

ATS Test Scenario 6
Taxpayer: Enrique Salino
SSN: 400-00-1041

Test Scenario 6 includes the following forms:

- Form 1040-SS
- Form 499R - 2/W-2PR
- Form 1040 Schedule C
- Form 1040 Schedule SE

Additional Information:

Taxpayer's Date of Birth is February 7, 1986.

1st Dependent's Date of Birth is April 16, 2014.

2nd Dependent's Date of Birth is August 19, 2015.

3rd Dependent's Date of Birth June 22, 2016.

Taxpayer paid \$3,500.00 in estimated tax payments in 2024 (applied from 2023 return).

Department of the Treasury Internal Revenue Service

U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or Puerto Rico For the year Jan. 1-Dec. 31, 2024, or other tax year beginning , 2024, and ending , 20

Form fields for personal information: Your first name and initial (Enrique), Last name (Salino), Your social security number (400-00-1041), Home address (1326 Calle Don Quijote Boulevard), City (Ponce, PR 00716-0123), Foreign country name, Foreign province/state/county, Foreign postal code.

At any time during 2024, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions) [] Yes [x] No

Part I Total Tax and Credits (see instructions)

1 Filing status. Check the box for your filing status.

[x] Single [] Married filing jointly [] Married filing separately (MFS) [] Head of household [] Qualifying surviving spouse

If you checked the MFS box, enter spouse's social security no. above and full name here:

2 Qualifying children. Complete only if you are a bona fide resident of Puerto Rico and you are claiming the additional child tax credit. If more than four qualifying children, see instructions and check here []

Table with 4 columns: (a) First name, Last name, (b) Child's social security number, (c) Child's relationship to you. Rows include Enrique Salino Jr. (Son), Rosa Salino (Daughter), Rico Salino (Son).

Table with 2 columns: Line number and Description. Lines 3-16 include Self-employment tax, household employment taxes, Medicare Tax, other taxes, total tax, 2024 estimated tax payments, excess social security tax withheld, additional child tax credit, additional Medicare Tax withheld, total payments and credits, overpaid amount, refunded amount, applied to 2025 estimated tax, and amount you owe.

Third Party Designee section: Do you want to allow another person to discuss this return with the IRS? [] Yes. Complete the following. [] No. Fields for Designee's name, Phone no., and Personal identification number (PIN).

Sign Here section: 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 the taxpayer) is based on all information of which the preparer has any knowledge. Fields for Your signature, Date, Daytime phone number, Spouse's signature, Date, and Identity Protection PIN.

Paid Preparer Use Only section: Preparer's name, Preparer's signature, Date, Check [] if self-employed, PTIN, Firm's name, Firm's EIN, Firm's address, Phone no.

Part II Bona Fide Residents of Puerto Rico Claiming Additional Child Tax Credit (see instructions)

| | | | |
|------------|---|------------|-----------|
| 1 | Do you have one or more qualifying children under age 17 with the required social security number? <input type="checkbox"/> No. Stop. You can't claim the credit. <input checked="" type="checkbox"/> Yes. Go to line 2. | | |
| 2 | Number of qualifying children under age 17 with the required social security number: _____ x \$1,700 | | 2 |
| 3 | Enter your modified adjusted gross income | 3 | |
| 4 | Enter the amount shown below for your filing status • Married filing jointly – \$400,000 • All other filing statuses – \$200,000 | 4 | |
| 5 | Is the amount on line 3 more than the amount on line 4? <input checked="" type="checkbox"/> No. Leave line 5 blank. Enter the amount from line 2 on line 11, and go to line 12. <input type="checkbox"/> Yes. Subtract line 4 from line 3. If the result isn't a multiple of \$1,000, increase it to the next multiple of \$1,000 (for example, increase \$425 to \$1,000, increase \$1,025 to \$2,000, etc.) | 5 | |
| 6 | Multiply the amount on line 5 by 5% (0.05) | | 6 |
| 7 | Number of qualifying children from line 2 x \$2,000 | 7 | |
| 8 | Number of other dependents, including children who are not under age 17: _____ x \$500. See instructions | 8 | |
| 9 | Add lines 7 and 8 | 9 | |
| 10 | Is the amount on line 9 more than the amount on line 6? <input type="checkbox"/> No. Stop. You can't claim the credit. <input type="checkbox"/> Yes. Subtract line 6 from line 9 | | 10 |
| 11 | Enter the smaller of line 2 or line 10 | | 11 |
| 12a | Enter one-half of self-employment tax from Part I, line 3 | 12a | |
| b | Enter one-half of the Additional Medicare Tax on self-employment income from Form 8959, line 13 | 12b | |
| c | Add lines 12a and 12b. | 12c | |
| 13a | Enter the amount, if any, of withheld social security, Medicare, and Additional Medicare taxes from Puerto Rico Form(s) 499R-2/W-2PR (attach copy of form(s)). If married filing jointly, include your spouse's amounts with yours | 13a | |
| b | Enter the amount reported on Part I, line 6, if any, of employee social security and Medicare tax on tips not reported to employer from Form 4137. | 13b | |
| c | Enter the amount reported on Part I, line 6, if any, of uncollected employee social security and Medicare tax on wages from Form 8919 | 13c | |
| d | Enter the amount reported on Part I, line 6, if any, of uncollected employee social security tax and Medicare tax on tips and group-term life insurance | 13d | |
| e | Enter the amount, if any, of Additional Medicare Tax on Medicare wages from Form 8959, line 7 | 13e | |
| f | Add lines 13a through 13e | 13f | |
| 14 | Add lines 12c and 13f | 14 | |
| 15 | Enter the amount, if any, of Additional Medicare Tax withheld from Form 8959, line 22 | 15 | |
| 16 | Subtract line 15 from line 14 | 16 | |
| 17 | Enter the amount, if any, from Part I, line 9 | 17 | |
| 18 | Is the amount on line 16 more than the amount on line 17? <input type="checkbox"/> No. Stop. You can't claim the credit. <input checked="" type="checkbox"/> Yes. Subtract line 17 from line 16 | | 18 |
| 19 | Additional child tax credit. Enter the smaller of line 11 or line 18 here and on Part I, line 10 | | 19 |



COMPROBANTE DE RETENCIÓN - WITHHOLDING STATEMENT

222

| | | | | | | | |
|--|--|--|--|---|--|---|--|
| 1. Nombre - First Name Enrique | | 3. Núm. Seguro Social Social Security No. 400-00-1041 | | INFORMACIÓN PARA EL DEPARTAMENTO DE HACIENDA - DEPARTMENT OF THE TREASURY INFORMATION | | INFORMACIÓN PARA EL SEGURO SOCIAL SOCIAL SECURITY INFORMATION | |
| Apellido(s) - Last Name(s) Salino | | 4. Núm. de Ident. Patronal Employer Ident. No. (EIN) 00-0000055 | | 7. Sueldos - Wages 41,355 | | 20. Total Sueldos Seguro Social Social Security Wages 41,355 | |
| Dirección Postal del Empleado - Employee's Mailing Address 1326 Calle Don Quijote Boulevard Ponce, PR 00716-0123 | | 5. Costo de cubierta de salud auspiciada por el patrono - Cost of employer-sponsored health coverage 0 | | 8. Comisiones - Commissions 0 | | 21. Seguro Social Retenido Social Security Tax Withheld 2,564 | |
| Fecha de Nacimiento: Día <u>07</u> Mes <u>02</u> Año <u>1986</u> Date of Birth: Day _____ Month _____ Year _____ | | 6. Donativos Charitable Contributions 0 | | 9. Concesiones - Allowances 0 | | 22. Total Sueldos y Pro. Medicare Medicare Wages and Tips 41,355 | |
| 2. Nombre y Dirección Postal del Patrono Employer's Name and Mailing Address MightyBold Contractors 3458 MFW PR 123 Ponce, PR 00730 | | Indique si la remuneración incluye pagos al empleado por: - Indicate if the remuneration includes payments to the employee for: | | 10. Propinas - Tips 0 | | 23. Contrib. Medicare Retenido Medicare Tax Withheld 600 | |
| Número de Teléfono del Patrono Employer's Telephone Number | | A- <input type="checkbox"/> Médico cualificado (Ver instrucciones) Qualified physician (See instructions) | | 11. Total = 7 + 8 + 9 + 10 41,355 | | 24. Propinas Seguro Social Social Security Tips 0 | |
| Correo Electrónico del Patrono Employer's E-mail | | B- <input type="checkbox"/> Servicios domésticos Domestic services | | 12. Gastos Reemb. y Beneficios Marginales Reimb. Expenses and Fringe Benefits 3,505 | | 25. Seguro Social no Retenido en Propinas - Uncollected Social Security Tax on Tips 0 | |
| Fecha Cese de Operaciones: Día _____ Mes _____ Año _____ Cease of Operations Date: Day _____ Month _____ Year _____ | | C- <input type="checkbox"/> Trabajo agrícola Agricultural labor | | 13. Cont. Retenida - Tax Withheld 3,505 | | 26. Contrib. Medicare no Retenida en Propinas - Uncollected Medicare Tax on Tips 0 | |
| Número Confirmación de Radicación Electrónica Electronic Filing Confirmation Number W1234567890 | | D- <input type="checkbox"/> Ministro de una iglesia o miembro de una orden religiosa - Minister of a church or member of a religious order | | 14. Fondo de Retiro Gubernamental Governmental Retirement Fund 0 | | | |
| Número Control - Control Number | | E- <input type="checkbox"/> Profesionales de la salud (Ver instrucciones) Health professionals (See instructions) | | 15. Aportaciones a Planes Calificados Contributions to CODA PLANS 0 | | | |
| Fecha de radicación: 31 de enero Filing date: January 31 | | F- <input type="checkbox"/> Empleo directo (Ver instrucciones) Direct employment (See instructions) (i) Horas trabajadas Hours worked _____ (ii) EIN _____ | | Salarios Exentos (Ver instrucciones) Exempt Salaries (See instructions) Código/Code _____ | | | |
| Año: 2024 Year: 2024 | | G- <input type="checkbox"/> Otros - Others: _____ | | 16. Código/Code _____ | | | |
| | | | | 17. Código/Code _____ | | | |
| | | | | 18. Código/Code _____ | | | |
| | | | | 19. Aportaciones al Programa Ahorra y Duplica tu Dinero - Contributions to the Save and Double your Money Program | | | |

SCHEDULE C (Form 1040)

Profit or Loss From Business (Sole Proprietorship)

OMB No. 1545-0074

2024

Attachment Sequence No. 09

Department of the Treasury Internal Revenue Service

Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, or 1041; partnerships must generally file Form 1065. Go to www.irs.gov/ScheduleC for instructions and the latest information.

Name of proprietor: Enrique Salino. Social security number (SSN): 400-00-1041. Principal business: Siding Contractor. Business name: Siding Contractor. Accounting method: Accrual. Did you materially participate? Yes. Did you start or acquire this business during 2024? No. Did you make any payments in 2024 that would require you to file Form(s) 1099? No.

Part I Income

1 Gross receipts or sales. 2 Returns and allowances. 3 Subtract line 2 from line 1. 4 Cost of goods sold (from line 42). 5 Gross profit. 6 Other income. 7 Gross income. Add lines 5 and 6.

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

8 Advertising: 2,260. 9 Car and truck expenses. 10 Commissions and fees. 11 Contract labor: 3,490. 12 Depletion. 13 Depreciation and section 179 expense deduction. 14 Employee benefit programs. 15 Insurance. 16 Interest. 17 Legal and professional services. 18 Office expense: 1,685. 19 Pension and profit-sharing plans. 20 Rent or lease. 21 Repairs and maintenance: 455. 22 Supplies. 23 Taxes and licenses. 24 Travel and meals. 25 Utilities. 26 Wages. 27a Other expenses. 27b Energy efficient commercial bldgs deduction. 28 Total expenses. 29 Tentative profit or (loss). 30 Expenses for business use of your home. 31 Net profit or (loss). 32 If you have a loss, check the box that describes your investment in this activity.

Part III Cost of Goods Sold (see instructions)

| | | | |
|-----------|--|-------------------------------------|------------------------------------|
| 33 | Method(s) used to value closing inventory: a <input type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation) | | |
| 34 | Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 35 | Inventory at beginning of year. If different from last year's closing inventory, attach explanation | 35 | 7,585 |
| 36 | Purchases less cost of items withdrawn for personal use | 36 | 8,270 |
| 37 | Cost of labor. Do not include any amounts paid to yourself | 37 | 10,895 |
| 38 | Materials and supplies | 38 | 15,200 |
| 39 | Other costs | 39 | 0 |
| 40 | Add lines 35 through 39 | 40 | |
| 41 | Inventory at end of year | 41 | 20,550 |
| 42 | Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4 | 42 | |

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 2024, 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**

47a 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, line 27b, or line 30.

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|-----------|---|-----------|--|
| 48 | Total other expenses. Enter here and on line 27a | 48 | |
|-----------|---|-----------|--|

**SCHEDULE SE
(Form 1040)**

Self-Employment Tax

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service

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

2024
Attachment
Sequence No. **17**

Name of person with self-employment income (as shown on Form 1040, 1040-SR, 1040-SS, or 1040-NR)
Enrique Salino

Social security number of person
with self-employment income **400-00-1041**

Part I Self-Employment Tax

Note: If your only income subject to self-employment tax is **church employee income**, see instructions for how to report your income and the definition of church employee income.

A If you are a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361, but you had \$400 or more of **other** net earnings from self-employment, check here and continue with Part I

Skip lines 1a and 1b if you use the farm optional method in Part II. See instructions.

1a Net farm profit or (loss) from Schedule F, line 34, 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 4b, or listed on Schedule K-1 (Form 1065), box 20, code AQ **1b** ()

Skip line 2 if you use the nonfarm optional method in Part II. See instructions.

2 Net profit or (loss) from Schedule C, line 31; and Schedule K-1 (Form 1065), box 14, code A (other than farming). See instructions for other income to report or if you are a minister or member of a religious order **2**

3 Combine lines 1a, 1b, and 2 **3**

4a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3 **4a**

Note: If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.

b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here **4b**

c Combine lines 4a and 4b. If less than \$400, **stop**; you don't owe self-employment tax. **Exception:** If less than \$400 and you had **church employee income**, enter -0- and continue **4c**

5a Enter your **church employee income** from Form W-2. See instructions for definition of church employee income **5a**

b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0- **5b** 0

6 Add lines 4c and 5b **6**

7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2024 **7** 168,600

8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$168,600 or more, skip lines 8b through 10, and go to line 11 **8a**

b Unreported tips subject to social security tax from Form 4137, line 10 **8b**

c Wages subject to social security tax from Form 8919, line 10 **8c**

d Add lines 8a, 8b, and 8c **8d**

9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 **9**

10 Multiply the **smaller** of line 6 or line 9 by 12.4% (0.124) **10**

11 Multiply line 6 by 2.9% (0.029) **11**

12 Self-employment tax. Add lines 10 and 11. Enter here and on **Schedule 2 (Form 1040), line 4, or Form 1040-SS, Part I, line 3** **12**

13 Deduction for one-half of self-employment tax.
Multiply line 12 by 50% (0.50). Enter here and on **Schedule 1 (Form 1040), line 15** **13**

Part II Optional Methods To Figure Net Earnings (see instructions)

Farm Optional Method. You may use this method **only** if **(a)** your gross farm income¹ wasn't more than \$10,380, **or (b)** your net farm profits² were less than \$7,493.

| | | |
|--|-----------|-------|
| 14 Maximum income for optional methods | 14 | 6,920 |
| 15 Enter the smaller of: two-thirds (² / ₃) of gross farm income ¹ (not less than zero) or \$6,920. Also, include this amount on line 4b above | 15 | |

Nonfarm Optional Method. You may use this method **only** if **(a)** your net nonfarm profits³ were less than \$7,493 and also less than 72.189% of your gross nonfarm income,⁴ **and (b)** you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution:** You may use this method no more than five times.

| | | |
|---|-----------|--|
| 16 Subtract line 15 from line 14 | 16 | |
| 17 Enter the smaller of: two-thirds (² / ₃) of gross nonfarm income ⁴ (not less than zero) or the amount on line 16. Also, include this amount on line 4b above | 17 | |

¹ From Sch. F, line 9; and Sch. K-1 (Form 1065), box 14, code B.

² From Sch. F, line 34; and Sch. K-1 (Form 1065), box 14, code A—minus the amount you would have entered on line 1b had you not used the optional method.

³ From Sch. C, line 31; and Sch. K-1 (Form 1065), box 14, code A.

⁴ From Sch. C, line 7; and Sch. K-1 (Form 1065), box 14, code C.

ONLY DRAFT
May 17, 2024
DO NOT FILE