 8995 or Form 8995-A				13		
	14	Add lines 12 and 13				14		
	15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income				15		

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2023)

Department of the Treasury
Internal Revenue Service

Attach to Form 1040 or 1040-SR.

OMB No. 1545-0074

20**23**Attachment
Sequence No. **08**

Name(s) shown on return

Your social security number

(See instructions and the Instructions for Form 1040, line 2b.)

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.

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 the instructions and list this interest first. Also, show that buyer's social security number and address:

Amount

1

2 Add the amounts on line 1

2

9292

☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		Payer's RTN (optional)	OMB No. 1545-0112		Interest Income	
		1 Interest income	Form 1099-INT (Rev. January 2024)			
		\$	For calendar year _____			
		2 Early withdrawal penalty			Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the current General Instructions for Certain Information Returns.	
		\$				
		3 Interest on U.S. Savings Bonds and Treasury obligations				
		\$				
PAYER'S TIN		RECIPIENT'S TIN				
RECIPIENT'S name		4 Federal income tax withheld	5 Investment expenses			
		\$	\$			
Street address (including apt. no.)		6 Foreign tax paid	7 Foreign country or U.S. territory			
		\$				
City or town, state or province, country, and ZIP or foreign postal code		8 Tax-exempt interest	9 Specified private activity bond interest			
		\$	\$			
		10 Market discount	11 Bond premium			
		\$	\$			
		FATCA filing requirement	12 Bond premium on Treasury obligations			
		<input type="checkbox"/>	\$			
			13 Bond premium on tax-exempt bond			
			\$			
Account number (see instructions)		2nd TIN not.	14 Tax-exempt and tax credit bond CUSIP no.	15 State	16 State identification no.	17 State tax withheld
		<input type="checkbox"/>				\$
						\$

Instructions for Recipient

The information provided may be different for covered and noncovered securities. For a description of covered securities, see the Instructions for Form 8949. For a taxable covered security acquired at a premium, unless you notified the payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to amortize the premium under section 171, or for a tax-exempt covered security acquired at a premium, your payer must generally report either (1) a net amount of interest that reflects the offset of the amount of interest paid to you by the amount of premium amortization allocable to the payment(s), or (2) a gross amount for both the interest paid to you and the premium amortization allocable to the payment(s). If you did notify your payer that you did not want to amortize the premium on a taxable covered security, then your payer will only report the gross amount of interest paid to you. For a noncovered security acquired at a premium, your payer is only required to report the gross amount of interest paid to you.

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)). However, the issuer has reported your complete TIN to the IRS.

FATCA filing requirement. If the FATCA filing requirement box is checked, the payer is reporting on this Form 1099 to satisfy its chapter 4 account reporting requirement. You may also have a filing requirement. See the Instructions for Form 8938.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Payer's Routing Transit Number (RTN). A payer may include the RTN to identify the bank or financial institution where your account is held.

Box 1. Shows taxable interest paid to you during the calendar year by the payer. This does not include interest shown in box 3. May also show the total amount of the credits from clean renewable energy bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, qualified school construction bonds, and build America bonds that must be included in your interest income. These amounts were treated as paid to you during the calendar year on the credit allowance dates (March 15, June 15, September 15, and December 15). For more information, see Form 8912. See the instructions above for a taxable covered security acquired at a premium.

Box 2. Shows interest or principal forfeited because of early withdrawal of time savings. You may deduct this amount to figure your adjusted gross income on your income tax return. See the Instructions for Form 1040 to see where to take the deduction.

Box 3. Shows interest on U.S. Savings Bonds, Treasury bills, Treasury bonds, and Treasury notes. This may or may not all be taxable. See Pub. 550. This interest is exempt from state and local income taxes. This interest is not included in box 1. See the instructions above for a taxable covered security acquired at a premium.

Box 4. Shows backup withholding. Generally, a payer must backup withhold if you did not furnish your TIN or you did not furnish the correct TIN to the payer. See Form W-9. Include this amount on your income tax return as tax withheld.

Box 5. Any amount shown is your share of investment expenses of a single-class REMIC. This amount is included in box 1. **Note:** This amount is not deductible.

Box 6. Shows foreign tax paid. You may be able to claim this tax as a deduction or a credit on your Form 1040 or 1040-SR. See your tax return instructions.

Box 7. Shows the country or U.S. territory to which the foreign tax was paid.

Box 8. Shows tax-exempt interest paid to you during the calendar year by the payer. See how to report this amount in the Instructions for Form 1040. This amount may be subject to backup withholding. See *Box 4* above. See the instructions above for a tax-exempt covered security acquired at a premium.

Box 9. Shows tax-exempt interest subject to the alternative minimum tax. This amount is included in box 8. See the Instructions for Form 6251. See the instructions above for a tax-exempt covered security acquired at a premium.

Box 10. For a taxable or tax-exempt covered security, if you made an election under section 1278(b) to include market discount in income as it accrues and you notified your payer of the election in writing in accordance with Regulations section 1.6045-1(n)(5), shows the market discount that accrued on the debt instrument during the year while held by you, unless it was reported on Form 1099-OID. For a taxable or tax-exempt covered security acquired on or after January 1, 2015, accrued market discount will be calculated on a constant yield basis unless you notified your payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to make a constant yield election for market discount under section 1276(b). Report the accrued market discount on your income tax return as directed in the Instructions for Form 1040. Market discount on a tax-exempt security is includible in taxable income as interest income.

(Continued on the back of Copy 2.)

Instructions for Recipient *(continued)*

Box 11. For a taxable covered security (other than a U.S. Treasury obligation), shows the amount of premium amortization allocable to the interest payment(s), unless you notified the payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to amortize bond premium under section 171. If an amount is reported in this box, see the Instructions for Schedule B (Form 1040) to determine the net amount of interest includible in income on Form 1040 or 1040-SR with respect to the security. If an amount is not reported in this box for a taxable covered security acquired at a premium and the payer is reporting premium amortization, the payer has reported a net amount of interest in box 1. If the amount in box 11 is greater than the amount of interest paid on the covered security, see Regulations section 1.171-2(a)(4).

Box 12. For a U.S. Treasury obligation that is a covered security, shows the amount of premium amortization allocable to the interest payment(s), unless you notified the payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to amortize bond premium under section 171. If an amount is reported in this box, see the Instructions for Schedule B (Form 1040) to determine the net amount of interest includible in income on Form 1040 or 1040-SR with respect to the U.S. Treasury obligation. If an amount is not reported in this box for a U.S. Treasury obligation that is a covered security acquired at a premium and the payer is reporting premium amortization, the payer has reported a net amount of interest in box 3. If the amount in box 12 is greater than the amount of interest paid on the U.S. Treasury obligation, see Regulations section 1.171-2(a)(4).

Box 13. For a tax-exempt covered security, shows the amount of premium amortization allocable to the interest payment(s). If an amount is reported in this box, see Pub. 550 to determine the net amount of tax-exempt interest reportable on Form 1040 or 1040-SR. If an amount is not reported in this box for a tax-exempt covered security acquired at a premium, the payer has reported a net amount of interest in box 8 or 9, whichever is applicable. If the amount in box 13 is greater than the amount of interest paid on the tax-exempt covered security, the excess is a nondeductible loss. See Regulations section 1.171-2(a)(4)(ii).

Box 14. Shows CUSIP number(s) for tax-exempt bond(s) on which tax-exempt interest was paid, or tax credit bond(s) on which taxable interest was paid or tax credit was allowed, to you during the calendar year. If blank, no CUSIP number was issued for the bond(s).

Boxes 15–17. State tax withheld reporting boxes.

Nominees. If this form includes amounts belonging to another person(s), you are considered a nominee recipient. Complete a Form 1099-INT for each of the other owners showing the income allocable to each. File Copy A of the form with the IRS. Furnish Copy B to each owner. List yourself as the “payer” and the other owner(s) as the “recipient.” File Form(s) 1099-INT with Form 1096 with the Internal Revenue Service Center for your area. On Form 1096, list yourself as the “filer.” A spouse is not required to file a nominee return to show amounts owned by the other spouse.

Future developments. For the latest information about developments related to Form 1099-INT and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form1099INT.

Free File Program. Go to www.irs.gov/FreeFile to see if you qualify for no-cost online federal tax preparation, e-filing, and direct deposit or payment options.

Line 2a - Tax-Exempt Interest

If you received any tax-exempt interest (including any tax-exempt original issue discount (OID)), such as from municipal bonds, each payer should send you a Form 1099-INT or a Form 1099-OID. In general, your tax-exempt stated interest should be shown in box 8 of Form 1099-INT or, for a tax-exempt OID bond, in box 2 of Form 1099-OID, and your tax-exempt OID should be shown in box 11 of Form 1099-OID. Enter the total on line 2a.

However, if you acquired a tax-exempt bond at a premium, only report the net amount of tax-exempt interest on line 2a (that is, the excess of the tax-exempt interest received during the year over the amortized bond premium for the year).

Also, if you acquired a tax-exempt OID bond at an acquisition premium, only report the net amount of tax-exempt OID on line 2a (that is, the excess of tax-exempt OID for the year over the amortized acquisition premium for the year). See Pub. 550 for more information about OID, bond premium, and acquisition premium.

Also include on line 2a any ex-empt interest dividends from a mutual fund or other regulated investment company. This amount should be shown in box 12 of Form 1099-DIV.

Don't include interest earned on your IRA, health savings account, Archer or Medicare Advantage MSA, or Coverdell education savings account.



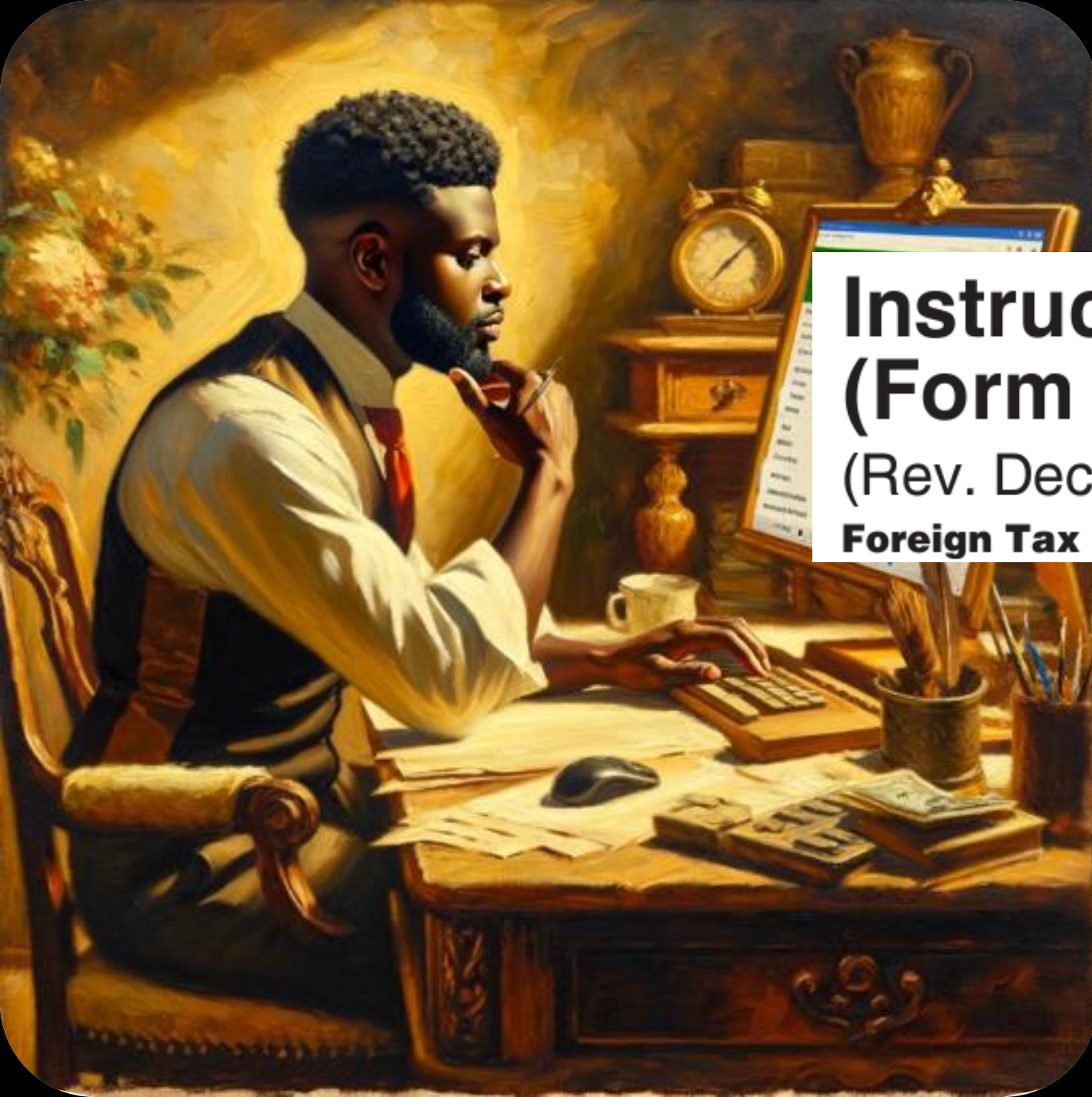


Line 2b - Taxable Interest

Each payer should send you a Form 1099-INT or Form 1099-OID. Enter your total taxable interest income on line 2b. But you must fill in and attach Schedule B if the total is over \$1,500 or any of the other conditions listed at the beginning of the Schedule B instructions applies to you.

For more details about reporting taxable interest, including market discount on bonds and adjustments for amortizable bond premium or acquisition premium, see Pub. 550.

Interest credited in 2023 on deposits that you couldn't withdraw because of the bankruptcy or insolvency of the financial institution may not have to be included in your 2023 income. For details, see Pub. 550.



Instructions for Schedule B (Form 1116)

(Rev. December 2022)

Foreign Tax Carryover Reconciliation Schedule

Part I. Interest

- **Line 1.** Report on line 1 all of your taxable interest. Taxable interest generally should be shown on your Forms 1099-INT, Forms 1099-OID, or substitute statements. Include interest from series EE, H, HH, and I U.S. savings bonds.
 - Also include any accrued market discount that is includible in income and any gain on a contingent payment debt instrument that is includible in income as interest income.
 - List each payer's name and the amount. Don't report on line 1 any tax-exempt interest. See *Tax-exempt interest*, later, for more information.
-
- For more information on stated interest, original issue discount (OID), market discount, contingent payment debt instruments, and premium, see Pub. 550 and Pub. 1212.





Seller-financed mortgages

If you sold your home or other property and the buyer used the property as a personal residence, list first any interest the buyer paid you on a mortgage or other form of seller financing. Be sure to show the buyer's name, address, and SSN.

You must also let the buyer know your SSN. If you don't show the buyer's name, address, and SSN, or let the buyer know your SSN, you may have to pay a \$50 penalty.

If you or the buyer do not have an SSN, use the appropriate TIN for the filer or recipient of Form 1098. For more information, see *General Instructions for Certain Information Returns (2023)*.



Nominees.

- If you received a Form 1099-INT that includes interest you received as a nominee (that is, in your name, but the interest actually belongs to someone else), report the total on line 1. Do this even if you later distributed some or all of this income to others.
- Under your last entry on line 1, put a subtotal of all interest listed on line 1. Below this subtotal, enter “Nominee Distribution” and show the total interest you received as a nominee. Subtract this amount from the subtotal and enter the result on line 2.

Tip

- *If you received interest as a nominee, you must give the actual owner a Form 1099-INT (unless the owner is your spouse) and file Forms 1096 and 1099-INT with the IRS. For more details, see the General Instructions for Certain Information Re-turns and the Instructions for Forms 1099-INT and 1099-OID.*

Accrued interest.

- When you buy bonds between interest payment dates and pay accrued interest to the seller, this interest is taxable to the seller.
- If you received a Form 1099 for interest as a purchaser of a bond with accrued interest, follow the rules earlier under *Nominees* to see how to report the accrued interest.
- But identify the amount to be subtracted as “Accrued Interest.”

Original issue discount (OID).

- If you are reporting OID in an amount less than the amount shown in box 1 or box 8 of Form 1099-OID, follow the rules earlier under *Nominees* to see how to report the OID.
- But identify the amount to be subtracted as “OID Adjustment.”
- However, if the payer reported to you a net amount of OID on the bond reflecting the offset of the gross amount of OID by any acquisition premium, no re-duction of the amount of OID income reported to you by the payer may be needed on Schedule B for the bond.





Amortizable bond premium.

If you elect to reduce your interest income on a taxable bond by the amount of taxable amortizable bond premium, follow the rules earlier under *Nominees* to see how to report the interest. But identify the amount to be subtracted as “ABP Adjustment.”

However, if the payer reported to you a net amount of interest income on the bond reflecting the offset of the gross amount of interest income by the amortizable bond premium, no reduction of the amount of interest income reported to you by the payer is needed on Schedule B for the bond.



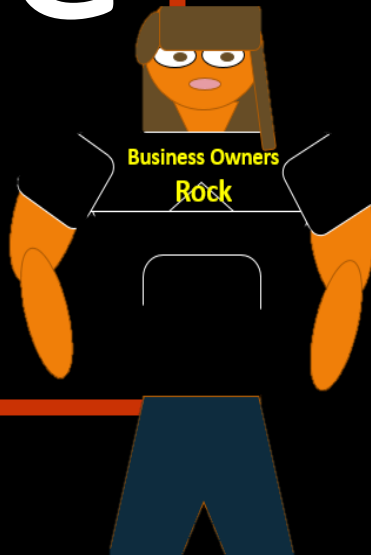
Income Tax

2023-2024



Interest Income

Example



9292

☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		Payer's RTN (optional)	OMB No. 1545-0112		Interest Income	
		1 Interest income	Form 1099-INT (Rev. January 2024)			
		\$	For calendar year _____			
		2 Early withdrawal penalty			Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the current General Instructions for Certain Information Returns.	
		\$				
		3 Interest on U.S. Savings Bonds and Treasury obligations				
		\$				
PAYER'S TIN		RECIPIENT'S TIN				
RECIPIENT'S name		4 Federal income tax withheld	5 Investment expenses			
		\$	\$			
Street address (including apt. no.)		6 Foreign tax paid	7 Foreign country or U.S. territory			
		\$				
City or town, state or province, country, and ZIP or foreign postal code		8 Tax-exempt interest	9 Specified private activity bond interest			
		\$	\$			
		10 Market discount	11 Bond premium			
		\$	\$			
		FATCA filing requirement	12 Bond premium on Treasury obligations			
		<input type="checkbox"/>	\$			
			13 Bond premium on tax-exempt bond			
			\$			
Account number (see instructions)		2nd TIN not.	14 Tax-exempt and tax credit bond CUSIP no.	15 State	16 State identification no.	17 State tax withheld
		<input type="checkbox"/>				\$
						\$

Instructions for Recipient

The information provided may be different for covered and noncovered securities. For a description of covered securities, see the Instructions for Form 8949. For a taxable covered security acquired at a premium, unless you notified the payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to amortize the premium under section 171, or for a tax-exempt covered security acquired at a premium, your payer must generally report either (1) a net amount of interest that reflects the offset of the amount of interest paid to you by the amount of premium amortization allocable to the payment(s), or (2) a gross amount for both the interest paid to you and the premium amortization allocable to the payment(s). If you did notify your payer that you did not want to amortize the premium on a taxable covered security, then your payer will only report the gross amount of interest paid to you. For a noncovered security acquired at a premium, your payer is only required to report the gross amount of interest paid to you.

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)). However, the issuer has reported your complete TIN to the IRS.

FATCA filing requirement. If the FATCA filing requirement box is checked, the payer is reporting on this Form 1099 to satisfy its chapter 4 account reporting requirement. You may also have a filing requirement. See the Instructions for Form 8938.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Payer's Routing Transit Number (RTN). A payer may include the RTN to identify the bank or financial institution where your account is held.

Box 1. Shows taxable interest paid to you during the calendar year by the payer. This does not include interest shown in box 3. May also show the total amount of the credits from clean renewable energy bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, qualified school construction bonds, and build America bonds that must be included in your interest income. These amounts were treated as paid to you during the calendar year on the credit allowance dates (March 15, June 15, September 15, and December 15). For more information, see Form 8912. See the instructions above for a taxable covered security acquired at a premium.

Box 2. Shows interest or principal forfeited because of early withdrawal of time savings. You may deduct this amount to figure your adjusted gross income on your income tax return. See the Instructions for Form 1040 to see where to take the deduction.

Box 3. Shows interest on U.S. Savings Bonds, Treasury bills, Treasury bonds, and Treasury notes. This may or may not all be taxable. See Pub. 550. This interest is exempt from state and local income taxes. This interest is not included in box 1. See the instructions above for a taxable covered security acquired at a premium.

Box 4. Shows backup withholding. Generally, a payer must backup withhold if you did not furnish your TIN or you did not furnish the correct TIN to the payer. See Form W-9. Include this amount on your income tax return as tax withheld.

Box 5. Any amount shown is your share of investment expenses of a single-class REMIC. This amount is included in box 1. **Note:** This amount is not deductible.

Box 6. Shows foreign tax paid. You may be able to claim this tax as a deduction or a credit on your Form 1040 or 1040-SR. See your tax return instructions.

Box 7. Shows the country or U.S. territory to which the foreign tax was paid.

Box 8. Shows tax-exempt interest paid to you during the calendar year by the payer. See how to report this amount in the Instructions for Form 1040. This amount may be subject to backup withholding. See *Box 4* above. See the instructions above for a tax-exempt covered security acquired at a premium.

Box 9. Shows tax-exempt interest subject to the alternative minimum tax. This amount is included in box 8. See the Instructions for Form 6251. See the instructions above for a tax-exempt covered security acquired at a premium.

Box 10. For a taxable or tax-exempt covered security, if you made an election under section 1278(b) to include market discount in income as it accrues and you notified your payer of the election in writing in accordance with Regulations section 1.6045-1(n)(5), shows the market discount that accrued on the debt instrument during the year while held by you, unless it was reported on Form 1099-OID. For a taxable or tax-exempt covered security acquired on or after January 1, 2015, accrued market discount will be calculated on a constant yield basis unless you notified your payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to make a constant yield election for market discount under section 1276(b). Report the accrued market discount on your income tax return as directed in the Instructions for Form 1040. Market discount on a tax-exempt security is includible in taxable income as interest income.

(Continued on the back of Copy 2.)

Instructions for Recipient *(continued)*

Box 11. For a taxable covered security (other than a U.S. Treasury obligation), shows the amount of premium amortization allocable to the interest payment(s), unless you notified the payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to amortize bond premium under section 171. If an amount is reported in this box, see the Instructions for Schedule B (Form 1040) to determine the net amount of interest includible in income on Form 1040 or 1040-SR with respect to the security. If an amount is not reported in this box for a taxable covered security acquired at a premium and the payer is reporting premium amortization, the payer has reported a net amount of interest in box 1. If the amount in box 11 is greater than the amount of interest paid on the covered security, see Regulations section 1.171-2(a)(4).

Box 12. For a U.S. Treasury obligation that is a covered security, shows the amount of premium amortization allocable to the interest payment(s), unless you notified the payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to amortize bond premium under section 171. If an amount is reported in this box, see the Instructions for Schedule B (Form 1040) to determine the net amount of interest includible in income on Form 1040 or 1040-SR with respect to the U.S. Treasury obligation. If an amount is not reported in this box for a U.S. Treasury obligation that is a covered security acquired at a premium and the payer is reporting premium amortization, the payer has reported a net amount of interest in box 3. If the amount in box 12 is greater than the amount of interest paid on the U.S. Treasury obligation, see Regulations section 1.171-2(a)(4).

Box 13. For a tax-exempt covered security, shows the amount of premium amortization allocable to the interest payment(s). If an amount is reported in this box, see Pub. 550 to determine the net amount of tax-exempt interest reportable on Form 1040 or 1040-SR. If an amount is not reported in this box for a tax-exempt covered security acquired at a premium, the payer has reported a net amount of interest in box 8 or 9, whichever is applicable. If the amount in box 13 is greater than the amount of interest paid on the tax-exempt covered security, the excess is a nondeductible loss. See Regulations section 1.171-2(a)(4)(ii).

Box 14. Shows CUSIP number(s) for tax-exempt bond(s) on which tax-exempt interest was paid, or tax credit bond(s) on which taxable interest was paid or tax credit was allowed, to you during the calendar year. If blank, no CUSIP number was issued for the bond(s).

Boxes 15–17. State tax withheld reporting boxes.

Nominees. If this form includes amounts belonging to another person(s), you are considered a nominee recipient. Complete a Form 1099-INT for each of the other owners showing the income allocable to each. File Copy A of the form with the IRS. Furnish Copy B to each owner. List yourself as the “payer” and the other owner(s) as the “recipient.” File Form(s) 1099-INT with Form 1096 with the Internal Revenue Service Center for your area. On Form 1096, list yourself as the “filer.” A spouse is not required to file a nominee return to show amounts owned by the other spouse.

Future developments. For the latest information about developments related to Form 1099-INT and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form1099INT.

Free File Program. Go to www.irs.gov/FreeFile to see if you qualify for no-cost online federal tax preparation, e-filing, and direct deposit or payment options.

Line 2a - Tax-Exempt Interest

If you received any tax-exempt interest (including any tax-exempt original issue discount (OID)), such as from municipal bonds, each payer should send you a Form 1099-INT or a Form 1099-OID. In general, your tax-exempt stated interest should be shown in box 8 of Form 1099-INT or, for a tax-exempt OID bond, in box 2 of Form 1099-OID, and your tax-exempt OID should be shown in box 11 of Form 1099-OID. Enter the total on line 2a.

However, if you acquired a tax-exempt bond at a premium, only report the net amount of tax-exempt interest on line 2a (that is, the excess of the tax-exempt interest received during the year over the amortized bond premium for the year).

Also, if you acquired a tax-exempt OID bond at an acquisition premium, only report the net amount of tax-exempt OID on line 2a (that is, the excess of tax-exempt OID for the year over the amortized acquisition premium for the year). See Pub. 550 for more information about OID, bond premium, and acquisition premium.

Also include on line 2a any ex-empt interest dividends from a mutual fund or other regulated investment company. This amount should be shown in box 12 of Form 1099-DIV.

Don't include interest earned on your IRA, health savings account, Archer or Medicare Advantage MSA, or Coverdell education savings account.



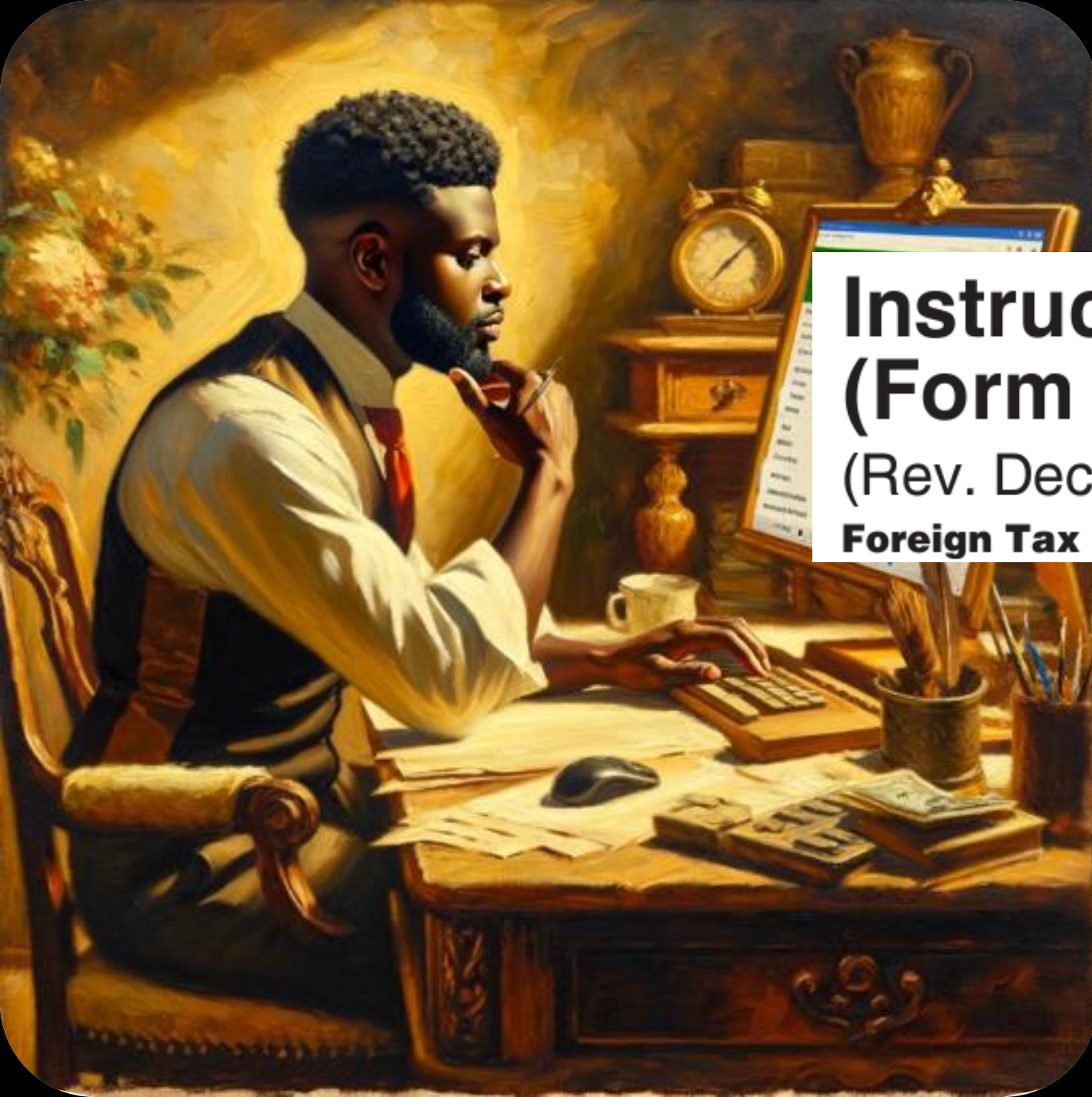


Line 2b - Taxable Interest

Each payer should send you a Form 1099-INT or Form 1099-OID. Enter your total taxable interest income on line 2b. But you must fill in and attach Schedule B if the total is over \$1,500 or any of the other conditions listed at the beginning of the Schedule B instructions applies to you.

For more details about reporting taxable interest, including market discount on bonds and adjustments for amortizable bond premium or acquisition premium, see Pub. 550.

Interest credited in 2023 on deposits that you couldn't withdraw because of the bankruptcy or insolvency of the financial institution may not have to be included in your 2023 income. For details, see Pub. 550.



Instructions for Schedule B (Form 1116)

(Rev. December 2022)

Foreign Tax Carryover Reconciliation Schedule

Part I. Interest

- **Line 1.** Report on line 1 all of your taxable interest. Taxable interest generally should be shown on your Forms 1099-INT, Forms 1099-OID, or substitute statements. Include interest from series EE, H, HH, and I U.S. savings bonds.
 - Also include any accrued market discount that is includible in income and any gain on a contingent payment debt instrument that is includible in income as interest income.
 - List each payer's name and the amount. Don't report on line 1 any tax-exempt interest. See *Tax-exempt interest*, later, for more information.
-
- For more information on stated interest, original issue discount (OID), market discount, contingent payment debt instruments, and premium, see Pub. 550 and Pub. 1212.





Seller-financed mortgages

If you sold your home or other property and the buyer used the property as a personal residence, list first any interest the buyer paid you on a mortgage or other form of seller financing. Be sure to show the buyer's name, address, and SSN.

You must also let the buyer know your SSN. If you don't show the buyer's name, address, and SSN, or let the buyer know your SSN, you may have to pay a \$50 penalty.

If you or the buyer do not have an SSN, use the appropriate TIN for the filer or recipient of Form 1098. For more information, see *General Instructions for Certain Information Returns (2023)*.



Nominees.

- If you received a Form 1099-INT that includes interest you received as a nominee (that is, in your name, but the interest actually belongs to someone else), report the total on line 1. Do this even if you later distributed some or all of this income to others.
- Under your last entry on line 1, put a subtotal of all interest listed on line 1. Below this subtotal, enter “Nominee Distribution” and show the total interest you received as a nominee. Subtract this amount from the subtotal and enter the result on line 2.

Tip

- If you received interest as a nominee, you must give the actual owner a Form 1099-INT (unless the owner is your spouse) and file Forms 1096 and 1099-INT with the IRS. For more details, see the General Instructions for Certain Information Re-turns and the Instructions for Forms 1099-INT and 1099-OID.

Accrued interest.

- When you buy bonds between interest payment dates and pay accrued interest to the seller, this interest is taxable to the seller.
- If you received a Form 1099 for interest as a purchaser of a bond with accrued interest, follow the rules earlier under *Nominees* to see how to report the accrued interest.
- But identify the amount to be subtracted as “Accrued Interest.”

Original issue discount (OID).

- If you are reporting OID in an amount less than the amount shown in box 1 or box 8 of Form 1099-OID, follow the rules earlier under *Nominees* to see how to report the OID.
- But identify the amount to be subtracted as “OID Adjustment.”
- However, if the payer reported to you a net amount of OID on the bond reflecting the offset of the gross amount of OID by any acquisition premium, no re-duction of the amount of OID income reported to you by the payer may be needed on Schedule B for the bond.

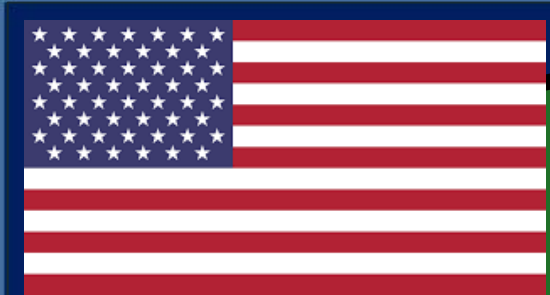




Amortizable bond premium.

If you elect to reduce your interest income on a taxable bond by the amount of taxable amortizable bond premium, follow the rules earlier under *Nominees* to see how to report the interest. But identify the amount to be subtracted as “ABP Adjustment.”

However, if the payer reported to you a net amount of interest income on the bond reflecting the offset of the gross amount of interest income by the amortizable bond premium, no reduction of the amount of interest income reported to you by the payer is needed on Schedule B for the bond.



Income Tax

2023-2024



Dividend Income





TAX YEAR
2023

1040 (and 1040-SR)

**Line
Instructions
for
Forms 1040
and 1040-SR**

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Dividend Definition

Are distributions to shareholders

Corporation
Earnings





Types of Dividends

Ordinary
Dividends

Qualified
Dividends

9191

☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

1a Total ordinary dividends

\$

1b Qualified dividends

\$

OMB No. 1545-0110

Form **1099-DIV**

(Rev. January 2024)

For calendar year

**Dividends and
Distributions****Copy A****For****Internal Revenue
Service Center****File with Form 1096.****For Privacy Act
and Paperwork
Reduction Act
Notice, see the
current General
Instructions for
Certain
Information
Returns.**

PAYER'S TIN

RECIPIENT'S TIN

2c Section 1202 gain

\$

2d Collectibles (28%) gain

\$

2e Section 897 ordinary dividends

\$

2f Section 897 capital gain

\$

RECIPIENT'S name

3 Nondividend distributions

\$

4 Federal income tax withheld

\$

5 Section 199A dividends

\$

6 Investment expenses

\$

Street address (including apt. no.)

7 Foreign tax paid

\$

8 Foreign country or U.S. possession

City or town, state or province, country, and ZIP or foreign postal code

9 Cash liquidation distributions

\$

10 Noncash liquidation distributions

\$

11 FATCA filing
requirement☐

12 Exempt-interest dividends

\$

13 Specified private activity
bond interest dividends

\$

Account number (see instructions)

2nd TIN not.

☐

14 State

15 State identification no.

16 State tax withheld

\$

\$

Form **1099-DIV** (Rev. 1-2024)

Cat. No. 14415N

www.irs.gov/Form1099DIV

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page**— Do Not Cut or Separate Forms on This Page**

Instructions for Recipient

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (SSN, ITIN, ATIN, or EIN). However, the issuer has reported your complete TIN to the IRS.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Box 1a. Shows total ordinary dividends that are taxable. Include this amount on the "Ordinary dividends" line of Form 1040 or 1040-SR. Also report it on Schedule B (Form 1040), if required.

Box 1b. Shows the portion of the amount in box 1a that may be eligible for reduced capital gains rates. See the Instructions for Form 1040 for how to determine this amount and where to report.

The amount shown may be dividends a corporation paid directly to you as a participant (or beneficiary of a participant) in an employee stock ownership plan (ESOP). Report it as a dividend on your Form 1040 or 1040-SR but treat it as a plan distribution, not as investment income, for any other purpose.

Box 2a. Shows total capital gain distributions from a regulated investment company (RIC) or real estate investment trust (REIT). See *How To Report* in the Instructions for Schedule D (Form 1040). But, if no amount is shown in boxes 2b, 2c, 2d, and 2f and your only capital gains and losses are capital gain distributions, you may be able to report the amounts shown in box 2a on your Form 1040 or 1040-SR rather than Schedule D. See the Instructions for Form 1040.

Box 2b. Shows the portion of the amount in box 2a that is unrecaptured section 1250 gain from certain depreciable real property. See the Unrecaptured Section 1250 Gain Worksheet in the Instructions for Schedule D (Form 1040).

Box 2c. Shows the portion of the amount in box 2a that is section 1202 gain from certain small business stock that may be subject to an exclusion. See the Schedule D (Form 1040) instructions.

Box 2d. Shows the portion of the amount in box 2a that is 28% rate gain from sales or exchanges of collectibles. If required, use this amount when completing the 28% Rate Gain Worksheet in the Instructions for Schedule D (Form 1040).

Box 2e. Shows the portion of the amount in box 1a that is section 897 gain attributable to disposition of U.S. real property interests (USRPI).

Box 2f. Shows the portion of the amount in box 2a that is section 897 gain attributable to disposition of USRPI.

Note: Boxes 2e and 2f apply only to foreign persons and entities whose income maintains its character when passed through or distributed to its direct or

indirect foreign owners or beneficiaries. It is generally treated as effectively connected to a trade or business within the United States. See the instructions for your tax return.

Box 3. Shows a return of capital. To the extent of your cost (or other basis) in the stock, the distribution reduces your basis and is not taxable. Any amount received in excess of your basis is taxable to you as capital gain. See Pub. 550.

Box 4. Shows backup withholding. A payer must backup withhold on certain payments if you did not give your TIN to the payer. See Form W-9 for information on backup withholding. Include this amount on your income tax return as tax withheld.

Box 5. Shows the portion of the amount in box 1a that may be eligible for the 20% qualified business income deduction under section 199A. See the instructions for Form 8995 and Form 8995-A.

Box 6. Shows your share of expenses of a nonpublicly offered RIC, generally a nonpublicly offered mutual fund. This amount is included in box 1a.

Box 7. Shows the foreign tax that you may be able to claim as a deduction or a credit on Form 1040 or 1040-SR. See the Instructions for Form 1040.

Box 8. This box should be left blank if a RIC reported the foreign tax shown in box 7.

Boxes 9 and 10. Show cash and noncash liquidation distributions.

Box 11. If the FATCA filing requirement box is checked, the payer is reporting on this Form 1099 to satisfy its account reporting requirement under chapter 4 of the Internal Revenue Code. You may also have a filing requirement. See the Instructions for Form 8938.

Box 12. Shows exempt-interest dividends from a mutual fund or other RIC paid to you during the calendar year. See the Instructions for Form 1040 for where to report. This amount may be subject to backup withholding. See *Box 4* above.

Box 13. Shows exempt-interest dividends subject to the alternative minimum tax. This amount is included in box 12. See the Instructions for Form 6251.

Boxes 14–16. State income tax withheld reporting boxes.

Nominees. If this form includes amounts belonging to another person, you are considered a nominee recipient. You must file Form 1099-DIV (with a Form 1096) with the IRS for each of the other owners to show their share of the income, and you must furnish a Form 1099-DIV to each. A spouse is not required to file a nominee return to show amounts owned by the other spouse. See the current General Instructions for Certain Information Returns.

Income Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.	1a	Total amount from Form(s) W-2, box 1 (see instructions)			1a			
	b	Household employee wages not reported on Form(s) W-2			1b			
	c	Tip income not reported on line 1a (see instructions)			1c			
	d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)			1d			
	e	Taxable dependent care benefits from Form 2441, line 26			1e			
	f	Employer-provided adoption benefits from Form 8839, line 29			1f			
	g	Wages from Form 8919, line 6			1g			
	h	Other earned income (see instructions)			1h			
	i	Nontaxable combat pay election (see instructions)			1i			
	z	Add lines 1a through 1h			1z			
Attach Sch. B if required.	2a	Tax-exempt interest	2a		b	Taxable interest	2b	
	3a	Qualified dividends	3a		b	Ordinary dividends	3b	
	4a	IRA distributions	4a		b	Taxable amount	4b	
	5a	Pensions and annuities	5a		b	Taxable amount	5b	
	6a	Social security benefits	6a		b	Taxable amount	6b	
	c	If you elect to use the lump-sum election method, check here (see instructions)			<input type="checkbox"/>			
	7	Capital gain or (loss). Attach Schedule D if required. If not required, check here			<input type="checkbox"/>	7		
	8	Additional income from Schedule 1, line 10				8		
	9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income				9		
	10	Adjustments to income from Schedule 1, line 26				10		
	11	Subtract line 10 from line 9. This is your adjusted gross income				11		
	12	Standard deduction or itemized deductions (from Schedule A)				12		
	13	Qualified business income deduction from Form 8995 or Form 8995-A				13		
	14	Add lines 12 and 13				14		
	15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income				15		

Standard Deduction for—

- Single or Married filing separately, \$13,850
- Married filing jointly or Qualifying surviving spouse, \$27,700
- Head of household, \$20,800
- If you checked any box under *Standard Deduction*, see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2023)

Department of the Treasury
Internal Revenue Service

Attach to Form 1040 or 1040-SR.

Go to www.irs.gov/ScheduleB for instructions and the latest information.

OMB No. 1545-0074

20**23**Attachment
Sequence No. **08**

Ordinary Dividends

(See instructions
and the
Instructions for
Form 1040,
line 3b.)

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.

5 List name of payer:

5

6 Add the amounts on line 5. Enter the total here and on Form 1040 or 1040-SR, line 3b

6

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



Line 3a - Qualified Dividends

Enter your total qualified dividends on line 3a. Qualified dividends are also included in the ordinary dividend total re-quired to be shown on line 3b.

Qualified dividends are eligible for a lower tax rate than other ordinary income. Generally, these dividends are shown in box 1b of Form(s) 1099-DIV.

See Pub. 550 for the definition of qualified dividends if you received dividends not re-ported on Form 1099-DIV.

Exception. Some dividends may be reported as qualified dividends in box 1b of Form 1099-DIV but aren't qualified dividends. These include:

Dividends you received as a nominee. See the Schedule B instructions.

Dividends you received on any share of stock that you held for less than 61 days during the 121-day period that began 60 days before the ex-dividend date. The ex-dividend date is the first date following the declaration of a dividend on which the purchaser of a stock isn't entitled to receive the next dividend payment. When counting the number of days you held the stock, include the day you disposed of the stock but not the day you acquired it. See the examples that follow. Also, when counting the number of days you held the stock, you can't count certain days during which your risk of loss was diminished. See Pub. 550 for more details.

Dividends attributable to periods totaling more than 366 days that you received on any share of preferred stock held for less than 91 days during the 181-day period that began 90 days before the ex-dividend date. When counting the number of days you held the stock, you can't count certain days during which your risk of loss was diminished. See Pub. 550 for more details. Preferred dividends attributable to periods totaling less than 367 days are subject to the 61-day holding period rule just described.

Dividends on any share of stock to the extent that you are under an obligation (including a short sale) to make related payments with respect to positions in substantially similar or related property.

Payments in lieu of dividends, but only if you know or have reason to know that the payments aren't qualified dividends.

Dividends from a corporation that first became a surrogate foreign corporation after December 22, 2017, other than a foreign corporation that is treated as a domestic corporation under section 7874(b).





Example 1.

You bought 5,000 shares of XYZ Corp. common stock on July 8. XYZ Corp. paid a cash dividend of 10 cents per share. The ex-dividend date was July 16. Your Form 1099-DIV from XYZ Corp.

shows \$500 in box 1a (ordinary dividends) and in box 1b (qualified dividends). However, you sold the 5,000 shares on August 11. You held your shares of XYZ Corp. for only 34 days of the 121-day period (from July 9 through August 11).

The 121-day period began on May 17 (60 days before the ex-dividend date) and ended on September 14.

You have no qualified dividends from XYZ Corp. because you held the XYZ stock for less than 61 days.

Example 2.

The facts are the same as in *Example 1* except that you bought the stock on July 15 (the day before the ex-dividend date), and you sold the stock on September 16. You held the stock for 63 days (from July 16 through September 16).

The \$500 of qualified dividends shown in box 1b of Form 1099-DIV are all qualified dividends because you held the stock for 61 days of the 121-day period (from July 16 through September 14).



An illustration of a man with a beard and glasses, wearing a suit, sitting at a desk in a modern office. He is looking at a laptop screen that displays the 'Qiccklooks' logo. The desk is cluttered with various items including a calculator, a pen holder, and a stack of books. A large window in the background shows a city skyline at sunset. On the wall, there is a framed picture of a man sitting on a chair with a large sunburst behind him.

Example 3.

You bought 10,000 shares of ABC Mutual Fund common stock on July 8. ABC Mutual Fund paid a cash dividend of 10 cents a share. The ex-dividend date was July 16. The ABC Mutual Fund advises you that the part of the dividend eligible to be treated as qualified dividends equals 2 cents a share.

Your Form 1099-DIV from ABC Mutual Fund shows total ordinary dividends of \$1,000 and qualified dividends of \$200. However, you sold the 10,000 shares on August 11. You have no qualified dividends from ABC Mutual Fund because you held the ABC Mutual Fund stock for less than 61 days.



Line 3b - Ordinary Dividends

Each payer should send you a Form 1099-DIV. Enter your total ordinary dividends on line 3b. This amount should be shown in box 1a of Form(s) 1099-DIV.

You must fill in and attach Schedule B if the total is over \$1,500 or you received, as a nominee, ordinary dividends that actually belong to someone else.

Non- dividend Distributions

Some distributions are a return of your cost (or other basis). They won't be taxed until you recover your cost (or other basis).

You must reduce your cost (or other basis) by these distributions. After you get back all of your cost (or other basis), you must report these distributions as capital gains on Form 8949. For details, see Pub. 550.



Dividend tax rate 2023

These are the rates that apply to qualified dividends, based on taxable income, for the 2023 tax year (taxes filed in April 2024).

	0% tax rate	15% tax rate	20% tax rate
Single	\$0 to \$44,625.	\$44,626 to \$492,300.	\$492,301 or more.
Married, filing jointly	\$0 to \$89,250.	\$89,251 to \$553,850.	\$553,851 or more.
Married, filing separately	\$0 to \$44,625.	\$44,626 to \$276,900.	\$276,901 or more.
Head of household	\$0 to \$59,750.	\$59,751 to \$523,050.	\$523,051 or more.

Short-term capital gains are taxed as ordinary income according to [federal income tax brackets](#)

Dividend tax rate 2024

These are the rates that apply to qualified dividends, based on taxable income, for the 2024 tax year (taxes filed in April 2025).

Tax-filing status	0% tax rate	15% tax rate	20% tax rate
Single	\$0 to \$47,025.	\$47,026 to \$518,900.	\$518,901 or more.
Married, filing jointly	\$0 to \$94,050.	\$94,051 to \$583,750.	\$583,751 or more.
Married, filing separately	\$0 to \$47,025.	\$47,026 to \$291,850.	\$291,851 or more.
Head of household	\$0 to \$63,000.	\$63,001 to \$551,350.	\$551,351 or more.

Short-term capital gains are taxed as ordinary income according to [federal income tax brackets](#).



Income Tax

2023-2024



Dividend Income Example



Dividend Definition

Are distributions to shareholders

Corporation
Earnings





Types of Dividends

Ordinary
Dividends

Qualified
Dividends

9191

☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

1a Total ordinary dividends

\$

1b Qualified dividends

\$

OMB No. 1545-0110

Form **1099-DIV**

(Rev. January 2024)

For calendar year _____

Dividends and Distributions**Copy A****For****Internal Revenue Service Center****File with Form 1096.****For Privacy Act and Paperwork Reduction Act Notice, see the current General Instructions for Certain Information Returns.**

PAYER'S TIN

RECIPIENT'S TIN

2c Section 1202 gain

\$

2d Collectibles (28%) gain

\$

2e Section 897 ordinary dividends

\$

2f Section 897 capital gain

\$

RECIPIENT'S name

3 Nondividend distributions

\$

4 Federal income tax withheld

\$

5 Section 199A dividends

\$

6 Investment expenses

\$

Street address (including apt. no.)

7 Foreign tax paid

\$

8 Foreign country or U.S. possession

City or town, state or province, country, and ZIP or foreign postal code

9 Cash liquidation distributions

\$

10 Noncash liquidation distributions

\$

11 FATCA filing requirement

☐

12 Exempt-interest dividends

\$

13 Specified private activity bond interest dividends

\$

Account number (see instructions)

2nd TIN not.

☐

14 State

15 State identification no.

16 State tax withheld

\$

\$

Form **1099-DIV** (Rev. 1-2024)

Cat. No. 14415N

www.irs.gov/Form1099DIV

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page**Do Not Cut or Separate Forms on This Page**

Instructions for Recipient

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (SSN, ITIN, ATIN, or EIN). However, the issuer has reported your complete TIN to the IRS.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Box 1a. Shows total ordinary dividends that are taxable. Include this amount on the "Ordinary dividends" line of Form 1040 or 1040-SR. Also report it on Schedule B (Form 1040), if required.

Box 1b. Shows the portion of the amount in box 1a that may be eligible for reduced capital gains rates. See the Instructions for Form 1040 for how to determine this amount and where to report.

The amount shown may be dividends a corporation paid directly to you as a participant (or beneficiary of a participant) in an employee stock ownership plan (ESOP). Report it as a dividend on your Form 1040 or 1040-SR but treat it as a plan distribution, not as investment income, for any other purpose.

Box 2a. Shows total capital gain distributions from a regulated investment company (RIC) or real estate investment trust (REIT). See *How To Report* in the Instructions for Schedule D (Form 1040). But, if no amount is shown in boxes 2b, 2c, 2d, and 2f and your only capital gains and losses are capital gain distributions, you may be able to report the amounts shown in box 2a on your Form 1040 or 1040-SR rather than Schedule D. See the Instructions for Form 1040.

Box 2b. Shows the portion of the amount in box 2a that is unrecaptured section 1250 gain from certain depreciable real property. See the Unrecaptured Section 1250 Gain Worksheet in the Instructions for Schedule D (Form 1040).

Box 2c. Shows the portion of the amount in box 2a that is section 1202 gain from certain small business stock that may be subject to an exclusion. See the Schedule D (Form 1040) instructions.

Box 2d. Shows the portion of the amount in box 2a that is 28% rate gain from sales or exchanges of collectibles. If required, use this amount when completing the 28% Rate Gain Worksheet in the Instructions for Schedule D (Form 1040).

Box 2e. Shows the portion of the amount in box 1a that is section 897 gain attributable to disposition of U.S. real property interests (USRPI).

Box 2f. Shows the portion of the amount in box 2a that is section 897 gain attributable to disposition of USRPI.

Note: Boxes 2e and 2f apply only to foreign persons and entities whose income maintains its character when passed through or distributed to its direct or

indirect foreign owners or beneficiaries. It is generally treated as effectively connected to a trade or business within the United States. See the instructions for your tax return.

Box 3. Shows a return of capital. To the extent of your cost (or other basis) in the stock, the distribution reduces your basis and is not taxable. Any amount received in excess of your basis is taxable to you as capital gain. See Pub. 550.

Box 4. Shows backup withholding. A payer must backup withhold on certain payments if you did not give your TIN to the payer. See Form W-9 for information on backup withholding. Include this amount on your income tax return as tax withheld.

Box 5. Shows the portion of the amount in box 1a that may be eligible for the 20% qualified business income deduction under section 199A. See the instructions for Form 8995 and Form 8995-A.

Box 6. Shows your share of expenses of a nonpublicly offered RIC, generally a nonpublicly offered mutual fund. This amount is included in box 1a.

Box 7. Shows the foreign tax that you may be able to claim as a deduction or a credit on Form 1040 or 1040-SR. See the Instructions for Form 1040.

Box 8. This box should be left blank if a RIC reported the foreign tax shown in box 7.

Boxes 9 and 10. Show cash and noncash liquidation distributions.

Box 11. If the FATCA filing requirement box is checked, the payer is reporting on this Form 1099 to satisfy its account reporting requirement under chapter 4 of the Internal Revenue Code. You may also have a filing requirement. See the Instructions for Form 8938.

Box 12. Shows exempt-interest dividends from a mutual fund or other RIC paid to you during the calendar year. See the Instructions for Form 1040 for where to report. This amount may be subject to backup withholding. See *Box 4* above.

Box 13. Shows exempt-interest dividends subject to the alternative minimum tax. This amount is included in box 12. See the Instructions for Form 6251.

Boxes 14–16. State income tax withheld reporting boxes.

Nominees. If this form includes amounts belonging to another person, you are considered a nominee recipient. You must file Form 1099-DIV (with a Form 1096) with the IRS for each of the other owners to show their share of the income, and you must furnish a Form 1099-DIV to each. A spouse is not required to file a nominee return to show amounts owned by the other spouse. See the current General Instructions for Certain Information Returns.

Income Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.	1a	Total amount from Form(s) W-2, box 1 (see instructions)			1a			
	b	Household employee wages not reported on Form(s) W-2			1b			
	c	Tip income not reported on line 1a (see instructions)			1c			
	d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)			1d			
	e	Taxable dependent care benefits from Form 2441, line 26			1e			
	f	Employer-provided adoption benefits from Form 8839, line 29			1f			
	g	Wages from Form 8919, line 6			1g			
	h	Other earned income (see instructions)			1h			
	i	Nontaxable combat pay election (see instructions)			1i			
	z	Add lines 1a through 1h			1z			
Attach Sch. B if required.	2a	Tax-exempt interest	2a		b	Taxable interest	2b	
	3a	Qualified dividends	3a		b	Ordinary dividends	3b	
Standard Deduction for— • Single or Married filing separately, \$13,850 • Married filing jointly or Qualifying surviving spouse, \$27,700 • Head of household, \$20,800 • If you checked any box under <i>Standard Deduction</i> , see instructions.	4a	IRA distributions	4a		b	Taxable amount	4b	
	5a	Pensions and annuities	5a		b	Taxable amount	5b	
	6a	Social security benefits	6a		b	Taxable amount	6b	
	c	If you elect to use the lump-sum election method, check here (see instructions)			<input type="checkbox"/>			
	7	Capital gain or (loss). Attach Schedule D if required. If not required, check here			<input type="checkbox"/>	7		
	8	Additional income from Schedule 1, line 10				8		
	9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income				9		
	10	Adjustments to income from Schedule 1, line 26				10		
	11	Subtract line 10 from line 9. This is your adjusted gross income				11		
	12	Standard deduction or itemized deductions (from Schedule A)				12		
13	Qualified business income deduction from Form 8995 or Form 8995-A				13			
14	Add lines 12 and 13				14			
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income				15			

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2023)

Department of the Treasury
Internal Revenue Service

Attach to Form 1040 or 1040-SR.

Go to www.irs.gov/ScheduleB for instructions and the latest information.

OMB No. 1545-0074

20**23**Attachment
Sequence No. **08**

Ordinary Dividends

(See instructions
and the
Instructions for
Form 1040,
line 3b.)

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.

5 List name of payer:

5

6 Add the amounts on line 5. Enter the total here and on Form 1040 or 1040-SR, line 3b

6

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



Line 3a - Qualified Dividends

Enter your total qualified dividends on line 3a. Qualified dividends are also included in the ordinary dividend total re-quired to be shown on line 3b.

Qualified dividends are eligible for a lower tax rate than other ordinary income. Generally, these dividends are shown in box 1b of Form(s) 1099-DIV.

See Pub. 550 for the definition of qualified dividends if you received dividends not re-ported on Form 1099-DIV.

Exception. Some dividends may be reported as qualified dividends in box 1b of Form 1099-DIV but aren't qualified dividends. These include:

Dividends you received as a nominee. See the Schedule B instructions.

Dividends you received on any share of stock that you held for less than 61 days during the 121-day period that began 60 days before the ex-dividend date. The ex-dividend date is the first date following the declaration of a dividend on which the purchaser of a stock isn't entitled to receive the next dividend payment. When counting the number of days you held the stock, include the day you disposed of the stock but not the day you acquired it. See the examples that follow. Also, when counting the number of days you held the stock, you can't count certain days during which your risk of loss was diminished. See Pub. 550 for more details.

Dividends attributable to periods totaling more than 366 days that you received on any share of preferred stock held for less than 91 days during the 181-day period that began 90 days before the ex-dividend date. When counting the number of days you held the stock, you can't count certain days during which your risk of loss was diminished. See Pub. 550 for more details. Preferred dividends attributable to periods totaling less than 367 days are subject to the 61-day holding period rule just described.

Dividends on any share of stock to the extent that you are under an obligation (including a short sale) to make related payments with respect to positions in substantially similar or related property.

Payments in lieu of dividends, but only if you know or have reason to know that the payments aren't qualified dividends.

Dividends from a corporation that first became a surrogate foreign corporation after December 22, 2017, other than a foreign corporation that is treated as a domestic corporation under section 7874(b).





Example 1.

You bought 5,000 shares of XYZ Corp. common stock on July 8. XYZ Corp. paid a cash dividend of 10 cents per share. The ex-dividend date was July 16. Your Form 1099-DIV from XYZ Corp.

shows \$500 in box 1a (ordinary dividends) and in box 1b (qualified dividends). However, you sold the 5,000 shares on August 11. You held your shares of XYZ Corp. for only 34 days of the 121-day period (from July 9 through August 11).

The 121-day period began on May 17 (60 days before the ex-dividend date) and ended on September 14.

You have no qualified dividends from XYZ Corp. because you held the XYZ stock for less than 61 days.

Example 2.

The facts are the same as in *Example 1* except that you bought the stock on July 15 (the day before the ex-dividend date), and you sold the stock on September 16. You held the stock for 63 days (from July 16 through September 16).

The \$500 of qualified dividends shown in box 1b of Form 1099-DIV are all qualified dividends because you held the stock for 61 days of the 121-day period (from July 16 through September 14).





Example 3.

You bought 10,000 shares of ABC Mutual Fund common stock on July 8. ABC Mutual Fund paid a cash dividend of 10 cents a share. The ex-dividend date was July 16. The ABC Mutual Fund advises you that the part of the dividend eligible to be treated as qualified dividends equals 2 cents a share.

Your Form 1099-DIV from ABC Mutual Fund shows total ordinary dividends of \$1,000 and qualified dividends of \$200. However, you sold the 10,000 shares on August 11. You have no qualified dividends from ABC Mutual Fund because you held the ABC Mutual Fund stock for less than 61 days.



Line 3b - Ordinary Dividends

Each payer should send you a Form 1099-DIV. Enter your total ordinary dividends on line 3b. This amount should be shown in box 1a of Form(s) 1099-DIV.

You must fill in and attach Schedule B if the total is over \$1,500 or you received, as a nominee, ordinary dividends that actually belong to someone else.

Non- dividend Distributions

Some distributions are a return of your cost (or other basis). They won't be taxed until you recover your cost (or other basis).

You must reduce your cost (or other basis) by these distributions. After you get back all of your cost (or other basis), you must report these distributions as capital gains on Form 8949. For details, see Pub. 550.



Dividend tax rate 2023

These are the rates that apply to qualified dividends, based on taxable income, for the 2023 tax year (taxes filed in April 2024).

	0% tax rate	15% tax rate	20% tax rate
Single	\$0 to \$44,625.	\$44,626 to \$492,300.	\$492,301 or more.
Married, filing jointly	\$0 to \$89,250.	\$89,251 to \$553,850.	\$553,851 or more.
Married, filing separately	\$0 to \$44,625.	\$44,626 to \$276,900.	\$276,901 or more.
Head of household	\$0 to \$59,750.	\$59,751 to \$523,050.	\$523,051 or more.

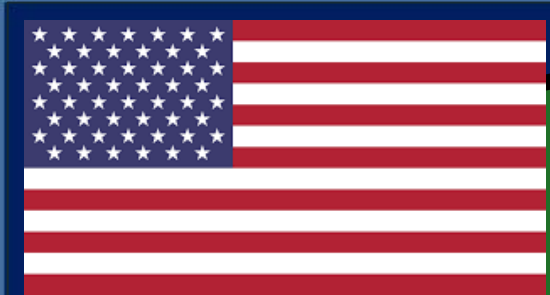
Short-term capital gains are taxed as ordinary income according to [federal income tax brackets](#)

Dividend tax rate 2024

These are the rates that apply to qualified dividends, based on taxable income, for the 2024 tax year (taxes filed in April 2025).

Tax-filing status	0% tax rate	15% tax rate	20% tax rate
Single	\$0 to \$47,025.	\$47,026 to \$518,900.	\$518,901 or more.
Married, filing jointly	\$0 to \$94,050.	\$94,051 to \$583,750.	\$583,751 or more.
Married, filing separately	\$0 to \$47,025.	\$47,026 to \$291,850.	\$291,851 or more.
Head of household	\$0 to \$63,000.	\$63,001 to \$551,350.	\$551,351 or more.

Short-term capital gains are taxed as ordinary income according to [federal income tax brackets](#).

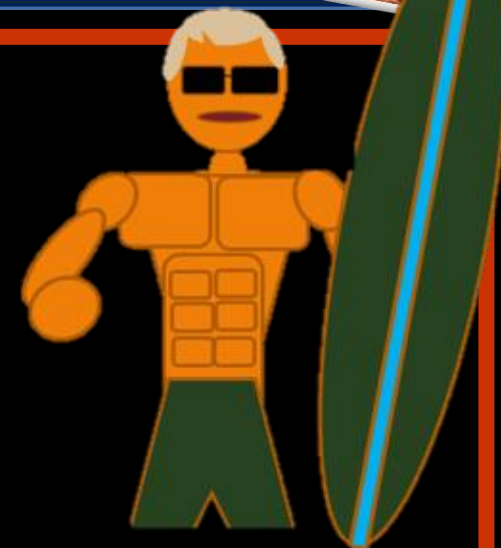


Income Tax

2023-2024



IRA



Distributions



TAX YEAR
2023

1040 (and 1040-SR)

**Line
Instructions
for
Forms 1040
and 1040-SR**

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

• Single or
Married filing
separately,
\$13,850
• Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
• Head of
household,
\$20,800
• If you checked
any box under
Standard
Deduction,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a			
b	Household employee wages not reported on Form(s) W-2		1b			
c	Tip income not reported on line 1a (see instructions)		1c			
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d			
e	Taxable dependent care benefits from Form 2441, line 26		1e			
f	Employer-provided adoption benefits from Form 8839, line 29		1f			
g	Wages from Form 8919, line 6		1g			
h	Other earned income (see instructions)		1h			
i	Nontaxable combat pay election (see instructions)	1i				
z	Add lines 1a through 1h		1z			
2a	Tax-exempt interest	2a		b Taxable interest	2b	
3a	Qualified dividends	3a		b Ordinary dividends	3b	
4a	IRA distributions	4a		b Taxable amount	4b	
5a	Pensions and annuities	5a		b Taxable amount	5b	
6a	Social security benefits	6a		b Taxable amount	6b	
c	If you elect to use the lump-sum election method, check here (see instructions)					
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here				7	
8	Additional income from Schedule 1, line 10				8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income				9	
10	Adjustments to income from Schedule 1, line 26				10	
11	Subtract line 10 from line 9. This is your adjusted gross income				11	
12	Standard deduction or itemized deductions (from Schedule A)				12	
13	Qualified business income deduction from Form 8995 or Form 8995-A				13	
14	Add lines 12 and 13				14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income				15	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2023)



Lines 4a and 4b - IRA Distributions

You should receive a Form 1099-R showing the total amount of any distribution from your IRA before income tax or other deductions were withheld. This amount should be shown in box 1 of Form 1099-R.

Unless otherwise noted in the line 4a and 4b instructions, an IRA includes a traditional IRA, Roth IRA, simplified employee pension (SEP) IRA, and a savings incentive match plan for employees (SIMPLE) IRA.

Except as provided next, leave line 4a blank and enter the total distribution (from Form 1099-R, box 1) on line 4b.

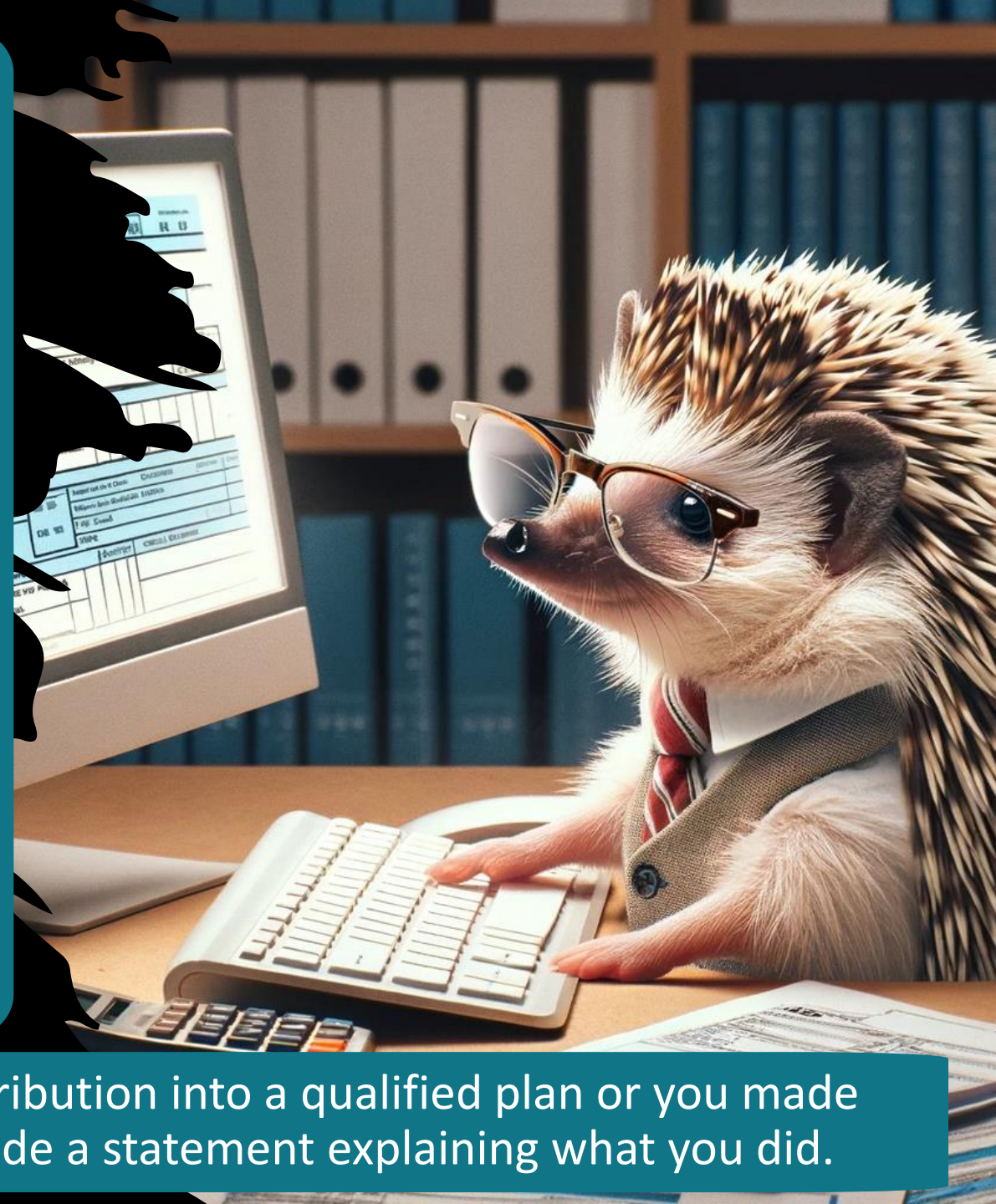
Exception 1. Enter the total distribution on line 4a if you rolled over part or all of the distribution from one:

Roth IRA to another Roth IRA, or

IRA (other than a Roth IRA) to a qualified plan or another IRA (other than a Roth IRA).

Also enter “Rollover” next to line 4b. If the total distribution was rolled over, enter -0- on line 4b. If the total distribution wasn't rolled over, enter the part not rolled over on line 4b unless *Exception 2* applies to the part not rolled over. Generally, a rollover must be made within 60 days after the day you received the distribution. For more details on roll-overs, see Pub. 590-A and Pub. 590-B.

If you rolled over the distribution into a qualified plan or you made the rollover in 2024, include a statement explaining what you did.





Exception 2. If any of the following ap-ply, enter the total distribution on line 4a and see Form 8606 and its instructions to figure the amount to enter on line 4b.

1. You received a distribution from an IRA (other than a Roth IRA) and you made nondeductible contributions to any of your traditional IRAs or traditional SEP IRAs for 2023 or an earlier year. If you made nondeductible contributions to these IRAs for 2023, also see Pub. 590-A and Pub. 590-B.

2. You received a distribution from a Roth IRA. But if either (a) or (b) below applies, enter -0- on line 4b; you don't have to see Form 8606 or its instructions.

a. Distribution code T is shown in box 7 of Form 1099-R and you made a contribution (including a conversion) to a Roth IRA for 2016 or an earlier year.

b. Distribution code Q is shown in box 7 of Form 1099-R.

3. You converted part or all of a traditional IRA, traditional SEP IRA, or traditional SIMPLE IRA to a Roth IRA in 2023.

5. You made excess contributions to your IRA for an earlier year and had them returned to you in 2023.

4. You had a 2022 or 2023 IRA contribution returned to you, with the related earnings or less any loss, by the due date (including extensions) of your tax return for that year.

6. You recharacterized part or all of a contribution to a Roth IRA as a contribution to another type of IRA, or vice versa.

Exception 3.

If all or part of the distribution is a qualified charitable distribution (QCD), enter the total distribution on line 4a. If the total amount distributed is a QCD, enter -0- on line 4b. If only part of the distribution is a QCD, enter the part that is not a QCD on line 4b unless *Exception 2* applies to that part. Enter "QCD" next to line 4b.

A QCD is a distribution made directly by the trustee of your IRA (other than an ongoing SEP or SIMPLE IRA) to an organization eligible to receive tax-deductible contributions (with certain exceptions). You must have been at least age 70 1/2 when the distribution was made.

- Generally, your total QCDs for the year can't be more than \$100,000. This includes any amount (up to \$50,000) of a one-time QCD to a split-interest entity. If you file a joint return, the same rules apply to your spouse.
- The amount of the QCD is limited to the amount that would otherwise be included in your income.
- If your IRA includes nondeductible contributions, the distribution is first considered to be paid out of otherwise taxable income. See Pub. 590-B for details.





Exception 4.

If all or part of the distribution is a health savings account (HSA) funding distribution (HFD), enter the total distribution on line 4a. If the total amount distributed is an HFD and you elect to exclude it from income, enter -0- on line 4b. If only part of the distribution is an HFD and you elect to exclude that part from income, enter the part that isn't an HFD on line 4b unless *Exception 2* applies to that part. Enter "HFD" next to line 4b.

An HFD is a distribution made directly by the trustee of your IRA (other than an ongoing SEP or SIMPLE IRA) to your HSA. If eligible, you can generally elect to exclude an HFD from your income once in your lifetime.

You can't exclude more than the limit on HSA contributions or more than the amount that would otherwise be included in your income. If your IRA includes nondeductible contributions, the HFD is first considered to be paid out of otherwise taxable income. See Pub. 969 for details.

More than one exception applies.

- If more than one exception applies, include a statement showing the amount of each exception, instead of making an entry next to line 4b. For example: “Line 4b – \$1,000 Rollover and \$500 HFD.” But you don’t need to attach a statement if only *Exception 2* and one other exception apply.

More than one distribution.

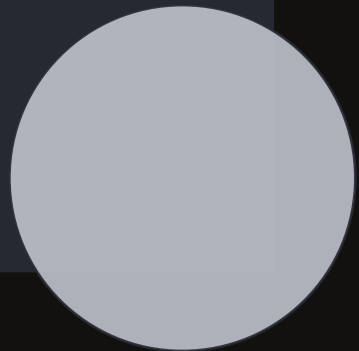
- If you (or your spouse if filing jointly) received more than one distribution, figure the taxable amount of each distribution and enter the total of the taxable amounts on line 4b. Enter the total amount of those distributions on line 4a.





- *You must start receiving at least a minimum amount from your traditional IRA by April 1 of the year following the year you reach age 72 (age 73 if you reach age 72 in 2023).*
- *If you don't receive the minimum distribution amount, you may have to pay an additional tax on the amount that should have been distributed.*
- *For de-tails, including how to figure the minimum required distribution, see Pub. 590-B.*

Tip



More information.

For more information about IRAs, see Pub. 590-A and Pub. 590-B.





Income Tax

2023-2024



IRA Distributions Example



9898

☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.			1 Gross distribution \$		OMB No. 1545-0119		Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.	
			2a Taxable amount \$		<div style="font-size: 2em; font-weight: bold;">2024</div>			
			2b Taxable amount not determined <input type="checkbox"/>					Total distribution <input type="checkbox"/>
PAYER'S TIN		RECIPIENT'S TIN		3 Capital gain (included in box 2a) \$		4 Federal income tax withheld \$		Copy A For Internal Revenue Service Center File with Form 1096.
RECIPIENT'S name				5 Employee contributions/ Designated Roth contributions or insurance premiums \$		6 Net unrealized appreciation in employer's securities \$		
Street address (including apt. no.)				7 Distribution code(s)		8 Other \$ %		
City or town, state or province, country, and ZIP or foreign postal code				9a Your percentage of total distribution %		9b Total employee contributions \$		For Privacy Act and Paperwork Reduction Act Notice, see the 2024 General Instructions for Certain Information Returns.
10 Amount allocable to IRR within 5 years \$		11 1st year of desig. Roth contrib.	12 FATCA filing requirement <input type="checkbox"/>	14 State tax withheld \$		15 State/Payer's state no.	16 State distribution \$	
Account number (see instructions)		13 Date of payment	17 Local tax withheld \$		18 Name of locality	19 Local distribution \$		

Form **1099-R**

Cat. No. 14436Q

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Instructions for Recipient *(continued)*

include on the "Taxable amount" line of your tax return the amount shown in this box plus the amount in box 6, if any.

If this is a total distribution from a qualified plan and you were born before January 2, 1936 (or you're the beneficiary of someone born before January 2, 1936), you may be eligible for the 10-year tax option. See the Form 4972 instructions for more information.

If you're an eligible retired public safety officer who elected to exclude from income distributions from your eligible plan used to pay certain insurance premiums, the amount shown in box 2a hasn't been reduced by the exclusion amount. See the instructions for your tax return for more information.

Box 2b. If the first box is checked, the payer was unable to determine the taxable amount and box 2a should be blank, except for an IRA. It's your responsibility to determine the taxable amount. If the second box is checked, the distribution was a total distribution that closed out your account.

Box 3. If you received a lump-sum distribution from a qualified plan and were born before January 2, 1936 (or you're the beneficiary of someone born before January 2, 1936), you may be able to elect to treat this amount as a capital gain on Form 4972 (not on Schedule D (Form 1040)). See the Form 4972 instructions. For a charitable gift annuity, report as a long-term capital gain as explained in the Instructions for Form 8949.

Box 4. Shows federal income tax withheld. Include this amount on your income tax return as tax withheld. Generally, if you receive payments that aren't eligible rollover distributions, you can change your withholding or elect not to have income tax withheld by giving the payer Form W-4P or Form W-4R, as applicable.

Box 5. Generally, this shows the employee's investment in the contract (after-tax contributions), if any, recovered tax free this year; the portion that's your basis in a designated Roth account; the part of premiums paid on commercial annuities or insurance contracts recovered tax free; the nontaxable part of a charitable gift annuity; or the investment in a life insurance contract reportable under section 6050Y. This box doesn't show any IRA contributions. If the amount shown is your basis in a designated Roth account, the year you first made contributions to that account may be entered in box 11.

Box 6. If you received a lump-sum distribution from a qualified plan that includes securities of the employer's company, the net unrealized appreciation (NUA) (any increase in value of such securities while in the trust) is taxed only when you sell the securities unless you choose to include it in your gross income this year. See Pub. 575 and Form 4972. If you roll over the distribution to a designated Roth account in the same plan or to a Roth IRA, see the instructions for box 2a. For a direct rollover to a designated Roth account in the same plan or to a Roth IRA, the NUA is included in box 2a. If you didn't receive a lump-sum distribution, the amount shown is the NUA attributable to employee contributions, which isn't taxed until you sell the securities.

Box 7. The following codes identify the distribution you received. For more information on these distributions, see the instructions for your tax return. Also, certain distributions may be subject to an additional 10% tax. See the Instructions for Form 5329.

- 1**—Early distribution, no known exception (in most cases, under age 59½).
- 2**—Early distribution, exception applies (under age 59½).
- 3**—Disability.
- 4**—Death.
- 5**—Prohibited transaction.
- 6**—Section 1035 exchange (a tax-free exchange of life insurance, annuity, qualified long-term care insurance, or endowment contracts).
- 7**—Normal distribution.
- 8**—Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2024.
- 9**—Cost of current life insurance protection.
- A**—May be eligible for 10-year tax option (see Form 4972).
- B**—Designated Roth account distribution.

Note: If code B is in box 7 and an amount is reported in box 10, see the Instructions for Form 5329.

- C**—Reportable death benefits under section 6050Y.
- D**—Annuity payments from nonqualified annuities that may be subject to tax under section 1411.
- E**—Distributions under Employee Plans Compliance Resolution System (EPCRS).

(Continued on the back of Copy 2)

Instructions for Recipient *(continued)*

F—Charitable gift annuity.

G—Direct rollover of a distribution to a qualified plan, a section 403(b) plan, a governmental section 457(b) plan, or an IRA.

H—Direct rollover of a designated Roth account distribution to a Roth IRA.

J—Early distribution from a Roth IRA, no known exception (in most cases, under age 59½).

K—Distribution of traditional IRA assets not having a readily available FMV.

L—Loans treated as distributions.

M—Qualified plan loan offset.

N—Recharacterized IRA contribution made for 2024 and recharacterized in 2024.

P—Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2023.

Q—Qualified distribution from a Roth IRA.

R—Recharacterized IRA contribution made for 2023 and recharacterized in 2024.

S—Early distribution from a SIMPLE IRA in first 2 years, no known exception (under age 59½).

T—Roth IRA distribution, exception applies.

U—Dividend distribution from ESOP under section 404(k).

Note: This distribution isn't eligible for rollover.

W—Charges or payments for purchasing qualified long-term care insurance contracts under combined arrangements.

If the IRA/SEP/SIMPLE box is checked, you've received a traditional IRA, SEP, or SIMPLE distribution.

Box 8. If you received an annuity contract as part of a distribution, the value of the contract is shown. It isn't taxable when you receive it and shouldn't be included in boxes 1 and 2a. When you receive periodic payments from the annuity contract, they're taxable at that time. If the distribution is made to more than one person, the percentage of the annuity contract distributed to you is also shown. You'll need this information if you use the 10-year tax option (Form 4972). If charges

were made for qualified long-term care insurance contracts under combined arrangements, the amount of the reduction in the investment (but not below zero) in the annuity or life insurance contract is reported here.

Box 9a. If a total distribution was made to more than one person, the percentage you received is shown.

Box 9b. For a life annuity from a qualified plan or from a section 403(b) plan (with after-tax contributions), an amount may be shown for the employee's total investment in the contract. It is used to compute the taxable part of the distribution. See Pub. 575.

Box 10. If an amount is reported in this box, see the Instructions for Form 5329 and Pub. 575.

Box 11. The first year you made a contribution to the designated Roth account reported on this form is shown in this box.

Box 12. If checked, the payer is reporting on this Form 1099 to satisfy its Internal Revenue Code chapter 4 account reporting requirement under FATCA. You may also have a filing requirement. See the Instructions for Form 8938.

Box 13. Shows the date of payment for reportable death benefits under section 6050Y.

Boxes 14–19. If state or local income tax was withheld from the distribution, boxes 16 and 19 may show the part of the distribution subject to state and/or local tax.

Additional information. You may want to see:

Form W-4P, Form 4972, Form 5329, Form 8606

Pub. 525, Taxable and Nontaxable Income

Pub. 560, Retirement Plans for Small Business

Pub. 571, Tax-Sheltered Annuity Plans

Pub. 575, Pension and Annuity Income

Pub. 590-A, Contributions to IRAs

Pub. 590-B, Distributions from IRAs

Pub. 721, U.S. Civil Service Retirement Benefits

Pub. 939, General Rule for Pensions and Annuities

Pub. 969, HSAs and Other Tax-Favored Health Plans



Lines 4a and 4b - IRA Distributions

You should receive a Form 1099-R showing the total amount of any distribution from your IRA before income tax or other deductions were withheld. This amount should be shown in box 1 of Form 1099-R.

Unless otherwise noted in the line 4a and 4b instructions, an IRA includes a traditional IRA, Roth IRA, simplified employee pension (SEP) IRA, and a savings incentive match plan for employees (SIMPLE) IRA.

Except as provided next, leave line 4a blank and enter the total distribution (from Form 1099-R, box 1) on line 4b.

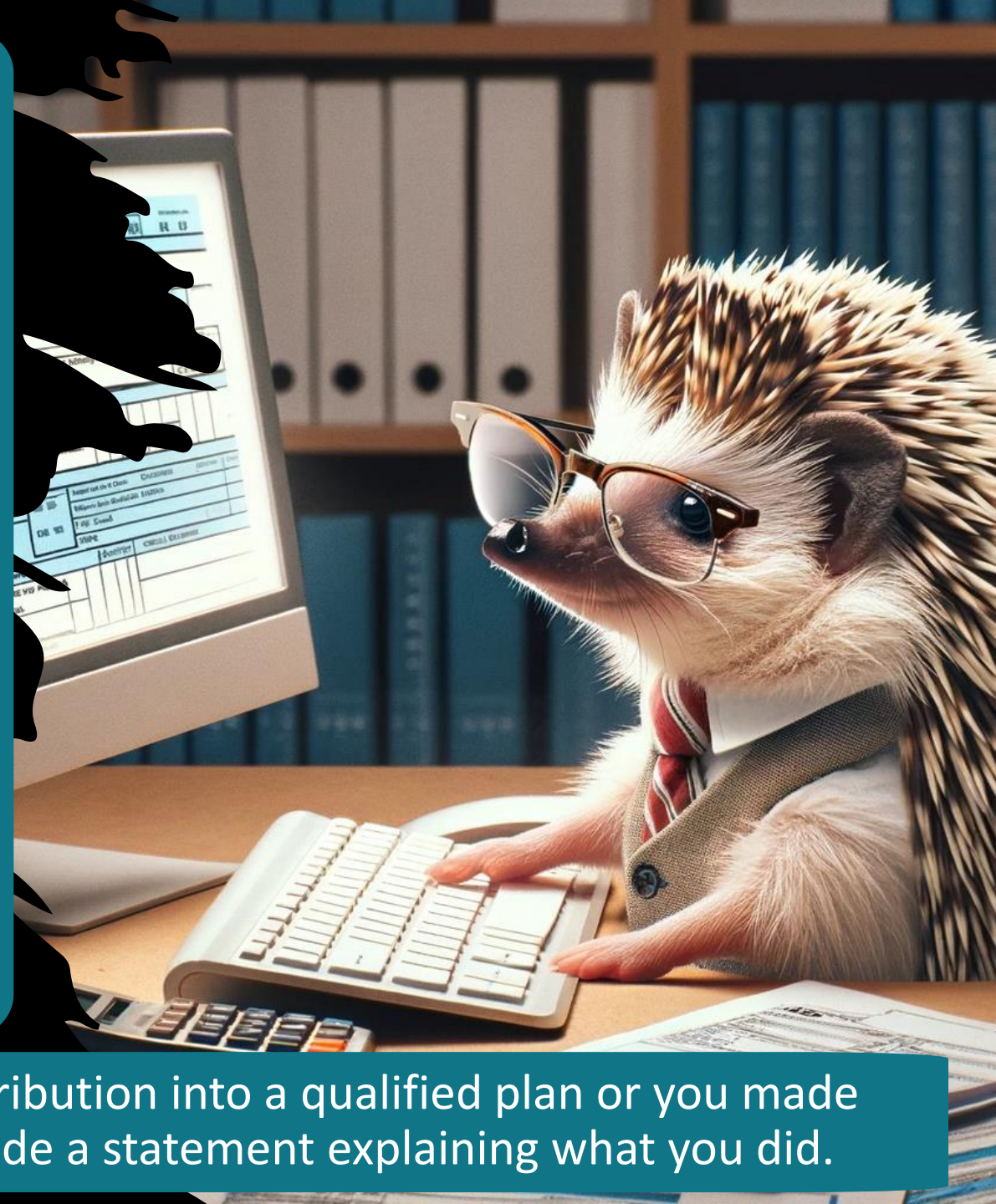
Exception 1. Enter the total distribution on line 4a if you rolled over part or all of the distribution from one:

Roth IRA to another Roth IRA, or

IRA (other than a Roth IRA) to a qualified plan or another IRA (other than a Roth IRA).

Also enter “Rollover” next to line 4b. If the total distribution was rolled over, enter -0- on line 4b. If the total distribution wasn't rolled over, enter the part not rolled over on line 4b unless *Exception 2* applies to the part not rolled over. Generally, a rollover must be made within 60 days after the day you received the distribution. For more details on roll-overs, see Pub. 590-A and Pub. 590-B.

If you rolled over the distribution into a qualified plan or you made the rollover in 2024, include a statement explaining what you did.





Exception 2. If any of the following ap-ply, enter the total distribution on line 4a and see Form 8606 and its instructions to figure the amount to enter on line 4b.

1. You received a distribution from an IRA (other than a Roth IRA) and you made nondeductible contributions to any of your traditional IRAs or traditional SEP IRAs for 2023 or an earlier year. If you made nondeductible contributions to these IRAs for 2023, also see Pub. 590-A and Pub. 590-B.

2. You received a distribution from a Roth IRA. But if either (a) or (b) below applies, enter -0- on line 4b; you don't have to see Form 8606 or its instructions.

a. Distribution code T is shown in box 7 of Form 1099-R and you made a contribution (including a conversion) to a Roth IRA for 2016 or an earlier year.

b. Distribution code Q is shown in box 7 of Form 1099-R.

3. You converted part or all of a traditional IRA, traditional SEP IRA, or traditional SIMPLE IRA to a Roth IRA in 2023.

5. You made excess contributions to your IRA for an earlier year and had them returned to you in 2023.

4. You had a 2022 or 2023 IRA contribution returned to you, with the related earnings or less any loss, by the due date (including extensions) of your tax return for that year.

6. You recharacterized part or all of a contribution to a Roth IRA as a contribution to another type of IRA, or vice versa.

Exception 3.

If all or part of the distribution is a qualified charitable distribution (QCD), enter the total distribution on line 4a. If the total amount distributed is a QCD, enter -0- on line 4b. If only part of the distribution is a QCD, enter the part that is not a QCD on line 4b unless *Exception 2* applies to that part. Enter "QCD" next to line 4b.

A QCD is a distribution made directly by the trustee of your IRA (other than an ongoing SEP or SIMPLE IRA) to an organization eligible to receive tax-deductible contributions (with certain exceptions). You must have been at least age 70 1/2 when the distribution was made.

- Generally, your total QCDs for the year can't be more than \$100,000. This includes any amount (up to \$50,000) of a one-time QCD to a split-interest entity. If you file a joint return, the same rules apply to your spouse.
- The amount of the QCD is limited to the amount that would otherwise be included in your income.
- If your IRA includes nondeductible contributions, the distribution is first considered to be paid out of otherwise taxable income. See Pub. 590-B for details.





Exception 4.

If all or part of the distribution is a health savings account (HSA) funding distribution (HFD), enter the total distribution on line 4a. If the total amount distributed is an HFD and you elect to exclude it from income, enter -0- on line 4b. If only part of the distribution is an HFD and you elect to exclude that part from income, enter the part that isn't an HFD on line 4b unless *Exception 2* applies to that part. Enter "HFD" next to line 4b.

An HFD is a distribution made directly by the trustee of your IRA (other than an ongoing SEP or SIMPLE IRA) to your HSA. If eligible, you can generally elect to exclude an HFD from your income once in your lifetime.

You can't exclude more than the limit on HSA contributions or more than the amount that would otherwise be included in your income. If your IRA includes nondeductible contributions, the HFD is first considered to be paid out of otherwise taxable income. See Pub. 969 for details.

More than one exception applies.

- If more than one exception applies, include a statement showing the amount of each exception, instead of making an entry next to line 4b. For example: “Line 4b – \$1,000 Rollover and \$500 HFD.” But you don’t need to attach a statement if only *Exception 2* and one other exception apply.

More than one distribution.

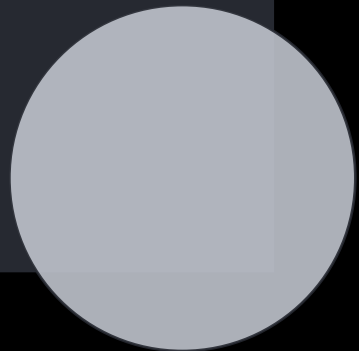
- If you (or your spouse if filing jointly) received more than one distribution, figure the taxable amount of each distribution and enter the total of the taxable amounts on line 4b. Enter the total amount of those distributions on line 4a.





- *You must start receiving at least a minimum amount from your traditional IRA by April 1 of the year following the year you reach age 72 (age 73 if you reach age 72 in 2023).*
- *If you don't receive the minimum distribution amount, you may have to pay an additional tax on the amount that should have been distributed.*
- *For de-tails, including how to figure the minimum required distribution, see Pub. 590-B.*

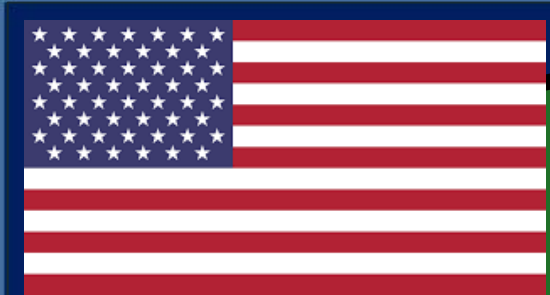
Tip



**More
information.**

For more information
about IRAs, see Pub.
590-A and Pub. 590-B.



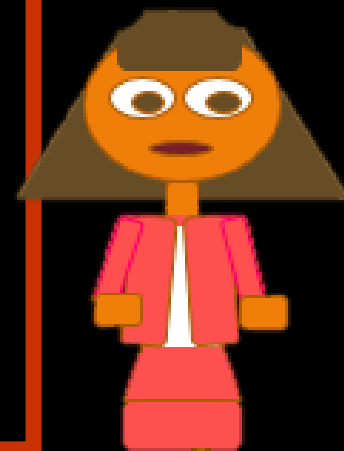


Income Tax

2023-2024



Pensions & Annuities





TAX YEAR
2023

1040 (and 1040-SR)

**Line
Instructions
for
Forms 1040
and 1040-SR**

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or Married filing separately, \$13,850
- Married filing jointly or Qualifying surviving spouse, \$27,700
- Head of household, \$20,800
- If you checked any box under *Standard Deduction*, see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b Taxable interest	2b
3a	Qualified dividends	3a	b Ordinary dividends	3b
4a	IRA distributions	4a	b Taxable amount	4b
5a	Pensions and annuities	5a	b Taxable amount	5b
6a	Social security benefits	6a	b Taxable amount	6b
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2023)

9898

☐ VOID☐ CORRECTEDPAYER'S name, street address, city or town, state or province,
country, ZIP or foreign postal code, and telephone no.

1 Gross distribution

OMB No. 1545-0119

\$

2a Taxable amount

2024

\$

Form 1099-R

Distributions From
Pensions, Annuities,
Retirement or
Profit-Sharing Plans,
IRAs, Insurance
Contracts, etc.2b Taxable amount
not determined ☐Total
distribution ☐

Copy A

For
Internal Revenue
Service Center

PAYER'S TIN

RECIPIENT'S TIN

3 Capital gain (included in
box 2a)4 Federal income tax
withheld

\$

\$

File with Form 1096.

RECIPIENT'S name

5 Employee contributions/
Designated Roth
contributions or
insurance premiums

\$

6 Net unrealized
appreciation in
employer's securities

\$

For Privacy Act
and Paperwork
Reduction Act
Notice, see the
2024 General
Instructions for
Certain
Information
Returns.

Street address (including apt. no.)

7 Distribution
code(s)IRA/
SEP/
SIMPLE
☐

8 Other

\$

%

City or town, state or province, country, and ZIP or foreign postal code

9a Your percentage of total
distribution %9b Total employee contributions
\$10 Amount allocable to IRR
within 5 years

\$

11 1st year of desig.
Roth contrib.12 FATCA filing
requirement
☐14 State tax withheld
\$

\$

15 State/Payer's state no.

16 State distribution
\$

\$

Account number (see instructions)

13 Date of
payment17 Local tax withheld
\$

\$

18 Name of locality

19 Local distribution
\$

\$

Form 1099-R

Cat. No. 14436Q

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Instructions for Recipient

Generally, distributions from retirement plans (IRAs, qualified plans, section 403(b) plans, and governmental section 457(b) plans), insurance contracts, etc., are reported to recipients on Form 1099-R.

Qualified plans and section 403(b) plans. If your annuity starting date is after 1997, you must use the simplified method to figure your taxable amount if your payer didn't show the taxable amount in box 2a. See the instructions for your tax return.

IRAs. For distributions from a traditional individual retirement arrangement (IRA), simplified employee pension (SEP), or savings incentive match plan for employees (SIMPLE), generally the payer isn't required to compute the taxable amount. See the instructions for your tax return to determine the taxable amount. If you're at least age 73, you must take minimum distributions from your IRA (other than a Roth IRA). If you don't, you're subject to an excise tax on the amount that should've been distributed. See Pub. 590-A and Pub. 590-B for more information on IRAs.

Roth IRAs. For distributions from a Roth IRA, generally the payer isn't required to compute the taxable amount. You must compute any taxable amount on Form 8606. An amount shown in box 2a may be taxable earnings on an excess contribution.

Loans treated as distributions. If you borrow money from a qualified plan, section 403(b) plan, or governmental section 457(b) plan, you may have to treat the loan as a distribution and include all or part of the amount borrowed in your income. There are exceptions to this rule. If your loan is taxable, code L will be shown in box 7. See Pub. 575.

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (SSN, ITIN, ATIN, or EIN). However, the payer has reported your complete TIN to the IRS.

Account number. May show an account, policy, or other unique number the payer assigned to distinguish your account.

Box 1. Shows the total amount distributed this year. The amount may have been a direct rollover, a transfer or conversion to a Roth IRA, a recharacterized IRA contribution; or you may have received it

as periodic payments, nonperiodic payments, or a total distribution. Report the amount on Form 1040, 1040-SR, or 1040-NR on the line for "IRA distributions" or "Pensions and annuities" (or the line for "Taxable amount") and on Form 8606, as applicable. However, if this is a lump-sum distribution, see Form 4972. If you haven't reached minimum retirement age, report your disability payments on the line for "Wages, salaries, tips, etc." on your tax return. Also report on that line permissible withdrawals from eligible automatic contribution arrangements and corrective distributions of excess deferrals, excess contributions, or excess aggregate contributions except if the distribution is of designated Roth contributions or your after-tax contributions or if you're self-employed.

If a life insurance, annuity, qualified long-term care, or endowment contract was transferred tax free to another trustee or contract issuer, an amount will be shown in this box and code 6 will be shown in box 7. If a charge or payment was made against the cash value of an annuity contract or the cash surrender value of a life insurance contract for the purchase of qualified long-term care insurance, an amount will be shown in this box and code W will be shown in box 7. You need not report these amounts on your tax return. If code C is shown in box 7, the amount shown in box 1 is a receipt of reportable death benefits that is taxable in part.

Box 2a. This part of the distribution is generally taxable. If there is no entry in this box, the payer may not have all the facts needed to figure the taxable amount. In that case, the first box in box 2b should be checked. You may want to get one of the free publications from the IRS to help you figure the taxable amount. See *Additional information* on the back of Copy 2. For an IRA distribution, see *IRAs and Roth IRAs*, earlier. For a direct rollover, other than from a qualified plan, section 403(b) plan, or governmental section 457(b) plan to a designated Roth account in the same plan or to a Roth IRA, zero should be shown and you must enter zero (-0-) on the "Taxable amount" line of your tax return. If you roll over a distribution (other than a distribution from a designated Roth account) from a qualified plan, section 403(b) plan, or governmental section 457(b) plan to a designated Roth account in the same plan or to a Roth IRA, you must

(Continued on the back of Copy C)

Instructions for Recipient *(continued)*

include on the "Taxable amount" line of your tax return the amount shown in this box plus the amount in box 6, if any.

If this is a total distribution from a qualified plan and you were born before January 2, 1936 (or you're the beneficiary of someone born before January 2, 1936), you may be eligible for the 10-year tax option. See the Form 4972 instructions for more information.

If you're an eligible retired public safety officer who elected to exclude from income distributions from your eligible plan used to pay certain insurance premiums, the amount shown in box 2a hasn't been reduced by the exclusion amount. See the instructions for your tax return for more information.

Box 2b. If the first box is checked, the payer was unable to determine the taxable amount and box 2a should be blank, except for an IRA. It's your responsibility to determine the taxable amount. If the second box is checked, the distribution was a total distribution that closed out your account.

Box 3. If you received a lump-sum distribution from a qualified plan and were born before January 2, 1936 (or you're the beneficiary of someone born before January 2, 1936), you may be able to elect to treat this amount as a capital gain on Form 4972 (not on Schedule D (Form 1040)). See the Form 4972 instructions. For a charitable gift annuity, report as a long-term capital gain as explained in the Instructions for Form 8949.

Box 4. Shows federal income tax withheld. Include this amount on your income tax return as tax withheld. Generally, if you receive payments that aren't eligible rollover distributions, you can change your withholding or elect not to have income tax withheld by giving the payer Form W-4P or Form W-4R, as applicable.

Box 5. Generally, this shows the employee's investment in the contract (after-tax contributions), if any, recovered tax free this year; the portion that's your basis in a designated Roth account; the part of premiums paid on commercial annuities or insurance contracts recovered tax free; the nontaxable part of a charitable gift annuity; or the investment in a life insurance contract reportable under section 6050Y. This box doesn't show any IRA contributions. If the amount shown is your basis in a designated Roth account, the year you first made contributions to that account may be entered in box 11.

Box 6. If you received a lump-sum distribution from a qualified plan that includes securities of the employer's company, the net unrealized appreciation (NUA) (any increase in value of such securities while in the trust) is taxed only when you sell the securities unless you choose to include it in your gross income this year. See Pub. 575 and Form 4972. If you roll over the distribution to a designated Roth account in the same plan or to a Roth IRA, see the instructions for box 2a. For a direct rollover to a designated Roth account in the same plan or to a Roth IRA, the NUA is included in box 2a. If you didn't receive a lump-sum distribution, the amount shown is the NUA attributable to employee contributions, which isn't taxed until you sell the securities.

Box 7. The following codes identify the distribution you received. For more information on these distributions, see the instructions for your tax return. Also, certain distributions may be subject to an additional 10% tax. See the Instructions for Form 5329.

- 1**—Early distribution, no known exception (in most cases, under age 59½).
- 2**—Early distribution, exception applies (under age 59½).
- 3**—Disability.
- 4**—Death.
- 5**—Prohibited transaction.
- 6**—Section 1035 exchange (a tax-free exchange of life insurance, annuity, qualified long-term care insurance, or endowment contracts).
- 7**—Normal distribution.
- 8**—Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2024.
- 9**—Cost of current life insurance protection.
- A**—May be eligible for 10-year tax option (see Form 4972).
- B**—Designated Roth account distribution.

Note: If code B is in box 7 and an amount is reported in box 10, see the Instructions for Form 5329.

- C**—Reportable death benefits under section 6050Y.
- D**—Annuity payments from nonqualified annuities that may be subject to tax under section 1411.
- E**—Distributions under Employee Plans Compliance Resolution System (EPCRS).

(Continued on the back of Copy 2)

Instructions for Recipient *(continued)*

F—Charitable gift annuity.

G—Direct rollover of a distribution to a qualified plan, a section 403(b) plan, a governmental section 457(b) plan, or an IRA.

H—Direct rollover of a designated Roth account distribution to a Roth IRA.

J—Early distribution from a Roth IRA, no known exception (in most cases, under age 59½).

K—Distribution of traditional IRA assets not having a readily available FMV.

L—Loans treated as distributions.

M—Qualified plan loan offset.

N—Recharacterized IRA contribution made for 2024 and recharacterized in 2024.

P—Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2023.

Q—Qualified distribution from a Roth IRA.

R—Recharacterized IRA contribution made for 2023 and recharacterized in 2024.

S—Early distribution from a SIMPLE IRA in first 2 years, no known exception (under age 59½).

T—Roth IRA distribution, exception applies.

U—Dividend distribution from ESOP under section 404(k).

Note: This distribution isn't eligible for rollover.

W—Charges or payments for purchasing qualified long-term care insurance contracts under combined arrangements.

If the IRA/SEP/SIMPLE box is checked, you've received a traditional IRA, SEP, or SIMPLE distribution.

Box 8. If you received an annuity contract as part of a distribution, the value of the contract is shown. It isn't taxable when you receive it and shouldn't be included in boxes 1 and 2a. When you receive periodic payments from the annuity contract, they're taxable at that time. If the distribution is made to more than one person, the percentage of the annuity contract distributed to you is also shown. You'll need this information if you use the 10-year tax option (Form 4972). If charges

were made for qualified long-term care insurance contracts under combined arrangements, the amount of the reduction in the investment (but not below zero) in the annuity or life insurance contract is reported here.

Box 9a. If a total distribution was made to more than one person, the percentage you received is shown.

Box 9b. For a life annuity from a qualified plan or from a section 403(b) plan (with after-tax contributions), an amount may be shown for the employee's total investment in the contract. It is used to compute the taxable part of the distribution. See Pub. 575.

Box 10. If an amount is reported in this box, see the Instructions for Form 5329 and Pub. 575.

Box 11. The first year you made a contribution to the designated Roth account reported on this form is shown in this box.

Box 12. If checked, the payer is reporting on this Form 1099 to satisfy its Internal Revenue Code chapter 4 account reporting requirement under FATCA. You may also have a filing requirement. See the Instructions for Form 8938.

Box 13. Shows the date of payment for reportable death benefits under section 6050Y.

Boxes 14–19. If state or local income tax was withheld from the distribution, boxes 16 and 19 may show the part of the distribution subject to state and/or local tax.

Additional information. You may want to see:

Form W-4P, Form 4972, Form 5329, Form 8606

Pub. 525, Taxable and Nontaxable Income

Pub. 560, Retirement Plans for Small Business

Pub. 571, Tax-Sheltered Annuity Plans

Pub. 575, Pension and Annuity Income

Pub. 590-A, Contributions to IRAs

Pub. 590-B, Distributions from IRAs

Pub. 721, U.S. Civil Service Retirement Benefits

Pub. 939, General Rule for Pensions and Annuities

Pub. 969, HSAs and Other Tax-Favored Health Plans

Disability pensions received before you reach the minimum retirement age set by your employer.

Corrective distributions (including any earnings) of excess elective deferrals or other excess contributions to retirement plans. The plan must advise you of the year(s) the distributions are includible in income.

You should receive a Form 1099-R showing the total amount of your pension and annuity payments before in-come tax or other deductions were with-held. This amount should be shown in box 1 of Form 1099-R. Pension and annuity payments include distributions from 401(k), 403(b), and governmental 457(b) plans. Rollovers and lump-sum distributions are explained later. Don't include the following payments on lines 5a and 5b. Instead, report them on line 1h.

Lines 5a and 5b - Pensions and Annuities





Fully Taxable Pensions and Annuities

Your payments are fully taxable if (a) you didn't contribute to the cost (see *Cost*, later) of your pension or annuity, or (b) you got your entire cost back tax free before 2023. But see *Insurance Premiums for Retired Public Safety Officers*, later. If your pension or annuity is fully taxable, enter the total pension or annuity payments (from Form(s) 1099-R, box 1) on line 5b; don't make an entry on line 5a.

Fully taxable pensions and annuities also include military retirement pay shown on Form 1099-R. For details on military disability pensions, see Pub. 525. If you received a Form RRB-1099-R, see Pub. 575 to find out how to report your benefits.

Partially Taxable Pensions and Annuities

Enter the total pension or annuity payments (from Form 1099-R, box 1) on line 5a. If your Form 1099-R doesn't show the taxable amount, you must use the General Rule explained in Pub. 939 to figure the taxable part to enter on line 5b. But if your annuity starting date (defined later) was after July 1, 1986, see *Simplified Method*, later, to find out if you must use that method to figure the taxable part.

You can ask the IRS to figure the tax-able part for you for a \$1,000 fee. For details, see Pub. 939.

If your Form 1099-R shows a taxable amount, you can report that amount on line 5b. But you may be able to report a lower taxable amount by using the General Rule or the Simplified Method or if the exclusion for retired public safety officers, discussed next, applies.



A man with a afro hairstyle, wearing a dark suit and tie, is sitting in a large, ornate leather chair at a wooden desk. He is smiling and looking at a laptop that has the Quiskats logo on its lid. The desk is cluttered with papers, a pen holder, and a small Christmas tree. In the background, there is a large window showing a city skyline with a prominent tower. To the left of the man, there is a large, colorful abstract painting with many small, multi-colored lines. The room is decorated for Christmas with garlands and lights. The floor is covered with a blue and white patterned rug.

Insurance Premiums for Retired Public Safety Officers

If you are an eligible retired public safety officer (law enforcement officer, fire-fighter, chaplain, or member of a rescue squad or ambulance crew who is retired because of disability or because you reached normal retirement age), you can elect to exclude from income distributions made from your eligible retirement plan that are used to pay the premiums for coverage by an accident or health plan or a long-term care insurance contract.

The premiums can be for coverage for you, your spouse, or dependents. The distribution must be from the plan maintained by the employer from which you retired as a public safety officer.

The distribution can be made directly from the plan to the provider of the accident or health plan or long-term care insurance contract, or the distribution can be made to you to pay to the provider of the accident or health plan or long-term care insurance contract. You can exclude from income the smaller of the amount of the premiums paid or \$3,000.

You can make this election only for amounts that would otherwise be included in your income. The amount excluded from your income can't be used to claim a medical expense deduction.

An eligible retirement plan is a governmental plan that is a qualified trust or a section 403(a), 403(b), or 457(b) plan.

Caution

- You can exclude from income only the smaller of the amount of the premiums paid or \$3,000. This is true if the distribution was made directly from the plan to the provider of the accident or health plan or long-term care insurance contract or if the distribution was made to you and you paid the provider of the accident or health plan or long-term care insurance contract.*
- If you received a distribution from your eligible retirement plan, and you used part of that distribution to pay premiums for an accident or health plan or long-term care insurance contract, you can still exclude from income only the smaller of the amount of the premiums or \$3,000. The rest of the distribution is taxable to you and must be reported on line 5b.*





If you make this election, reduce the otherwise taxable amount of your pension or annuity by the amount excluded. The amount shown in box 2a of Form 1099-R doesn't reflect the exclusion. Report your total distributions on line 5a and the taxable amount on line 5b. Enter "PSO" next to line 5b.

If you are retired on disability and re-reporting your disability pension on line 1h, include only the taxable amount on that line and enter "PSO" and the amount excluded on the dotted line next to line 1h.

Payments when you are disabled.

If you receive payments from a retirement or profit-sharing plan that does not provide for disability retirement, do not treat those payments as disability payments. The payments must be reported as a pension or annuity.

You must include in your income any amounts that you received that you would have received in retirement had you not become disabled as a result of a terrorist attack. Include in your income any payments you receive from a 401(k), pension, or other retirement plan to the extent that you would have received the amount at the same or later time regardless of whether you had become disabled.





Example.

You were a contractor who was disabled as a direct result of participating in efforts to clean up the World Trade Center and you are eligible for compensation by the September 11 Victim Compensation Fund. You began receiving a disability pension at age 55 when you could no longer work due to your disability.

Under your pension plan you are entitled to an early retirement benefit of \$2,500 a month at age 55. If you wait until age 62, the normal retirement age under the plan, you would be entitled to a normal retirement benefit of \$3,000 a month. The pension plan provides that a participant who retires early on account of disability is entitled to receive the participant's normal retirement benefit, which in your case equals \$3,000 a month.

Until you turn age 62, you can exclude \$500 of your monthly retirement benefit from income (the difference between the early retirement benefit and the normal retirement benefit, $\$3,000 - \$2,500$) received on account of disability. You must report the remaining \$2,500 of monthly pension benefit as taxable. For each month after you turn age 62, you must report the full amount of the monthly pension benefit (\$3,000 a month) as taxable.

Simplified Method - You must use the Simplified Method if either of the following applies.

1. Your annuity starting date was after July 1, 1986, and you used this method last year to figure the taxable part.

2. Your annuity starting date was after November 18, 1996, and both of the following apply.

a. The payments are from a qualified employee plan, a qualified employee annuity, or a tax-sheltered annuity.

b. On your annuity starting date, either you were under age 75 or the number of years of guaranteed payments was fewer than 5. See Pub. 575 for the definition of guaranteed payments.


If you must use the Simplified Method, complete the Simplified Method Worksheet in these instructions to figure the taxable part of your pension or annuity. For more details on the Simplified Method, see Pub. 575 (or Pub. 721 for U.S. Civil Service retirement benefits).



Before you begin:

✓ If you are the beneficiary of a deceased employee or former employee who died **before** August 21, 1996, include any death benefit exclusion that you are entitled to (up to \$5,000) in the amount entered on line 2 below.

More than one pension or annuity. If you had more than one partially taxable pension or annuity, figure the taxable part of each separately. Enter the total of the taxable parts on Form 1040 or 1040-SR, line 5b. Enter the total pension or annuity payments received in 2023 on Form 1040 or 1040-SR, line 5a.

1. Enter the total pension or annuity payments from Form 1099-R, box 1. Also, enter this amount on Form 1040 or 1040-SR, line 5a **1.** _____
2. Enter your cost in the plan at the annuity starting date **2.** _____
Note. If you completed this worksheet last year, skip line 3 and enter the amount from line 4 of last year's worksheet on line 4 below (even if the amount of your pension or annuity has changed). Otherwise, go to line 3.
3. Enter the appropriate number from **Table 1** below. **But** if your annuity starting date was **after** 1997 **and** the payments are for your life and that of your beneficiary, enter the appropriate number from **Table 2** below **3.** _____
4. Divide line 2 by the number on line 3 **4.** _____
5. Multiply line 4 by the number of months for which this year's payments were made. If your annuity starting date was **before** 1987, skip lines 6 and 7 and enter this amount on line 8. Otherwise, go to line 6 **5.** _____
6. Enter the amount, if any, recovered tax free in years after 1986. If you completed this worksheet last year, enter the amount from line 10 of last year's worksheet **6.** _____
7. Subtract line 6 from line 2 **7.** _____
8. Enter the **smaller** of line 5 or line 7 **8.** _____
9. **Taxable amount.** Subtract line 8 from line 1. Enter the result, but not less than zero. Also, enter this amount on Form 1040 or 1040-SR, line 5b. If your Form 1099-R shows a larger amount, use the amount on this line instead of the amount from Form 1099-R. If you are a retired public safety officer, see *Insurance Premiums for Retired Public Safety Officers* before entering an amount on line 5b. **9.** _____
10. Was your annuity starting date before 1987?
☐ **Yes.**  Do not complete the rest of this worksheet.

☐ **No.** Add lines 6 and 8. This is the **amount you have recovered tax free** through 2023. You will need this number if you need to fill out this worksheet next year **10.** _____
11. **Balance of cost to be recovered.** Subtract line 10 from line 2. If zero, you won't have to complete this worksheet next year. The payments you receive next year will generally be fully taxable **11.** _____

Table 1 for Line 3 Above

IF the age at annuity starting date was . . .	AND your annuity starting date was—	
	before November 19, 1996, enter on line 3 . . .	after November 18, 1996, enter on line 3 . . .
55 or under	300	360
56–60	260	310
61–65	240	260
66–70	170	210
71 or older	120	160

Table 2 for Line 3 Above

IF the combined ages at annuity starting date were . . .	THEN enter on line 3 . . .
110 or under	410
111–120	360
121–130	310
131–140	260
141 or older	210



Rollovers

Generally, a rollover is a tax-free distribution of cash or other assets from one retirement plan that is contributed to another plan within 60 days of receiving the distribution. However, a rollover to a Roth IRA or a designated Roth account is generally not a tax-free distribution. Use lines 5a and 5b to report a rollover, including a direct rollover, from one qualified employer's plan to another or to an IRA or SEP.

Enter on line 5a the distribution from Form 1099-R, box 1. From this amount, subtract any contributions (usually shown in box 5) that were taxable to you when made. From that result, subtract the amount of the rollover. Enter the remaining amount on line 5b. If the remaining amount is zero and you have no other distribution to report on line 5b, enter -0- on line 5b. Also enter "Rollover" next to line 5b.

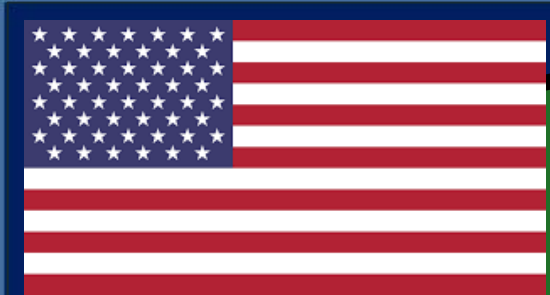
See Pub. 575 for more details on rollovers, including special rules that apply to rollovers from designated Roth accounts, partial rollovers of property, and distributions under qualified domestic relations orders.

Lump-Sum Distributions

If you received a lump-sum distribution from a profit-sharing or retirement plan, your Form 1099-R should have the "Total distribution" box in box 2b checked. You may owe an additional tax if you received an early distribution from a qualified retirement plan and the total amount wasn't rolled over. For details, see the instructions for Schedule 2, line 8.

Enter the total distribution on line 5a and the taxable part on line 5b. For details, see Pub. 575.





Income Tax

2023-2024



Pensions & Annuities Example



9898

☐ VOID☐ CORRECTEDPAYER'S name, street address, city or town, state or province,
country, ZIP or foreign postal code, and telephone no.

1 Gross distribution

OMB No. 1545-0119

\$

2a Taxable amount

2024

\$

Form 1099-R

Distributions From
Pensions, Annuities,
Retirement or
Profit-Sharing Plans,
IRAs, Insurance
Contracts, etc.2b Taxable amount
not determined ☐Total
distribution ☐

Copy A

For
Internal Revenue
Service Center

PAYER'S TIN

RECIPIENT'S TIN

3 Capital gain (included in
box 2a)4 Federal income tax
withheld

\$

\$

File with Form 1096.

RECIPIENT'S name

5 Employee contributions/
Designated Roth
contributions or
insurance premiums

\$

6 Net unrealized
appreciation in
employer's securities

\$

For Privacy Act
and Paperwork
Reduction Act
Notice, see the
2024 General
Instructions for
Certain
Information
Returns.

Street address (including apt. no.)

7 Distribution
code(s)IRA/
SEP/
SIMPLE
☐

8 Other

\$

%

City or town, state or province, country, and ZIP or foreign postal code

9a Your percentage of total
distribution %9b Total employee contributions
\$10 Amount allocable to IRR
within 5 years

\$

11 1st year of desig.
Roth contrib.12 FATCA filing
requirement
☐14 State tax withheld
\$

\$

15 State/Payer's state no.

16 State distribution
\$

\$

Account number (see instructions)

13 Date of
payment17 Local tax withheld
\$

\$

18 Name of locality

19 Local distribution
\$

\$

Form 1099-R

Cat. No. 14436Q

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

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Instructions for Recipient

Generally, distributions from retirement plans (IRAs, qualified plans, section 403(b) plans, and governmental section 457(b) plans), insurance contracts, etc., are reported to recipients on Form 1099-R.

Qualified plans and section 403(b) plans. If your annuity starting date is after 1997, you must use the simplified method to figure your taxable amount if your payer didn't show the taxable amount in box 2a. See the instructions for your tax return.

IRAs. For distributions from a traditional individual retirement arrangement (IRA), simplified employee pension (SEP), or savings incentive match plan for employees (SIMPLE), generally the payer isn't required to compute the taxable amount. See the instructions for your tax return to determine the taxable amount. If you're at least age 73, you must take minimum distributions from your IRA (other than a Roth IRA). If you don't, you're subject to an excise tax on the amount that should've been distributed. See Pub. 590-A and Pub. 590-B for more information on IRAs.

Roth IRAs. For distributions from a Roth IRA, generally the payer isn't required to compute the taxable amount. You must compute any taxable amount on Form 8606. An amount shown in box 2a may be taxable earnings on an excess contribution.

Loans treated as distributions. If you borrow money from a qualified plan, section 403(b) plan, or governmental section 457(b) plan, you may have to treat the loan as a distribution and include all or part of the amount borrowed in your income. There are exceptions to this rule. If your loan is taxable, code L will be shown in box 7. See Pub. 575.

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (SSN, ITIN, ATIN, or EIN). However, the payer has reported your complete TIN to the IRS.

Account number. May show an account, policy, or other unique number the payer assigned to distinguish your account.

Box 1. Shows the total amount distributed this year. The amount may have been a direct rollover, a transfer or conversion to a Roth IRA, a recharacterized IRA contribution; or you may have received it

as periodic payments, nonperiodic payments, or a total distribution. Report the amount on Form 1040, 1040-SR, or 1040-NR on the line for "IRA distributions" or "Pensions and annuities" (or the line for "Taxable amount") and on Form 8606, as applicable. However, if this is a lump-sum distribution, see Form 4972. If you haven't reached minimum retirement age, report your disability payments on the line for "Wages, salaries, tips, etc." on your tax return. Also report on that line permissible withdrawals from eligible automatic contribution arrangements and corrective distributions of excess deferrals, excess contributions, or excess aggregate contributions except if the distribution is of designated Roth contributions or your after-tax contributions or if you're self-employed.

If a life insurance, annuity, qualified long-term care, or endowment contract was transferred tax free to another trustee or contract issuer, an amount will be shown in this box and code 6 will be shown in box 7. If a charge or payment was made against the cash value of an annuity contract or the cash surrender value of a life insurance contract for the purchase of qualified long-term care insurance, an amount will be shown in this box and code W will be shown in box 7. You need not report these amounts on your tax return. If code C is shown in box 7, the amount shown in box 1 is a receipt of reportable death benefits that is taxable in part.

Box 2a. This part of the distribution is generally taxable. If there is no entry in this box, the payer may not have all the facts needed to figure the taxable amount. In that case, the first box in box 2b should be checked. You may want to get one of the free publications from the IRS to help you figure the taxable amount. See *Additional information* on the back of Copy 2. For an IRA distribution, see *IRAs and Roth IRAs*, earlier. For a direct rollover, other than from a qualified plan, section 403(b) plan, or governmental section 457(b) plan to a designated Roth account in the same plan or to a Roth IRA, zero should be shown and you must enter zero (-0-) on the "Taxable amount" line of your tax return. If you roll over a distribution (other than a distribution from a designated Roth account) from a qualified plan, section 403(b) plan, or governmental section 457(b) plan to a designated Roth account in the same plan or to a Roth IRA, you must

(Continued on the back of Copy C)

Instructions for Recipient *(continued)*

include on the "Taxable amount" line of your tax return the amount shown in this box plus the amount in box 6, if any.

If this is a total distribution from a qualified plan and you were born before January 2, 1936 (or you're the beneficiary of someone born before January 2, 1936), you may be eligible for the 10-year tax option. See the Form 4972 instructions for more information.

If you're an eligible retired public safety officer who elected to exclude from income distributions from your eligible plan used to pay certain insurance premiums, the amount shown in box 2a hasn't been reduced by the exclusion amount. See the instructions for your tax return for more information.

Box 2b. If the first box is checked, the payer was unable to determine the taxable amount and box 2a should be blank, except for an IRA. It's your responsibility to determine the taxable amount. If the second box is checked, the distribution was a total distribution that closed out your account.

Box 3. If you received a lump-sum distribution from a qualified plan and were born before January 2, 1936 (or you're the beneficiary of someone born before January 2, 1936), you may be able to elect to treat this amount as a capital gain on Form 4972 (not on Schedule D (Form 1040)). See the Form 4972 instructions. For a charitable gift annuity, report as a long-term capital gain as explained in the Instructions for Form 8949.

Box 4. Shows federal income tax withheld. Include this amount on your income tax return as tax withheld. Generally, if you receive payments that aren't eligible rollover distributions, you can change your withholding or elect not to have income tax withheld by giving the payer Form W-4P or Form W-4R, as applicable.

Box 5. Generally, this shows the employee's investment in the contract (after-tax contributions), if any, recovered tax free this year; the portion that's your basis in a designated Roth account; the part of premiums paid on commercial annuities or insurance contracts recovered tax free; the nontaxable part of a charitable gift annuity; or the investment in a life insurance contract reportable under section 6050Y. This box doesn't show any IRA contributions. If the amount shown is your basis in a designated Roth account, the year you first made contributions to that account may be entered in box 11.

Box 6. If you received a lump-sum distribution from a qualified plan that includes securities of the employer's company, the net unrealized appreciation (NUA) (any increase in value of such securities while in the trust) is taxed only when you sell the securities unless you choose to include it in your gross income this year. See Pub. 575 and Form 4972. If you roll over the distribution to a designated Roth account in the same plan or to a Roth IRA, see the instructions for box 2a. For a direct rollover to a designated Roth account in the same plan or to a Roth IRA, the NUA is included in box 2a. If you didn't receive a lump-sum distribution, the amount shown is the NUA attributable to employee contributions, which isn't taxed until you sell the securities.

Box 7. The following codes identify the distribution you received. For more information on these distributions, see the instructions for your tax return. Also, certain distributions may be subject to an additional 10% tax. See the Instructions for Form 5329.

1—Early distribution, no known exception (in most cases, under age 59½).

2—Early distribution, exception applies (under age 59½).

3—Disability.

4—Death.

5—Prohibited transaction.

6—Section 1035 exchange (a tax-free exchange of life insurance, annuity, qualified long-term care insurance, or endowment contracts).

7—Normal distribution.

8—Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2024.

9—Cost of current life insurance protection.

A—May be eligible for 10-year tax option (see Form 4972).

B—Designated Roth account distribution.

Note: If code B is in box 7 and an amount is reported in box 10, see the Instructions for Form 5329.

C—Reportable death benefits under section 6050Y.

D—Annuity payments from nonqualified annuities that may be subject to tax under section 1411.

E—Distributions under Employee Plans Compliance Resolution System (EPCRS).

(Continued on the back of Copy 2)

Instructions for Recipient *(continued)*

F—Charitable gift annuity.

G—Direct rollover of a distribution to a qualified plan, a section 403(b) plan, a governmental section 457(b) plan, or an IRA.

H—Direct rollover of a designated Roth account distribution to a Roth IRA.

J—Early distribution from a Roth IRA, no known exception (in most cases, under age 59½).

K—Distribution of traditional IRA assets not having a readily available FMV.

L—Loans treated as distributions.

M—Qualified plan loan offset.

N—Recharacterized IRA contribution made for 2024 and recharacterized in 2024.

P—Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2023.

Q—Qualified distribution from a Roth IRA.

R—Recharacterized IRA contribution made for 2023 and recharacterized in 2024.

S—Early distribution from a SIMPLE IRA in first 2 years, no known exception (under age 59½).

T—Roth IRA distribution, exception applies.

U—Dividend distribution from ESOP under section 404(k).

Note: This distribution isn't eligible for rollover.

W—Charges or payments for purchasing qualified long-term care insurance contracts under combined arrangements.

If the IRA/SEP/SIMPLE box is checked, you've received a traditional IRA, SEP, or SIMPLE distribution.

Box 8. If you received an annuity contract as part of a distribution, the value of the contract is shown. It isn't taxable when you receive it and shouldn't be included in boxes 1 and 2a. When you receive periodic payments from the annuity contract, they're taxable at that time. If the distribution is made to more than one person, the percentage of the annuity contract distributed to you is also shown. You'll need this information if you use the 10-year tax option (Form 4972). If charges

were made for qualified long-term care insurance contracts under combined arrangements, the amount of the reduction in the investment (but not below zero) in the annuity or life insurance contract is reported here.

Box 9a. If a total distribution was made to more than one person, the percentage you received is shown.

Box 9b. For a life annuity from a qualified plan or from a section 403(b) plan (with after-tax contributions), an amount may be shown for the employee's total investment in the contract. It is used to compute the taxable part of the distribution. See Pub. 575.

Box 10. If an amount is reported in this box, see the Instructions for Form 5329 and Pub. 575.

Box 11. The first year you made a contribution to the designated Roth account reported on this form is shown in this box.

Box 12. If checked, the payer is reporting on this Form 1099 to satisfy its Internal Revenue Code chapter 4 account reporting requirement under FATCA. You may also have a filing requirement. See the Instructions for Form 8938.

Box 13. Shows the date of payment for reportable death benefits under section 6050Y.

Boxes 14–19. If state or local income tax was withheld from the distribution, boxes 16 and 19 may show the part of the distribution subject to state and/or local tax.

Additional information. You may want to see:

Form W-4P, Form 4972, Form 5329, Form 8606

Pub. 525, Taxable and Nontaxable Income

Pub. 560, Retirement Plans for Small Business

Pub. 571, Tax-Sheltered Annuity Plans

Pub. 575, Pension and Annuity Income

Pub. 590-A, Contributions to IRAs

Pub. 590-B, Distributions from IRAs

Pub. 721, U.S. Civil Service Retirement Benefits

Pub. 939, General Rule for Pensions and Annuities

Pub. 969, HSAs and Other Tax-Favored Health Plans


Disability pensions received before you reach the minimum retirement age set by your employer.

Corrective distributions (including any earnings) of excess elective deferrals or other excess contributions to retirement plans. The plan must advise you of the year(s) the distributions are includible in income.

You should receive a Form 1099-R showing the total amount of your pension and annuity payments before in-come tax or other deductions were with-held. This amount should be shown in box 1 of Form 1099-R. Pension and annuity payments include distributions from 401(k), 403(b), and governmental 457(b) plans. Rollovers and lump-sum distributions are explained later. Don't include the following payments on lines 5a and 5b. Instead, report them on line 1h.

Lines 5a and 5b - Pensions and Annuities



A woman with dark hair in a bun, wearing a blue and white dress, is seated at a wooden desk in a classic office environment. She is looking at a computer monitor that displays the QuickBooks Online interface. The desk is cluttered with various items including a keyboard, a mouse, a mug with pens, and some papers. The background features a wooden cabinet and a lamp.

Fully Taxable Pensions and Annuities

Your payments are fully taxable if (a) you didn't contribute to the cost (see *Cost*, later) of your pension or annuity, or (b) you got your entire cost back tax free before 2023. But see *Insurance Premiums for Retired Public Safety Officers*, later. If your pension or annuity is fully taxable, enter the total pension or annuity payments (from Form(s) 1099-R, box 1) on line 5b; don't make an entry on line 5a.

Fully taxable pensions and annuities also include military retirement pay shown on Form 1099-R. For details on military disability pensions, see Pub. 525. If you received a Form RRB-1099-R, see Pub. 575 to find out how to report your benefits.

Partially Taxable Pensions and Annuities

Enter the total pension or annuity payments (from Form 1099-R, box 1) on line 5a. If your Form 1099-R doesn't show the taxable amount, you must use the General Rule explained in Pub. 939 to figure the taxable part to enter on line 5b. But if your annuity starting date (defined later) was after July 1, 1986, see *Simplified Method*, later, to find out if you must use that method to figure the taxable part.

You can ask the IRS to figure the tax-able part for you for a \$1,000 fee. For details, see Pub. 939.

If your Form 1099-R shows a taxable amount, you can report that amount on line 5b. But you may be able to report a lower taxable amount by using the General Rule or the Simplified Method or if the exclusion for retired public safety officers, discussed next, applies.



A man with a afro, wearing a blue suit and tie, is sitting in a large, ornate leather chair at a wooden desk. He is smiling and looking at a laptop that has the Quiskats logo on its lid. The desk is cluttered with papers, a pen holder, and a small Christmas tree. In the background, there is a large window showing a city skyline with a prominent tower. To the left of the man, there is a large, colorful abstract painting with many lines of different colors. The room is decorated for Christmas with garlands and lights. The floor is covered with a blue and white patterned rug.

Insurance Premiums for Retired Public Safety Officers

If you are an eligible retired public safety officer (law enforcement officer, fire-fighter, chaplain, or member of a rescue squad or ambulance crew who is retired because of disability or because you reached normal retirement age), you can elect to exclude from income distributions made from your eligible retirement plan that are used to pay the premiums for coverage by an accident or health plan or a long-term care insurance contract.

The premiums can be for coverage for you, your spouse, or dependents. The distribution must be from the plan maintained by the employer from which you retired as a public safety officer.

The distribution can be made directly from the plan to the provider of the accident or health plan or long-term care insurance contract, or the distribution can be made to you to pay to the provider of the accident or health plan or long-term care insurance contract. You can exclude from income the smaller of the amount of the premiums paid or \$3,000.

You can make this election only for amounts that would otherwise be included in your income. The amount excluded from your income can't be used to claim a medical expense deduction.

An eligible retirement plan is a governmental plan that is a qualified trust or a section 403(a), 403(b), or 457(b) plan.

Caution

- *You can exclude from income only the smaller of the amount of the premiums paid or \$3,000. This is true if the distribution was made directly from the plan to the provider of the accident or health plan or long-term care insurance contract or if the distribution was made to you and you paid the provider of the accident or health plan or long-term care insurance contract.*
- *If you received a distribution from your eligible retirement plan, and you used part of that distribution to pay premiums for an accident or health plan or long-term care insurance contract, you can still exclude from income only the smaller of the amount of the premiums or \$3,000. The rest of the distribution is taxable to you and must be reported on line 5b.*





If you make this election, reduce the otherwise taxable amount of your pension or annuity by the amount excluded. The amount shown in box 2a of Form 1099-R doesn't reflect the exclusion. Report your total distributions on line 5a and the taxable amount on line 5b. Enter "PSO" next to line 5b.

If you are retired on disability and re-reporting your disability pension on line 1h, include only the taxable amount on that line and enter "PSO" and the amount excluded on the dotted line next to line 1h.

Payments when you are disabled.

If you receive payments from a retirement or profit-sharing plan that does not provide for disability retirement, do not treat those payments as disability payments. The payments must be reported as a pension or annuity.

You must include in your income any amounts that you received that you would have received in retirement had you not become disabled as a result of a terrorist attack. Include in your income any payments you receive from a 401(k), pension, or other retirement plan to the extent that you would have received the amount at the same or later time regardless of whether you had become disabled.





Example.

You were a contractor who was disabled as a direct result of participating in efforts to clean up the World Trade Center and you are eligible for compensation by the September 11 Victim Compensation Fund. You began receiving a disability pension at age 55 when you could no longer work due to your disability.

Under your pension plan you are entitled to an early retirement benefit of \$2,500 a month at age 55. If you wait until age 62, the normal retirement age under the plan, you would be entitled to a normal retirement benefit of \$3,000 a month. The pension plan provides that a participant who retires early on account of disability is entitled to receive the participant's normal retirement benefit, which in your case equals \$3,000 a month.

Until you turn age 62, you can exclude \$500 of your monthly retirement benefit from income (the difference between the early retirement benefit and the normal retirement benefit, $\$3,000 - \$2,500$) received on account of disability. You must report the remaining \$2,500 of monthly pension benefit as taxable. For each month after you turn age 62, you must report the full amount of the monthly pension benefit (\$3,000 a month) as taxable.

Simplified Method - You must use the Simplified Method if either of the following applies.

1. Your annuity starting date was after July 1, 1986, and you used this method last year to figure the taxable part.

2. Your annuity starting date was after November 18, 1996, and both of the following apply.

a. The payments are from a qualified employee plan, a qualified employee annuity, or a tax-sheltered annuity.

b. On your annuity starting date, either you were under age 75 or the number of years of guaranteed payments was fewer than 5. See Pub. 575 for the definition of guaranteed payments.

If you must use the Simplified Method, complete the Simplified Method Worksheet in these instructions to figure the taxable part of your pension or annuity. For more details on the Simplified Method, see Pub. 575 (or Pub. 721 for U.S. Civil Service retirement benefits).



Before you begin:

✓ If you are the beneficiary of a deceased employee or former employee who died **before** August 21, 1996, include any death benefit exclusion that you are entitled to (up to \$5,000) in the amount entered on line 2 below.

More than one pension or annuity. If you had more than one partially taxable pension or annuity, figure the taxable part of each separately. Enter the total of the taxable parts on Form 1040 or 1040-SR, line 5b. Enter the total pension or annuity payments received in 2023 on Form 1040 or 1040-SR, line 5a.


1. Enter the total pension or annuity payments from Form 1099-R, box 1. Also, enter this amount on Form 1040 or 1040-SR, line 5a	1.	
2. Enter your cost in the plan at the annuity starting date	2.	
Note. If you completed this worksheet last year, skip line 3 and enter the amount from line 4 of last year's worksheet on line 4 below (even if the amount of your pension or annuity has changed). Otherwise, go to line 3.		
3. Enter the appropriate number from Table 1 below. But if your annuity starting date was after 1997 and the payments are for your life and that of your beneficiary, enter the appropriate number from Table 2 below	3.	
4. Divide line 2 by the number on line 3	4.	
5. Multiply line 4 by the number of months for which this year's payments were made. If your annuity starting date was before 1987, skip lines 6 and 7 and enter this amount on line 8. Otherwise, go to line 6	5.	
6. Enter the amount, if any, recovered tax free in years after 1986. If you completed this worksheet last year, enter the amount from line 10 of last year's worksheet	6.	
7. Subtract line 6 from line 2	7.	
8. Enter the smaller of line 5 or line 7	8.	
9. Taxable amount. Subtract line 8 from line 1. Enter the result, but not less than zero. Also, enter this amount on Form 1040 or 1040-SR, line 5b. If your Form 1099-R shows a larger amount, use the amount on this line instead of the amount from Form 1099-R. If you are a retired public safety officer, see <i>Insurance Premiums for Retired Public Safety Officers</i> before entering an amount on line 5b.	9.	
10. Was your annuity starting date before 1987?		
<input type="checkbox"/> Yes.  Do not complete the rest of this worksheet.		
<input type="checkbox"/> No. Add lines 6 and 8. This is the amount you have recovered tax free through 2023. You will need this number if you need to fill out this worksheet next year		
		10.
11. Balance of cost to be recovered. Subtract line 10 from line 2. If zero, you won't have to complete this worksheet next year. The payments you receive next year will generally be fully taxable		11.

Table 1 for Line 3 Above

IF the age at annuity starting date was . . .	AND your annuity starting date was—	
	before November 19, 1996, enter on line 3 . . .	after November 18, 1996, enter on line 3 . . .
55 or under	300	360
56–60	260	310
61–65	240	260
66–70	170	210
71 or older	120	160

Table 2 for Line 3 Above

IF the combined ages at annuity starting date were . . .	THEN enter on line 3 . . .
110 or under	410
111–120	360
121–130	310
131–140	260
141 or older	210



Rollovers

Generally, a rollover is a tax-free distribution of cash or other assets from one retirement plan that is contributed to another plan within 60 days of receiving the distribution. However, a rollover to a Roth IRA or a designated Roth account is generally not a tax-free distribution. Use lines 5a and 5b to report a rollover, including a direct rollover, from one qualified employer's plan to another or to an IRA or SEP.

Enter on line 5a the distribution from Form 1099-R, box 1. From this amount, subtract any contributions (usually shown in box 5) that were taxable to you when made. From that result, subtract the amount of the rollover. Enter the remaining amount on line 5b. If the remaining amount is zero and you have no other distribution to report on line 5b, enter -0- on line 5b. Also enter "Rollover" next to line 5b.

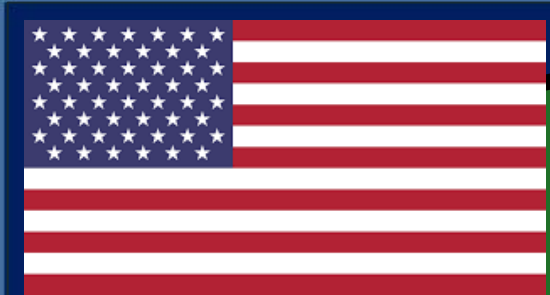
See Pub. 575 for more details on rollovers, including special rules that apply to rollovers from designated Roth accounts, partial rollovers of property, and distributions under qualified domestic relations orders.

Lump-Sum Distributions

If you received a lump-sum distribution from a profit-sharing or retirement plan, your Form 1099-R should have the "Total distribution" box in box 2b checked. You may owe an additional tax if you received an early distribution from a qualified retirement plan and the total amount wasn't rolled over. For details, see the instructions for Schedule 2, line 8.

Enter the total distribution on line 5a and the taxable part on line 5b. For details, see Pub. 575.





Income Tax

2023-2024



Social Security Benefits





TAX YEAR
2023

1040 (and 1040-SR)

**Line
Instructions
for
Forms 1040
and 1040-SR**

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or Married filing separately, \$13,850
- Married filing jointly or Qualifying surviving spouse, \$27,700
- Head of household, \$20,800
- If you checked any box under *Standard Deduction*, see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b Taxable interest	2b
3a	Qualified dividends	3a	b Ordinary dividends	3b
4a	IRA distributions	4a	b Taxable amount	4b
5a	Pensions and annuities	5a	b Taxable amount	5b
6a	Social security benefits	6a	b Taxable amount	6b
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	



- For the tax year 2023, the portion of Social Security benefits that may be taxable depends on your filing status and the amount of your combined income.
- Combined income for this purpose is defined as the sum of your adjusted gross income, nontaxable interest, and one-half of your Social Security benefits.

For Individual Filers: Estimate

- If your combined income is between \$25,000 and \$34,000, you may have to pay income tax on up to 50% of your benefits.
- If your combined income is more than \$34,000, up to 85% of your benefits may be taxable.

For Joint Filers: Estimate

- If you and your spouse have a combined income between \$32,000 and \$44,000, you may have to pay income tax on up to 50% of your benefits.
- If your combined income is more than \$44,000, up to 85% of your benefits may be taxable.

For Someone Married Filing Separately:

- If you are married filing separately and lived with your spouse at any time during the year, you will probably have to pay taxes on your benefits.





Calculating Combined Income:

To determine your combined income for the purposes of figuring out how much of your Social Security benefits may be taxable, you can use the following formula:

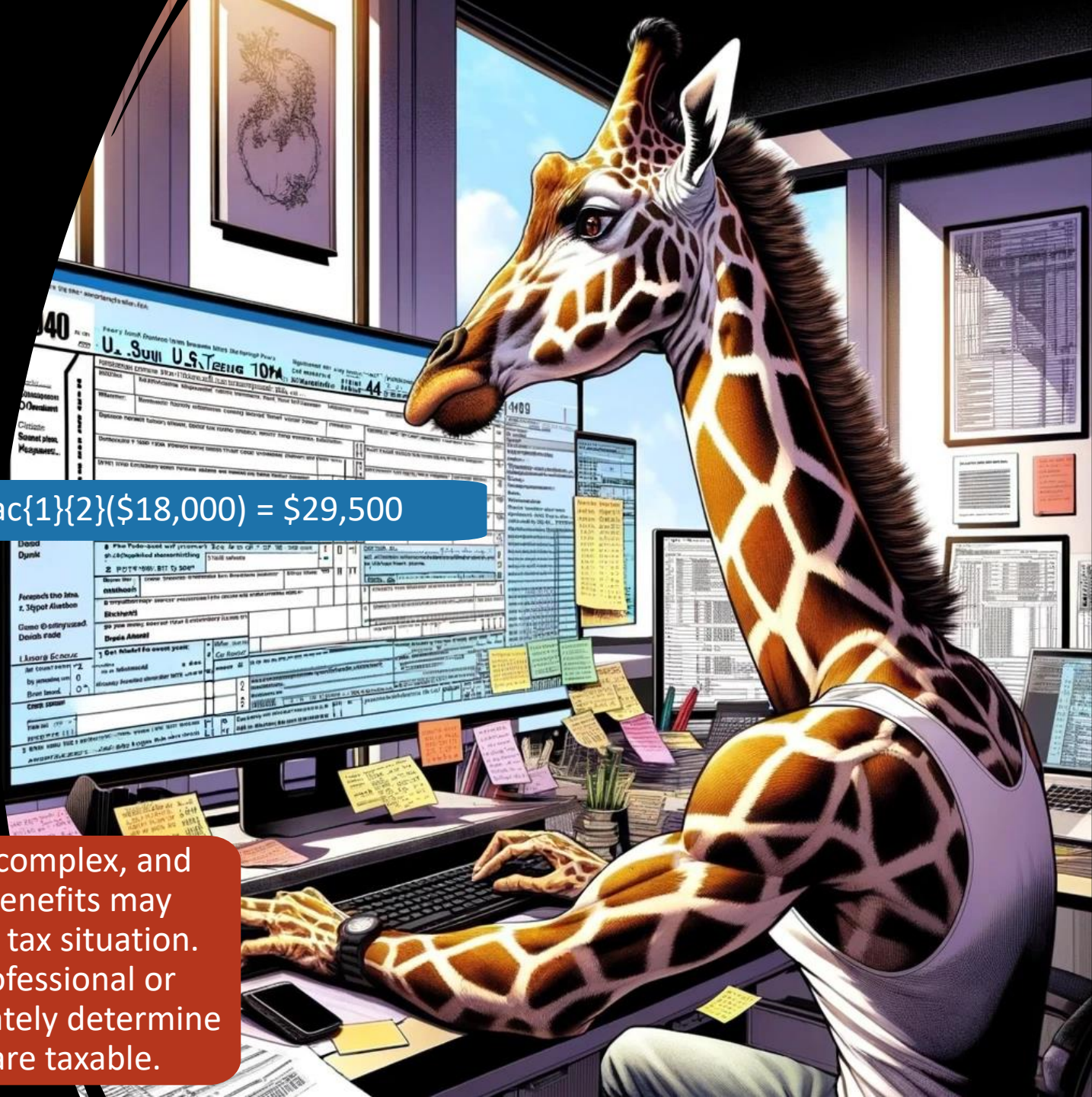
Combined Income = Your adjusted gross income + Nontaxable interest + $\frac{1}{2}$ (Your Social Security benefits)

Let's say you're single, and in 2023, you received \$18,000 in Social Security benefits, had \$20,000 in other income, and had \$500 in nontaxable interest. Your combined income would be:

$$\{\text{Combined Income}\} = \$20,000 + \$500 + \frac{1}{2}(\$18,000) = \$29,500$$

Since \$29,500 is between \$25,000 and \$34,000 for an individual filer, you may have to pay income tax on up to 50% of your Social Security benefits.

Keep in mind that these rules can be quite complex, and the actual taxation of your Social Security benefits may vary based on other factors specific to your tax situation. It's often advisable to consult with a tax professional or use tax preparation software to help accurately determine how much of your Social Security benefits are taxable.



Lines 6a, 6b, and 6c - Lines 6a and 6b Social Security Benefits

You should receive a Form SSA-1099 showing in box 3 the total social security benefits paid to you. Box 4 will show the amount of any benefits you repaid in 2023. If you received railroad retirement benefits treated as social security, you should receive a Form RRB-1099.

Use the Social Security Benefits Worksheet in these instructions to see if any of your benefits are taxable.





Exception. Do not use the Social Security Benefits Worksheet in these instructions if any of the following applies.

You made contributions to a traditional IRA for 2023 and you or your spouse were covered by a retirement plan at work or through self-employment. Instead, use the worksheets in Pub. 590-A to see if any of your social security benefits are taxable and to figure your IRA deduction.

You repaid any benefits in 2023 and your total repayments (box 4) were more than your total benefits for 2023 (box 3). None of your benefits are taxable for 2023. Also, if your total repayments in 2023 exceed your total benefits received in 2023 by more than \$3,000, you may be able to take an itemized de-duction or a credit for part of the excess repayments if they were for benefits you included in income in an earlier year. For more details, see Pub. 915.

You file Form 2555, 4563, or 8815, or you exclude employer-provided adoption benefits or income from sources within Puerto Rico. Instead, use the worksheet in Pub. 915.

Tip

Social security information. Social security beneficiaries can now get a variety of information from the SSA website with a my Social Security account, including getting a replacement Form SSA-1099 if needed. For more information and to set up an account, go to [SSA.gov/myaccount](https://www.ssa.gov/myaccount).





Disability payments.

Don't include in your income any disability payments (including Social Security Disability Insurance (SSDI) payments) you receive for injuries incurred as a direct result of a terrorist attack directed against the United States (or its allies), whether out-side or within the United States.

In the case of the September 11 attacks, injuries eligible for coverage by the September 11 Victim Compensation Fund are treated as incurred as a direct result of the attack. If these payments are incorrectly reported as taxable on Form SSA-1099, don't include the nontaxable portion of income on your tax return.

You may receive a notice from the IRS regarding the omitted payments. Follow the instructions in the notice to explain that the excluded payments aren't taxable. For more information about these payments, see Pub. 3920.



Example

You were a firefighter who was disabled as a direct result of the September 11 terrorist attack on the World Trade Center. You began receiving SSDI benefits at age 54. Your full retirement age for social security retirement benefits is age 66. Your birthday is April 25.

In the year you turned age 66, you received \$1,500 per month in benefits from the SSA (for a total of \$18,000 for the year). Because you became eligible for a full retirement benefit in May, the month after you turned age 66, you can exclude only 4 months (January through April) of your annual benefit from income (\$6,000).

You must report the remaining \$12,000 on line 6a. You must also complete the Social Security Benefits Worksheet to find out if any part of the \$12,000 is taxable.

Accrued leave payment

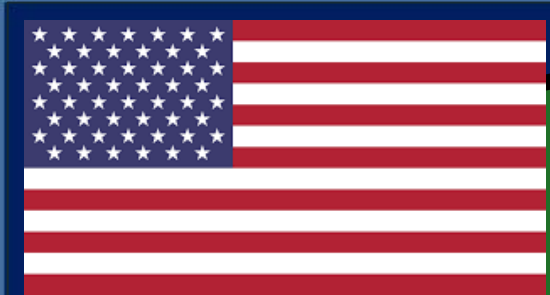
If you retire on disability, any lump-sum payment you receive for accrued annual leave is a salary payment. The payment is not a disability payment. Include it in your income in the tax year you receive it.





Check the box on line 6c if you elect to use the lump-sum election method for your benefits. If any of your benefits are taxable for 2023 and they include a lump-sum benefit payment that was for an earlier year, you may be able to reduce the taxable amount with the lump-sum election. See *Lump-Sum Election* in Pub. 915 for details.

Line 6c



Income Tax

2023-2024



Social Security Benefits Example



FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT

2023

- PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME.
- SEE THE REVERSE FOR MORE INFORMATION.

Box 1. Name		Box 2. Beneficiary's Social Security Number
Box 3. Benefits Paid in 2023	Box 4. Benefits Repaid to SSA in 2023	Box 5. Net Benefits for 2023 (Box 3 minus Box 4)
DESCRIPTION OF AMOUNT IN BOX 3		DESCRIPTION OF AMOUNT IN BOX 4
		Box 6. Voluntary Federal Income Tax Withheld



- For the tax year 2023, the portion of Social Security benefits that may be taxable depends on your filing status and the amount of your combined income.
- Combined income for this purpose is defined as the sum of your adjusted gross income, nontaxable interest, and one-half of your Social Security benefits.

For Individual Filers: Estimate

- If your combined income is between \$25,000 and \$34,000, you may have to pay income tax on up to 50% of your benefits.
- If your combined income is more than \$34,000, up to 85% of your benefits may be taxable.

For Joint Filers: Estimate

- If you and your spouse have a combined income between \$32,000 and \$44,000, you may have to pay income tax on up to 50% of your benefits.
- If your combined income is more than \$44,000, up to 85% of your benefits may be taxable.

For Someone Married Filing Separately:

- If you are married filing separately and lived with your spouse at any time during the year, you will probably have to pay taxes on your benefits.





Calculating Combined Income:

To determine your combined income for the purposes of figuring out how much of your Social Security benefits may be taxable, you can use the following formula:

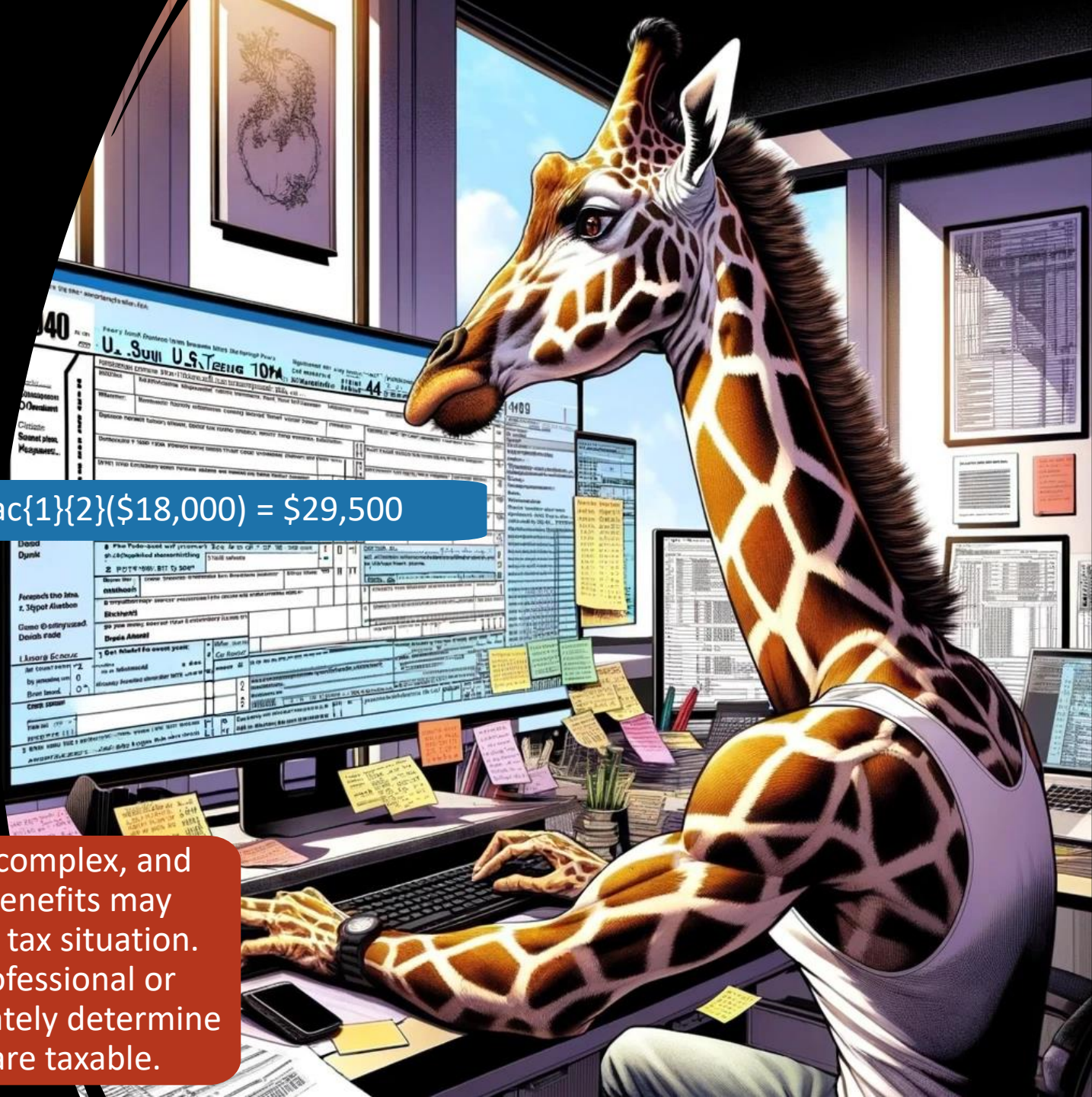
Combined Income = Your adjusted gross income + Nontaxable interest + $\frac{1}{2}$ (Your Social Security benefits)

Let's say you're single, and in 2023, you received \$18,000 in Social Security benefits, had \$20,000 in other income, and had \$500 in nontaxable interest. Your combined income would be:

$$\{\text{Combined Income}\} = \$20,000 + \$500 + \frac{1}{2}(\$18,000) = \$29,500$$

Since \$29,500 is between \$25,000 and \$34,000 for an individual filer, you may have to pay income tax on up to 50% of your Social Security benefits.

Keep in mind that these rules can be quite complex, and the actual taxation of your Social Security benefits may vary based on other factors specific to your tax situation. It's often advisable to consult with a tax professional or use tax preparation software to help accurately determine how much of your Social Security benefits are taxable.



Lines 6a, 6b, and 6c - Lines 6a and 6b Social Security Benefits

You should receive a Form SSA-1099 showing in box 3 the total social security benefits paid to you. Box 4 will show the amount of any benefits you repaid in 2023. If you received railroad retirement benefits treated as social security, you should receive a Form RRB-1099.

Use the Social Security Benefits Worksheet in these instructions to see if any of your benefits are taxable.





Exception. Do not use the Social Security Benefits Worksheet in these instructions if any of the following applies.

You made contributions to a traditional IRA for 2023 and you or your spouse were covered by a retirement plan at work or through self-employment. Instead, use the worksheets in Pub. 590-A to see if any of your social security benefits are taxable and to figure your IRA deduction.

You repaid any benefits in 2023 and your total repayments (box 4) were more than your total benefits for 2023 (box 3). None of your benefits are taxable for 2023. Also, if your total repayments in 2023 exceed your total benefits received in 2023 by more than \$3,000, you may be able to take an itemized de-duction or a credit for part of the excess repayments if they were for benefits you included in income in an earlier year. For more details, see Pub. 915.

You file Form 2555, 4563, or 8815, or you exclude employer-provided adoption benefits or income from sources within Puerto Rico. Instead, use the worksheet in Pub. 915.

Tip

Social security information. Social security beneficiaries can now get a variety of information from the SSA website with a my Social Security account, including getting a replacement Form SSA-1099 if needed. For more information and to set up an account, go to [SSA.gov/myaccount](https://www.ssa.gov/myaccount).





Disability payments.

Don't include in your income any disability payments (including Social Security Disability Insurance (SSDI) payments) you receive for injuries incurred as a direct result of a terrorist attack directed against the United States (or its allies), whether out-side or within the United States.

In the case of the September 11 attacks, injuries eligible for coverage by the September 11 Victim Compensation Fund are treated as incurred as a direct result of the attack. If these payments are incorrectly reported as taxable on Form SSA-1099, don't include the nontaxable portion of income on your tax return.

You may receive a notice from the IRS regarding the omitted payments. Follow the instructions in the notice to explain that the excluded payments aren't taxable. For more information about these payments, see Pub. 3920.



Example

You were a firefighter who was disabled as a direct result of the September 11 terrorist attack on the World Trade Center. You began receiving SSDI benefits at age 54. Your full retirement age for social security retirement benefits is age 66. Your birthday is April 25.

In the year you turned age 66, you received \$1,500 per month in benefits from the SSA (for a total of \$18,000 for the year). Because you became eligible for a full retirement benefit in May, the month after you turned age 66, you can exclude only 4 months (January through April) of your annual benefit from income (\$6,000).

You must report the remaining \$12,000 on line 6a. You must also complete the Social Security Benefits Worksheet to find out if any part of the \$12,000 is taxable.

Accrued leave payment

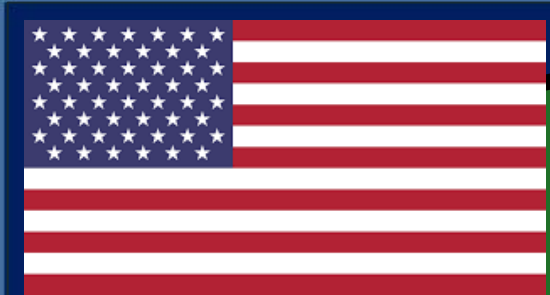
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Line 6c

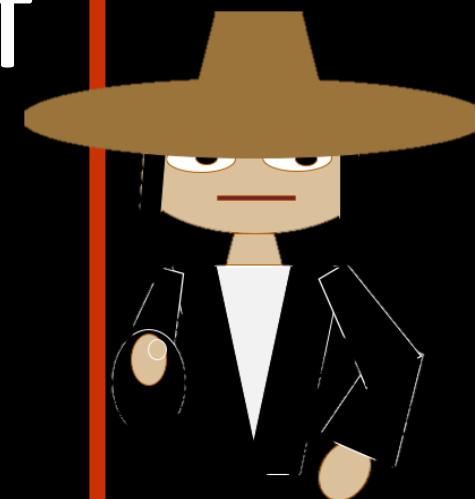


Income Tax

2023-2024



Taxable Refunds,
Credits, or Offsets of
State and Local
Income Taxes





TAX YEAR
2023

1040 (and 1040-SR)

Instructions for Schedule 1

Additional Income and Adjustments to Income

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or
Married filing
separately,
\$13,850
- Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
- Head of
household,
\$20,800
- If you checked
any box under
*Standard
Deduction*,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b	Taxable interest
3a	Qualified dividends	3a	b	Ordinary dividends
4a	IRA distributions	4a	b	Taxable amount
5a	Pensions and annuities	5a	b	Taxable amount
6a	Social security benefits	6a	b	Taxable amount
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2023


Attachment
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions):		
3	Business income or (loss). Attach Schedule C	3	
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss	8a	()
b	Gambling	8b	
c	Cancellation of debt	8c	
d	Foreign earned income exclusion from Form 2555	8d	()
e	Income from Form 8853	8e	
f	Income from Form 8889	8f	
g	Alaska Permanent Fund dividends	8g	
h	Jury duty pay	8h	
i	Prizes and awards	8i	



Line 1 - Taxable Refunds,
Credits, or Offsets of State
and Local Income Taxes

*Tip - None of your
refund is taxable if,
in the year you paid
the tax, you either*

*a. didn't
itemize de-
ductions,
or*

*b. elected
to deduct
state and
local
general
sales taxes
instead of
state and
local
income
taxes.*

If you received a refund, credit, or offset of state or local income taxes in 2023, you may be required to report this amount. If you didn't receive a Form 1099-G, check with the government agency that made the payments to you.

Your 2023 Form 1099-G may have been made available to you only in an electronic format, and you will need to get instructions from the agency to retrieve this document. Report any taxable refund you received even if you didn't receive Form 1099-G.

If you chose to apply part or all of the refund to your 2023 estimated state or local income tax, the amount applied is treated as received in 2023. If the refund was for a tax you paid in 2022 and you deducted state and local income taxes on your 2022 Schedule A, use the State and Local Income Tax Refund Worksheet in these instructions to see if any of your refund is taxable.



Exception. See *Itemized Deduction Recoveries* in Pub. 525 instead of using the State and Local Income Tax Refund Worksheet in these instructions if any of the following applies.



1. You received a refund in 2023 that is for a tax year other than 2022.

2. You received a refund other than an income tax refund, such as a general sales tax or real property tax refund, in 2023 of an amount deducted or credit claimed in an earlier year.

3. You had taxable income on your 2022 Form 1040 or 1040-SR, line 15, but no tax on your Form 1040 or 1040-SR, line 16, because of the 0% tax rate on net capital gain and qualified dividends in certain situations.

4. Your 2022 state and local income tax refund is more than your 2022 state and local income tax deduction minus the amount you could have deducted as your 2022 state and local general sales taxes.

5. You made your last payment of 2022 estimated state or local income tax in 2023.

6. You owed alternative minimum tax in 2022.

7. You couldn't use the full amount of credits you were entitled to in 2022 because the total credits were more than the amount shown on your 2022 Form 1040 or 1040-SR, line 16.

8. You could be claimed as a de-pendent by someone else in 2022.

9. You received a refund because of a jointly filed state or local income tax return, but you aren't filing a joint 2023 Form 1040 or 1040-SR with the same person.




Income Tax

2023-2024



Taxable Refunds,
Credits, or Offsets of
State and Local Income
Taxes **Example**



An illustration of a woman with long brown hair, wearing a white long-sleeved dress, sitting in a green office chair at a wooden desk. She is looking at a computer monitor that displays a website. On the desk, there is a keyboard, a mouse, and some papers. A large potted plant is on the left side of the desk, and another plant is on the right. The background is a large window showing a city skyline at sunset or sunrise, with the sun low on the horizon and buildings silhouetted against the orange sky. The overall style is painterly and warm.

**Line 1 - Taxable Refunds,
Credits, or Offsets of State
and Local Income Taxes**

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refund is taxable if,
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*a. didn't
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local
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If you received a refund, credit, or offset of state or local income taxes in 2023, you may be required to report this amount. If you didn't receive a Form 1099-G, check with the government agency that made the payments to you.

Your 2023 Form 1099-G may have been made available to you only in an electronic format, and you will need to get instructions from the agency to retrieve this document. Report any taxable refund you received even if you didn't receive Form 1099-G.

If you chose to apply part or all of the refund to your 2023 estimated state or local income tax, the amount applied is treated as received in 2023. If the refund was for a tax you paid in 2022 and you deducted state and local income taxes on your 2022 Schedule A, use the State and Local Income Tax Refund Worksheet in these instructions to see if any of your refund is taxable.



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Income Tax

2023-2024



Alimony
Received





TAX YEAR
2023

1040 (and 1040-SR)

Instructions for Schedule 1

Additional Income and Adjustments to Income

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

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W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or
Married filing
separately,
\$13,850
- Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
- Head of
household,
\$20,800
- If you checked
any box under
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Deduction*,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
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c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
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SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

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OMB No. 1545-0074

2023

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Your social security number

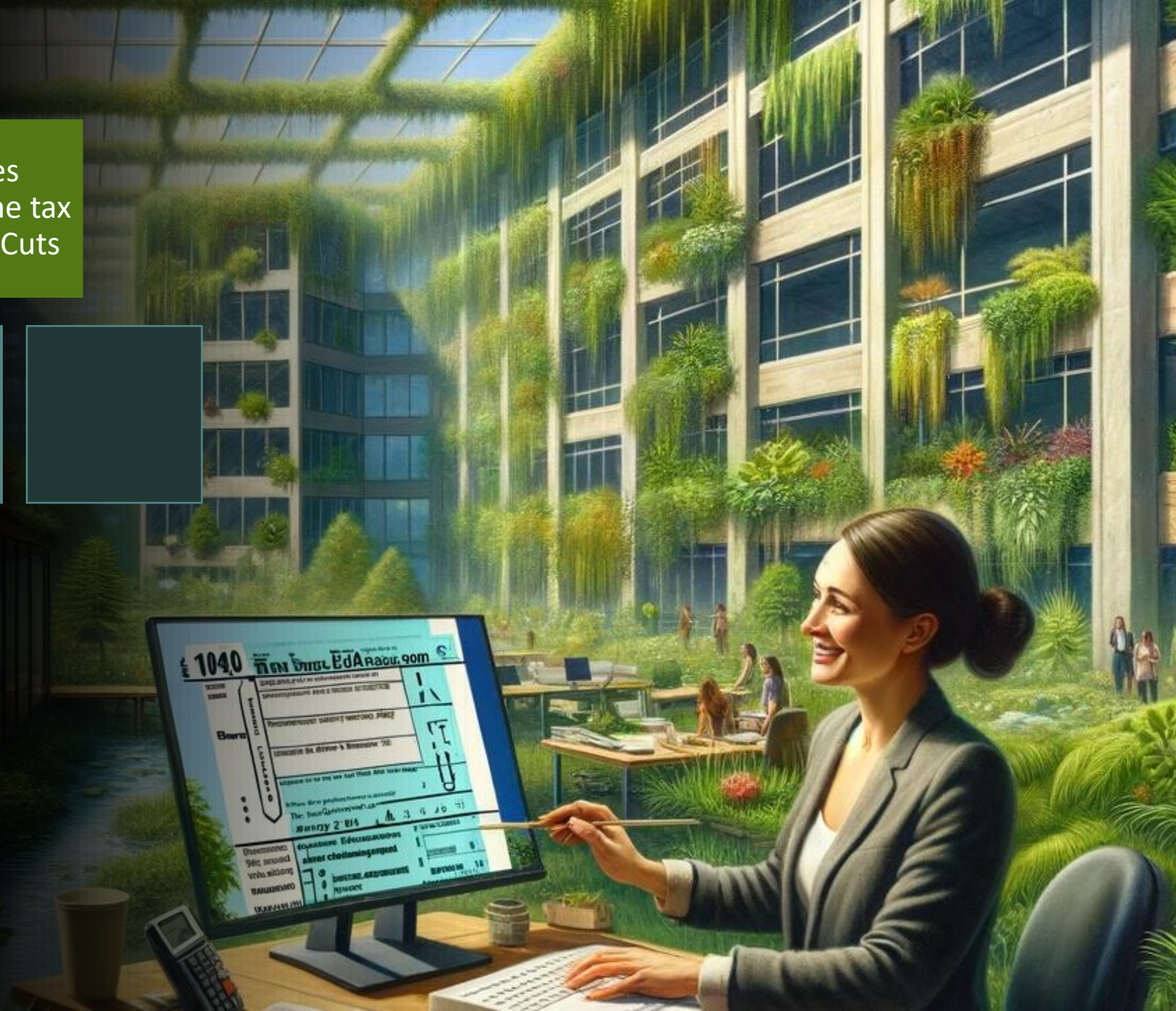
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4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
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7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss	8a	()
b	Gambling	8b	
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g	Alaska Permanent Fund dividends	8g	
h	Jury duty pay	8h	
i	Prizes and awards	8i	

Alimony payments have undergone significant changes with respect to federal income tax laws, especially after the Tax Cuts and Jobs Act (TCJA) of 2017.

The rules around the taxation of alimony payments depend on when the divorce or separation instrument (such as a divorce decree or separation agreement) was executed or modified.

Here's a detailed discussion for the tax year 2023



Alimony Agreements Executed After December 31, 2018

For divorce or separation agreements executed after December 31, 2018, the TCJA rules apply. Under these rules:

Alimony Received: If you receive alimony under such an agreement, it is not considered taxable income, and you should not include it in your income on your tax return for the year 2023.

Alimony Paid: Similarly, if you pay alimony under an agreement executed after this date, you cannot deduct these payments from your income.

This change represents a significant shift from previous tax laws, where alimony received was taxable, and alimony paid could be deducted.





Alimony Agreements Executed Before January 1, 2019 - For agreements executed before January 1, 2019, the old rules apply, unless the agreement was modified after this date and explicitly states that the TCJA rules apply.

Under the old rules:

Alimony Received: If you are receiving alimony based on an agreement executed before January 1, 2019, you must include these payments in your taxable income for 2023.

Alimony Paid: If you are paying alimony under such an agreement, you are generally allowed to deduct these payments from your income.

Modifications to Agreements

If a divorce or separation agreement was modified after December 31, 2018, and the modification expressly states that the alimony payments are not deductible by the payer or includable in the income of the recipient, then the TCJA rules apply to the modified agreement.

Child Support vs. Alimony

It's important to distinguish between alimony and child support payments, as child support payments are not deductible by the payer and are not taxable to the recipient, regardless of when the agreement was executed or modified.





Reporting Requirements

For agreements executed before 2019 where alimony is deductible by the payer and taxable to the recipient:

The recipient must report alimony received as income.

The payer can deduct alimony paid if they itemize deductions on Form 1040, Schedule 1.

For post-2018 agreements, since alimony is neither deductible nor taxable, there are no specific reporting requirements related to alimony payments on federal income tax returns for either party.

Lines 2a and 2b - Alimony Received - Line 2a

Enter amounts received as alimony or separate maintenance pursuant to a divorce or separation agreement entered into on or before December 31, 2018, unless that agreement was changed after December 31, 2018, to expressly provide that alimony received isn't included in your income.

Alimony received is not included in your income if you entered into a divorce or separation agreement after December 31, 2018. If you are including alimony in your income, you must let the person who made the payments know your social security number. If you don't, you may have to pay a penalty. For more details, see Pub. 504.

If you are including alimony payments from more than one divorce or separation agreement in your income, enter the total of all alimony received on line 2a.



Line 2b

On line 2b, enter the month and year of your original divorce or separation agreement that relates to the alimony payment, if any, reported on line 2a.

If you have alimony payments from more than one divorce or separation agreement, on line 2b enter the month and year of the divorce or separation agreement for which you received the most income. Attach a statement listing the month and year of the other agreements.

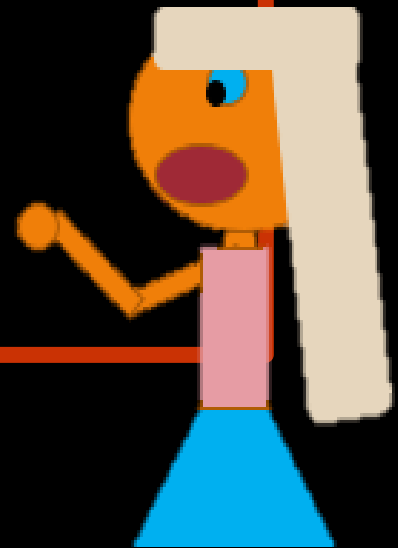


Income Tax

2023-2024



Alimony Received Example



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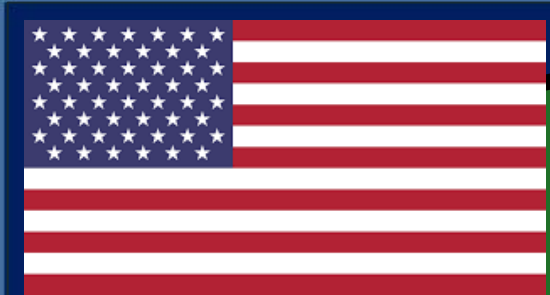
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Line 2b

On line 2b, enter the month and year of your original divorce or separation agreement that relates to the alimony payment, if any, reported on line 2a.

If you have alimony payments from more than one divorce or separation agreement, on line 2b enter the month and year of the divorce or separation agreement for which you received the most income. Attach a statement listing the month and year of the other agreements.

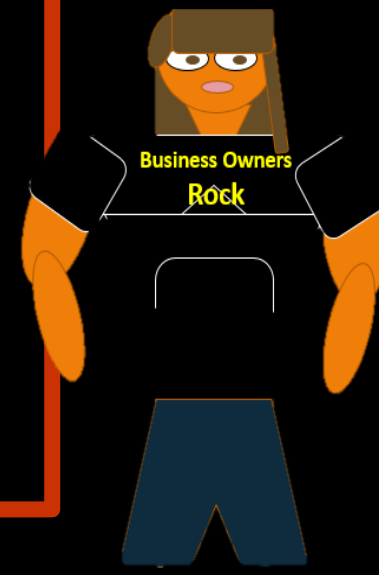


Income Tax

2023-2024



Business Income
or Loss & Other
Gains or (Losses)





TAX YEAR
2023

1040 (and 1040-SR)

Instructions for Schedule 1

Additional Income and Adjustments to Income

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or
Married filing
separately,
\$13,850
- Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
- Head of
household,
\$20,800
- If you checked
any box under
*Standard
Deduction*,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b	Taxable interest
3a	Qualified dividends	3a	b	Ordinary dividends
4a	IRA distributions	4a	b	Taxable amount
5a	Pensions and annuities	5a	b	Taxable amount
6a	Social security benefits	6a	b	Taxable amount
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2023

Attachment
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions):		
3	Business income or (loss). Attach Schedule C	3	
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss	8a	()
b	Gambling	8b	
c	Cancellation of debt	8c	
d	Foreign earned income exclusion from Form 2555	8d	()
e	Income from Form 8853	8e	
f	Income from Form 8889	8f	
g	Alaska Permanent Fund dividends	8g	
h	Jury duty pay	8h	
i	Prizes and awards	8i	

Reporting business income for a sole proprietorship in the tax year 2023 involves summarizing your business's revenue, expenses, and net profit or loss for the year.

As a sole proprietor, your business income is reported on your personal income tax return, using Schedule C (Form 1040) or Schedule C-EZ (if eligible).





Schedule C: Profit or Loss from Business

Business Income: Report all income from your business, including sales, services, and any other income sources related to your business activities.

Expenses: Deduct all ordinary and necessary expenses incurred in running your business. This includes costs such as rent, supplies, advertising, utilities, and wages paid to employees.

Net Profit or Loss: Subtract your business expenses from your business income to calculate your net profit or loss. This figure is then reported on your Form 1040 and is subject to income tax and self-employment tax.

Self-Employment Tax

Sole proprietors must also pay self-employment tax (Social Security and Medicare tax) if their net earnings from self-employment exceed \$400. This is calculated using Schedule SE (Form 1040).

Half of your self-employment tax can be deducted from your gross income on your Form 1040, which can reduce your taxable income.





Home Office Deduction

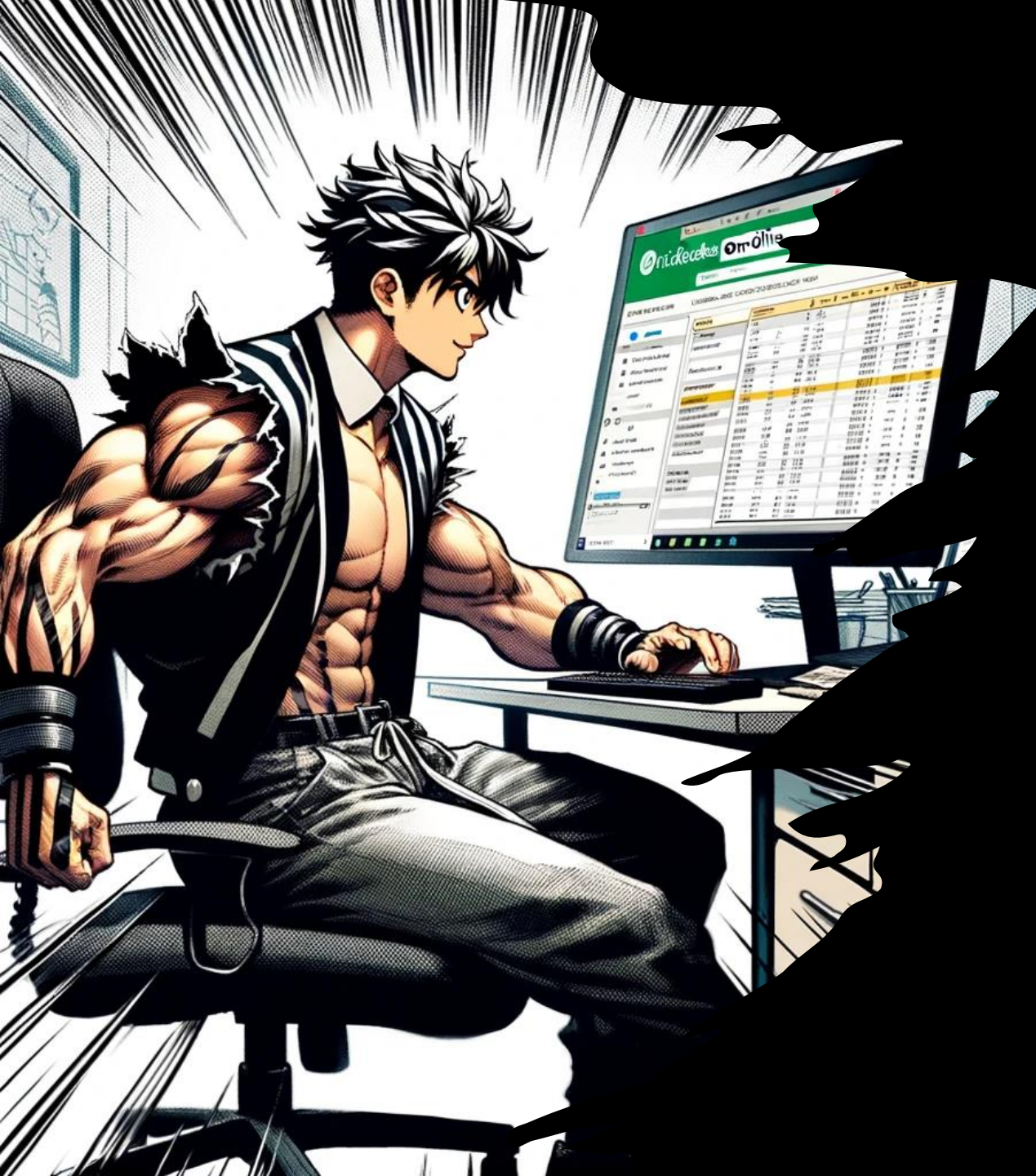
If you use part of your home exclusively for business, you may be eligible to claim the home office deduction, which can reduce your taxable income.

Quarterly Estimated Taxes

Since taxes are not withheld from your business income as a sole proprietor, you may need to make quarterly estimated tax payments to cover your income tax and self-employment tax liabilities.

Use Form 1040-ES to calculate and pay these estimated taxes.





Additional Considerations

Depending on your business type and location, you may be subject to other taxes or reporting requirements, such as sales tax or local business taxes.

Consider consulting with a tax professional to ensure you're taking advantage of all eligible deductions and credits and complying with all tax laws and reporting requirements.

Line 4 - Other Gains or (Losses)

- If you sold or exchanged assets used in a trade or business, see the Instructions for Form 4797.





Who Needs to File Form 4797:

Taxpayers who sold or exchanged business property, including real estate used in a business.

Taxpayers who received business property from a casualty or theft.

Taxpayers who disposed of depreciable property used in their business.

Taxpayers who sold certain types of business property that cannot be depreciated.



IRS Form 4797, "Sales of Business Property," is used to report the sale, exchange, or involuntary conversion of property used in your trade or business and certain depreciable property.

This form helps taxpayers calculate the gain or loss from these transactions and determine how the gain or loss is treated for tax purposes (e.g., as ordinary income or capital gain).

Key Sections of Form 4797:

Part I: Used for reporting the sale of property held for one year or less (short-term gains or losses).

Part II: Used for reporting the sale of property held for more than one year (long-term gains or losses).

Part III: Used for calculating the ordinary gains and recapture amounts for certain types of property, such as depreciable real estate and equipment that has been depreciated.

Part IV: Used to summarize the information from Parts I through III and calculate the total gain or loss to be transferred to your income tax return.





Important Instructions:

Determine the Correct Part to Use: Depending on the type of property sold and how long you held it, you will use different parts of Form 4797 to report the transaction.

Calculate the Basis: To determine your gain or loss, you'll need to know the property's basis, which is generally its cost adjusted for improvements, depreciation, and any prior-year losses.

Recapture of Depreciation: Some or all of the gain on depreciable property may be treated as ordinary income due to depreciation recapture rules, especially for Section 1245 and Section 1250 property.

Reporting to Other Forms: Depending on the transaction, you may also need to report gains or losses on other tax forms, such as Schedule D (Form 1040) for capital gains and losses.



Income Tax

2023-2024



Business Income or
Loss & Other Gains or
(Losses) Example



Reporting business income for a sole proprietorship in the tax year 2023 involves summarizing your business's revenue, expenses, and net profit or loss for the year.

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Business Income: Report all income from your business, including sales, services, and any other income sources related to your business activities.

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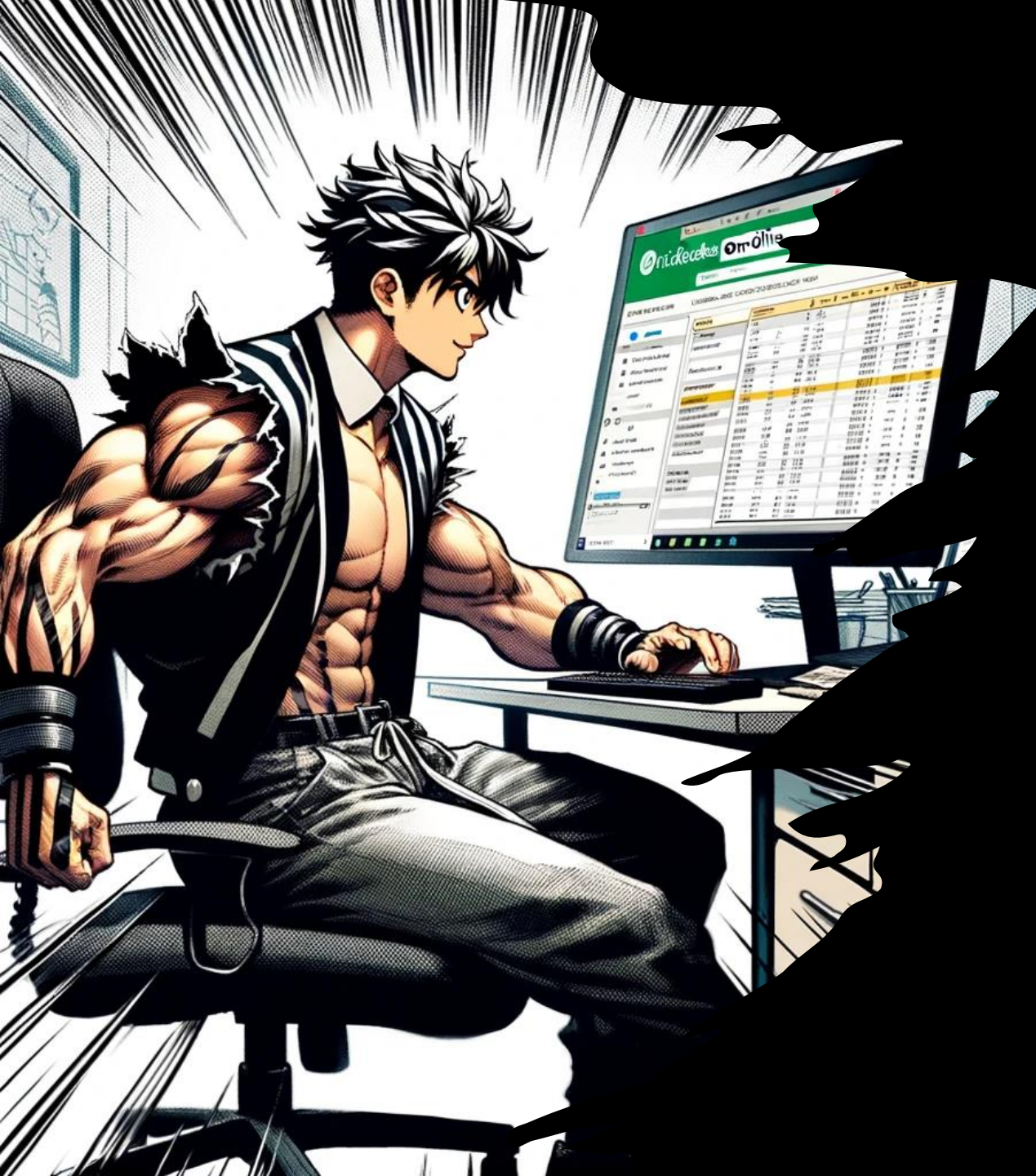
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Part IV: Used to summarize the information from Parts I through III and calculate the total gain or loss to be transferred to your income tax return.





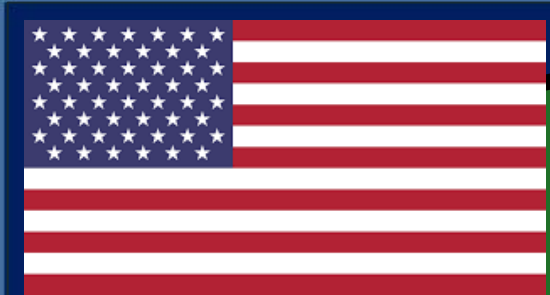
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Reporting to Other Forms: Depending on the transaction, you may also need to report gains or losses on other tax forms, such as Schedule D (Form 1040) for capital gains and losses.



Income Tax

2023-2024



Unemployment
Compensation





TAX YEAR
2023

1040 (and 1040-SR)

Instructions for Schedule 1

Additional Income and Adjustments to Income

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or
Married filing
separately,
\$13,850
- Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
- Head of
household,
\$20,800
- If you checked
any box under
*Standard
Deduction*,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b	Taxable interest
3a	Qualified dividends	3a	b	Ordinary dividends
4a	IRA distributions	4a	b	Taxable amount
5a	Pensions and annuities	5a	b	Taxable amount
6a	Social security benefits	6a	b	Taxable amount
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2023

Attachment
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions):		
3	Business income or (loss). Attach Schedule C	3	
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss	8a	()
b	Gambling	8b	
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d	Foreign earned income exclusion from Form 2555	8d	()
e	Income from Form 8853	8e	
f	Income from Form 8889	8f	
g	Alaska Permanent Fund dividends	8g	
h	Jury duty pay	8h	
i	Prizes and awards	8i	

Unemployment compensation is typically considered taxable income for federal income tax purposes.





Reporting to the IRS

Recipients of unemployment compensation should receive Form 1099-G, "Certain Government Payments," from the state unemployment agency. This form reports the total amount of compensation received and any federal income tax withheld.

Taxpayers must report this income on their federal tax return. For the 2020 tax year, due to the COVID-19 pandemic, there was a temporary exclusion of up to \$10,200 of unemployment compensation per person, but this specific relief was unique to 2020 and does not apply for tax year 2023 unless new legislation is enacted.

Withholding and Estimated Payments

Tax Withholding:

Individuals can choose to have federal income tax withheld from their unemployment benefits at the time they apply for them. This can help avoid a large tax bill when filing their annual tax return.

Estimated Tax

Payments: If no taxes are withheld, or if the withholding is not sufficient, recipients may need to make estimated tax payments to cover the expected tax liability on their unemployment compensation, along with other taxable income.





Special Considerations

Due to the economic impact of events like the COVID-19 pandemic, there have been temporary changes to the taxation of unemployment benefits. For instance, the American Rescue Plan Act of 2021 included a provision that allowed for the exclusion of up to \$10,200 of unemployment compensation from taxable income for the year 2020 for households with adjusted gross income under \$150,000.

It's crucial to stay informed about any temporary changes or relief measures related to the taxation of unemployment compensation, as these can significantly affect tax liabilities.

Line 7 - Unemployment Compensation

- You should receive a Form 1099-G showing in box 1 the total unemployment compensation paid to you in 2023. Report this amount on line 7.





If the amount reported in box 1 of your Form(s) 1099-G is in-correct, report on line 7 only the actual amount of unemployment compensation paid to you in 2023.

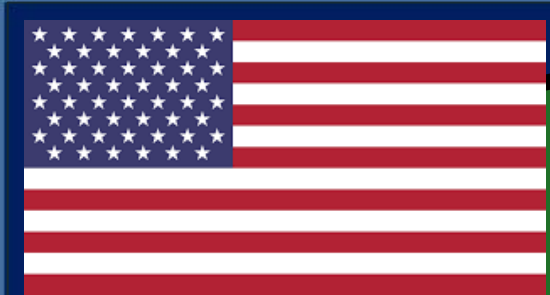
Caution

If you made contributions to a governmental unemployment compensation program or to a governmental paid family leave program and you aren't itemizing deductions, reduce the amount you report on line 7 by those contributions. If you are itemizing deductions, see the instructions on Form 1099-G.

If you received an overpayment of unemployment compensation in 2023 and you repaid any of it in 2023, subtract the amount you repaid from the total amount you received. Enter the result on line 7.

Also enter "Repaid" and the amount you repaid on the dotted line next to line 7. If, in 2023, you repaid more than \$3,000 of unemployment compensation that you included in gross income in an earlier year, see *Repayments* in Pub. 525 for details on how to report the payment.





Income Tax

2023-2024



Unemployment Compensation Example



8686

☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

1 Unemployment compensation

OMB No. 1545-0120

\$

2 State or local income tax refunds, credits, or offsets

Form **1099-G**

(Rev. March 2024)

For calendar year _____

\$

PAYER'S TIN

RECIPIENT'S TIN

3 Box 2 amount is for tax year

4 Federal income tax withheld

\$

RECIPIENT'S name

5 RTAA payments

6 Taxable grants

\$

\$

Street address (including apt. no.)

7 Agriculture payments

8 Check if box 2 is trade or business income ☐

\$

9 Market gain

\$

City or town, state or province, country, and ZIP or foreign postal code

10a State

10b State identification no.

11 State income tax withheld

Account number (see instructions)

2nd TIN not. ☐

\$

\$

**Certain
Government
Payments****Copy A
For
Internal Revenue
Service Center****File with Form 1096.**For Privacy Act
and Paperwork
Reduction Act
Notice, see the**current General
Instructions for
Certain Information
Returns.**Form **1099-G** (Rev. 3-2024)

Cat. No. 14438M

www.irs.gov/Form1099G

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

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Income Tax

2023-2024



Other Income Part 1





TAX YEAR
2023

1040 (and 1040-SR)

Instructions for Schedule 1

Additional Income and Adjustments to Income

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
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=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
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Income

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W-2 here. Also
attach Forms
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was withheld.

If you did not
get a Form
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if required.

Standard Deduction for—

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Married filing
separately,
\$13,850
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Qualifying
surviving spouse,
\$27,700
- Head of
household,
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- If you checked
any box under
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1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
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SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

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OMB No. 1545-0074

2023

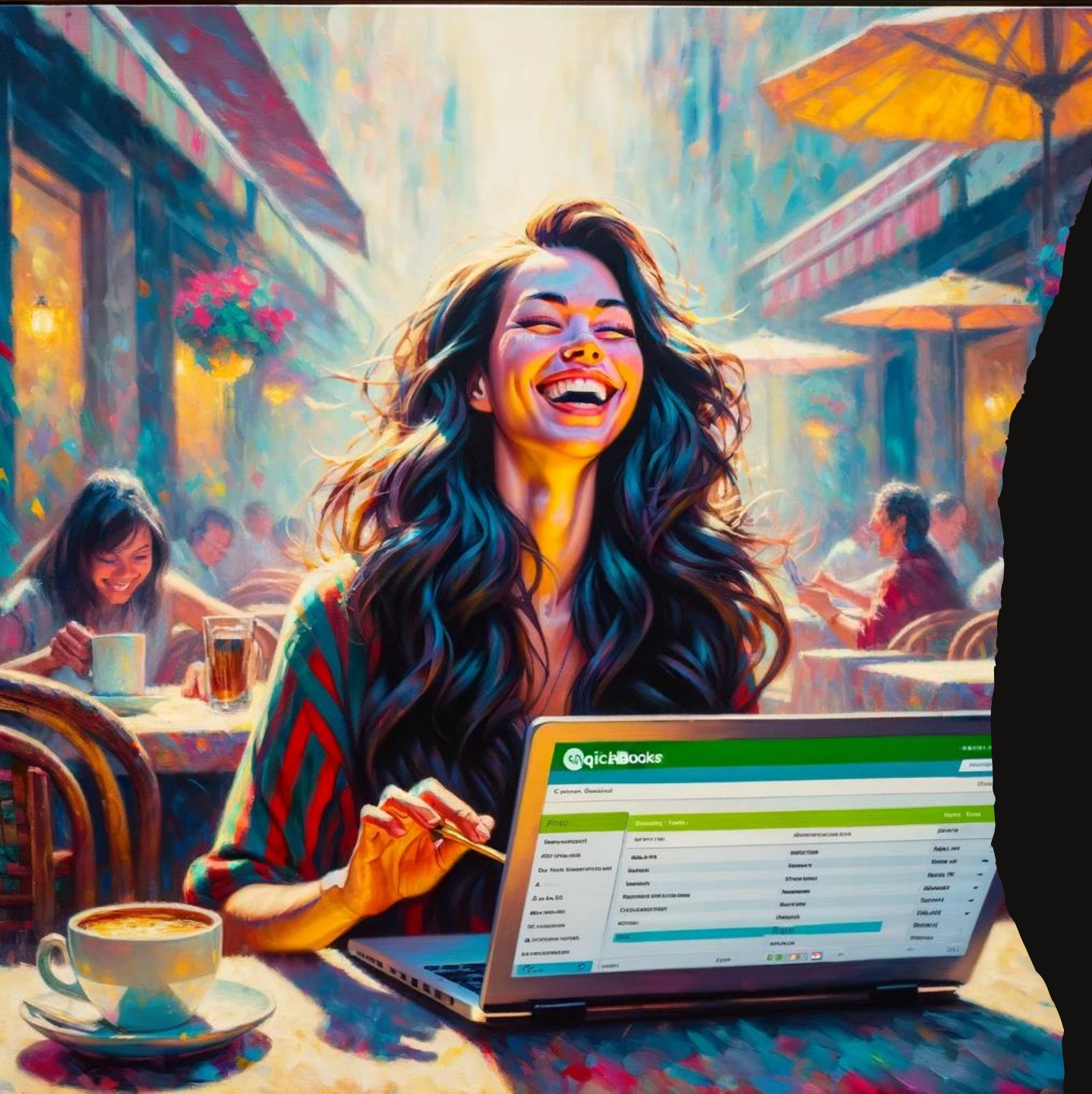
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Lines 8a Through 8z - Other Income

Caution

Do not report on lines 8a through 8z any income from self-employment or fees received as a notary public. Instead, you must use Schedule C, even if you don't have any business expenses. Also don't report on lines 8a through 8z any non-employee compensation shown on Form 1099-MISC, 1099-NEC, or 1099-K (unless it isn't self-employment income, such as income from a hobby or a sporadic activity).

Instead, see the Instructions for Recipient included on Form 1099-MISC, 1099-NEC, or 1099-K to find out where to report that income. For more information about what is being reported on Form 1099-K, see the Instructions for Payee included on that form and visit [IRS.gov/1099K](https://www.irs.gov/1099K).

Line 8a - Net operating loss (NOL) deduction.

- Enter any NOL deduction from an earlier year. Enter the amount in the preprinted parentheses (as a negative number). The amount of your deduction will be subtracted from the other amounts of in-come listed on lines 8b through 8z. See Pub. 536 for details.





Definition:	A Net Operating Loss (NOL) occurs when a taxpayer's allowable deductions exceed their taxable income in a given tax year.
Carryback and Carryforward:	In 2023, the Tax Cuts and Jobs Act (TCJA) eliminated the option to carry back NOLs for most taxpayers. Instead, individuals can generally only carry forward NOLs indefinitely, allowing them to offset future taxable income.
Limitations:	The TCJA also limited the deduction for NOLs to 80% of taxable income for losses arising in tax years beginning after December 31, 2017.
Calculation:	To calculate an NOL for individual income tax purposes, subtract allowable deductions (including business losses, casualty and theft losses, and certain other deductions) from total taxable income for the tax year.
Form 1045 or Form 1040X:	To carry back or carry forward an NOL, individuals typically file either Form 1045, Application for Tentative Refund, or Form 1040X, Amended U.S. Individual Income Tax Return, depending on whether they want to carry back or carry forward the loss.
Special Rules for Certain Professions:	Some professions, such as farming and certain types of small businesses, have special rules regarding the treatment of NOLs. For example, farmers may have the option to carry back NOLs up to five years.
Impact on Tax Liability:	Utilizing an NOL can result in a refund of taxes paid in previous years (if carrying back) or reduce taxes owed in future years (if carrying forward), thereby providing taxpayers with some relief during financial downturns.
Documentation:	It's important to maintain accurate records of income, deductions, and any carryback or carryforward transactions involving NOLs to ensure compliance with IRS regulations and to support tax filings.
Consultation:	Given the complexity of NOL rules and calculations, individuals may benefit from consulting with a tax professional or accountant to navigate NOL provisions and maximize their tax benefits effectively.

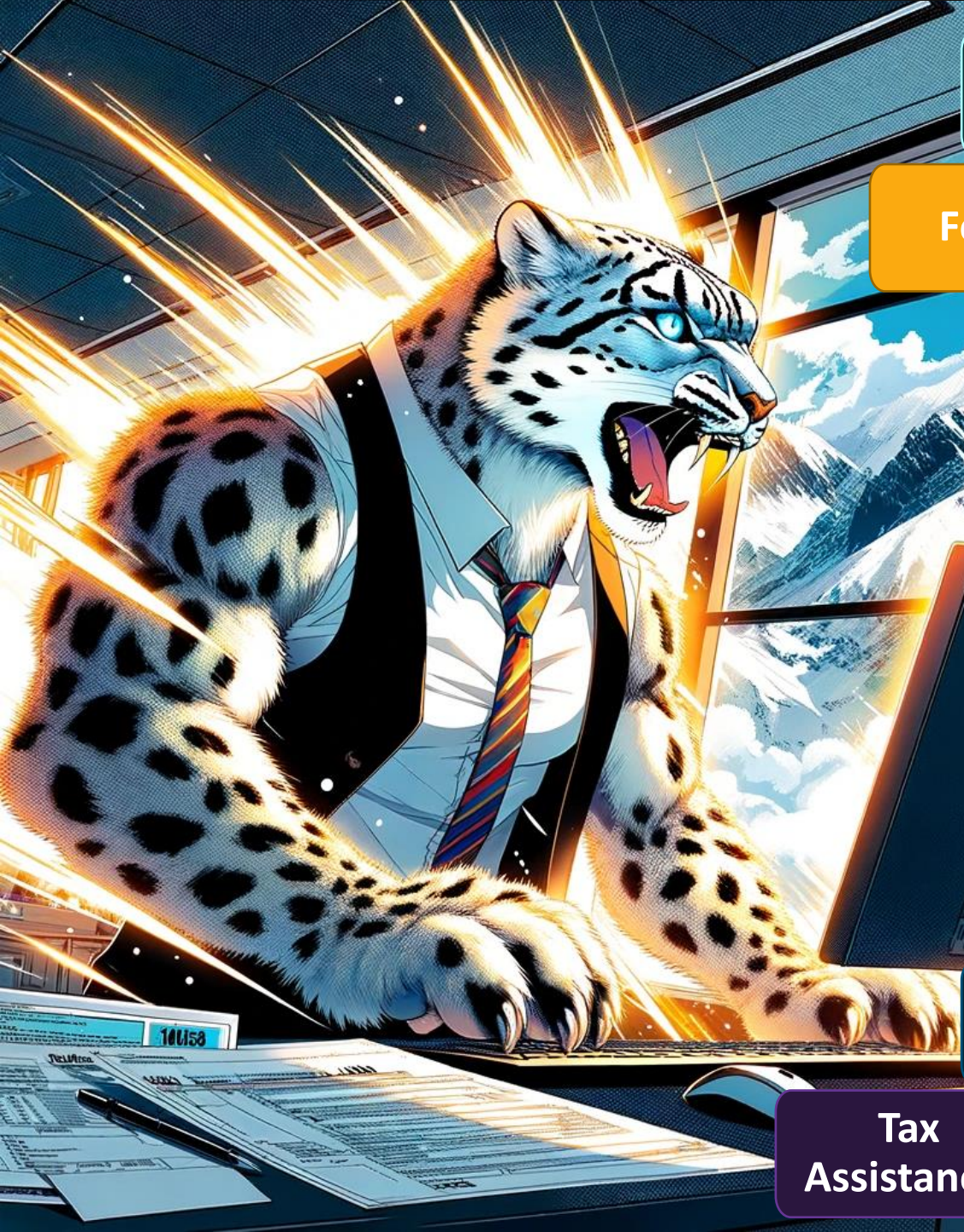


Line 8b - Gambling.

- Enter any gambling winnings. Gambling winnings include lotteries, raffles, a lump-sum payment from the sale of a right to receive future lottery payments, etc. For details on gambling losses, see the instructions for Schedule A, line 16.

Tip

- *Attach Form(s) W-2G to Form 1040 or 1040-SR if any federal income tax was withheld*



Reporting Winnings:

You are required to report all gambling winnings as income on your tax return. This includes winnings from casinos, lotteries, raffles, horse races, and any other games of chance.

Forms:

If you received winnings of \$600 or more from a single gambling session or payout, the entity paying you should provide you with a Form W-2G, Certain Gambling Winnings. You'll use this form to report your winnings on your tax return.

Taxable Income:

Gambling winnings are considered taxable income and must be reported on your federal income tax return. They are taxed at ordinary income rates.

Deductions:

You may be able to deduct gambling losses, but only up to the amount of your winnings. You'll need to itemize deductions on Schedule A of Form 1040 to claim gambling losses.

Record Keeping:

It's crucial to keep accurate records of your gambling activities, including dates, locations, amounts won and lost, and any related expenses. This documentation will support your tax return in case of an audit.

State Taxes:

In addition to federal taxes, you may also owe state income taxes on your gambling winnings, depending on the laws of the state where you reside.

Estimated Payments:

If you anticipate owing a significant amount in taxes on your gambling winnings, you may need to make estimated tax payments throughout the year to avoid underpayment penalties.

Professional Gambling:

If gambling is your primary source of income, you may be considered a professional gambler. In this case, you would report your gambling income and expenses on Schedule C (Form 1040) as self-employment income.

Tax Assistance:

If you have complex gambling income and deductions, or if you're unsure about how to report them accurately, it's wise to seek assistance from a tax professional or accountant who is familiar with gambling taxation laws.

Enter any canceled debt. Canceled debt may be shown in box 2 of Form 1099-C. However, part or all of your income from cancellation of debt may be nontaxable. See Pub. 4681 or go to IRS.gov and enter “canceled debt” or “foreclosure” in the search box.

**Line 8c -
Cancellation of
debt.**





Line 8d - Foreign earned income exclusion and housing exclusion from Form 2555.

Enter the amount of your foreign earned income and housing exclusion from Form 2555, line 45. Enter the amount in the preprinted parentheses (as a negative number).

The amount from Form 2555, line 45, will be subtracted from the other amounts of income listed on lines 8a through 8c and lines 8e through 8z.

Complete the Foreign Earned Income Tax Worksheet if you enter an amount on Form 2555, line 45.

Foreign Earned Income Exclusion (FEIE):

Taxpayers who meet certain requirements, such as residing in a foreign country for a specified period and having foreign earned income, may qualify to exclude a portion of their foreign earned income from U.S. taxation. This exclusion is claimed on Form 2555.

Housing Exclusion:

In addition to the FEIE, taxpayers may also qualify for a housing exclusion or deduction to cover certain housing expenses incurred while living abroad. This exclusion is also reported on Form 2555.

Total Exclusions Reported:

Line 8d requires taxpayers to sum up the amounts of both the foreign earned income exclusion and housing exclusion claimed on Form 2555. This total represents the portion of income and housing expenses that the taxpayer has excluded from their U.S. taxable income.

Documentation:

Taxpayers claiming these exclusions should ensure they meet all eligibility requirements and maintain appropriate documentation to support their claims. The IRS may require documentation to verify eligibility for these exclusions during an audit.

Impact on Tax Liability:

Claiming the foreign earned income exclusion and housing exclusion can significantly reduce a taxpayer's U.S. tax liability on income earned abroad, providing important tax benefits for those working and residing outside the United States.





Line 8e - Income from Form 8853.

Enter the total of the amounts from Form 8853, lines 8, 12, and 26. See Pub. 969.

Caution

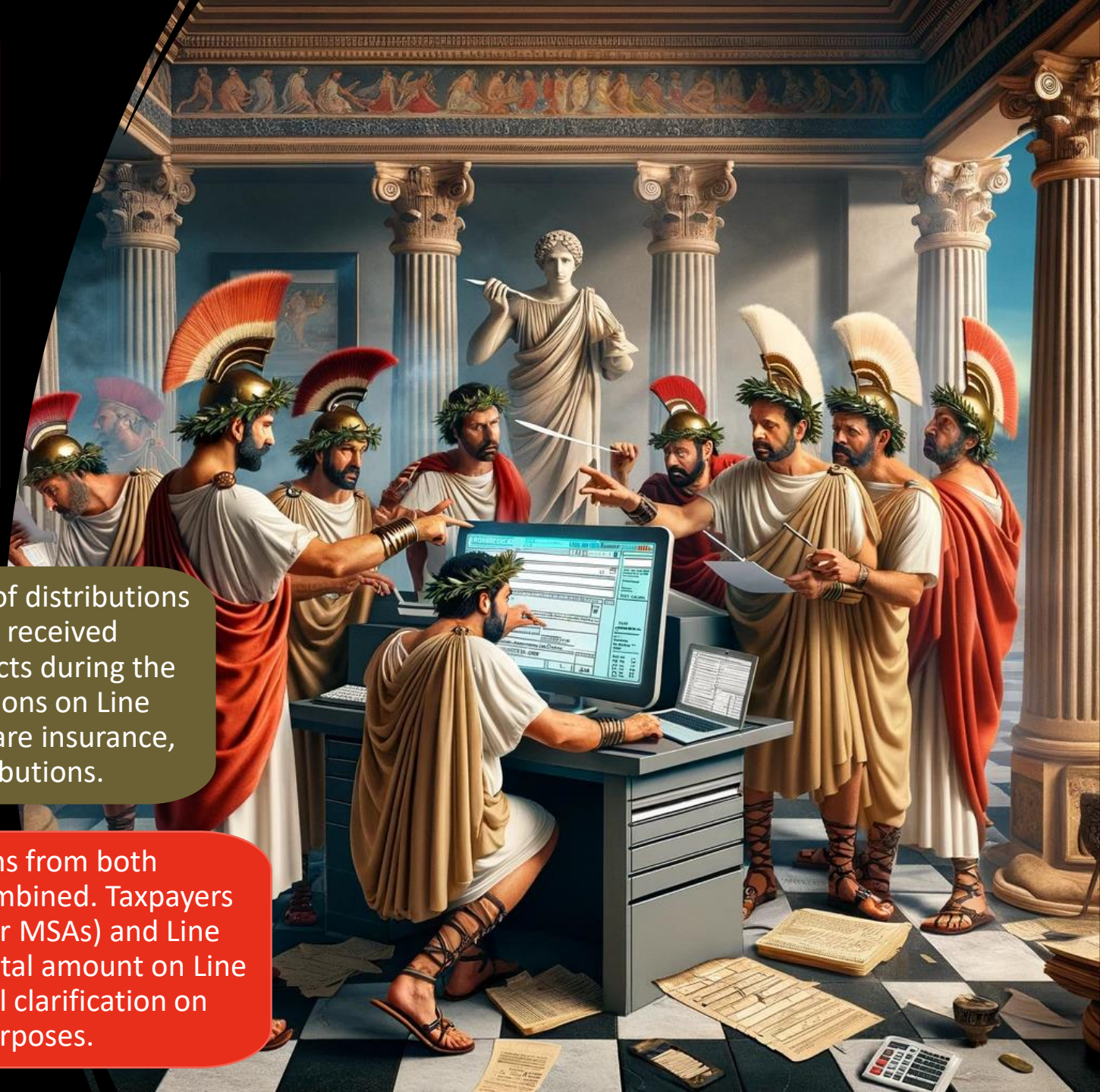
You may have to pay an additional tax if you received a taxable distribution from an Arch-er MSA or Medicare Advantage MSA. See the Instructions for Form 8853.

Form 8853 is used to report Archer MSAs (Medical Savings Accounts) and long-term care insurance contracts. Here's a summary of lines 8, 12, and 26 referencing Publication 969 for the tax year 2023:

Line 8: This line on Form 8853 involves reporting distributions from Archer MSAs. Taxpayers who received distributions from their Archer MSA during the tax year must report the total amount of these distributions on Line 8. Publication 969 provides additional guidance on Archer MSAs, including eligibility criteria, contribution limits, and tax treatment of distributions.

Line 12: Line 12 of Form 8853 pertains to the reporting of distributions from long-term care insurance contracts. Taxpayers who received distributions from their long-term care insurance contracts during the tax year must report the total amount of these distributions on Line 12. Publication 969 offers further details on long-term care insurance, including qualifying expenses and tax treatment of distributions.

Line 26: Line 26 involves the total amount of distributions from both Archer MSAs and long-term care insurance contracts combined. Taxpayers must sum up the distributions reported on Line 8 (Archer MSAs) and Line 12 (long-term care insurance contracts) and enter the total amount on Line 26 of Form 8853. Publication 969 may provide additional clarification on how to calculate and report total distributions for tax purposes.





Line 8f - Income from Form 8889.

- Enter the total of the amounts from Form 8889, lines 16 and 20.

Caution

- *You may have to pay an additional tax if you received a tax-able distribution from a health savings account. See the Instructions for Form 8889.*

Form 8889 is used to report contributions and distributions from Health Savings Accounts (HSAs).



Form 8889: Taxpayers who have contributed to or distributed funds from an HSA during the tax year must complete Form 8889.

Transfer Total Amounts: The instruction directs taxpayers to locate specific totals on Form 8889 and transfer them to their income tax return. This transfer typically occurs on the appropriate line or schedule of the tax return where HSA-related figures are reported.

Income Tax Reporting: The amounts transferred from Form 8889 to the income tax return may affect the taxpayer's taxable income, deductions, and ultimately, their income tax liability.

Accuracy Importance: It's crucial for taxpayers to accurately transfer the amounts from Form 8889 to their income tax return to ensure compliance with IRS regulations and to avoid potential errors or discrepancies.

Consultation: Taxpayers who are unsure about how to report amounts from Form 8889 on their income tax return should refer to the IRS instructions for both forms or seek assistance from a tax professional for guidance.

**Line 8h
- Jury
duty
pay.**

Enter any jury duty pay and see the instructions for line 24a.

**Line 8i -
Prizes
and
awards.**

Enter prizes and awards but see the instructions for line 8m, *Olympic and Paralympic medals and USOC prize money*, later.





Taxable Income:

Jury duty pay is generally considered taxable income at the federal level, and may also be subject to state and local taxes depending on jurisdiction.

Form 1099-MISC:

If you received jury duty pay of \$600 or more during the tax year, you should receive a Form 1099-MISC from the court or government entity that paid you. This form reports the total amount of jury duty income you earned.

Reporting Jury Duty Income:

Even if you do not receive a Form 1099-MISC, you are still required to report your jury duty income on your tax return. You will typically report this income as "Other Income" on line 8 of Form 1040 or line 1 of Form 1040EZ.

Tax Withholding:

Jury duty pay may have federal income tax withheld, depending on the policies of the jurisdiction that summons you. You should review any tax withholdings on your pay stub or payment documentation.

No Social Security or Medicare Taxes:

Jury duty pay is exempt from Social Security and Medicare taxes (FICA taxes).

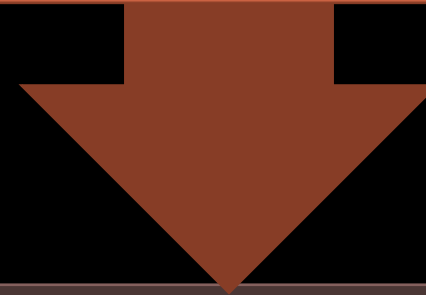
Deductions:

You may be able to deduct certain expenses related to serving jury duty, such as travel expenses or unreimbursed parking fees, as miscellaneous deductions subject to certain limitations. However, the Tax Cuts and Jobs Act (TCJA) suspended miscellaneous deductions subject to the 2% of adjusted gross income (AGI) floor for tax years 2018 through 2025, so these deductions may not be applicable.



**Line 8j - Activity not engaged in
for profit in-come.**

See Pub. 525.



Line 8k - Stock options.

Enter any income from the exercise of
stock options not other-wise reported
on Form 1040 or 1040-SR, line 1h.



Non-Profit Activities:

Income earned from activities that you do not engage in for profit, such as hobbies or certain investments, is considered non-business income.

Taxable Income:

Non-business income is generally taxable and must be reported on your tax return. This income may include earnings from hobbies, investments, or other sources not conducted with the primary intent of making a profit.

Form 1040 Reporting:

Non-business income is typically reported on your Form 1040, Schedule 1, Line 8. You will enter the total amount of non-business income earned during the tax year on this line.

Deductions:

While income from non-profit activities is taxable, you may be eligible to deduct certain expenses related to generating that income. However, deductions for hobby expenses are limited and subject to certain conditions outlined in the tax code.

Losses:

If your non-profit activities result in a loss, you generally cannot deduct those losses against other income on your tax return. Losses from hobbies are specifically disallowed as deductible expenses.

Line 8I - Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property.

Also see the instructions for line 24b, later.



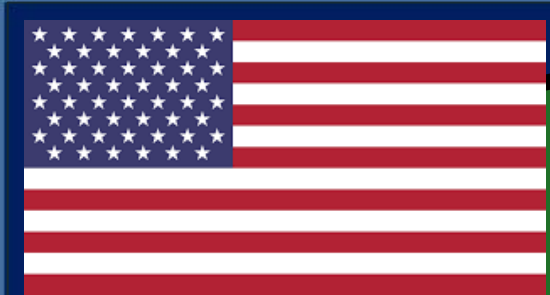
Line 8m - Olympic and Paralympic medals and USOC prize money.

The value of Olympic and Paralympic medals and the amount of United States Olympic Committee (USOC) prize money you receive on account of your participation in the Olympic or Paralympic Games may be nontaxable.

These amounts should be re-reported to you in box 3 of Form 1099-MISC. To see if these amounts are nontaxable, first figure your adjusted gross income, including the amount of your medals and prize money.

If your adjusted gross income is not more than \$1,000,000 (\$500,000 if married filing separately), these amounts are nontaxable and you should include the amount in box 3 of Form 1099-MISC on line 8m, then subtract it by including it on line 24c.



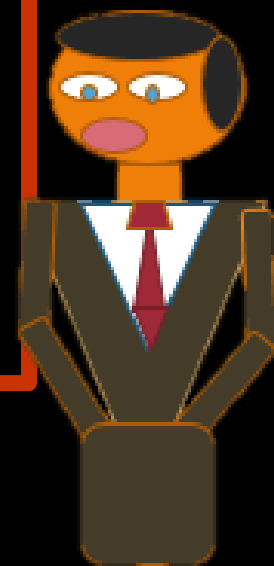


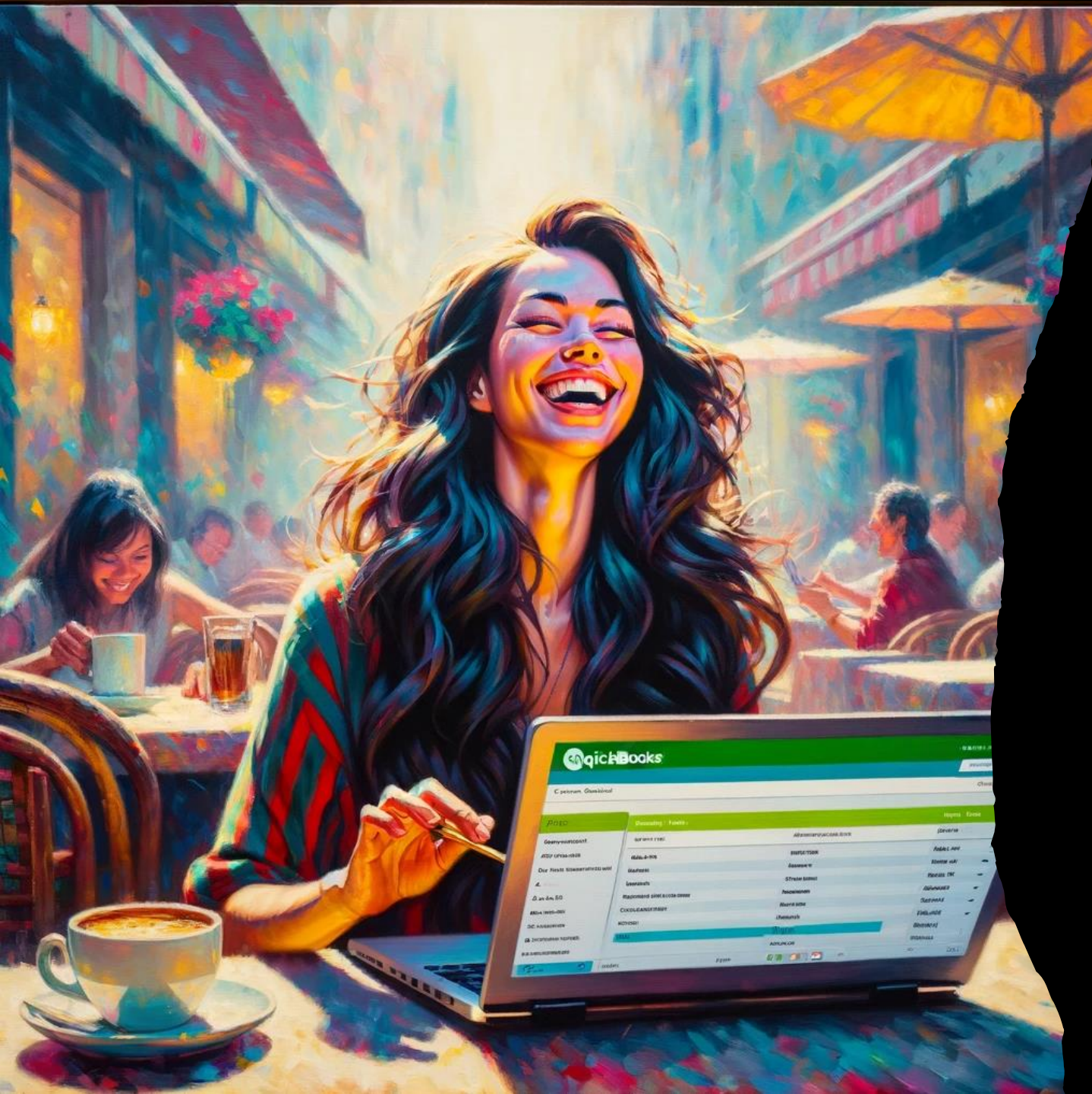
Income Tax

2023-2024



Other Income Part 1 Example





Lines 8a Through 8z - Other Income

Caution

Do not report on lines 8a through 8z any income from self-employment or fees received as a notary public. Instead, you must use Schedule C, even if you don't have any business expenses. Also don't report on lines 8a through 8z any non-employee compensation shown on Form 1099-MISC, 1099-NEC, or 1099-K (unless it isn't self-employment income, such as income from a hobby or a sporadic activity).

Instead, see the Instructions for Recipient included on Form 1099-MISC, 1099-NEC, or 1099-K to find out where to report that income. For more information about what is being reported on Form 1099-K, see the Instructions for Payee included on that form and visit [IRS.gov/1099K](https://www.irs.gov/1099K).

Line 8a - Net operating loss (NOL) deduction.

- Enter any NOL deduction from an earlier year. Enter the amount in the preprinted parentheses (as a negative number). The amount of your deduction will be subtracted from the other amounts of in-come listed on lines 8b through 8z. See Pub. 536 for details.





Definition:	A Net Operating Loss (NOL) occurs when a taxpayer's allowable deductions exceed their taxable income in a given tax year.
Carryback and Carryforward:	In 2023, the Tax Cuts and Jobs Act (TCJA) eliminated the option to carry back NOLs for most taxpayers. Instead, individuals can generally only carry forward NOLs indefinitely, allowing them to offset future taxable income.
Limitations:	The TCJA also limited the deduction for NOLs to 80% of taxable income for losses arising in tax years beginning after December 31, 2017.
Calculation:	To calculate an NOL for individual income tax purposes, subtract allowable deductions (including business losses, casualty and theft losses, and certain other deductions) from total taxable income for the tax year.
Form 1045 or Form 1040X:	To carry back or carry forward an NOL, individuals typically file either Form 1045, Application for Tentative Refund, or Form 1040X, Amended U.S. Individual Income Tax Return, depending on whether they want to carry back or carry forward the loss.
Special Rules for Certain Professions:	Some professions, such as farming and certain types of small businesses, have special rules regarding the treatment of NOLs. For example, farmers may have the option to carry back NOLs up to five years.
Impact on Tax Liability:	Utilizing an NOL can result in a refund of taxes paid in previous years (if carrying back) or reduce taxes owed in future years (if carrying forward), thereby providing taxpayers with some relief during financial downturns.
Documentation:	It's important to maintain accurate records of income, deductions, and any carryback or carryforward transactions involving NOLs to ensure compliance with IRS regulations and to support tax filings.
Consultation:	Given the complexity of NOL rules and calculations, individuals may benefit from consulting with a tax professional or accountant to navigate NOL provisions and maximize their tax benefits effectively.

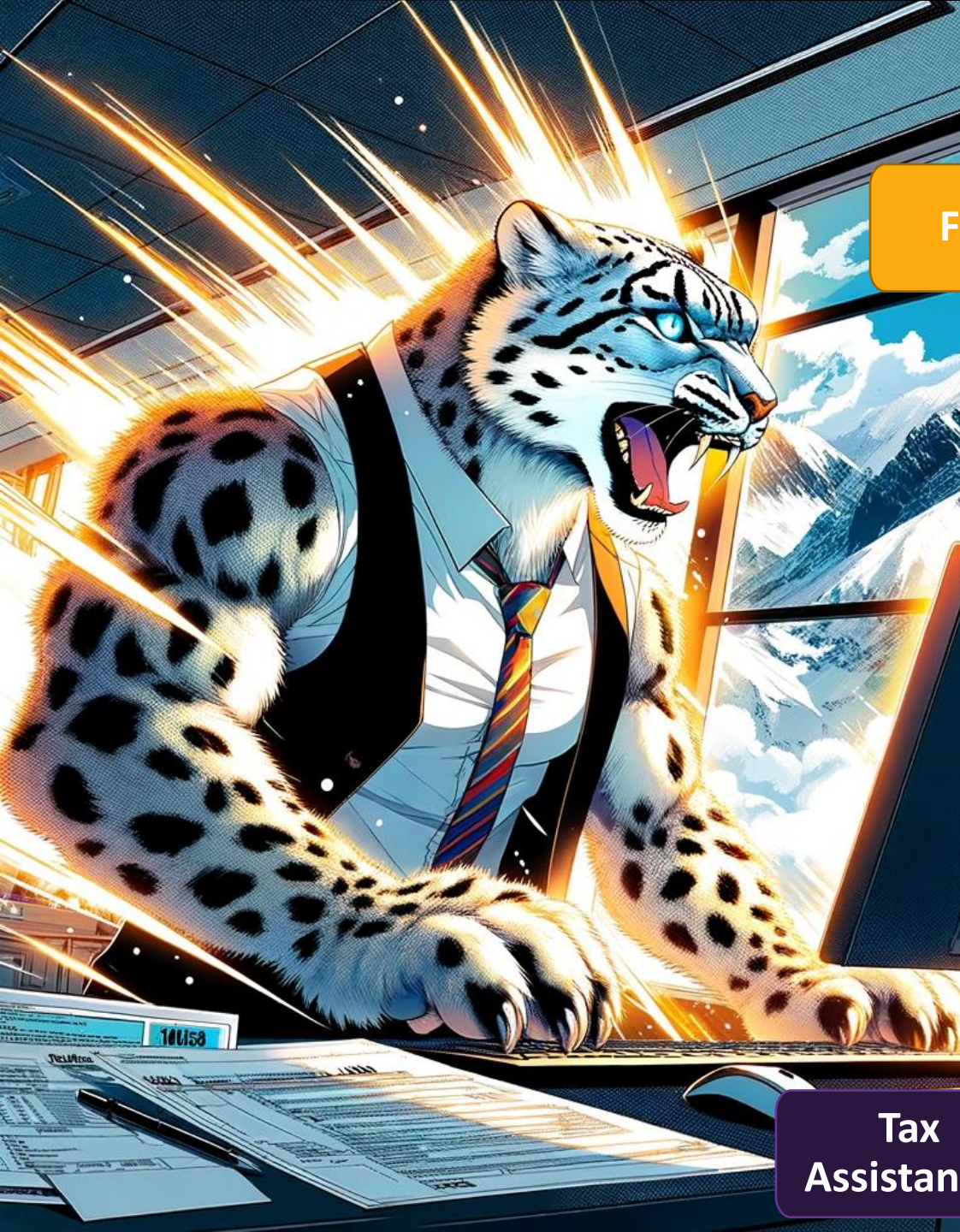


Line 8b - Gambling.

- Enter any gambling winnings. Gambling winnings include lotteries, raffles, a lump-sum payment from the sale of a right to receive future lottery payments, etc. For details on gambling losses, see the instructions for Schedule A, line 16.

Tip

- *Attach Form(s) W-2G to Form 1040 or 1040-SR if any federal income tax was withheld*



Reporting Winnings:

You are required to report all gambling winnings as income on your tax return. This includes winnings from casinos, lotteries, raffles, horse races, and any other games of chance.

Forms:

If you received winnings of \$600 or more from a single gambling session or payout, the entity paying you should provide you with a Form W-2G, Certain Gambling Winnings. You'll use this form to report your winnings on your tax return.

Taxable Income:

Gambling winnings are considered taxable income and must be reported on your federal income tax return. They are taxed at ordinary income rates.

Deductions:

You may be able to deduct gambling losses, but only up to the amount of your winnings. You'll need to itemize deductions on Schedule A of Form 1040 to claim gambling losses.

Record Keeping:

It's crucial to keep accurate records of your gambling activities, including dates, locations, amounts won and lost, and any related expenses. This documentation will support your tax return in case of an audit.

State Taxes:

In addition to federal taxes, you may also owe state income taxes on your gambling winnings, depending on the laws of the state where you reside.

Estimated Payments:

If you anticipate owing a significant amount in taxes on your gambling winnings, you may need to make estimated tax payments throughout the year to avoid underpayment penalties.

Professional Gambling:

If gambling is your primary source of income, you may be considered a professional gambler. In this case, you would report your gambling income and expenses on Schedule C (Form 1040) as self-employment income.

Tax Assistance:

If you have complex gambling income and deductions, or if you're unsure about how to report them accurately, it's wise to seek assistance from a tax professional or accountant who is familiar with gambling taxation laws.

Enter any canceled debt. Canceled debt may be shown in box 2 of Form 1099-C. However, part or all of your income from cancellation of debt may be nontaxable. See Pub. 4681 or go to IRS.gov and enter “canceled debt” or “foreclosure” in the search box.

**Line 8c -
Cancellation of
debt.**





Line 8d - Foreign earned income exclusion and housing exclusion from Form 2555.

Enter the amount of your foreign earned income and housing exclusion from Form 2555, line 45. Enter the amount in the preprinted parentheses (as a negative number).

The amount from Form 2555, line 45, will be subtracted from the other amounts of income listed on lines 8a through 8c and lines 8e through 8z.

Complete the Foreign Earned Income Tax Worksheet if you enter an amount on Form 2555, line 45.

Foreign Earned Income Exclusion (FEIE):

Taxpayers who meet certain requirements, such as residing in a foreign country for a specified period and having foreign earned income, may qualify to exclude a portion of their foreign earned income from U.S. taxation. This exclusion is claimed on Form 2555.

Housing Exclusion:

In addition to the FEIE, taxpayers may also qualify for a housing exclusion or deduction to cover certain housing expenses incurred while living abroad. This exclusion is also reported on Form 2555.

Total Exclusions Reported:

Line 8d requires taxpayers to sum up the amounts of both the foreign earned income exclusion and housing exclusion claimed on Form 2555. This total represents the portion of income and housing expenses that the taxpayer has excluded from their U.S. taxable income.

Documentation:

Taxpayers claiming these exclusions should ensure they meet all eligibility requirements and maintain appropriate documentation to support their claims. The IRS may require documentation to verify eligibility for these exclusions during an audit.

Impact on Tax Liability:

Claiming the foreign earned income exclusion and housing exclusion can significantly reduce a taxpayer's U.S. tax liability on income earned abroad, providing important tax benefits for those working and residing outside the United States.





Line 8e - Income from Form 8853.

Enter the total of the amounts from Form 8853, lines 8, 12, and 26. See Pub. 969.

Caution

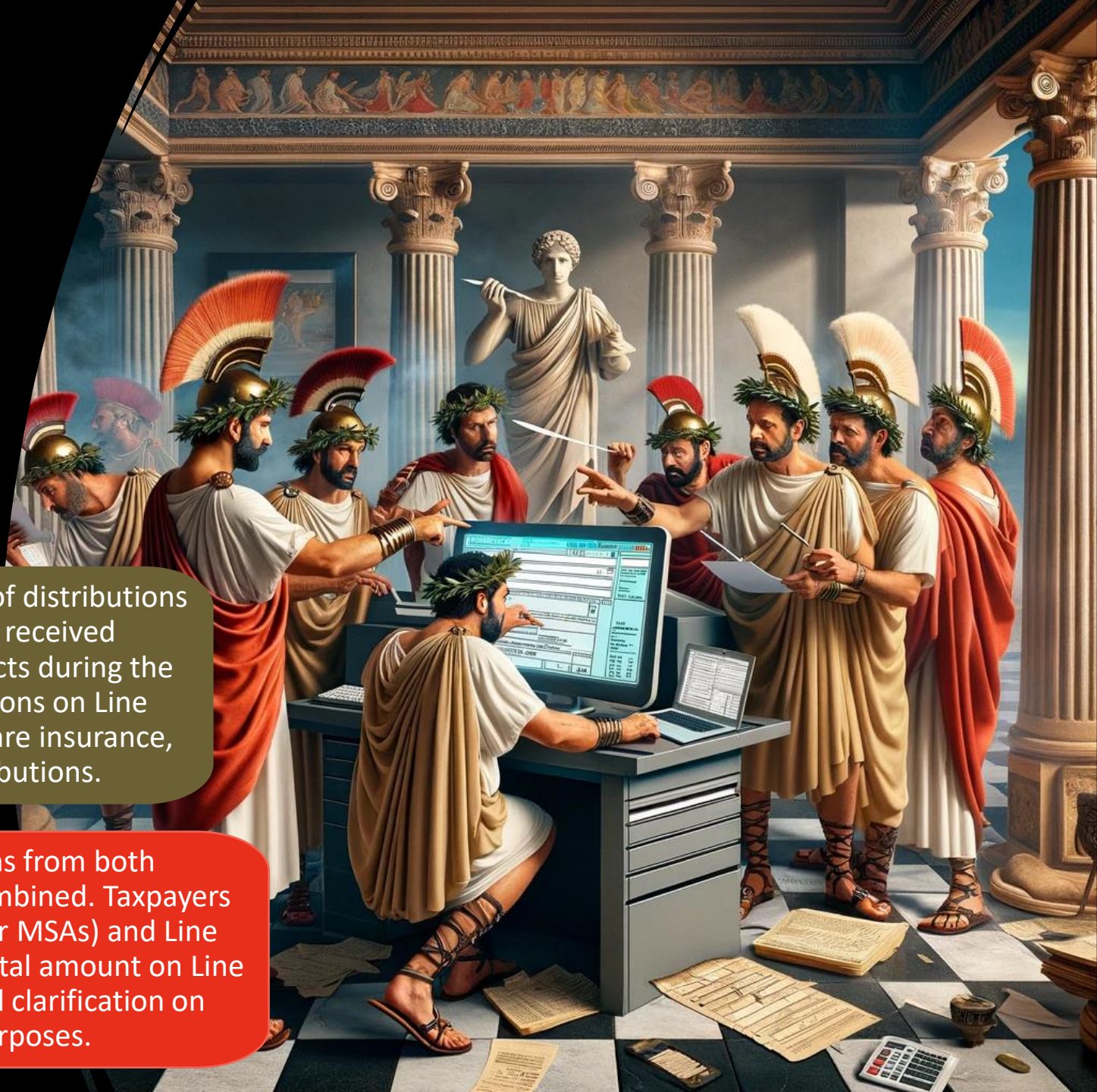
You may have to pay an additional tax if you received a taxable distribution from an Arch-er MSA or Medicare Advantage MSA. See the Instructions for Form 8853.

Form 8853 is used to report Archer MSAs (Medical Savings Accounts) and long-term care insurance contracts. Here's a summary of lines 8, 12, and 26 referencing Publication 969 for the tax year 2023:

Line 8: This line on Form 8853 involves reporting distributions from Archer MSAs. Taxpayers who received distributions from their Archer MSA during the tax year must report the total amount of these distributions on Line 8. Publication 969 provides additional guidance on Archer MSAs, including eligibility criteria, contribution limits, and tax treatment of distributions.

Line 12: Line 12 of Form 8853 pertains to the reporting of distributions from long-term care insurance contracts. Taxpayers who received distributions from their long-term care insurance contracts during the tax year must report the total amount of these distributions on Line 12. Publication 969 offers further details on long-term care insurance, including qualifying expenses and tax treatment of distributions.

Line 26: Line 26 involves the total amount of distributions from both Archer MSAs and long-term care insurance contracts combined. Taxpayers must sum up the distributions reported on Line 8 (Archer MSAs) and Line 12 (long-term care insurance contracts) and enter the total amount on Line 26 of Form 8853. Publication 969 may provide additional clarification on how to calculate and report total distributions for tax purposes.





Line 8f - Income from Form 8889.

- Enter the total of the amounts from Form 8889, lines 16 and 20.

Caution

- *You may have to pay an additional tax if you received a tax-able distribution from a health savings account. See the Instructions for Form 8889.*

Form 8889 is used to report contributions and distributions from Health Savings Accounts (HSAs).



Form 8889: Taxpayers who have contributed to or distributed funds from an HSA during the tax year must complete Form 8889.

Transfer Total Amounts: The instruction directs taxpayers to locate specific totals on Form 8889 and transfer them to their income tax return. This transfer typically occurs on the appropriate line or schedule of the tax return where HSA-related figures are reported.

Income Tax Reporting: The amounts transferred from Form 8889 to the income tax return may affect the taxpayer's taxable income, deductions, and ultimately, their income tax liability.

Accuracy Importance: It's crucial for taxpayers to accurately transfer the amounts from Form 8889 to their income tax return to ensure compliance with IRS regulations and to avoid potential errors or discrepancies.

Consultation: Taxpayers who are unsure about how to report amounts from Form 8889 on their income tax return should refer to the IRS instructions for both forms or seek assistance from a tax professional for guidance.

**Line 8h
- Jury
duty
pay.**

Enter any jury duty pay and see the instructions for line 24a.

**Line 8i -
Prizes
and
awards.**

Enter prizes and awards but see the instructions for line 8m, *Olympic and Paralympic medals and USOC prize money*, later.





Taxable Income:

Jury duty pay is generally considered taxable income at the federal level, and may also be subject to state and local taxes depending on jurisdiction.

Form 1099-MISC:

If you received jury duty pay of \$600 or more during the tax year, you should receive a Form 1099-MISC from the court or government entity that paid you. This form reports the total amount of jury duty income you earned.

Reporting Jury Duty Income:

Even if you do not receive a Form 1099-MISC, you are still required to report your jury duty income on your tax return. You will typically report this income as "Other Income" on line 8 of Form 1040 or line 1 of Form 1040EZ.

Tax Withholding:

Jury duty pay may have federal income tax withheld, depending on the policies of the jurisdiction that summons you. You should review any tax withholdings on your pay stub or payment documentation.

No Social Security or Medicare Taxes:

Jury duty pay is exempt from Social Security and Medicare taxes (FICA taxes).

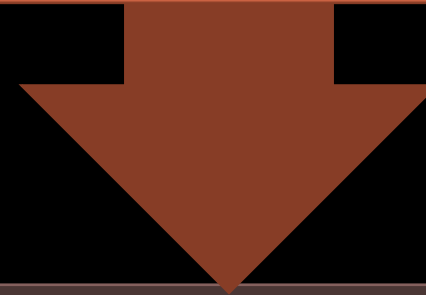
Deductions:

You may be able to deduct certain expenses related to serving jury duty, such as travel expenses or unreimbursed parking fees, as miscellaneous deductions subject to certain limitations. However, the Tax Cuts and Jobs Act (TCJA) suspended miscellaneous deductions subject to the 2% of adjusted gross income (AGI) floor for tax years 2018 through 2025, so these deductions may not be applicable.



**Line 8j - Activity not engaged in
for profit in-come.**

See Pub. 525.



Line 8k - Stock options.

Enter any income from the exercise of
stock options not other-wise reported
on Form 1040 or 1040-SR, line 1h.



Non-Profit Activities:

Income earned from activities that you do not engage in for profit, such as hobbies or certain investments, is considered non-business income.

Taxable Income:

Non-business income is generally taxable and must be reported on your tax return. This income may include earnings from hobbies, investments, or other sources not conducted with the primary intent of making a profit.

Form 1040 Reporting:

Non-business income is typically reported on your Form 1040, Schedule 1, Line 8. You will enter the total amount of non-business income earned during the tax year on this line.

Deductions:

While income from non-profit activities is taxable, you may be eligible to deduct certain expenses related to generating that income. However, deductions for hobby expenses are limited and subject to certain conditions outlined in the tax code.

Losses:

If your non-profit activities result in a loss, you generally cannot deduct those losses against other income on your tax return. Losses from hobbies are specifically disallowed as deductible expenses.

Line 8I - Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property.

Also see the instructions for line 24b, later.



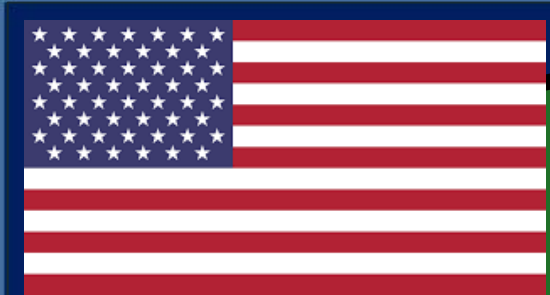
Line 8m - Olympic and Paralympic medals and USOC prize money.

The value of Olympic and Paralympic medals and the amount of United States Olympic Committee (USOC) prize money you receive on account of your participation in the Olympic or Paralympic Games may be nontaxable.

These amounts should be re-reported to you in box 3 of Form 1099-MISC. To see if these amounts are nontaxable, first figure your adjusted gross income, including the amount of your medals and prize money.

If your adjusted gross income is not more than \$1,000,000 (\$500,000 if married filing separately), these amounts are nontaxable and you should include the amount in box 3 of Form 1099-MISC on line 8m, then subtract it by including it on line 24c.





Income Tax

2023-2024



Other Income Part 2





TAX YEAR
2023

1040 (and 1040-SR)

Instructions for Schedule 1

Additional Income and Adjustments to Income

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or
Married filing
separately,
\$13,850
- Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
- Head of
household,
\$20,800
- If you checked
any box under
*Standard
Deduction*,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b	Taxable interest
3a	Qualified dividends	3a	b	Ordinary dividends
4a	IRA distributions	4a	b	Taxable amount
5a	Pensions and annuities	5a	b	Taxable amount
6a	Social security benefits	6a	b	Taxable amount
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2023

Attachment
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions):		
3	Business income or (loss). Attach Schedule C	3	
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss	8a	()
b	Gambling	8b	
c	Cancellation of debt	8c	
d	Foreign earned income exclusion from Form 2555	8d	()
e	Income from Form 8853	8e	
f	Income from Form 8889	8f	
g	Alaska Permanent Fund dividends	8g	
h	Jury duty pay	8h	
i	Prizes and awards	8i	



Section 951 generally requires that a U.S. shareholder of a controlled foreign corporation include in income its pro rata share of the corporation's subpart F income and its amount determined under section 956. Enter on line 8n from your Forms 5471 the sum of any amounts reported on Schedule I, lines 1a through h and line 2. Remember to attach copies of your Forms 5471 to your return.

Line 8n - Section 951(a) inclusion.



Line 80 - Section 951A(a) inclusion.

- Section 951A generally requires that a U.S. shareholder of a controlled foreign corporation include in income its global intangible low-taxed income (GILTI).
- Enter on line 80 from your Forms 8992 the sum of any amounts reported on Part II, line 5. Remember to attach copies of your Forms 8992.

Line 8p - 461(I) excess business loss adjustment.

- Enter the amount of your excess business loss from Form 461, line 16.





Section 461(l):

This section of the Internal Revenue Code was introduced as part of the Tax Cuts and Jobs Act (TCJA) and imposes limitations on the ability of non-corporate taxpayers to deduct excess business losses.

Excess Business Losses:

An excess business loss occurs when the total deductions attributable to a taxpayer's trade or business exceed their total gross income and gains attributable to those trades or businesses, plus a threshold amount.

Threshold Amount:

For the tax year 2023, the threshold amount for single taxpayers is \$262,000 (\$524,000 for married taxpayers filing jointly). Any losses exceeding this threshold are considered excess business losses.

Limitation on Deductions:

Section 461(l) limits the taxpayer's ability to deduct excess business losses in the current tax year. Instead of being fully deductible, these losses may be subject to limitations and carried forward to future tax years.

Reporting on Line 8p:

Line 8p of the income tax summary likely involves reporting any adjustments made for excess business losses under Section 461(l) for the tax year 2023. This adjustment may impact the taxpayer's taxable income for the year.

Line 8q

Taxable distributions from an ABLE account.

Distributions from this type of account may be taxable if (a) they are more than the designated beneficiary's qualified disability expenses, and (b) they were not included in a qualified rollover. See Pub. 907 for more information.

Caution

You may have to pay an additional tax if you received a tax-able distribution from an ABLE account. See the Instructions for Form 5329.





ABLE Accounts

ABLE accounts are tax-advantaged savings accounts for individuals with disabilities that allow them to save and invest money without jeopardizing eligibility for certain means-tested government benefits, such as Medicaid and Supplemental Security Income (SSI).

Tax-Free Growth

Contributions to ABLE accounts are made with after-tax dollars, and any earnings and growth within the account are typically not subject to federal income tax when used for qualified disability expenses.

Taxable Distributions

Generally, distributions from an ABLE account are tax-free if they are used for qualified disability expenses, such as education, housing, transportation, healthcare, assistive technology, and other approved expenses related to the designated beneficiary's disability.

Non-Qualified Distributions

If distributions from an ABLE account are used for non-qualified expenses, the earnings portion of the distribution may be subject to federal income tax and possibly a 10% additional tax penalty.

Reporting Taxable Distributions

Taxable distributions from an ABLE account are reported on the beneficiary's federal income tax return. The earnings portion of the distribution is reported as taxable income on the appropriate line of the tax return.

Form 1099-Q

If taxable distributions are made from an ABLE account during the tax year, the financial institution managing the account will typically issue Form 1099-Q to report the total distributions made during the year. This form will indicate the amount of earnings distributed that may be subject to income tax.

Exceptions

Some exceptions may apply to the taxation of distributions from ABLE accounts, such as rollovers, changes in the designated beneficiary, and other special circumstances. Taxpayers should refer to IRS guidance and consult with a tax professional for specific situations.

Line 8r

Scholarship and fellowship grants not reported on Form W-2. Enter the amount of scholarship and fellowship grants not reported on Form W-2.

However, if you were a degree candidate, include on line 8r only the amounts you used for expenses other than tuition and course-related expenses.

For example, amounts used for room, board, and travel must be reported on line 8r.





For the tax year 2023, scholarship and fellowship grants are subject to specific income tax reporting requirements.

Generally, these amounts are tax-free if you are a candidate for a degree at an eligible educational institution and the funds are used for qualified educational expenses, such as tuition, fees, books, supplies, and equipment required for your courses.

However, amounts used for incidental expenses like room and board, travel, and optional equipment must be included in gross income.

The IRS Publication 970 provides detailed guidance on the tax treatment of educational assistance, including scholarships, fellowship grants, grants, and tuition reductions.

For example, certain non-tuition fellowship and stipend payments not reported on Form W-2 are treated as taxable compensation for IRA purposes.

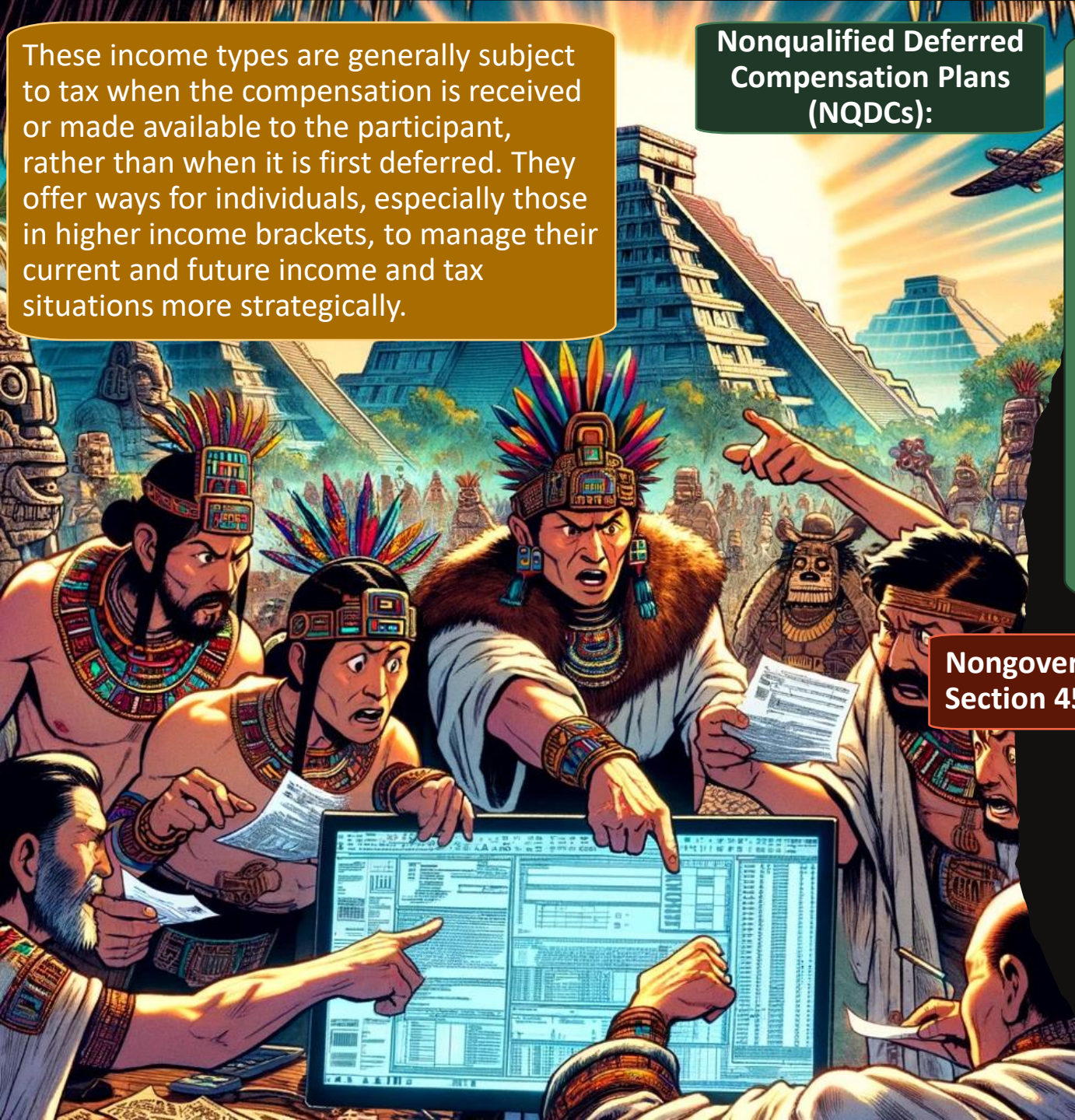
This publication also explains that emergency financial aid grants under acts like the CARES Act, the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, and the American Rescue Plan Act of 2021 are not included in your gross income

Line 8t - Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan.

Enter the amount that you received as a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental 457 plan.

This may be shown in box 11 of Form W-2. If you received such an amount but box 11 is blank, contact your employer or the payer for the amount received.





Nonqualified Deferred Compensation Plans (NQDCs):

These income types are generally subject to tax when the compensation is received or made available to the participant, rather than when it is first deferred. They offer ways for individuals, especially those in higher income brackets, to manage their current and future income and tax situations more strategically.

These are contractual agreements between an employer and an employee where part of the employee's income is paid out at a later date from when it was earned. Income is thus 'deferred' and is usually designed as a form of long-term compensation or retirement plan.

This kind of plan does not have to comply with the Employee Retirement Income Security Act (ERISA) guidelines that apply to qualified plans like 401(k)s, so they offer greater flexibility but also come with higher risk, as deferred compensation is typically unsecured.

This means that if the company faces financial trouble, employees may not be able to claim their deferred compensation.

You might have this kind of income if you're an executive or other high-earning employee who has elected to defer part of your compensation to a future date, often to manage tax liabilities or plan for retirement.

Nongovernmental Section 457 Plans:

Similar to NQDCs, these are plans that allow employees of nonprofit organizations and some governmental entities to defer income taxation on retirement savings.


The funds are contributed to the plan pre-tax and can grow tax-deferred until withdrawal. These are often used by employees of tax-exempt organizations to augment their retirement savings.

One key feature is that these plans are required to remain unfunded, meaning the assets are not set aside exclusively for beneficiaries but remain part of the employer's general assets and could be subject to creditors' claims if the employer becomes insolvent.

Line
8u

- Wages earned while incarcerated. Enter the amount that you received for services performed while an inmate in a penal institution. You may receive Form(s) W-2 or Form(s) 1099.





Line 8z - Other income. - Use line 8z to report any taxable income not reported elsewhere on your return or other schedules. List the type and amount of income. If necessary, include a statement showing the required information. For more details, see *Miscellaneous Income* in Pub. 525. Examples of income to report on line 8z include the following.

Reimbursements or other amounts received for items deducted in an earlier year, such as medical expenses, real estate taxes, general sales taxes, or home mortgage interest. See *Recoveries* in Pub. 525 for details on how to figure the amount to report.

Reemployment trade adjustment assistance (RTAA) payments. These payments should be shown in box 5 of Form 1099-G.

Loss on certain corrective distributions of excess deferrals. See *Retirement Plan Contributions* in Pub. 525.

Dividends on insurance policies if they exceed the total of all net premiums you paid for the contract.

Recapture of a charitable contribution deduction relating to the contribution of a fractional interest in tangible personal property. See *Fractional Interest in Tangible Personal Property* in Pub. 526. Interest and an additional 10% tax apply to the amount of the recapture. See the instructions for Schedule 2, line 17g.

Recapture of a charitable contribution deduction if the charitable organization disposes of the donated property within 3 years of the contribution. See *Recapture if no exempt use* in Pub. 526.

Taxable part of disaster relief payments. See Pub. 525 to figure the taxable part, if any. If any of your disaster relief payment is taxable, attach a statement showing the total payment received and how you figured the taxable part.

Taxable distributions from a Coverdell education savings account (ESA) or a qualified tuition program (QTP). Distributions from these accounts may be taxable if (a) in the case of distributions from a QTP, they are more than the qualified higher education expenses of the designated beneficiary in 2023 or, in the case of distributions from an ESA, they are more than the qualified education expenses of the designated beneficiary in 2023; and (b) they were not included in a qualified rollover. Nontaxable distributions from these accounts don't have to be reported on Form 1040 or 1040-SR. This includes rollovers and qualified higher education expenses re-funded to a student from a QTP that were recontributed to a QTP with the same designated beneficiary generally within 60 days after the date of refund. See Pub. 970.

Nontaxable income. Don't report any nontaxable income on line 8z. Examples of nontaxable income include the following.

Child support.

Payments you received to help you pay your mortgage loan under the HFA Hardest Hit Fund or the Homeowner Assistance Fund.

Any Pay-for-Performance Success Payments that reduce the principal balance of your home mortgage under the Home Affordable Modification Program.

Life insurance proceeds received because of someone's death (other than from certain employer-owned life insurance contracts).

Gifts and bequests. You may have to report information on your gifts or be-quests on Form 3520, Part IV, if you received:

1. A gift or bequest from a foreign individual or foreign estate (including foreign persons related to that foreign individual or foreign estate) totaling more than \$100,000; or
2. Amounts totaling more than \$18,567 from a foreign corporation or foreign partnership (including foreign persons related to such foreign corporations or foreign partnerships) that you treated as gifts.





Form 1099-K loss reporting.

If you sold a personal item at a loss, either re-report the loss on Form 8949 or report it on line 8z. If you report the loss on line 8z, enter the amount of the sale proceeds from Form 1099-K on line 8z. In the entry space next to line 8z write "Form 1099-K Personal Item Sold at a Loss" and also enter the amount of the sale proceeds.

For example, you bought a couch for \$1,000 and sold it through a third-party vendor for \$700, which was reported on your Form 1099-K. In the entry space next to line 8z you would write "Form 1099-K Personal Item Sold at a Loss - \$700." See the instructions for line 24z.

Incorrect Form 1099-K.

If you received a Form 1099-K that shows payments you didn't receive or is otherwise incorrect and you can't get it corrected, enter the amount from Form 1099-K that was incorrectly reported to you on line 8z.

In the entry space next to line 8z write "Incorrect Form 1099-K" and also enter the amount that was incorrectly reported to you.

For example, if you received a Form 1099-K that incorrectly showed \$800 of payments to you, you would enter \$800 on line 8z and in the entry space next to line 8z you would write "Incorrect Form 1099-K - \$800." See the instructions for line 24z.





Income Tax

2023-2024



Other Income Part 2 Example





Section 951 generally requires that a U.S. shareholder of a controlled foreign corporation include in income its pro rata share of the corporation's subpart F income and its amount determined under section 956. Enter on line 8n from your Forms 5471 the sum of any amounts reported on Schedule I, lines 1a through h and line 2. Remember to attach copies of your Forms 5471 to your return.

Line 8n - Section 951(a) inclusion.



Line 80 - Section 951A(a) inclusion.

- Section 951A generally requires that a U.S. shareholder of a controlled foreign corporation include in income its global intangible low-taxed income (GILTI).
- Enter on line 80 from your Forms 8992 the sum of any amounts reported on Part II, line 5. Remember to attach copies of your Forms 8992.

**Line 8p - 461(I)
excess business
loss adjustment.**

- Enter the amount of your excess business loss from Form 461, line 16.





Section 461(I):

This section of the Internal Revenue Code was introduced as part of the Tax Cuts and Jobs Act (TCJA) and imposes limitations on the ability of non-corporate taxpayers to deduct excess business losses.

Excess Business Losses:

An excess business loss occurs when the total deductions attributable to a taxpayer's trade or business exceed their total gross income and gains attributable to those trades or businesses, plus a threshold amount.

Threshold Amount:

For the tax year 2023, the threshold amount for single taxpayers is \$262,000 (\$524,000 for married taxpayers filing jointly). Any losses exceeding this threshold are considered excess business losses.

Limitation on Deductions:

Section 461(I) limits the taxpayer's ability to deduct excess business losses in the current tax year. Instead of being fully deductible, these losses may be subject to limitations and carried forward to future tax years.

Reporting on Line 8p:

Line 8p of the income tax summary likely involves reporting any adjustments made for excess business losses under Section 461(I) for the tax year 2023. This adjustment may impact the taxpayer's taxable income for the year.

Line 8q

Taxable distributions from an ABLÉ account.

Distributions from this type of account may be taxable if (a) they are more than the designated beneficiary's qualified disability expenses, and (b) they were not included in a qualified rollover. See Pub. 907 for more information.

Caution

You may have to pay an additional tax if you received a tax-able distribution from an ABLÉ account. See the Instructions for Form 5329.





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If distributions from an ABLE account are used for non-qualified expenses, the earnings portion of the distribution may be subject to federal income tax and possibly a 10% additional tax penalty.

Reporting Taxable Distributions

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Form 1099-Q

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Line 8r

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However, amounts used for incidental expenses like room and board, travel, and optional equipment must be included in gross income.

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For example, certain non-tuition fellowship and stipend payments not reported on Form W-2 are treated as taxable compensation for IRA purposes.

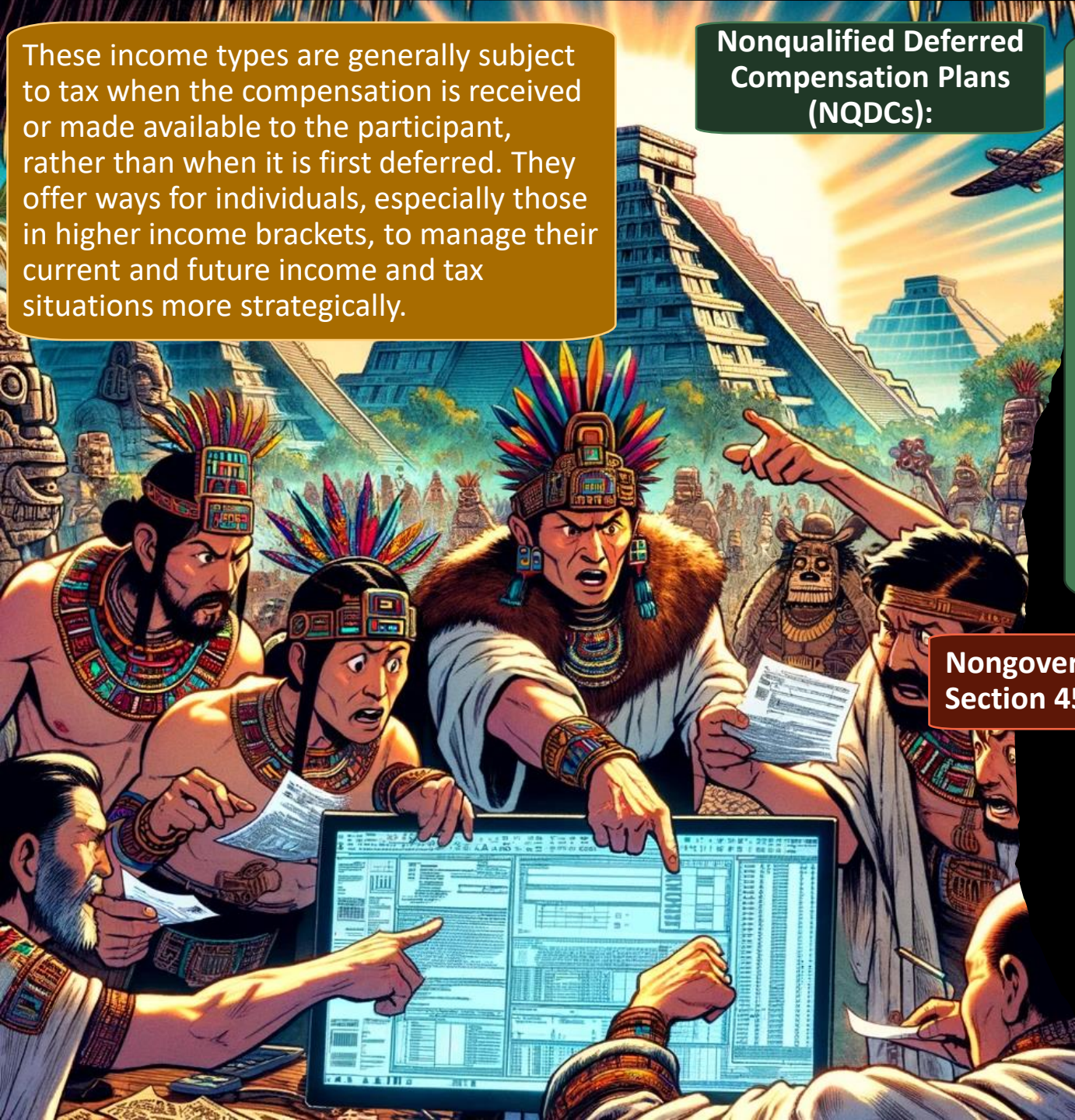
This publication also explains that emergency financial aid grants under acts like the CARES Act, the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, and the American Rescue Plan Act of 2021 are not included in your gross income

Line 8t - Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan.

Enter the amount that you received as a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental 457 plan.

This may be shown in box 11 of Form W-2. If you received such an amount but box 11 is blank, contact your employer or the payer for the amount received.





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These income types are generally subject to tax when the compensation is received or made available to the participant, rather than when it is first deferred. They offer ways for individuals, especially those in higher income brackets, to manage their current and future income and tax situations more strategically.

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This kind of plan does not have to comply with the Employee Retirement Income Security Act (ERISA) guidelines that apply to qualified plans like 401(k)s, so they offer greater flexibility but also come with higher risk, as deferred compensation is typically unsecured.

This means that if the company faces financial trouble, employees may not be able to claim their deferred compensation.

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The funds are contributed to the plan pre-tax and can grow tax-deferred until withdrawal. These are often used by employees of tax-exempt organizations to augment their retirement savings.

One key feature is that these plans are required to remain unfunded, meaning the assets are not set aside exclusively for beneficiaries but remain part of the employer's general assets and could be subject to creditors' claims if the employer becomes insolvent.

Line
8u

- **Wages earned while incarcerated.** Enter the amount that you received for services performed while an inmate in a penal institution. You may receive Form(s) W-2 or Form(s) 1099.





Line 8z - Other income. - Use line 8z to report any taxable income not reported elsewhere on your return or other schedules. List the type and amount of income. If necessary, include a statement showing the required information. For more details, see *Miscellaneous Income* in Pub. 525. Examples of income to report on line 8z include the following.

Reimbursements or other amounts received for items deducted in an earlier year, such as medical expenses, real estate taxes, general sales taxes, or home mortgage interest. See *Recoveries* in Pub. 525 for details on how to figure the amount to report.

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Recapture of a charitable contribution deduction relating to the contribution of a fractional interest in tangible personal property. See *Fractional Interest in Tangible Personal Property* in Pub. 526. Interest and an additional 10% tax apply to the amount of the recapture. See the instructions for Schedule 2, line 17g.

Recapture of a charitable contribution deduction if the charitable organization disposes of the donated property within 3 years of the contribution. See *Recapture if no exempt use* in Pub. 526.

Taxable part of disaster relief payments. See Pub. 525 to figure the taxable part, if any. If any of your disaster relief payment is taxable, attach a statement showing the total payment received and how you figured the taxable part.

Taxable distributions from a Coverdell education savings account (ESA) or a qualified tuition program (QTP). Distributions from these accounts may be taxable if (a) in the case of distributions from a QTP, they are more than the qualified higher education expenses of the designated beneficiary in 2023 or, in the case of distributions from an ESA, they are more than the qualified education expenses of the designated beneficiary in 2023; and (b) they were not included in a qualified rollover. Nontaxable distributions from these accounts don't have to be reported on Form 1040 or 1040-SR. This includes rollovers and qualified higher education expenses re-funded to a student from a QTP that were recontributed to a QTP with the same designated beneficiary generally within 60 days after the date of refund. See Pub. 970.

Nontaxable income. Don't report any nontaxable income on line 8z. Examples of nontaxable income include the following.

Child support.

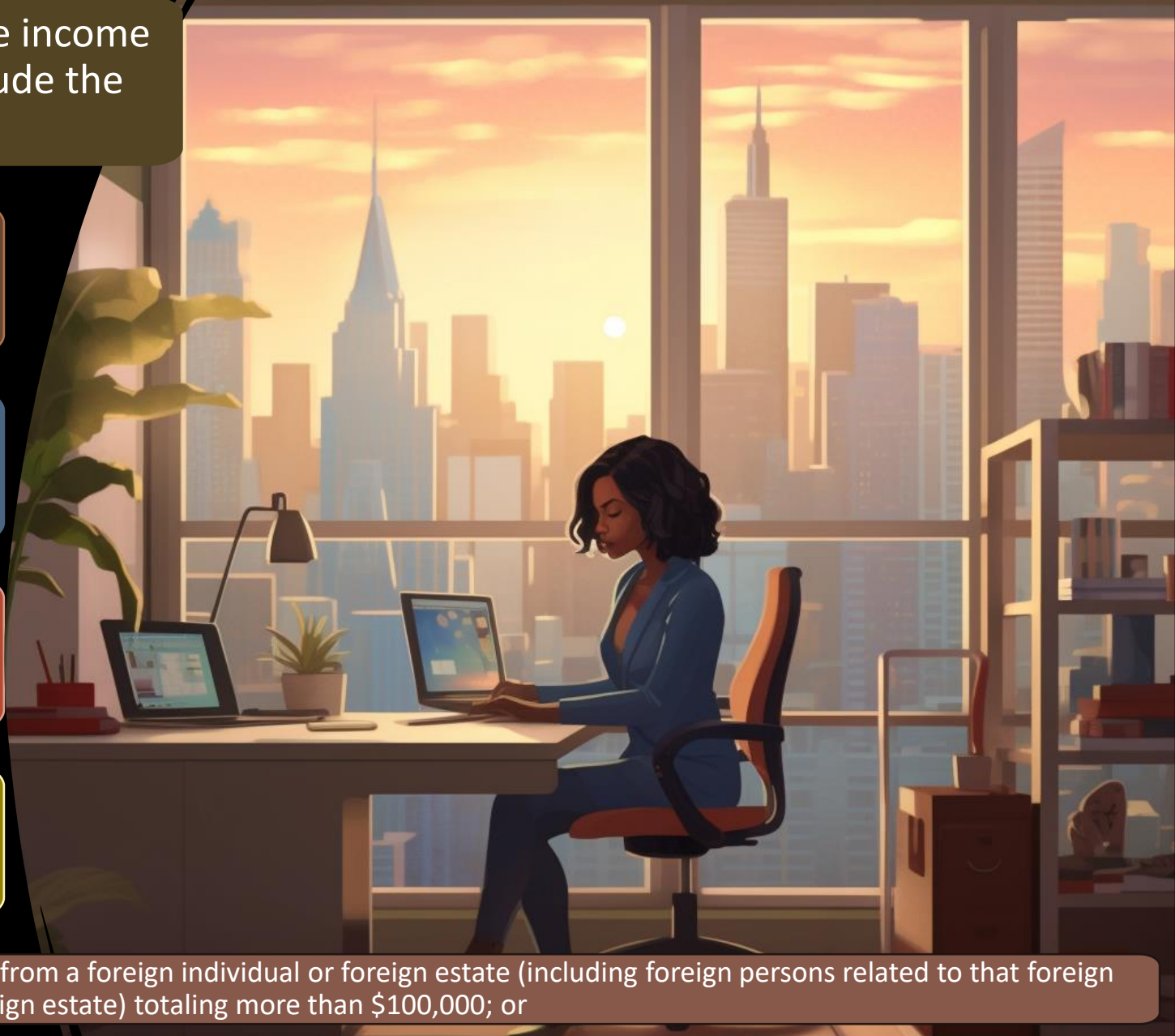
Payments you received to help you pay your mortgage loan under the HFA Hardest Hit Fund or the Homeowner Assistance Fund.

Any Pay-for-Performance Success Payments that reduce the principal balance of your home mortgage under the Home Affordable Modification Program.

Life insurance proceeds received because of someone's death (other than from certain employer-owned life insurance contracts).

Gifts and bequests. You may have to report information on your gifts or be-quests on Form 3520, Part IV, if you received:

1. A gift or bequest from a foreign individual or foreign estate (including foreign persons related to that foreign individual or foreign estate) totaling more than \$100,000; or
2. Amounts totaling more than \$18,567 from a foreign corporation or foreign partnership (including foreign persons related to such foreign corporations or foreign partnerships) that you treated as gifts.





Form 1099-K loss reporting.

If you sold a personal item at a loss, either re-report the loss on Form 8949 or report it on line 8z. If you report the loss on line 8z, enter the amount of the sale proceeds from Form 1099-K on line 8z. In the entry space next to line 8z write "Form 1099-K Personal Item Sold at a Loss" and also enter the amount of the sale proceeds.

For example, you bought a couch for \$1,000 and sold it through a third-party vendor for \$700, which was reported on your Form 1099-K. In the entry space next to line 8z you would write "Form 1099-K Personal Item Sold at a Loss - \$700." See the instructions for line 24z.

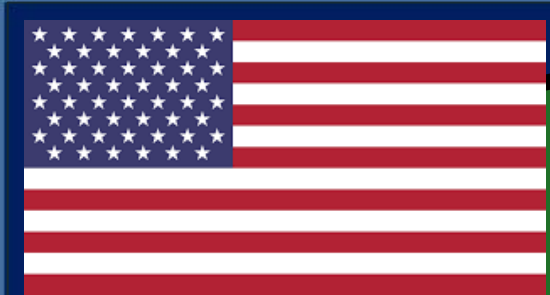
Incorrect Form 1099-K.

If you received a Form 1099-K that shows payments you didn't receive or is otherwise incorrect and you can't get it corrected, enter the amount from Form 1099-K that was incorrectly reported to you on line 8z.

In the entry space next to line 8z write "Incorrect Form 1099-K" and also enter the amount that was incorrectly reported to you.

For example, if you received a Form 1099-K that incorrectly showed \$800 of payments to you, you would enter \$800 on line 8z and in the entry space next to line 8z you would write "Incorrect Form 1099-K - \$800." See the instructions for line 24z.





Income Tax

2023-2024



Capital Gain or (Loss)





TAX YEAR
2023

1040 (and 1040-SR)

Instructions for Schedule 1

Additional Income and Adjustments to Income

	Income
-	<u>Adjustments to Income</u>
=	Adjusted Gross Income (AGI)
-	Greater of:
	Standard Deduction or
	<u>Itemized Deduction</u>
=	Taxable Income
x	<u>Tax Rates (Tax Tables)</u>
=	Tax Before Credits & Other Taxes
- +	Tax Credits & Other Taxes
=	Total Tax
-	<u>Tax Payments & Refundable Credits</u>
=	<u>Tax Refund or Tax Due</u>

Income

Attach Form(s)
W-2 here. Also
attach Forms
W-2G and
1099-R if tax
was withheld.

If you did not
get a Form
W-2, see
instructions.

Attach Sch. B
if required.

Standard Deduction for—

- Single or
Married filing
separately,
\$13,850
- Married filing
jointly or
Qualifying
surviving spouse,
\$27,700
- Head of
household,
\$20,800
- If you checked
any box under
*Standard
Deduction*,
see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a	
b	Household employee wages not reported on Form(s) W-2		1b	
c	Tip income not reported on line 1a (see instructions)		1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d	
e	Taxable dependent care benefits from Form 2441, line 26		1e	
f	Employer-provided adoption benefits from Form 8839, line 29		1f	
g	Wages from Form 8919, line 6		1g	
h	Other earned income (see instructions)		1h	
i	Nontaxable combat pay election (see instructions)	1i		
z	Add lines 1a through 1h		1z	
2a	Tax-exempt interest	2a	b	Taxable interest
3a	Qualified dividends	3a	b	Ordinary dividends
4a	IRA distributions	4a	b	Taxable amount
5a	Pensions and annuities	5a	b	Taxable amount
6a	Social security benefits	6a	b	Taxable amount
c	If you elect to use the lump-sum election method, check here (see instructions)			
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here		7	
8	Additional income from Schedule 1, line 10		8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income		9	
10	Adjustments to income from Schedule 1, line 26		10	
11	Subtract line 10 from line 9. This is your adjusted gross income		11	
12	Standard deduction or itemized deductions (from Schedule A)		12	
13	Qualified business income deduction from Form 8995 or Form 8995-A		13	
14	Add lines 12 and 13		14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income		15	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2023)

SCHEDULE D
(Form 1040)Department of the Treasury
Internal Revenue Service**Capital Gains and Losses**

Attach to Form 1040, 1040-SR, or 1040-NR.

Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.
Go to www.irs.gov/ScheduleD for instructions and the latest information.

OMB No. 1545-0074

2023Attachment
Sequence No. **12**

Name(s) shown on return

Your social security number

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? ☐ Yes ☐ No

If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I **Short-Term Capital Gains and Losses—Generally Assets Held One Year or Less** (see instructions)

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)
1a 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 .				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6 (
7 Net short-term capital gain or (loss). Combine lines 1a 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				7

Sales and Other Dispositions of Capital Assets

File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.

Go to www.irs.gov/Form8949 for instructions and the latest information.

Name(s) shown on return

Social security number or taxpayer identification number

Before you check Box A, B, or C below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part I **Short-Term.** Transactions involving capital assets you held 1 year or less are generally short-term (see instructions). For long-term transactions, see page 2.

Note: You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 1a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box A, B, or C below. Check only one box. If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- ☐ **(A)** Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- ☐ **(B)** Short-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- ☐ **(C)** Short-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis See the Note below and see <i>Column (e)</i> in the separate instructions.	Adjustment, if any, to gain or loss If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g).
						(f) Code(s) from instructions	(g) Amount of adjustment	

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☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

Applicable checkbox on Form 8949

OMB No. 1545-0715

2023Form **1099-B****Proceeds From
Broker and
Barter Exchange
Transactions****1a** Description of property (Example: 100 sh. XYZ Co.)**1b** Date acquired**1c** Date sold or disposed

PAYER'S TIN

RECIPIENT'S TIN

1d Proceeds**1e** Cost or other basis

\$

\$

1f Accrued market discount**1g** Wash sale loss disallowed

\$

\$

RECIPIENT'S name

2 Short-term gain or loss ☐Long-term gain or loss ☐Ordinary ☐**3** Check if proceeds from:Collectibles ☐QOF ☐

Street address (including apt. no.)

4 Federal income tax withheld

\$

5 Check if noncovered security ☐

City or town, state or province, country, and ZIP or foreign postal code

6 Reported to IRS:Gross proceeds ☐Net proceeds ☐**7** Check if loss is not allowed based on amount in 1d ☐

Account number (see instructions)

2nd TIN not. ☐**8** Profit or (loss) realized in 2023 on closed contracts

\$

9 Unrealized profit or (loss) on open contracts—12/31/2022

\$

CUSIP number

FATCA filing requirement ☐**10** Unrealized profit or (loss) on open contracts—12/31/2023

\$

11 Aggregate profit or (loss) on contracts

\$

14 State name**15** State identification no.**16** State tax withheld

\$

12 Check if basis reported to IRS ☐**13** Bartering

\$

Copy A**For
Internal Revenue
Service Center
File with Form 1096.****For Privacy Act
and Paperwork
Reduction Act
Notice, see the
2023 General
Instructions for
Certain
Information
Returns.**Form **1099-B**

Cat. No. 14411V

www.irs.gov/Form1099B

Department of the Treasury - Internal Revenue Service

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Short-Term vs. Long-Term Capital Gains:

Capital gains are categorized based on the duration the asset was held before sale. Assets sold within a year of purchase are considered short-term and are taxed at ordinary income tax rates. Assets held for more than a year are subject to long-term capital gains tax rates, which are typically lower.

Tax Rates:

For 2023, long-term capital gains tax rates can be 0%, 15%, or 20%, depending on your taxable income and filing status. Short-term capital gains are taxed at your regular income tax rate.

Reporting Requirements:

Capital gains and losses are reported on Schedule D (Form 1040) and the Form 8949, "Sales and Other Dispositions of Capital Assets." Form 8949 is used to list all capital gain and loss transactions, while Schedule D summarizes the total gains and losses.

Capital Loss Deduction:

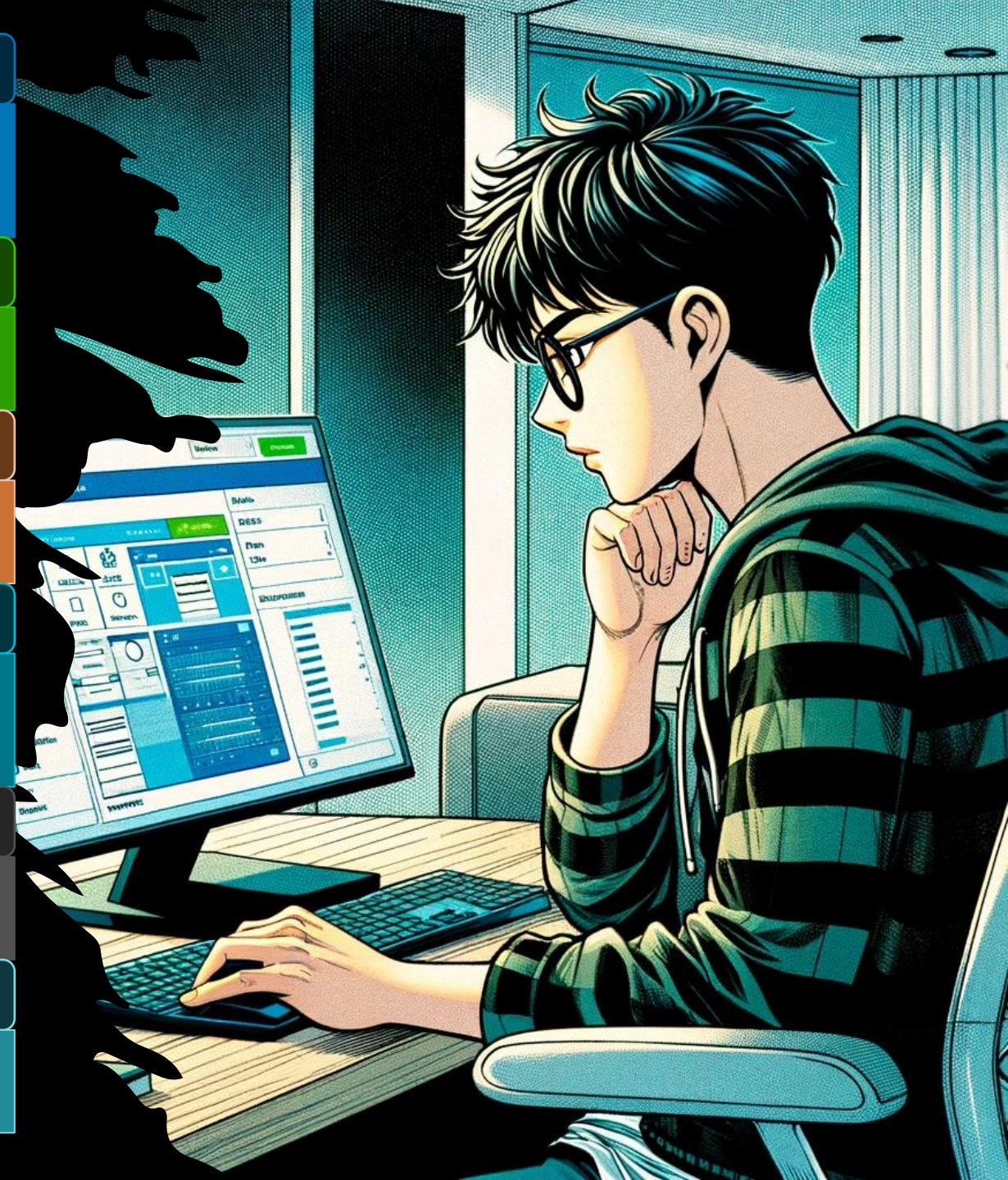
If your capital losses exceed your capital gains, you can use the loss to offset up to \$3,000 (\$1,500 if married filing separately) of other income. If your total net capital loss is more than the limit you can deduct, you can carry over the unused part to the next year and treat it as if you incurred it in that next year.

Exclusions and Exemptions:

Certain exclusions may apply, such as the exclusion of gain from the sale of your primary residence (up to \$250,000 for single filers and \$500,000 for married couples filing jointly), provided specific conditions are met.

1099 Forms:

Financial institutions will issue Form 1099-B or a similar statement to taxpayers who have sold assets during the year, detailing the sales price and cost basis of the sold assets, which is necessary for completing Form 8949 and Schedule D.





Capital Gain or (Loss)

If you sold a capital asset, such as a stock or bond, you must complete and attach Form 8949 and Schedule D.



Exception 1. You don't have to file Form 8949 or Schedule D if you aren't deferring any capital gain by investing in a qualified opportunity fund and both of the following apply.

You have no capital losses, and your only capital gains are capital gain distributions from Form(s) 1099-DIV, box 2a (or substitute statements); and

None of the Form(s) 1099-DIV (or substitute statements) have an amount in box 2b (unrecaptured section 1250 gain), box 2c (section 1202 gain), or box 2d (collectibles (28%) gain).

Exception 2. You must file Schedule D but generally don't have to file Form 8949 if *Exception 1* doesn't apply, you aren't deferring any capital gain by investing in a qualified opportunity fund or terminating deferral from an investment in a qualified opportunity fund, and your only capital gains and losses are:

Capital gain distributions;

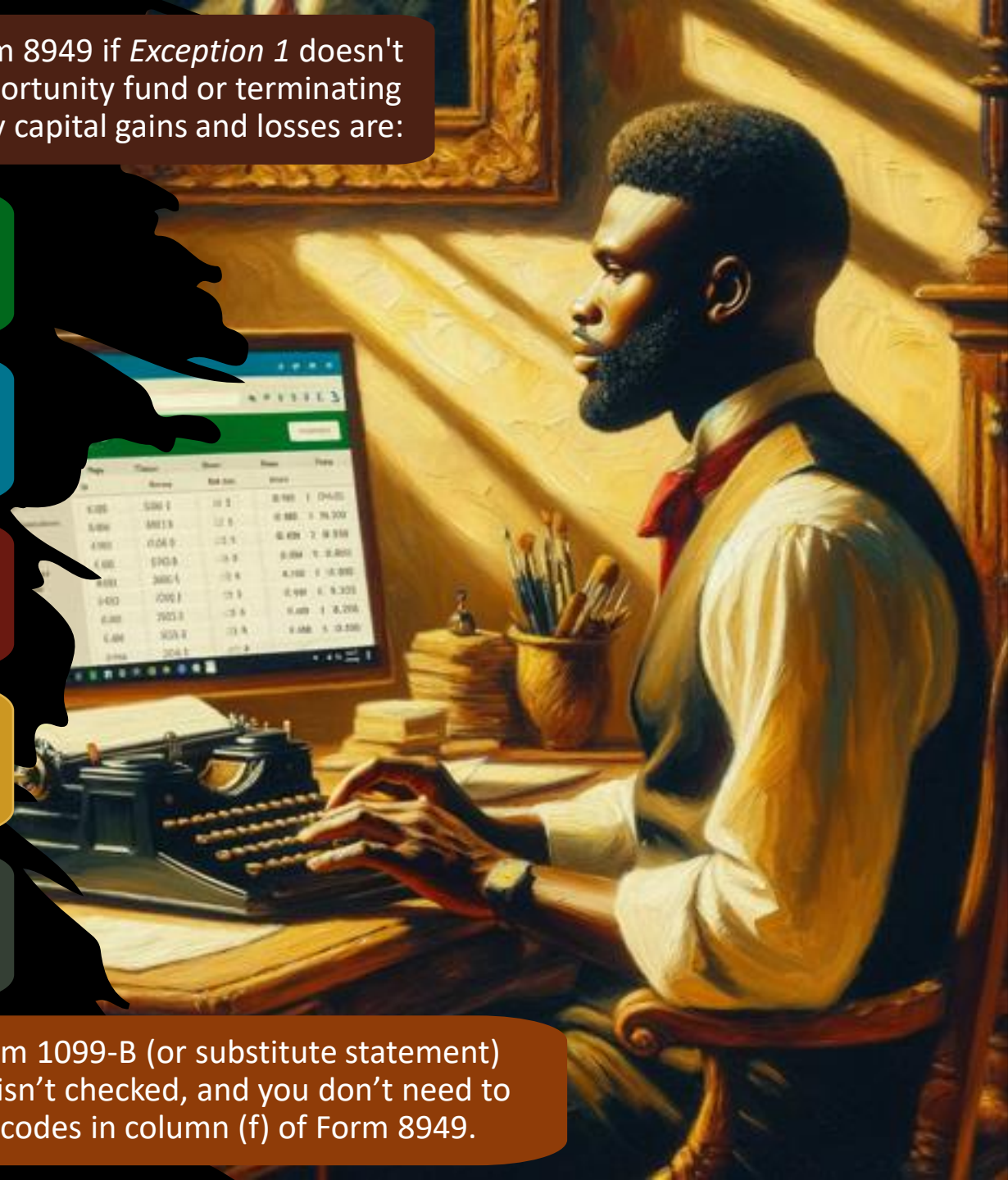
A capital loss carryover from 2022;

A gain from Form 2439 or 6252 or Part I of Form 4797;

A gain or loss from Form 4684, 6781, or 8824;

A gain or loss from a partnership, S corporation, estate, or trust; or

Gains and losses from transactions for which you received a Form 1099-B (or substitute statement) that shows basis was reported to the IRS, the QOF box in box 3 isn't checked, and you don't need to make any adjustments in column (g) of Form 8949 or enter any codes in column (f) of Form 8949.





If *Exception 1* applies, enter your total capital gain distributions (from box 2a of Form(s) 1099-DIV) on line 7 and check the box on that line.

If you received capital gain distributions as a nominee (that is, they were paid to you but actually belong to someone else), re-report on line 7 only the amount that be-longs to you.

Include a statement showing the full amount you received and the amount you received as a nominee. See the Schedule B instructions for filing requirements for Forms 1099-DIV and 1096.

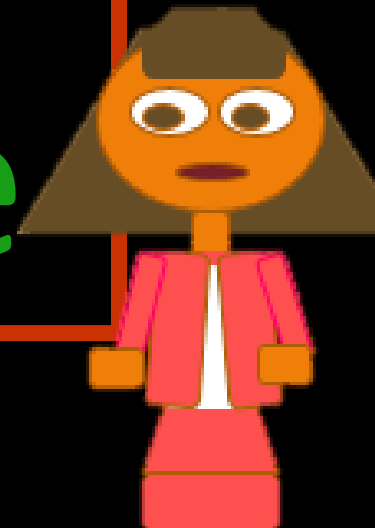


Income Tax

2023-2024



Capital Gain or
(Loss) Example



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☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

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OMB No. 1545-0715

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4 Federal income tax withheld

\$

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City or town, state or province, country, and ZIP or foreign postal code

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www.irs.gov/Form1099B

Department of the Treasury - Internal Revenue Service

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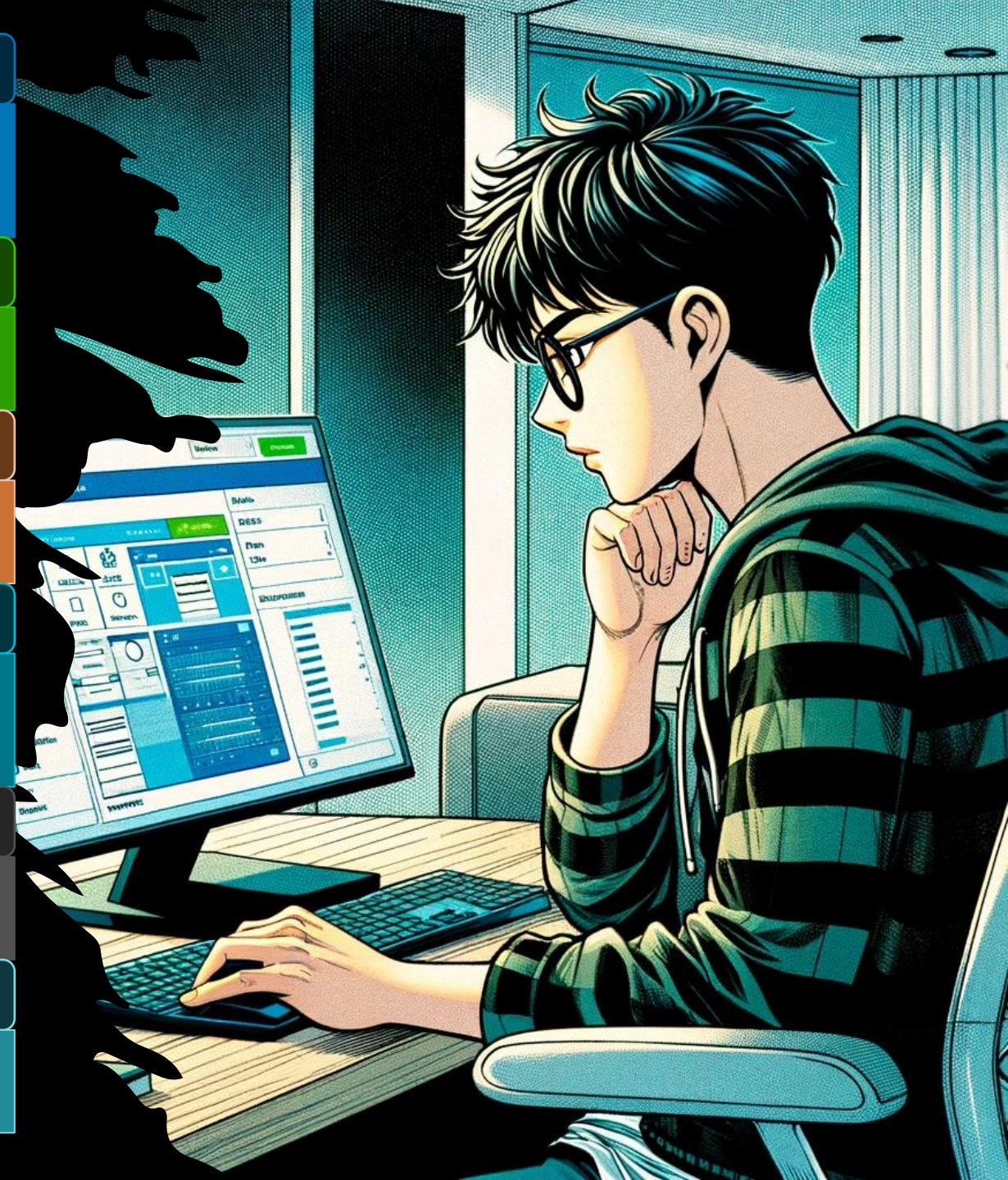
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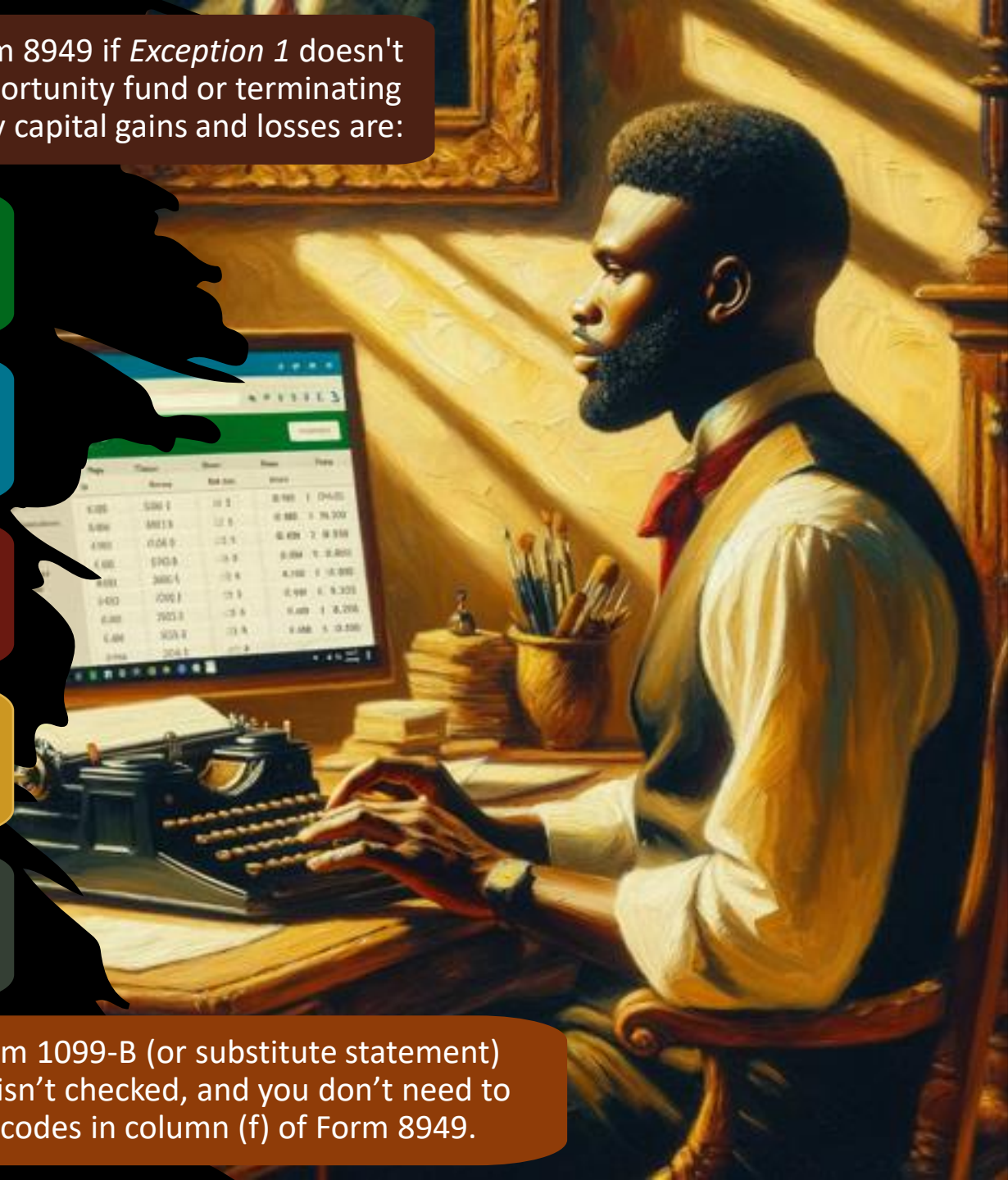
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