Form **1040** Department of the Treasury — Internal Revenue Service (99)

U.S. Individual Income Tax Return 2012

OMB No. 1545-0074 | IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2012, or other tax year beginning , 2012, ending , 20 | See separate instructions.

Your first name and initial	Sonny
Last name	Phunky
Your social security number	222-33-4444
If a joint return, spouse's first name and initial	
Last name	
Spouse's social security number	
Home address (number and street). If you have a P.O. box, see instructions.	RR 1
Apartment no.	
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).	Rockridge ME 03905
Foreign country name	
Foreign province/state/county	
Foreign postal code	

▲ Make sure the SSN(s) above and on line 6c are correct.

Presidential Election Campaign
Check here if you, or your spouse if filing jointly, want $3 to go to this fund? Checking a box below will not change your tax or refund. ☐ **You** ☐ **Spouse**

Filing Status

Check only one box.

1 [X] Single
2 ☐ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above & full name here . . ►
4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ►
5 ☐ Qualifying widow(er) with dependent child

Exemptions

6 a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a. — Boxes checked on 6a and 6b: 1
b ☐ **Spouse**

c **Dependents:**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax cr (see instrs)
				☐
				☐
				☐
				☐

If more than four dependents, see instructions and check here . . ► ☐

No. of children on 6c who:
- lived with you . . .
- did not live with you due to divorce or separation (see instrs) . .

Dependents on 6c not entered above .

d Total number of exemptions claimed — Add numbers on lines above . . . ► 1

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 W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use **Form 1040-V.**

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	31,071.
8 a	**Taxable** interest. Attach Schedule B if required		8 a	9.
b	**Tax-exempt** interest. **Do not** include on line 8a	8 b		
9 a	Ordinary dividends. Attach Schedule B if required		9 a	
b	Qualified dividends	9 b		
10	Taxable refunds, credits, or offsets of state and local income taxes		10	
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	5,082.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ► ☐		13	
14	Other gains or (losses). Attach Form 4797		14	
15 a	IRA distributions	15 a	b Taxable amount 15 b	
16 a	Pensions and annuities	16 a	b Taxable amount 16 b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	1,511.
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation		19	
20 a	Social security benefits	20 a	b Taxable amount 20 b	
21	Other income		21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ►		22	37,673.

Adjusted Gross Income

23	Educator expenses	23			
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24			
25	Health savings account deduction. Attach Form 8889	25			
26	Moving expenses. Attach Form 3903	26			
27	Deductible part of self-employment tax. Attach Schedule SE	27	466.		
28	Self-employed SEP, SIMPLE, and qualified plans	28			
29	Self-employed health insurance deduction	29			
30	Penalty on early withdrawal of savings	30			
31 a	Alimony paid b Recipient's SSN . . ►	31 a			
32	IRA deduction	32			
33	Student loan interest deduction	33			
34	Tuition and fees. Attach Form 8917	34			
35	Domestic production activities deduction. Attach Form 8903	35			
36	Add lines 23 through 35			36	466.
37	Subtract line 36 from line 22. This is your **adjusted gross income** ►			37	37,207.

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	37,207.
	39a	Check if: ☐ **You** were born before January 2, 1948, ☐ Blind. ☐ **Spouse** was born before January 2, 1948, ☐ Blind. **Total boxes checked** ► 39a ☐		
	b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ► 39b ☐		
	40	**Itemized deductions** (from Schedule A) **or** your **standard deduction** (see left margin)	40	15,471.
	41	Subtract line 40 from line 38	41	21,736.
	42	**Exemptions.** Multiply $3,800 by the number on line 6d	42	3,800.
	43	**Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	17,936.
	44	**Tax** (see instrs). Check if any from: a ☐ Form(s) 8814 b ☐ Form 4972 c ☐ 962 election	44	2,254.
	45	**Alternative minimum tax** (see instructions). Attach Form 6251	45	
	46	Add lines 44 and 45 ►	46	2,254.
	47	Foreign tax credit. Attach Form 1116 if required — 47		
	48	Credit for child and dependent care expenses. Attach Form 2441 — 48		
	49	Education credits from Form 8863, line 19 — 49		
	50	Retirement savings contributions credit. Attach Form 8880 — 50		
	51	Child tax credit. Attach Schedule 8812, if required — 51		
	52	Residential energy credits. Attach Form 5695 — 52		
	53	Other crs from Form: a ☐ 3800 b ☐ 8801 c ☐ — 53		
	54	Add lines 47 through 53. These are your **total credits**	54	
	55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- ►	55	2,254.
Other Taxes	56	Self-employment tax. Attach Schedule SE	56	810.
	57	Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 8919	57	
	58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
	59a	Household employment taxes from Schedule H	59a	
	b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	
	60	Other taxes. Enter code(s) from instructions	60	
	61	Add lines 55-60. This is your **total tax** ►	61	3,064.
Payments	62	Federal income tax withheld from Forms W-2 and 1099 — 62: 3,462.		
	63	2012 estimated tax payments and amount applied from 2011 return — 63		
	64a	**Earned income credit (EIC)** — 64a		
	b	Nontaxable combat pay election ► 64b		
	65	Additional child tax credit. Attach Schedule 8812 — 65		
	66	American opportunity credit from Form 8863, line 8 — 66		
	67	Reserved — 67		
	68	Amount paid with request for extension to file — 68		
	69	Excess social security and tier 1 RRTA tax withheld — 69		
	70	Credit for federal tax on fuels. Attach Form 4136 — 70		
	71	Credits from Form: a ☐ 2439 b ☐ Reserved c ☐ 8801 d ☐ 8885 — 71		
	72	Add lns 62, 63, 64a, & 65-71. These are your **total pmts** ►	72	3,462.
Refund	73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you **overpaid**	73	398.
	74a	Amount of line 73 you want **refunded to you.** If Form 8888 is attached, check here ► ☐	74a	398.
Direct deposit? See instructions.	► b	Routing number XXXXXXXXX ► c Type: ☐ Checking ☐ Savings		
	► d	Account number XXXXXXXXXXXXXXXXX		
	75	Amount of line 73 you want **applied to your 2013 estimated tax** ► 75		
Amount You Owe	76	**Amount you owe.** Subtract line 72 from line 61. For details on how to pay see instructions ►	76	
	77	Estimated tax penalty (see instructions) — 77		

Standard Deduction for –
- People who check any box on line 39a or 39b **or** who can be claimed as a dependent, see instructions.
- All others:

Single or Married filing separately, $5,950
Married filing jointly or Qualifying widow(er), $11,900
Head of household, $8,700

If you have a qualifying child, attach Schedule EIC.

Third Party Designee
Do you want to allow another person to discuss this return with the IRS (see instructions)? ☐ **Yes.** Complete below. X **No**
Designee's name ► Phone no. ► Personal identification number (PIN) ►

Sign Here
Joint return? See instructions.
Keep a copy for your records.
Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
		Musician	
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see instrs)

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Peter Jason Riley CPA	Peter Jason Riley CPA			P00413102

Firm's name ► RILEY & ASSOCIATES, P.C.
Firm's address ► 5 PERRY WAY - P O BOX 157 NEWBURYPORT MA 01950
Firm's EIN ► 04-3577120
Phone no. (978) 463-9350

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SCHEDULE A
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Itemized Deductions

► Information about Schedule A and its separate instructions is at *www.irs.gov/form1040.*
► Attach to Form 1040.

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2012
Attachment Sequence No. **07**

Name(s) shown on Form 1040	Your social security number
Sonny Phunky	222-33-4444

Medical and Dental Expenses		**Caution.** Do not include expenses reimbursed or paid by others.				
	1	Medical and dental expenses (see instructions)	1			
	2	Enter amount from Form 1040, line 38 . . . 2				
	3	Multiply line 2 by 7.5% (.075)	3			
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4	
Taxes You Paid	5	State and local **(check only one box):**				
		a [X] Income taxes, **or**	5	2,171.		
		b [ ] General sales taxes				
	6	Real estate taxes (see instructions)	6	1,598.		
	7	Personal property taxes	7			
	8	Other taxes. List type and amount ►	8			
	9	Add lines 5 through 8			9	3,769.
Interest You Paid	10	Home mtg interest and points reported to you on Form 1098	10	5,399.		
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying number, and address ►	11			
Note. Your mortgage interest deduction may be limited (see instructions).	12	Points not reported to you on Form 1098. See instrs for spcl rules	12			
	13	Mortgage insurance premiums (see instructions)	13			
	14	Investment interest. Attach Form 4952 if required. (See instrs.)	14			
	15	Add lines 10 through 14			15	5,399.
Gifts to Charity	16	Gifts by cash or check. If you made any gift of $250 or more, see instrs	16	250.		
If you made a gift and got a benefit for it, see instructions.	17	Other than by cash or check. If any gift of $250 or more, see instructions. You **must** attach Form 8283 if over $500	17			
	18	Carryover from prior year	18			
	19	Add lines 16 through 18			19	250.
Casualty and Theft Losses	20	Casualty or theft loss(es). Attach Form 4684. (See instructions.)			20	
Job Expenses and Certain Miscellaneous Deductions	21	Unreimbursed employee expenses – job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ► Deductible expenses from Form 2106 6,797.	21	6,797.		
	22	Tax preparation fees	22			
	23	Other expenses – investment, safe deposit box, etc. List type and amount ►	23			
	24	Add lines 21 through 23	24	6,797.		
	25	Enter amount from Form 1040, line 38 . . 25 37,207.				
	26	Multiply line 25 by 2% (.02)	26	744.		
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-			27	6,053.
Other Miscellaneous Deductions	28	Other – from list in instructions. List type and amount ►			28	
Total Itemized Deductions	29	Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40			29	15,471.
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here ► [ ]				

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

►For information on Schedule C and its instructions, go to *www.irs.gov/schedulec.*
►Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2012

Attachment Sequence No. **09**

Name of proprietor: Sonny Phunky | Social security number (SSN): 222-33-4444

A Principal business or profession, including product or service (see instructions): Musician

B Enter code from instructions ► 711510

C Business name. If no separate business name, leave blank.: Sonny "The Butterball" Phunky

D Employer ID number (EIN), (see instrs)

E Business address (including suite or room no.) ► RR 1
City, town or post office, state, and ZIP code: Rockridge, ME 03905

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2012? If 'No,' see instructions for limit on losses: [X] Yes [ ] No

H If you started or acquired this business during 2012, check here ► [ ]

I Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions): [X] Yes [ ] No

J If 'Yes,' did you or will you file all required Forms 1099?: [X] Yes [ ] No

Part I Income

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked ► [ ]	1	16,845.
2	Returns and allowances (see instructions)	2	
3	Subtract line 2 from line 1	3	16,845.
4	Cost of goods sold (from line 42)	4	7,065.
5	**Gross profit.** Subtract line 4 from line 3	5	9,780.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	14,191.
7	**Gross income.** Add lines 5 and 6 ►	7	23,971.

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8	341.
9	Car and truck expenses (see instructions)	9	2,176.
10	Commissions and fees	10	
11	Contract labor (see instructions)	11	
12	Depletion	12	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	5,722.
14	Employee benefit programs (other than on line 19)	14	
15	Insurance (other than health)	15	
16	Interest:		
a	Mortgage (paid to banks, etc)	16 a	
b	Other	16 b	
17	Legal & professional services	17	350.
18	Office expense (see instructions)	18	104.
19	Pension and profit-sharing plans	19	
20	Rent or lease (see instructions):		
a	Vehicles, machinery, and equipment	20 a	
b	Other business property	20 b	
21	Repairs and maintenance	21	114.
22	Supplies (not included in Part III)	22	474.
23	Taxes and licenses	23	
24	Travel, meals, and entertainment:		
a	Travel	24 a	1,933.
b	Deductible meals and entertainment (see instructions)	24 b	1,020.
25	Utilities	25	
26	Wages (less employment credits)	26	
27 a	Other expenses (from line 48)	27 a	4,004.
b	**Reserved for future use**	27 b	
28	**Total expenses** before expenses for business use of home. Add lines 8 through 27a ►	28	16,238.
29	Tentative profit or (loss). Subtract line 28 from line 7	29	7,733.
30	Expenses for business use of your home. Attach **Form 8829.** Do **not** report such expenses elsewhere	30	2,651.
31	**Net profit or (loss).** Subtract line 30 from line 29.	31	5,082.

• If a profit, enter on both **Form 1040, line 12** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** If you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3.**

• If a loss, you **must** go to line 32.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12,** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2. (**If you checked the box on line 1, see the instructions for line 31). Estates and trusts, enter on **Form 1041, line 3.**

• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32 a [ ] All investment is at risk.
32 b [ ] Some investment is not at risk.

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a ☐ Cost b ☐ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If 'Yes,' attach explanation ☐ Yes ☐ No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	
36 Purchases less cost of items withdrawn for personal use	36	1,000.
37 Cost of labor. Do not include any amounts paid to yourself	37	3,640.
38 Materials and supplies	38	
39 Other costs	39	2,425.
40 Add lines 35 through 39	40	7,065.
41 Inventory at end of year	41	
42 **Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on line 4	42	7,065.

Part IV Information on Your Vehicle.

Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ► ____________.

44 Of the total number of miles you drove your vehicle during 2012, enter the number of miles you used your vehicle for:

a Business ____________ b Commuting (see instructions) ____________ c Other ____________

45 Was your vehicle available for personal use during off-duty hours? ☐ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

47 a Do you have evidence to support your deduction? ☐ Yes ☐ No

b If 'Yes,' is the evidence written? ☐ Yes ☐ No

Part V Other Expenses.

List below business expenses not included on lines 8-26 or line 30.

Trade Publications (Billboard)		299.
Research - Streaming Video/Music Downloads		613.
Performance Audit		405.
Internet Service		405.
Cell & Skype Service		372.
Online A&R (Taxi)		300.
CD Baby & other online fees		79.
Instructional DVD's		89.
See Line 48 Other Expenses		1,442.
48 **Total other expenses.** Enter here and on line 27a	48	4,004.

Name(s) shown on return. Do not enter name and social security number if shown on Page 1.: Sonny Phunky

Your social security number: 222-33-4444

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column **(e)** on line 28 and attach **Form 6198**. See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? . . . . . . [X] **Yes** [ ] **No**
If you answered 'Yes,' see instructions before completing this section.

28	**(a)** Name	**(b)** Enter **P** for partnership; **S** for S corporation	**(c)** Check if foreign partnership	**(d)** Employer identification number	**(e)** Check if any amount is not at risk
A	The Lido Shuffle	P		26-0000001	
B	UPE	P		26-0000001	
C					
D					

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach **Form 8582** if required)	**(g)** Passive income from **Schedule K-1**	**(h)** Nonpassive loss from **Schedule K-1**	**(i)** Section 179 expense deduction from **Form 4562**	**(j)** Nonpassive income from **Schedule K-1**
A					3,420.
B			1,909.		
C					
D					
29 a Totals					3,420.
b Totals			1,909.		

30	Add columns (g) and (j) of line 29a . . .	30	3,420.
31	Add columns (f), (h), and (i) of line 29b . . .	31	-1,909.
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below . . .	32	1,511.

Part III Income or Loss From Estates and Trusts

33	**(a)** Name	**(b)** Employer ID no.
A		
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach **Form 8582** if required)	**(d)** Passive income from **Schedule K-1**	**(e)** Deduction or loss from **Schedule K-1**	**(f)** Other income from **Schedule K-1**
A				
B				
34 a Totals				
b Totals				

35	Add columns (d) and (f) of line 34a . . .	35	
36	Add columns (c) and (e) of line 34b . . .	36	
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below . . .	37	

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder

38	**(a)** Name	**(b)** Employer identification number	**(c)** Excess inclusion from **Schedules Q,** line 2c (see instructions)	**(d)** Taxable income (net loss) from **Schedules Q,** line 1b	**(e)** Income from **Schedules Q,** line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below . . .	39	

Part V Summary

40	Net farm rental income or (loss) from **Form 4835**. Also, complete line 42 below . . .	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 . . . ►	41	1,511.
42	**Reconciliation of farming and fishing income.** Enter your **gross** farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), box 14, code F (see instructions) . . .	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules . . .	43	

SCHEDULE SE
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Self-Employment Tax

► **Information about Schedule SE and its separate instructions is at *www.irs.gov/form1040***
► **Attach to Form 1040 or Form 1040NR.**

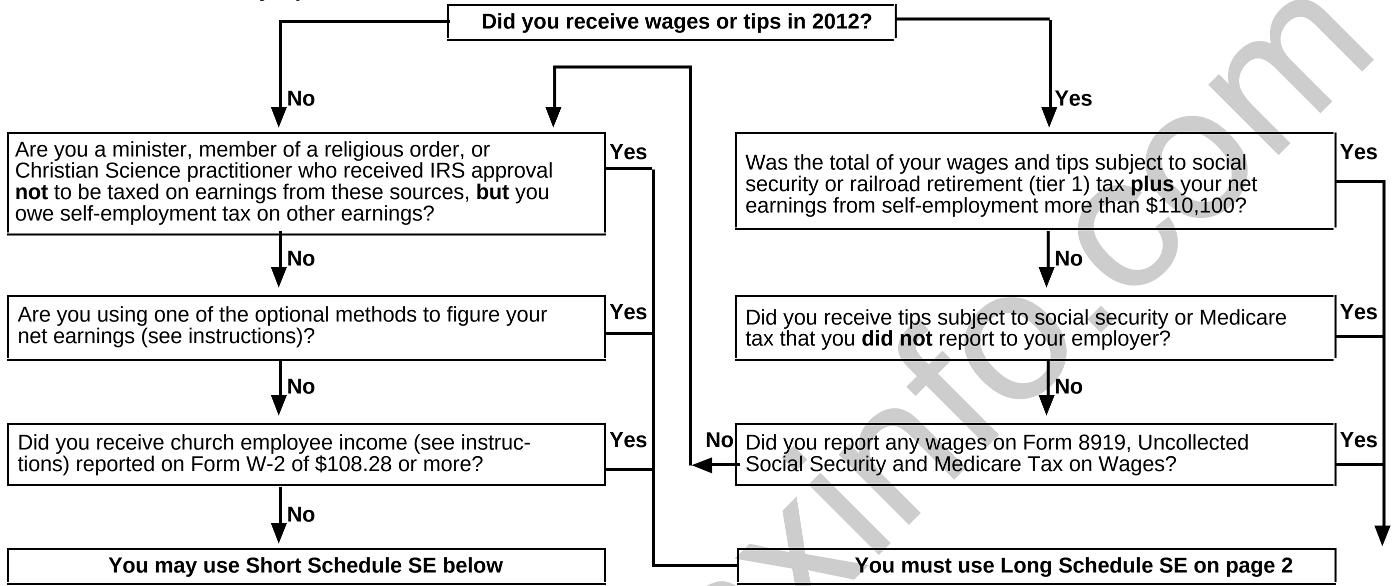
OMB No. 1545-0074
2012
Attachment Sequence No. **17**

Name of person with **self-employment** income (as shown on Form 1040)	Social security number of person with **self-employment** income ►
Sonny Phunky	222-33-4444

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

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

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



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

1 a	Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	**1 a**	
b	If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Y	**1 b**	
2	Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report	**2**	6,593.
3	Combine lines 1a, 1b, and 2	**3**	6,593.
4	Multiply line 3 by 92.35% (.9235). If less than $400, you do not owe self-employment tax; **do not** file this schedule unless you have an amount on line 1b ►	**4**	6,089.
	Note. If line 4 is less than $400 due to Conservation Reserve Program payments on line 1b, see instructions.		
5	**Self-employment tax.** If the amount on line 4 is: • $110,100 or less, multiply line 4 by 13.3% (.133). Enter the result here and on **Form 1040, line 56,** or **Form 1040NR, line 54.** • More than $110,100, multiply line 4 by 2.9% (.029). Then, add $11,450.40 to the result. Enter the total here and on **Form 1040, line 56,** or **Form 1040NR, line 54**	**5**	810.
6	**Deduction for employer-equivalent portion of self-employment tax.** If the amount on line 5 is: • $14,643.30 or less, multiply line 5 by 57.51% (.5751) • More than $14,643.30, multiply line 5 by 50% (.50) and add $1,100 to the result. Enter the result here and on **Form 1040, line 27** or **Form 1040NR, line 27**	**6**	466.

Form **2106**

Department of the Treasury
Internal Revenue Service (99)

Employee Business Expenses

► Attach to Form 1040 or Form 1040NR.

► Information about Form 2106 and its separate instructions is available at *www.irs.gov/form2106.*

OMB No. 1545-0074

2012

Attachment Sequence No. **129**

Your name	Occupation in which you incurred expenses	Social security number
Sonny Phunky	Musician	222-33-4444

Part I Employee Business Expenses and Reimbursements

Step 1 Enter Your Expenses		Column A Other Than Meals and Entertainment	Column B Meals and Entertainment
1 Vehicle expense from line 22 or line 29. (Rural mail carriers: See instructions.)	1	1,168.	
2 Parking fees, tolls, and transportation, including train, bus, etc, that **did not** involve overnight travel or commuting to and from work	2		
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. **Do not** include meals and entertainment	3	8,379.	
4 Business expenses not included on lines 1 through 3. **Do not** include meals and entertainment	4	2,311.	
5 Meals and entertainment expenses (see instructions)	5		1,491.
6 **Total expenses.** In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6	11,858.	1,491.

Note: *If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.*

Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1

7 Enter reimbursements received from your employer that were **not** reported to you in box 1 of Form W-2. Include any reimbursements reported under code 'L' in box 12 of your Form W-2 (see instructions)	7	5,061.	1,491.

Step 3 Figure Expenses To Deduct on Schedule A (Form 1040 or Form 1040NR)

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7 (or on Form 1040NR, line 8)	8	6,797.	0.
Note: *If **both columns** of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.*			
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 80% (.80) instead of 50%. For details, see instructions.)	9	6,797.	0.
10 Add the amounts on line 9 of both columns and enter the total here. **Also, enter the total on Schedule A (Form 1040), line 21** (or on **Schedule A (Form 1040NR), line 7).** (Armed Forces reservists, qualified performing artists, fee-basis state or local government officials, and individuals with disabilities: See the instructions for special rules on where to enter the total.) ►	10		6,797.

BAA For Paperwork Reduction Act Notice, see your tax return instructions. Form **2106** (2012)

Part II Vehicle Expenses

Section A – General Information (You must complete this section if you are claiming vehicle expenses.)

			(a) Vehicle 1	(b) Vehicle 2
11	Enter the date the vehicle was placed in service	11	01/01/2011	
12	Total miles the vehicle was driven during 2012	12	15,941 miles	miles
13	Business miles included on line 12	13	2,104 miles	miles
14	Percent of business use. Divide line 13 by line 12	14	13.20 %	%
15	Average daily roundtrip commuting distance	15	miles	miles
16	Commuting miles included on line 12	16	miles	miles
17	Other miles. Add lines 13 and 16 and subtract the total from line 12	17	13,837 miles	miles

18	Was your vehicle available for personal use during off-duty hours?	[X] Yes [ ] No
19	Do you (or your spouse) have another vehicle available for personal use?	[ ] Yes [X] No
20	Do you have evidence to support your deduction?	[X] Yes [ ] No
21	If 'Yes,' is the evidence written?	[X] Yes [ ] No

Section B – Standard Mileage Rate (See the instructions for Part II to find out whether to complete this section or Section C.)

22	Multiply line 13 by 55.5 ¢ (.555). Enter the result here and on line 1	22	1,168.

Section C – Actual Expenses

			(a) Vehicle 1		(b) Vehicle 2	
23	Gasoline, oil, repairs, vehicle insurance, etc	23				
24 a	Vehicle rentals	24 a				
b	Inclusion amount (see instructions)	24 b				
c	Subtract line 24b from line 24a	24 c				
25	Value of employer-provided vehicle (applies only if 100% of annual lease value was included on Form W-2 – see instructions)	25				
26	Add lines 23, 24c, and 25	26				
27	Multiply line 26 by the percentage on line 14	27				
28	Depreciation (see instructions)	28				
29	Add lines 27 and 28. Enter total here and on line 1	29				

Section D – Depreciation of Vehicles (Use this section only if you owned the vehicle and are completing Section C for the vehicle.)

			(a) Vehicle 1		(b) Vehicle 2	
30	Enter cost or other basis (see instructions)	30				
31	Enter section 179 deduction and special allowance (see instructions)	31				
32	Multiply line 30 by line 14 (see instructions if you claimed the section 179 deduction or special allowance)	32				
33	Enter depreciation method and percentage (see instructions)	33				
34	Multiply line 32 by the percentage on line 33 (see instructions)	34				
35	Add lines 31 and 34	35				
36	Enter the applicable limit explained in the line 36 instructions	36				
37	Multiply line 36 by the percentage on line 14	37				
38	Enter the **smaller** of line 35 or line 37. If you skipped lines 36 and 37, enter the amount from line 35. Also enter this amount on line 28 above	38				

Form **8829**

Department of the Treasury
Internal Revenue Service (99)

Expenses for Business Use of Your Home

► File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.

► Information about Form 8829 and its separate instructions is at *www.irs.gov/form8829*

OMB No. 1545-0074

2012

Attachment Sequence No. **176**

Name(s) of proprietor(s): Sonny Phunky

Your social security number: 222-33-4444

Part I Part of Your Home Used for Business

Musician

1	Area used regularly and exclusively for business, regularly for daycare, or for storage of inventory or product samples (see instructions)			1	208
2	Total area of home			2	1,321
3	Divide line 1 by line 2. Enter the result as a percentage			3	15.75 %
	For daycare facilities not used exclusively for business go to line 4. All others go to line 7.				
4	Multiply days used for daycare during year by hours used per day	4	hr		
5	Total hours available for use during the year (366 days x 24 hours) (see instructions)	5	8,784 hr		
6	Divide line 4 by line 5. Enter the result as a decimal amount	6			
7	Business percentage. For daycare facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3 ►			7	15.75 %

Part II Figure Your Allowable Deduction

			(a) Direct expenses		(b) Indirect expenses		
8	Enter the amount from Schedule C, line 29, **plus** any gain derived from the business use of your home and shown on Schedule D or Form 4797, minus any loss from the trade or business not derived from the business use of your home and shown on Schedule D or Form 4797. See instructions					8	7,733.
	See instrs for columns (a) and (b) before completing lines 9-21.						
9	Casualty losses (see instructions)	9					
10	Deductible mortgage interest (see instructions)	10			6,408.		
11	Real estate taxes (see instructions)	11			1,897.		
12	Add lines 9, 10, and 11	12			8,305.		
13	Multiply line 12, column (b) by line 7			13	1,308.		
14	Add line 12, column (a) and line 13					14	1,308.
15	Subtract line 14 from line 8. If zero or less, enter -0-					15	6,425.
16	Excess mortgage interest (see instructions)	16					
17	Insurance	17			478.		
18	Rent	18					
19	Repairs and maintenance	19			199.		
20	Utilities	20			2,977.		
21	Other expenses (see instrs)	21					
22	Add lines 16 through 21	22			3,654.		
23	Multiply line 22, column (b) by line 7			23	576.		
24	Carryover of operating expenses from 2011 Form 8829, line 42			24			
25	Add line 22 column (a), line 23, and line 24					25	576.
26	Allowable operating expenses. Enter the **smaller** of line 15 or line 25					26	576.
27	Limit on excess casualty losses and depreciation. Subtract line 26 from line 15					27	5,849.
28	Excess casualty losses (see instructions)			28			
29	Depreciation of your home from line 41 below			29	767.		
30	Carryover of excess casualty losses and depreciation from 2011 Form 8829, line 43			30			
31	Add lines 28 through 30					31	767.
32	Allowable excess casualty losses and depreciation. Enter the **smaller** of line 27 or line 31					32	767.
33	Add lines 14, 26, and 32					33	2,651.
34	Casualty loss portion, if any, from lines 14 and 32. Carry amount to **Form 4684** (see instructions)					34	
35	**Allowable expenses for business use of your home.** Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions ►					35	2,651.

Part III Depreciation of Your Home

36	Enter the **smaller** of your home's adjusted basis or its fair market value (see instructions)	36	225,000.
37	Value of land included on line 36	37	35,000.
38	Basis of building. Subtract line 37 from line 36	38	190,000.
39	Business basis of building. Multiply line 38 by line 7	39	29,925.
40	Depreciation percentage (see instructions)	40	2.5641 %
41	Depreciation allowable (see instructions). Multiply line 39 by line 40. Enter here and on line 29 above	41	767.

Part IV Carryover of Unallowed Expenses to 2013

42	Operating expenses. Subtract line 26 from line 25. If less than zero, enter -0-	42	0.
43	Excess casualty losses and depreciation. Subtract line 32 from line 31. If less than zero, enter -0-	43	0.

Form **4562** | Department of the Treasury Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

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

OMB No. 1545-0172

2012

Attachment Sequence No. **179**

Name(s) shown on return: Sonny Phunky

Identifying number: 222-33-4444

Business or activity to which this form relates: Form 2106 Musician

Part I Election To Expense Certain Property Under Section 179

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

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013. Add lines 9 and 10, less line 12 ►	13	

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

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

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

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► ☐		

Section B – Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only – see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property		4,968.	5.0 yrs	HY	200 DB	994.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental			27.5 yrs	MM	S/L	
property			27.5 yrs	MM	S/L	
i Nonresidential real			39 yrs	MM	S/L	
property				MM	S/L	

Section C – Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

(a)	(b)	(c)	(d)	(e)	(f)	(g)
20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations – see instructions	22	994.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form **4562** | Department of the Treasury Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

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

OMB No. 1545-0172 | **2012** | Attachment Sequence No. **179**

Name(s) shown on return: Sonny Phunky

Identifying number: 222-33-4444

Business or activity to which this form relates: K1 Partnership SBE The Lido Shuffle

Part I Election To Expense Certain Property Under Section 179

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

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	

8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013. Add lines 9 and 10, less line 12 ►	13	

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

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

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

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► ☐		

Section B – Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

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

Section C – Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

(a)	(b)	(c)	(d)	(e)	(f)	(g)
20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

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

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* ***only*** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A – Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.***)**

24 a Do you have evidence to support the business/investment use claimed? [X] **Yes** [ ] **No** **24b** If 'Yes,' is the evidence written? . . . [X] **Yes** [ ] **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						**25**		
26 Property used more than 50% in a qualified business use:								
27 Property used 50% or less in a qualified business use:								
Vehicle	01/01/11	6.14						

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 . . . **28**

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 . . . **29**

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)	978											
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven	14,963											
33 Total miles driven during the year. Add lines 30 through 32	15,941											
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
34 Was the vehicle available for personal use during off-duty hours?	X											
35 Was the vehicle used primarily by a more than 5% owner or related person?	X											
36 Is another vehicle available for personal use?		X										

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: *If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.*

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2012 tax year (see instructions):					

43 Amortization of costs that began before your 2012 tax year . . . **43**

44 **Total.** Add amounts in column (f). See the instructions for where to report . . . **44**

Schedule E
Line 28

Supplemental Business Expenses Worksheet

2012

Your Name: Sonny Phunky

Social Security Number: 222-33-4444

Partnership: The Lido Shuffle

Expenses

1	Vehicle expenses	1	696.
2	Vehicle rentals	2	0.
3	Travel expense while away from home overnight, including lodging, airplane, car rental, etc. **Do not** include meals and entertainment	3	412.
4	Business gifts	4	
5	Education	5	
6	Office supplies and expenses	6	
7	Telephone, fax, pager, etc	7	
8	Trade publications	8	
9	Depreciation and amortization	9	
10	Other (enter meals and entertainment on line 12):	10	
	Supplies		294.
	Cell Phone		39.
11	Total expenses other than meals and entertainment. Add lines 1 through 10	11	1,441.
12	Meals and entertainment expenses	12	1,656.

Reimbursements & Deductible Expenses

13	Reimbursements for other than meals and entertainment	13	360.
14	Reimbursements for meals and entertainment	14	
15	Deductible exp other than meals and ent. Subtract line 13 from line 11	15	1,081.
16	Subtract line 14 from line 12	16	1,656.
17	Deductible meals and entertainment expenses. Enter 50% of line 16	17	828.
18	**Total expenses**. Add line 15 and line 17	18	1,909.

Self-Employed Income Reconciliation

19	Net earnings (loss) from self-employment from Sch K-1 Wks, Part III, line 14	19	3,420.
20	Expenses from line 18	20	1,909.
21	Allowed section 179 expense from Schedule K-1 Additional Info 1, Box 12, line 2 (if applicable)	21	
22	Net self-employment income. Subtract lines 20 and 21 from line 19	22	1,511.

Form 4562 — **Depreciation and Amortization Report** — **2012**

Sonny Phunky
Sch C - Musician

Tax Year 2012
► Keep for your records

222-33-4444

Asset Description	Code	Date in Service	Cost (net of land)	Land	Business Use %	Section 179	Special Depreciation Allowance	Depreciable Basis	Life	Method/ Convention	Prior Depreciation	Current Depreciation
DEPRECIATION												
CD Production		07/01/12	10,000		100.00			10,000	2.0	SL/HY		2,500
Fender Bass 1956		07/01/12	15,000		100.00			15,000	7.0	200DB/HY		2,143
Flip Video Camera		07/01/12	199		100.00			199	5.0	200DB/HY		40
Gallien-Krueger Amplifier		09/15/12	799		100.00	799		0	5.0	200DB/HY		0
iPhone 5		10/15/12	399		100.00		200	199	5.0	200DB/HY		40
SUBTOTAL CURRENT YEAR			26,397	0		799	200	25,398			0	4,723
Home Office	H	01/01/00	190,000	35,000	15.75			29,925	39.0	SL/MM		767
Vehicle	L	01/01/10			24.59							
SUBTOTAL PRIOR YEAR			190,000	35,000		0	0	29,925			0	767
TOTALS			216,397	35,000		799	200	55,323			0	5,490
AMORTIZATION												
Website		08/09/12	2,841		100.00			2,841	3.0			947
SUBTOTAL CURRENT YEAR			2,841			0	0	2,841			0	947
TOTALS			2,841			0	0	2,841			0	947

Code: S = Sold, A = Auto, L = Listed, H = Home Office

FDIV3601 08/27/12

Form 4562

Sonny Phunky

Form 2106 - Musician

Depreciation and Amortization Report

Tax Year 2012

► Keep for your records

2012

222-33-4444

Asset Description	Code	Date in Service	Cost (net of land)	Land	Business Use %	Section 179	Special Depreciation Allowance	Depreciable Basis	Life	Method/ Convention	Prior Depreciation	Current Depreciation
DEPRECIATION												
Chartreuse Bass		07/01/12	2,981		100.00			2,981	5.0	200DB/HY		596
Ampeg Bass Amp		07/01/12	1,588		100.00			1,588	5.0	200DB/HY		318
iPod		07/01/12	399		100.00			399	5.0	200DB/HY		80
SUBTOTAL CURRENT YEAR			4,968	0		0	0	4,968			0	994
TOTALS			4,968	0		0	0	4,968			0	994

Code: S = Sold, A = Auto, L = Listed, H = Home Office

Schedule C - Musician

Line 48 Other Expenses

Sheet Music and Books	161.
Promo Photos	285.
Printing	49.
AMORTIZATION	947.
Total	1,442.

Sonny Phunky 222-33-4444

Schedule C (line 6) - Other Income	
Endorsement (value of bass)	$2,000
Sales of CDs	$1,950
Royalties	$241
PLEDGEMUSIC Income	$10,000
	$14,191

Schedule C - Meals Detail Line 24B		
Atlantic City 14 days @ $61	$854	
New Orleans 4 days @ $71	$284	
Nashville (NAMM) 3 days @ $66	$198	
Other professional meals	$704	
	$2,040	(only 50% deductible)

Schedule C Travel Line 24A	
New Orleans Hotel and Airline	$1,446
Nashville (NAMM) hotel	$487
	$1,933

Schedule C - Other Expenses	
Trade Publications (Billboard)	$299
Research & Music Downloads	$613
Performance Audit	$405
Internet Service	$405
Cell & Skype Phone Service	$372
Online A&R (Taxi)	$300
CD Baby and other online fees	$79
Instructional DVD's	$89
Sheet Music	$161
Promo Photos	$285
Printing	$49
Amortization	$2,895
	$5,952

Schedule C (line 39/Pt III) - Other Costs of Goods Sold	
1099 Income not received until 2012	$925
PLEDGEMUSIC commission	$1,500
	$2,425

Form 2106 - Deducted on Sch A - Line 21	
Travel (line 3) NYC 21 days @ 399	$8,379
Supplies	
Research CD's & downloads	$818
Instrument Repairs	$399
Professional Fees	$100
Depreciation (chartreuse bass, iPod & Ampeg amp)	$808
	$2,125
Meals (form 2106) NYC 21 days @ $71	$1,491

Supplemental Buesinns Expenses	
Meals	
36 days @ $46 (per deim)	$1,656