

Schedule C - Meals Detail - Line 24B

Texas - Meals \$39*4 (standard)	156.00	156.00
Book Tour - Meals \$39*10 days	390.00	390.00
LA - Meals 2 days x \$64	128.00	128.00
	<u>674.00</u>	<u>674.00</u>

Schedule C - Travel Detail - Line 24A

Texas - Hotels	389.00	389.00
Texas - Auto Rental	377.00	377.00
Book Tour - Hotel	874.00	874.00
Book Tour - Airfare	1,504.00	1,504.00
LA - Hotels	388.00	388.00
LA - Airfare (Guy only)	408.00	408.00
	<u>3,940.00</u>	<u>3,940.00</u>

Form 2106 - Meals Detail - Line 5

NYC - 3 days x \$64	192.00	192.00
	<u>192.00</u>	<u>192.00</u>

Form 2106 - Travel Detail - Line 3

NYC Airfare	489.00	489.00
NYC Hotel	689.00	689.00
	<u>1,178.00</u>	<u>1,178.00</u>

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Label (See instructions on page 14.) Use the IRS label. Otherwise, please print or type. Presidential Election Campaign	LABEL HERE	For the year Jan. 1-Dec. 31, 2008, or other tax year beginning _____, 2008, ending _____, 20		OMB No. 1545-0074
		Your first name and initial Guy	Last name Focal	Your social security number 444 55 6666
		If a joint return, spouse's first name and initial Mary	Last name Focal	Spouse's social security number 555 66 7777
		Home address (number and street). If you have a P.O. box, see page 14. Camp Place		Apt. no. You must enter your SSN(s) above. ▲
City, town or post office, state, and ZIP code. If you have a foreign address, see page 14. New Orleans, LA 70130		Checking a box below will not change your tax or refund.		

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 14) **You** **Spouse**

Filing Status

1 Single
 2 Married filing jointly (even if only one had income)
 3 Married filing separately. Enter spouse's SSN above and full name here. 4 Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter this child's name here. 5 Qualifying widow(er) with dependent child (see page 16)

Exemptions

6a Yourself. If someone can claim you as a dependent, do not check box 6a
 b Spouse

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) If qualifying child for child tax credit (see page 17)
(1) First name	Last name			

d Total number of exemptions claimed **2**

Income

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	90,640.
8a	Taxable interest. Attach Schedule B if required	8a	147.
b	Tax-exempt interest. Do not include on line 8a	8b	
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends (see page 21)	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	3,443.
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions	15a	
b	Taxable amount	15b	
16a	Pensions and annuities	16a	
b	Taxable amount	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits	20a	
b	Taxable amount (see page 26)	20b	
21	Other income. List type and amount (see page 28)	21	
22	Add the amounts in the far right column for lines 7 through 21. This is your total income	22	94,230.

Adjusted Gross Income

23	Educator expenses (see page 28)	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	One-half of self-employment tax. Attach Schedule SE	27	244.
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction (see page 29)	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid b Recipient's SSN	31a	
32	IRA deduction (see page 30)	32	
33	Student loan interest deduction (see page 33)	33	
34	Tuition and fees deduction. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 through 31a and 32 through 35	36	244.
37	Subtract line 36 from line 22. This is your adjusted gross income	37	93,986.

Tax and Credits

Table with 3 columns: Line number, Description, and Amount. Includes lines 38-56 for Tax and Credits.

Standard Deduction for - People who checked any box on line 39a, 39b, or 39c or who can be claimed as a dependent. All others: Single or Married filing separately, \$5,450. Married filing jointly or Qualifying widow(er), \$10,900. Head of household, \$8,000.

Other Taxes

Table with 3 columns: Line number, Description, and Amount. Includes lines 57-61 for Other Taxes.

Payments

Table with 3 columns: Line number, Description, and Amount. Includes lines 62-71 for Payments.

If you have a qualifying child, attach Schedule EIC.

Refund

Table with 3 columns: Line number, Description, and Amount. Includes lines 72-74 for Refund.

Amount You Owe

Table with 3 columns: Line number, Description, and Amount. Includes lines 75-76 for Amount You Owe.

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 66)? [X] Yes. Complete the following. [] No

Sign Here

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

Paid Preparer's Use Only

Preparer's signature: Peter Jason Riley, CPA. Date: 12/13/09. Check if self-employed: []. Preparer's SSN or PTIN: P00413102. Firm's name: Riley & Associates, P.C. EIN: 04-3577120. P.O. Box 157, Newburyport, MA 01950-0157. Phone no: 978-463-9350.

**SCHEDULES A&B
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on Form 1040

**Schedule A - Itemized Deductions
(Schedule B is on page 2)**

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedules A&B (Form 1040).**

OMB No. 1545-0074

2008

Attachment
Sequence No. **07**

Guy & Mary Focal

Your social security number

444 55 6666

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.		
1	Medical and dental expenses (see page A-1)	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):	5	4,329.
(See page A-2.)	a <input checked="" type="checkbox"/> Income taxes, or		
	b <input type="checkbox"/> General sales taxes	6	2,704.
	6 Real estate taxes (see page A-5)	7	
	7 Personal property taxes	8	
	8 Other taxes. List type and amount		
	9 Add lines 5 through 8	9	7,033.
Interest You Paid	10 Home mortgage interest and points reported to you on Form 1098, <u>Stmt 1</u>	10	5,515.
(See page A-5.)	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-6 and show that person's name, identifying no., and address	11	
Note.	12 Points not reported to you on Form 1098	12	
Personal interest is not deductible.	13 Qualified mortgage insurance premiums (See page A-6)	13	
	14 Investment interest. Attach Form 4952 if required. (See page A-6.)	14	
	15 Add lines 10 through 14	15	5,515.
Gifts to Charity	16 Gifts by cash or check	16	375.
If you made a gift and got a benefit for it, see page A-7.	17 Other than by cash or check. If any gift of \$250 or more, see page A-8. You must attach Form 8283 if over \$500	17	250.
	18 Carryover from prior year	18	
	19 Add lines 16 through 18	19	625.
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See page A-8.)	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 page A-9.)		
(See page A-9.)	▶ <u>From Form 2106-EZ</u>	21	1,856.
	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	1,856.
	25 Enter amount from Form 1040, line 38	25	93,986.
	26 Multiply line 25 by 2% (.02)	26	1,880.
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27	0.
Other Miscellaneous Deductions	28 Other - from list on page A-10. List type and amount		
	29	29	13,173.
Total Itemized Deductions	29 Is Form 1040, line 38, over \$159,950 (over \$79,975 if married filing separately)?		
	<input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.		
	<input type="checkbox"/> Yes. Your deduction may be limited. See page A-10 for the amount to enter.		
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here		

Name(s) shown on Form 1040. Do not enter name and social security number if shown on page 1.

Your social security number

Guy & Mary Focal

444 55 6666

Schedule B - Interest and Ordinary Dividends

Attachment Sequence No. **08**

		Amount
Part I Interest	1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ▶ <u>Bank of Louisiana</u>	147.

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

2 Add the amounts on line 1	147.
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	
4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ▶	147.

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

		Amount
Part II Ordinary Dividends	5 List name of payer ▶	

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

6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ▶	6
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Note. If line 6 is over \$1,500, you must complete Part III.

		Yes	No
Part III Foreign Accounts and Trusts			
You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; or (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.			
7a	At any time during 2008, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1		X
b	If "Yes," enter the name of the foreign country ▶		
8	During 2008, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See page B-2		X

**SCHEDULE C
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.

Attach to Form 1040, 1040NR, or 1041.

See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074

2008

Attachment
Sequence No. **09**

Name of proprietor: **Guy Focal** Social security number (SSN): **444-55-6666**

A Principal business or profession, including product or service (see page C-3): **Writer** **B** Enter code from pages C-9, 10, & 11: **711510**

C Business name. If no separate business name, leave blank: **Guy Focal** **D** Employer ID number (EIN), if any: _____

E Business address (including suite or room no.): **Camp Place**
City, town or post office, state, and ZIP code: **New Orleans, LA 70130**

F Accounting method: (1) Cash (2) Accrual (3) Other (specify) _____

G Did you "materially participate" in the operation of this business during 2008? If "No," see page C-4 for limit on losses: Yes No

H If you started or acquired this business during 2008, check here:

Part I Income

1 Gross receipts or sales. Caution. See page C-4 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, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see page C-4 for limit on losses.	<input type="checkbox"/>	1	22,744.
2 Returns and allowances		2	
3 Subtract line 2 from line 1		3	22,744.
4 Cost of goods sold (from line 42 on page 2)		4	2,757.
5 Gross profit. Subtract line 4 from line 3		5	19,987.
6 Other income, including federal and state gasoline or fuel tax credit or refund (see page C-4) See Statement 2		6	350.
7 Gross income. Add lines 5 and 6		7	20,337.

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

8 Advertising	8		18 Office expense	18	187.
9 Car and truck expenses (see page C-5)	9	1,253.	19 Pension and profit-sharing plans	19	
10 Commissions and fees	10	1,520.	20 Rent or lease (see page C-6):		
11 Contract labor (see page C-5)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see page C-5)	13	2,516.	21 Repairs and maintenance	21	120.
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	288.
15 Insurance (other than health)	15		23 Taxes and licenses	23	
16 Interest:			24 Travel, meals, and entertainment:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	3,940.
b Other	16b		b Deductible meals and entertainment (see page C-7)	24b	337.
17 Legal and professional services	17	250.	25 Utilities	25	
			26 Wages (less employment credits)	26	
			27 Other expenses (from line 48 on page 2)	27	3,106.

28 Total expenses before expenses for business use of home. Add lines 8 through 27	28	13,517.
29 Tentative profit or (loss). Subtract line 28 from line 7	29	6,820.
30 Expenses for business use of your home. Attach Form 8829	30	3,377.
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 , and Schedule SE, line 2 , or on Form 1040NR, line 13 (if you checked the box on line 1, see page C-7). Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31	3,443.
32 If you have a loss, check the box that describes your investment in this activity (see page C-8). • If you checked 32a, enter the loss on both Form 1040, line 12 , and Schedule SE, line 2 , or on Form 1040NR, line 13 (if you checked the box on line 1, see the line 31 instructions on page C-7). Estates and trusts, enter on Form 1041, line 3 . • If you checked 32b, you must attach Form 6198 . Your loss may be limited.	32a	<input type="checkbox"/> All investment is at risk.
	32b	<input type="checkbox"/> Some investment is not at risk.

LHA For Paperwork Reduction Act Notice, see page C-9 of the instructions.

Schedule C (Form 1040) 2008

Part III Cost of Goods Sold (see page C-8)

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	
37	Cost of labor. Do not include any amounts paid to yourself	37	
38	Materials and supplies	38	
39	Other costs See Statement 3	39	2,757.
40	Add lines 35 through 39	40	2,757.
41	Inventory at end of year	41	
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on page 1, line 4	42	2,757.

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 on page C-5 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 2008, enter the number of miles you used your vehicle for:

a Business _____ b Commuting _____ 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.

Merchant Accounts Fees (website)	143.
Image Scanning	395.
ISP	205.
Publications	877.
Research - DVDs, etc	204.
Dues	305.
Cell & Telephone	287.
Postage & Shipping	381.
Amortization	309.
48 Total other expenses. Enter here and on page 1, line 27	48 3,106.

2008 DEPRECIATION AND AMORTIZATION REPORT

Guy Focal

SCHEDULE C- 1

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
2	Website Costs	07/01/08		36M	42	1,850.			1,850.			309.
3	Computer/Technology Equipment	07/01/05	200DB	5.00	17	3,941.			3,941.	2,877.		426.
4	Electrical Upgrades	07/01/08	200DB	5.00	19B	833.			833.			167.
5	Cable Modem	07/01/08	200DB	5.00	19B	129.			129.			26.
6	Library (historical books)	07/01/08	SL	5.00	16	6,480.			6,480.			648.
34	Notebook Computer	07/01/08	200DB	5.00	19B	1,249.		1,249.	0.		1249.	1,249.
Total Sch C Depr. & Amortization						14,482.		1,249.	13,233.	2,877.	1249.	2,825.
Current Year Activity												
Beginning balance						3,941.		0.	3,941.	2,877.		
Acquisitions						10,541.		1,249.	9,292.	0.		
Dispositions						0.		0.	0.	0.		
Ending balance						14,482.		1,249.	13,233.	2,877.		

**SCHEDULE SE
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Self-Employment Tax

OMB No. 1545-0074

2008

Attachment
Sequence No. **17**

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedule SE (Form 1040).**

Name of person with self-employment income (as shown on Form 1040) Guy Focal	Social security number of person with self-employment income ▶	444 55 6666
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Who Must File Schedule SE

You must file Schedule SE if:

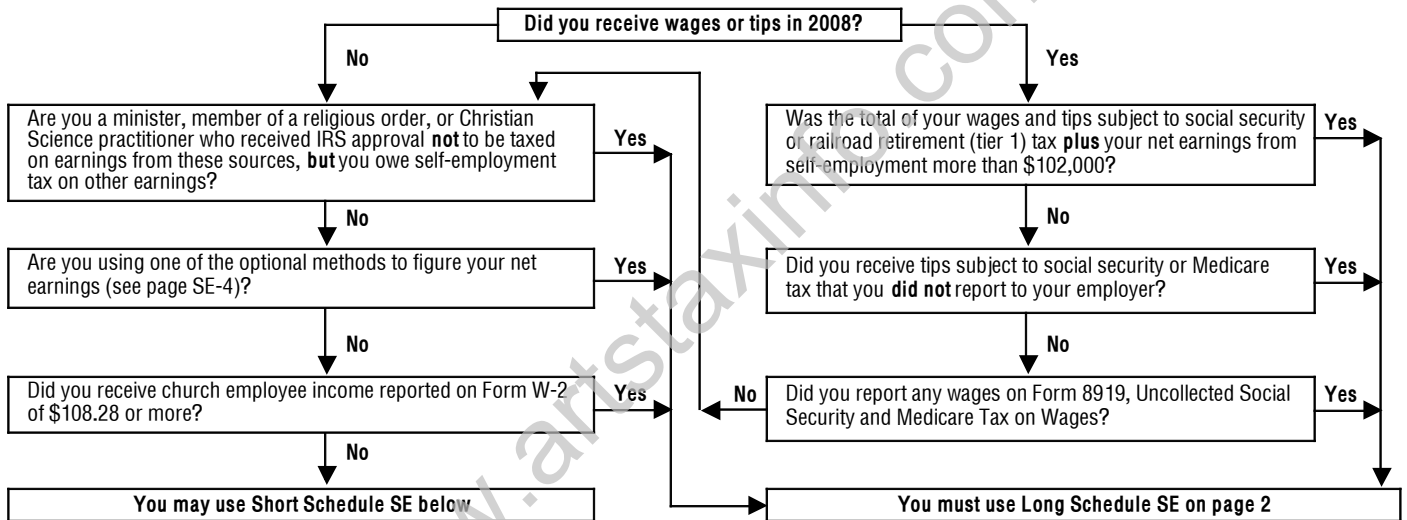
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order **is not** church employee income (see page SE-1).

Note. Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (see page SE-4).

Exception. If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 57.

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*, above.



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

1a Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code X	1b	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see pg SE-1 for types of income to report on this line. See pg SE-3 for other income to report Stmt 4	2	3,443.
3 Combine lines 1a, 1b, and 2	3	3,443.
4 Net earnings from self-employment. Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax	4	3,180.
5 Self-employment tax. If the amount on line 4 is: ● \$102,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 57. ● More than \$102,000, multiply line 4 by 2.9% (.029). Then, add \$12,648 to the result. Enter the total here and on Form 1040, line 57	5	487.
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.5). Enter the result here and on Form 1040, line 27	6	244.

LHA For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule SE (Form 1040) 2008

Alternative Minimum Tax - Individuals

Attach to Form 1040 or Form 1040NR.

Name(s) shown on Form 1040 or Form 1040NR

Your social security number

Guy & Mary Focal

444 55 6666

Part I Alternative Minimum Taxable Income

Table with 29 rows for Alternative Minimum Taxable Income. Includes items like Medical and dental, Taxes from Schedule A, Depreciation, and Alternative minimum taxable income. Total: 87,665.

Part II Alternative Minimum Tax (AMT)

Table with 6 rows for Alternative Minimum Tax (AMT). Includes exemption for age 24, adjustments for filing status, and final AMT calculation. Total: 0.

Part III Tax Computation Using Maximum Capital Gains Rates

37	Enter the amount from Form 6251, line 31. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions		37
38	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet on page D-10 of the instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, if necessary) (see the instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	38	
39	Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	39	
40	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 38. Otherwise, add lines 38 and 39, and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	40	
41	Enter the smaller of line 37 or line 40		41
42	Subtract line 41 from line 37		42
43	If line 42 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 42 by 26% (.26). Otherwise, multiply line 42 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result		43
44	Enter: <ul style="list-style-type: none"> • \$65,100 if married filing jointly or qualifying widow(er), • \$32,550 if single or married filing separately, or • \$43,650 if head of household. 	44	
45	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet on page D-10 of the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter -0-	45	
46	Subtract line 45 from line 44. If zero or less, enter -0-	46	
47	Enter the smaller of line 37 or line 38	47	
48	Enter the smaller of line 46 or line 47	48	
49	Subtract line 48 from line 47	49	
50	Multiply line 49 by 15% (.15) If line 39 is zero or blank, skip lines 51 and 52 and go to line 53. Otherwise, go to line 51.		50
51	Subtract line 47 from line 41	51	
52	Multiply line 51 by 25% (.25)		52
53	Add lines 43, 50, and 52		53
54	If line 37 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 37 by 26% (.26). Otherwise, multiply line 37 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result		54
55	Enter the smaller of line 53 or line 54 here and on line 32. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 32. Instead, enter it on line 4 of the worksheet in the instructions		55

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.**

Name(s) of proprietor(s)

Guy Focal

Your social security number

444-55-6666

Part I Part of Your Home Used for Business

1 Area used regularly and exclusively for business, regularly for daycare, or for storage of inventory or product samples	1	236
2 Total area of home	2	1,688
3 Divide line 1 by line 2. Enter the result as a percentage	3	13.9810%
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)	5	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	13.9810%

Part II Figure Your Allowable Deduction

8 Enter the amount from Schedule C, line 29, plus any net gain or (loss) derived from the business use of your home and shown on Schedule D or Form 4797. If more than one place of business, see instructions. See instructions for columns (a) and (b) before completing lines 9-21.	8	6,820.
		(a) Direct expenses (b) Indirect expenses
9 Casualty losses	9	
10 Deductible mortgage interest	10	6,411.
11 Real estate taxes	11	3,144.
12 Add lines 9, 10, and 11	12	9,555.
13 Multiply line 12, column (b) by line 7	13	1,336.
14 Add line 12, column (a) and line 13	14	1,336.
15 Subtract line 14 from line 8. If zero or less, enter -0-	15	5,484.
16 Excess mortgage interest	16	
17 Insurance	17	2,966.
18 Rent	18	
19 Repairs and maintenance	19	841.
20 Utilities	20	2,977.
21 Other expenses	21	
22 Add lines 16 through 21	22	6,784.
23 Multiply line 22, column (b) by line 7	23	948.
24 Carryover of operating expenses from 2007 Form 8829, line 42	24	
25 Add line 22 column (a), line 23, and line 24	25	948.
26 Allowable operating expenses. Enter the smaller of line 15 or line 25	26	948.
27 Limit on excess casualty losses and depreciation. Subtract line 26 from line 15	27	4,536.
28 Excess casualty losses	28	
29 Depreciation of your home from line 41 below	29	1,093.
30 Carryover of excess casualty losses and depreciation from 2007 Form 8829, line 43	30	
31 Add lines 28 through 30	31	1,093.
32 Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31	32	1,093.
33 Add lines 14, 26, and 32	33	3,377.
34 Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684, Section B	34	0.
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	3,377.

Part III Depreciation of Your Home

36 Enter the smaller of your home's adjusted basis or its fair market value	36	370,000.
37 Value of land included on line 36	37	65,000.
38 Basis of building. Subtract line 37 from line 36	38	305,000.
39 Business basis of building. Multiply line 38 by line 7	39	42,639.
40 Depreciation percentage	40	2.5640%
41 Depreciation allowable. Multiply line 39 by line 40. Enter here and on line 29 above	41	1,093.

Part IV Carryover of Unallowed Expenses to 2009

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

2008 DEPRECIATION AND AMORTIZATION REPORT

Guy Focal

FORM 8829- 1

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
18	Home	07/01/03	SL	39.00	17	305,000.	.8602		305,000.			7,821.
	Less Exclusion					-262361.			-262361.			-6,728.
19	Land	07/01/03	L			65,000.	.8602		65,000.			0.
	Less Exclusion					-55,913.			-55,913.			0.
	Total 8829 Depr. & Amortization					51,726.			51,726.			1,093.

Depreciation and Amortization
 (Including Information on Listed Property) **SUMMARY**

2008

Attachment
 Sequence No. **67**

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

Name(s) shown on return Guy & Mary Focal	Business or activity to which this form relates ALL BUSINESS ACTIVITIES	Identifying number 444-55-6666
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Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000.
2 Total cost of section 179 property placed in service (see instructions)	2	2,211.
3 Threshold cost of section 179 property before reduction in limitation	3	800,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0.
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	250,000.
6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
Notebook Computer	1,249.	1,249.
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	1,249.
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	1,249.
10 Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	95,332.
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	1,249.
13 Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	13	

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

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

14 Special depreciation for qualified property (other than listed property) placed in service during the tax year	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 2008	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	<input type="checkbox"/>	

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

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

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

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

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	
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	

SCHEDULE C- 1
Depreciation and Amortization
 (Including Information on Listed Property)

2008

Attachment
 Sequence No. **67**

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

Name(s) shown on return: **Guy & Mary Focal**
 Business or activity to which this form relates: **Guy Focal**
 Identifying number: **444-55-6666**

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	800,000.
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 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	1,249.
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	▶ 13	

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

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

14	Special depreciation for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	648.

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	426.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	▶ <input type="checkbox"/>	

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

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		962.	5 Yrs.	HY	200DB	193.
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 property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

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

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

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	2,516.
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, cellular telephones, 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.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No				24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> 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							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
	010107	12.10	%			S/L -		
			%			S/L -		
			%			S/L -		
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.

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle 1		(e) Vehicle		(f) Vehicle	
							2,108					
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven							15,313					
33 Total miles driven during the year. Add lines 30 through 32							17,421					
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

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.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
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?		

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 2008 tax year:					
Website Costs	070108	1,850.		36M	309.
43 Amortization of costs that began before your 2008 tax year				43	
44 Total. Add amounts in column (f). See the instructions for where to report				44	309.

Your name Guy Focal	Occupation in which you incurred expenses Staff Writer	Social security number 444-55-6666
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You May Use This Form Only if All of the Following Apply.

- You are an employee deducting ordinary and necessary expenses attributable to your job. An ordinary expense is one that is common and accepted in your field of trade, business, or profession. A necessary expense is one that is helpful and appropriate for your business. An expense does not have to be required to be considered necessary.
- You **do not** get reimbursed by your employer for any expenses (amounts your employer included in box 1 of your Form W-2 are not considered reimbursements for this purpose).
- If you are claiming vehicle expense, you are using the standard mileage rate for 2008.

Caution: You can use the standard mileage rate for 2008 only if: (a) you owned the vehicle and used the standard mileage rate for the first year you placed the vehicle in service, or (b) you leased the vehicle and used the standard mileage rate for the portion of the lease period after 1997.

Part I Figure Your Expenses

1	Vehicle expense using the standard mileage rate. Complete Part II and then go to line 1a below.		
a	Multiply business miles driven before July 1, 2008, by 50.5¢ (.505)	1a	
b	Multiply business miles driven after June 30, 2008, by 58.5¢ (.585)	1b	
c	Add lines 1a and 1b	1c	
2	Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2	287
3	Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3	1,178
4	Business expenses not included on lines 1c through 3. Do not include meals and entertainment Statement 7	4	295
5	Meals and entertainment expenses: \$ <u>192.</u> x 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.)	5	96
6	Total expenses. Add lines 1c through 5. Enter here and on Schedule A (Form 1040), line 21 (or on Schedule A (Form 1040NR, line 9)). (Armed Forces reservists, fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules on where to enter this amount.)	6	1,856

Part II Information on Your Vehicle. Complete this part **only** if you are claiming vehicle expense on line 1.

- 7 When did you place your vehicle in service for business use? (month, day, year) ▶ / /
- 8 Of the total number of miles you drove your vehicle during 2008, enter the number of miles you used your vehicle for:
- a Business _____ b Commuting (see instructions) _____ c Other _____
- 9 Was your vehicle available for personal use during off-duty hours? Yes No
- 10 Do you (or your spouse) have another vehicle available for personal use? Yes No
- 11a Do you have evidence to support your deduction? Yes No
- b If "Yes," is the evidence written? Yes No

Schedule A	Mortgage Interest and Points Reported on Form 1098	Statement	1
Description		Amount	
From Form 8829 - Deductible home mortgage interest		5,515.	
Total to Schedule A, line 10		5,515.	

Schedule C	Other Income	Statement	2
Description		Amount	
Stipend		350.	
Total to Schedule C, line 6		350.	

Schedule C	Other Costs of Goods Sold	Statement	3
Description		Amount	
Illustrator		1,450.	
Books Sold		1,307.	
Total to Schedule C, line 39		2,757.	

Schedule SE	Non-Farm Income	Statement	4
Description		Amount	
Writer		3,443.	
Total to Schedule SE, line 2		3,443.	

Form 6251 Depreciation on Assets Placed in Service After 1986 Statement 5

<u>Description</u>	<u>Amount</u>
Computer/Technology Equipment	-230.
Electrical Upgrades	42.
Cable Modem	7.
 	<hr/>
Total to Form 6251, line 18	-181.

Form 4562 Part I - Business Income Statement 6

<u>Income Type</u>	<u>Amount</u>
Wages	90,640.
Schedule C	3,443.
Section 179 expense	1,249.
 	<hr/>
Total business income used in Form 4562, line 11	95,332.

Form 2106-EZ Other Business Expenses Statement 7

Staff Writer

<u>Description</u>	<u>Amount</u>
Conference Fees	195.
PEN Membership	100.
 	<hr/>
Total to Form 2106-EZ, Part I, line 4	295.
