

## PP11-03 Pub 4012 TY2011 Notes

Page	Title/Area	What to Fix
9	Section A. To be completed by Taxpayer - Continued	In first line: "Wages or Salary? (Forms W-2), change entry instructions (in box) to read <b>"TAB 2 Page 2-3"</b> instead of <b>"TAB 4"</b>
A-2	Chart B – For Children & Other Dependents	After both "Single" and "Married" headings, delete "dependants" and replace with <b>"dependents"</b>
A-3	Chart C – Other Situations When You Must File	Add #5. <b>"You have a capital gain and get a 1099-B and the gross proceeds plus other income exceeds the filing limits in Chart A".</b>
B-1	Determination of Filing Status – Decision Tree	In flowchart box on right that reads: "Did you or your spouse live apart, etc, etc", insert <b>"all of"</b> before "the last 6 months of the year"
C-2	Personal Exemptions	In Footnote for Step 6 at bottom, add the following: "You can claim an exemption for your nonresident alien spouse on your separate return, provided your spouse has no gross income for US tax purposes and is not the dependent of another US taxpayer.
C-3	Overview of Rules for Claiming an Exemption for Dependent	On the "Qualifying Child of More Than One Person" table, in third box (bolded), change "the following rules apply" to "the following tiebreaker rules apply"
C-4	Table 1: Dependency Exemption for Qualifying Child	Before "Footnotes" at bottom of page, insert asterisk (*)
C-5	Table 2: Dependency Exemption for Qualifying Relative	Step 1 – First column/first sentence should read <b>"or the qualifying child of any other taxpayer"</b> instead of <b>"anyone else"</b>
		Step 2 - In 2nd question, insert "half-brother, half-sister" between "sister" and "or a son, etc, etc."
		Step 2 - In question 4, delete "half-brother, half-sister"
		Before "Footnotes" at bottom of page, insert asterisk (*)
E-5	Student Loan Interest Deduction at a Glance	Add note at top of chart that reads: <b>"Taxpayer must be legally liable for the loan"</b>
		In forth Box (Student qualifications), change bullets to read: <b>"The student must be:</b> <ul style="list-style-type: none"> <li>- <b>You, your spouse, or your dependent, and</b></li> <li>- <b>Enrolled at least half-time in a program leading to a degree, certificate or other recognized educational credential</b></li> <li>- <b>Your dependent when the loan was made"</b></li> </ul>
F-9	Interview Tips – Itemized Deductions – continued	Step 14 – Change <b>"\$500"</b> to <b>"\$5,000"</b> in first and second sentences
		Step 14 – Change <b>Note</b> to read: <b>"If between \$500 and \$5,000, use Form 8283"</b> .
G-1	Child and Dependent Care Credit Expenses	Under "Who is a qualifying person?" <ul style="list-style-type: none"> <li>- Second bullet, insert <b>"disabled"</b> before "person".</li> <li>- Add bullet: <b>"Must have lived with you more than half the year"</b></li> </ul>
		Under "Qualified work related expenses." <ul style="list-style-type: none"> <li>- Add bullet: <b>"Expenses to attend Kindergarten or a higher grade are not an expense for care"</b></li> <li>- Add bullet: <b>"Expenses for summer day-camp are qualifying, but those for over-night camp are not"</b></li> </ul>

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G-3	Education Credits	Under "Who Can Claim the Credit?": In last bullet, change "can claim" to "claims"
G-4	Education Credits (Continued)	After Note at bottom of page, add: "See Pub 970, examples 1 and 2, under heading "Adjustments to Qualified Educational Expenses"".
G-8	Child Tax Credit	Add note at bottom of page: "You must claim the child as a dependent on your return to qualify for the Child Tax Credit".
H-2	Summary of EIC Eligibility Requirements - Under Rules for Everyone	In 5 <sup>th</sup> box (Investment Income), add asterisk (*) to new footnote which reads: "Investment Income is taxable interest + tax-exempt interest + ordinary dividends + capital gains"
		Add a 7 <sup>th</sup> box that reads: "Must have Earned Income (See Pub 17 chapter for definitions)"
1-4	Taxpayer Identification Numbers, etc.	In the Individual Name Primary/Secondary Name Control chart, first column Indiv Name on SSN/ITIN Cards): Add a hyphen to Thomas Lea-Smith. DO NOT change the "Enter in TaxWise" last name field
1-5	Taxpayer Identification Numbers, etc.	In the Individual Name Primary Name Control chart, first column (Indiv Name on SSN/ITN Card): Add hyphens to Abdullah Allar-Sid and Pedro Paz-Ayala. DO NOT change the "Enter in TaxWise" last name field.
1-6	Tax Wise Log In Screen	Half-way down page (Starting a New Return): add note at bottom "When the SSN is entered for a new return, if carry forward data exists, click YES to load".
1-9	Main Information Screen – Continued	5 <sup>th</sup> Side Note (Deceased taxpayer) – Change to read "Complete for deceased taxpayer together with Name Line 2 (see Page 1-8 Note 1)"
		Line 5 "Qualifying widow(er) with dependent child": Change Year spouse died to "2009 and 2010" (rather than 2007 and 2008)
		Note 2, last line: Delete the words "and on dependent line, also." Insert: "The taxpayer will still need another individual to be the qualifying person to be eligible for Head of Household."
1-10	Main Information Screen – Continued	Add note with arrow to dependent's age in screen shot: "Always list dependents from youngest to oldest on Main Info Sheet."
		Under the heading "If There Are More Than Four Dependents," add: "If you make any change to the dependents on the Main Info page, you must also make the change on the Addl Deps form. Changes do not carry over."
1-13	Main Information Screen – Continued	Cross out the "Preparer's Use Fields" in the screen shot and add note that this information is now in a separate worksheet called "Prep Use".
		Add notes at bottom of page: <ul style="list-style-type: none"> <li>- "Data can be entered in any sequence (See Best Practices for exceptions)"</li> <li>- "Linking: <ul style="list-style-type: none"> <li>- Scratch Pad <u>must</u> be added by linking</li> <li>- 1099 MISC should be added by linking from the box where the value should flow (depending on which box on 1099-MISC contains value). Always link rather than using "Add Form" to be sure you have selected the correct parent form.</li> <li>- Other linked forms may be added from the forms tree or "Add Form" tab."</li> </ul> </li> </ul>
2-1	Income	Cross out table at top of the page entirely and add note: "See NJ Preparer page for where to enter information"
		Add to Note 3 at bottom of page: "Consult with your Local Coordinator before entering any K-1 data".

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Page	Title/Area	What to Fix
2-2	How/Where to Enter Income	Line 10: add: <b>"If TP has state income tax refund then:</b> <ul style="list-style-type: none"> <li>- If you have information from last year's return, then answer YES to question "did you itemize, etc." and link to State tax refund worksheet to enter data;</li> <li>- If you do NOT have information from last year's return, then just enter amount of refund directly in box 10"</li> </ul>
		Line 12: Change side-note to read 'Sch C' (delete "Sch C-EZ"). Make same change in Note # 2 below.
		Line 17: Add note <b>"Use Schedule E only for oil and gas lease royalties from a K-1 or oil and gas rent/leases from a 1099 MISC"</b>
		Add after Footnote 1: <b>"If Sales Tax deducted on Sch A in 2010, state refund is not taxable income in 2011."</b>
		Add note at bottom of page: <b>"Line 21 – Link to:</b> <ul style="list-style-type: none"> <li>- 1099-MISC if income is in boxes 3 or 8"</li> <li>- W-2G Enter <b>"GAMBLING WINNINGS"</b> in the <b>"Type"</b> box on Line 21 (if NJ lottery winnings less than or equal to \$10,000, place X in lower left box on W-2G screen)"</li> </ul>
2-3	Form W-2 Instructions	Delete arrow to Box 14 after 8th sidenote and add new note with arrow to Box 14: <b>"Must use "NJSUI", "NJSDI", and "NJFLI" for amounts to carry to 1040 Sch A (State &amp; Local Taxes) and NJ-2450. Also add: "Do not use ', ', or '-'. (See NJ Help NJ Special Handling for Special Purpose Codes)"</b>
2-4	Schedule B – Interest	Add note in right margin: <b>"1099 INT with Foreign tax paid (Box 6); enter on Form 1116 (see page 5-2)."</b>
2-5	Interest Statement for Schedule B	Add note at top of page with arrow to "Payer" in screen shot: <b>"Do not allow blank lines between entries on Interest Statement. Use Ctrl-R to remove a line."</b>
		Add note below screen shot of Sch B Interest Received: <b>"Interest from Form K-1 may be entered directly on TW Interest Stmt. In "Payer" column, enter "K-1" and name of payer. DO NOT USE TAXWISE K-1 FORM. Consult with Local Coordinator."</b>
		O-OID: Add comment: <b>"OID interest that is fully taxable, make no entry in NAEOB or NAEOB amount"</b>
		Add note at bottom of page: <b>"We should only be using the "E" code in the NAEOB column. If any other code is called for, discuss with Local Coordinator."</b>
2-6	Dividend Statement for Schedule B	Add note in top portion of screen shot with arrow to "Payer" column: <b>"Do not allow blank lines between entries on Dividend Statement. Use Ctrl-R to remove a line."</b>
		Add note at bottom of page: <b>"Dividends from Form K-1 may be entered directly on TW Dividend Statement. In "Payer" column, enter "K-1" and name of payer. DO NOT USE TAXWISE K-1 FORM." Discuss with your Local Coordinator."</b>
		Note 1 at bottom of page: "If foreign tax paid (box 6) etc, etc." Add: <b>"and enter only on Form 1116 (see page 5-2)."</b>
2-7	Schedule C-EZ Business Income	Add note at top of page that reads: <b>"Use Schedule C for Business Income rather than Schedule C-EZ"</b>

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Page	Title/Area	What to Fix
2-8	Schedule C – Business Income	First note in right-hand margin, delete: <b>"Taxpayer and Spouse can each have one Schedule C."</b> Insert: <b>"If a taxpayer has more than one business, a separate Schedule C must be filed for each."</b>
		Add additional side note and arrow to Part II Line 9 (Car and Truck Expenses) that reads: <b>"Enter automobile mileage on Sch C Page 2 Part IV for calculation of standard rate"</b> .
		Add another side note and arrow to Part II Line 18 or 22 (Office/Other Expenses) that reads: <b>"Itemize business expenses on Sch C Page 2 Part V (Other Expenses) for transfer to Sch C Page 1 Part II"</b>
		Add note at bottom of page: <b>"One or more Sch C's per taxpayer and one or more 1099-MISC per Sch C"</b> .
2-10	Schedule D – Capital Gains and Losses, Changes	Add Note at bottom that reads: <b>"Never enter directly to Sch D. Always use Cap Gains Wkt – except for:</b> <ul style="list-style-type: none"> <li>- carry-over losses which are entered directly on Lines 6 and/or 14, and</li> <li>- K-I capital gains which are entered directly on Lines 5 and/or 12 on Sch D"</li></ul>
		Add Note at bottom that reads: <b>"See extra / replacement pages:</b> <ul style="list-style-type: none"> <li>- What to do with values from Form 1099-B,</li> <li>- What to Enter in Cap Gn Wkt Columns</li> <li>- How to Complete Columns (b) and (g) on Cap Gn Wkt"</li></ul>
2-11	Schedule D – Capital Gain or Loss Transactions Worksheet	Cross out screenshot of Cap Gn Wkt at top of page – replace with note <b>"See: What to do with values from Form 1099-B page and What to Enter in Cap Gn Wkt Columns page"</b>
		Note 2, Add to end of second sentence: <b>"(no matter when they are sold)"</b>
		Note 2, Replace last sentence <b>"Check volunteer in-scope limitations."</b> with <b>"Returns may be prepared for taxpayers who received an inheritance from someone who died in 2010 under the following categories:</b> <ul style="list-style-type: none"> <li>- The asset inherited in 2010 was not sold</li> <li>- The taxpayer provides the basis. (This basis must be in the form of a letter or document from the estate of the decedent or on form 8939)"</li> </ul>
		Delete Note 3: <b>"For withholding on 1099-B, enter on Dividend Stmt for Sch B"</b> , and replace with new note: <b>"For 1099-B with Federal Income Tax withheld (Box 4), enter withholding on 1040 Line 62 with a scratch pad."</b>
2-16	How to Complete Form 8949, Columns (b) & (c)	Replace whole table with note that reads: <b>"See: How to Complete Columns (b) and (g) on Cap Gn Wkt page"</b> [You might want to just insert the whole page here.]

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Page	Title/Area	What to Fix
2-17	1099-R Pension and Annuity Income	5 <sup>th</sup> side note in the right margin that reads: "Check if Code 3 is in Box 7 - person on disability, etc.." add <b>"and makes amount tax exempt in NJ"</b> at the end of the 2 <sup>nd</sup> sentence
		Add note at bottom of page with arrow to state adjustment boxes: <b>"For explanation of boxes in lower left corner of 1099 R screen, go to State Help/NJ on TWO Home Page</b> <ul style="list-style-type: none"> <li>- <b>Check Box 1 for pensions or IRA withdrawals that do not qualify for NJ pension exclusion</b></li> <li>- <b>Check Box 2 for military pension (Defense Finance &amp; Accounting Service)</b></li> <li>- <b>Check Box for Railroad retirement if RRB pension."</b></li> </ul>
2-19	Railroad Retirement, Civil Service, & Soc Sec Benefits	1: Delete phrase " – if itemizing deductions" after "Sch A Detail" in instructions for RRB "Box 12 – Medicare Premium Total" since medical insurance should be always be entered in order to flow to the NJ return.
		2: CSA-Form 1099-R: Add note: <b>"All CSA entries in Box 5 are considered deductible health insurance premiums and should be entered on Sch A Detail under "Insurance premiums paid."</b>
		4: Add 7 <sup>th</sup> bullet under SSA-Form 1099 – Soc Sec: <b>"See Best Practices for how to enter multiple medical amounts (e.g. Part B and Part D)</b>
		Good idea to affix tab on this page for easy access. Instructions must be exactly followed to assure correct entry of Railroad Retirement (RRB) and Civil Service (CSA) pension data.
2-21	Schedule E – Rental and Royalty Income and Loss (Limited)	Add note at top of page: <b>"Use Schedule E only for oil and gas lease royalties from a K-1 or oil and gas rent/leases from a 1099 MISC (See Special Topic documents)"</b> .
3-1	Form 1040 – Adjustments to Income	Add note in right margin with arrow to Educator Expenses Line 23: <b>"Link to Form 1040 Wkt 2"</b>
		Note for line 25: Add <b>"If certified for HSA"</b>
		Add note in right margin with arrow to Tuition and Fees Line 34: <b>"Link to Form 1040 Wkt 2</b>
		Delete <b>"Clean-fuel vehicles"</b> under Line 35 "Other"
		Add to final line for Line 35: <b>"Deduction for whistleblower fees"</b>
		Add: <b>"For IRA Deductions,"</b> above Note at bottom of page: "On line 32 taxpayers age must be 70 ½ etc, etc."
4-1	Form 1040, Page 2 – (Deductions)	Line 42: Change Standard Deduction amount from \$3,650 to \$3,700.
4-2	Schedule A – Itemized Deductions	After note with arrow to Line 5b: "Link to Sales Tax Wkt", add: <ul style="list-style-type: none"> <li>- <b>"Use line 8 of Sales Tax Wkt for specific purchases made in 2011, This includes motor vehicles (new or used), boats, aircraft, homes (including mobile and prefabricated), or home building material."</b></li> </ul>
		Add note with arrow to Line 6: <b>"If deductions were itemized in 2010, and TP received PTR rebate, see NJ Special Handling for how/where to enter"</b> .

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Page	Title/Area	What to Fix
4-3	Schedule A – Itemized Deductions (con't)	In second bullet under “Sch A Nondeductible Items” - “Taxes”: Delete <b>“sales tax”</b>
		Add Note at bottom of page: <b>“Enter TOTAL gambling losses on W-2G for transfer to Sch A Line 28 (not shown above)”</b>
4-4	Itemized Deductions Detail Worksheet	Add following notes to bottom of page: <ul style="list-style-type: none"> <li>- <b>“Enter all allowable unreimbursed medical expenses on worksheet for transfer to NJ”</b></li> <li>- <b>“Federal pre-tax medical costs should NOT be entered here. (See NJ Special Handling for how to enter NJ after-tax medical costs)”</b></li> <li>- <b>“See Best Practices for handling of multiple medical amounts on SSA-1099”</b></li> </ul>
		<b>Delete last sentence of Note at bottom and replace with "For non-cash contributions between \$500 and \$5000, link to Form 8283 and complete"</b>
5-1	Nonrefundable Credits	After bolded Note for Form 5695 Residential Energy Credits, add: <b>“Taxpayer should provide certification from manufacturer/installer to assure eligibility”</b> .
5-3	Form 2441 – Credit for Child and Dependent Care Expenses	Screenshot dates are incorrect – See current TW 2011 worksheet for changes
5-4	Form 8863 – Education Credits	Second screenshot is incorrect – See top screenshot instead
6-1	Form 1040 Page 2 – Other Taxes and Payments	Screenshots are out-of-date – See current TW 2011 worksheet for changes
6-3	Form ACH 1040/ES	Screenshot is out-of-date – See current TW 2011 worksheet for changes
6-5	Schedule EIC	Screenshot dates are incorrect – See current TW 2011 worksheet for changes
		Add note above boxes for question 4a: <b>“Read questions 4a and 4b very carefully before checking any boxes”</b>
6-6	Schedule EIC – Worksheet	Comment “Complete only those questions in red” add: <b>“and complete them in sequence (top to bottom)”</b> at very top of page.
6-7	Split Refund Options	Add note above screen shot: <b>“If refund is split between two accounts, complete Form 8888 as the very last activity to minimize danger that change in any other form would cause the split option total to disagree with the final refund amount.”</b>
		Add second note: <b>“See instructions on Form 8888 to apply refund to the purchase of US Savings Bonds”</b>
6-7	Filing for an Extension Using TaxWise	Replace whole section with note: <b>“File Extensions (Form 4868) using paper.”</b>
7-2	TWO Shortcut Keys (lower right corner)	Add <b>“F1” – Bring up Help Screen</b>
		Add <b>“F3” – Estimates and un-estimates an entry (same as Ctrl-Spacebar)</b>
12-4	Power of Attorney	Delete the heading <b>“Deceased Taxpayer”</b> at top of left column
12-8	Check Your Work - Quality Review	Under bolded heading "If there are errors" first bullet: Delete the following words: <b>“other information on income and expenses”</b>

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Page	Title/Area	What to Fix
12-9	Amended Returns	<p>Last sentence of 5<sup>th</sup> bullet which starts “<b>In the state amendment...</b>” change to “<b>In the state amendment create explanation appropriate to state return changes and resolve any other red boxes.</b>”</p> <p>Add bullet at end: “<b>See federal 1040X instructions and NJ-1040X instructions for where to mail returns. If responding to a notice from IRS or NJ DoT, send returns to address in the notice; otherwise addresses (as of 01-22-2012) are:</b></p> <p><b>Federal:</b></p> <p style="padding-left: 40px;"><b>Department of the Treasury Internal Revenue Service Kansas City MO 64999</b></p> <p><b>New Jersey (without payment):</b></p> <p style="padding-left: 40px;"><b>State of New Jersey Division of Taxation Revenue Processing Center – Refunds PO Box 555 Trenton NJ 08647-0555</b></p> <p><b>New Jersey (with payment):</b></p> <p style="padding-left: 40px;"><b>State of New Jersey Division of Taxation Revenue Processing Center – Payments PO Box 111 Trenton NJ 08645-0111”</b></p>
13-3	Frequent Taxpayer Inquiries	<p>Add new category at bottom: “<b>Tax Booklets</b>”: “<b>Taxpayers no longer receive income tax packages containing forms, schedules and instructions by mail. Since most tax returns are now e-filed, the mailed tax packages have been discontinued.</b>”</p>
	Inside Page of Back Cover – (Contact Information for Volunteers)	<p>Under “Internal Revenue Service”, add: (for Morris)</p> <ul style="list-style-type: none"> <li>- IRS SPEC Newark (Coral Gandiaga): 973-468-3276</li> </ul> <p>Under “State Department of Revenue”, add Phone Numbers:</p> <ul style="list-style-type: none"> <li>- State E-file Help Desk: 609-633-1132</li> <li>- State Customer Service Center: 609-292-6400</li> <li>- Homestead Benefit: 888-238-1233</li> <li>- PTR: 800-882-6597</li> </ul> <p>Also add BIG note at bottom of page: “See NJ Preparer page (<a href="http://www.taxprep4free.org/Preparer/index.html">http://www.taxprep4free.org/Preparer/index.html</a>) for lots of useful information for preparers” (Also add as Bookmark/Favorite in your browser)”</p>
	Outside Page of Back Cover (2012 IRS e-file Refund Cycle Chart)	<p>This chart has been updated. The latest version is available as Pub 2043 from the IRS website. (Pub 2043 includes both English and Spanish versions.)</p> <p>See: <a href="http://www.irs.gov/pub/irs-pdf/p2043.pdf">http://www.irs.gov/pub/irs-pdf/p2043.pdf</a></p>

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## What to do with values from Form 1099-B

<input type="checkbox"/> CORRECTED (if checked)		OMB No. 1545-0715		<b>2011</b> Form <b>1099-B</b>	<b>Proceeds From Broker and Barter Exchange Transactions</b>
PAYER'S name, street address, city, state, ZIP code, and telephone no.		1a Date of sale or exchange	1b Date of acquisition		
PAYER'S federal identification number		RECIPIENT'S identification number	3 Cost or other basis	4 Federal income tax withheld	<b>Copy B For Recipient</b>  This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name		5 Wash sale loss disallowed	6 If this box is checked, boxes 1b, 3, 5, and 8 may be blank <input type="checkbox"/>	7	
Street address (including apt. no.)		8 Type of gain or loss Short-term <input type="checkbox"/> Long-term <input type="checkbox"/>	9 Description	8 Type of gain or loss	
City, state, and ZIP code		10 Profit or (loss) realized in 2011 on closed contracts	11 Unrealized profit or (loss) on open contracts—12/31/2010	14 Bartering	
Account number (see instructions)		12 Unrealized profit or (loss) on open contracts—12/31/2011	13 Aggregate profit or (loss) on contracts	15 If box checked, loss based on amount in box 2 is not allowed <input type="checkbox"/>	
CUSIP number					

Form **1099-B** (keep for your records) Department of the Treasury - Internal Revenue Service

Box	What to do
1a Date of sale or exchange	Enter in column (d) Date sold
1b Date of acquisition	Enter in column (c) Date acquired
2 Sales price of stocks, bonds, etc.	Enter in column (e) Sales price
2 – Sales price	If checked and if there is commission or other cost of sale, then Use code O in column (b) and enter cost of sale in column (g) as a negative number
2 – Sales price less commissions and options premiums	If checked, then No need to adjust for commission
3 Cost or other basis	Enter in column (f) Cost or other basis (use columns (b) and (g) for adjustments, if necessary)
4 Federal income tax withheld	Add to 1040 line 62 using a Scratch Pad
6 If this box is checked, boxes 1b, 3, 5, and 8 may be blank: checked	Enter B in column 1099
8 Type of gain or loss	Should agree with calculated column S/L
9 Description	Enter in column (a) Description of property
5, 10, 11, 12, 13, 14, 15	OUT OF SCOPE

See also "What to Enter in Cap Gn Wkt Columns" page



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## What to Enter in Cap Gn Wkt Columns

US Schedule D		Capital Gain or Loss Transactions Worksheet								2011	
1099 column: Enter "A" for transactions reported on Form 1099-B with the basis reported to the IRS, enter "B" for transactions reported on Form 1099-B but the basis is not reported to the IRS, enter "C" for transactions for which you cannot enter A or B.											
* Check if 28% rate gain or (loss).											
(a) Description of property	1 0 9 9	T S J	*	(b) Code	(c) Date acquired	(d) Date sold	(e) Sales price	(f) Cost or other basis	(g) Adjustments to gain or loss	(h) Gain or loss	S / L
			<input type="checkbox"/>				0	0	0	0	
			<input type="checkbox"/>				0	0	0	0	
			<input type="checkbox"/>				0	0	0	0	

Column	What to Enter
(a) Description of property	1099-B box 9 (if provided); otherwise, "Quantity Symbol" for stocks (e.g. "100 IBM"); otherwise, "Issuer K-1" for K-1 capital gains (e.g. "Oxy Partners K-1"); otherwise, Description of what was sold (e.g. "Main Home")
1099	"A" for transactions reported on Form 1099-B with the basis reported to the IRS, "B" for transactions reported on Form 1099-B but the basis is not reported to the IRS, "C" for transactions for which you cannot enter "A" or "B"
T/S/J	"T" for Taxpayer, "S" for Spouse, or "J" for Joint
*	Check if 28% rate gain or (loss) – OUT OF SCOPE
(b) Code	See "How to Complete Columns (b) and (g)" page
(c) Date acquired	1099-B box 1b (if provided); otherwise, Value from non-1099-B brokerage info (if available); otherwise, Value from TP [Note: Use "VA/RI/OUS" or "IN/HE/RIT" if applicable]
(d) Date sold	1099-B box 1a [Note: Use "WO/RT/HLSS" if applicable]
(e) Sales price	1099-B box 2
(f) Cost or other basis	1099-B box 3 (if provided); otherwise, Value from non-1099-B brokerage info (if available); otherwise, Value from TP
(g) Adjustments to gain or loss	See "How to Complete Columns (b) and (g)" page [Remember use positive or negative values to adjust gain/loss, not cost basis]
(h) Gain or loss	Calculated
S/L	Calculated

See also "What to do with Values from 1099-B" page

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## How to Complete Columns (b) and (g)

For most transactions, you do not need to complete columns (b) and (g) and can leave them blank. You may need to complete columns (b) and (g) if you got a Form 1099-B or 1099-S that is incorrect, if you are excluding or postponing a capital gain, if you have a disallowed loss, or in certain other situations. Details are in the table below.

IN SCOPE		
IF . . .	THEN enter this code in column (b)	AND
You received a Form 1099-B (or substitute statement) and the basis shown in box 3 is incorrect. . . .	B	Enter the basis shown on Form 1099-B (or substitute statement) in column (f).  If the correct basis is higher than the basis shown on Form 1099-B (or substitute statement), enter the difference between the two amounts as a negative number (in parentheses) in column (g).  If the correct basis is lower than the basis shown on Form 1099-B (or substitute statement), enter the difference between the two amounts as a positive number in column (g).
You received a Form 1099-B (or substitute statement) and the type of gain or loss (short term or long term) shown in box 8 is incorrect. . . .	T	Enter -0- in column (g) unless an adjustment is required because of another code. Report the gain or loss in the correct Part of Form 8949.
You sold or exchanged your main home at a gain, must report the sale or exchange on Form 8949, and can exclude some or all of the gain. . . .	H	Report the sale or exchange on Form 8949 as you would if you were not taking the exclusion. Then enter the amount of excluded (nontaxable) gain as a negative number (in parentheses) in column (g). See the example in the instructions for Form 8949, column (g).
You have a nondeductible loss other than a loss indicated by code W. . . .	L	Enter the amount of the nondeductible loss as a positive number in column (g). See the example under <i>Nondeductible Losses</i> , earlier.
You include any expense of sale or certain option premiums in column (g) or you have an adjustment not explained above in this column. . . .	O	Enter your expenses of sale or the appropriate adjustment amount in column (g). Enter any expenses of sale as a negative number (in parentheses). See the instructions for Form 8949, column (g). If you sold a call option and it was exercised, see <i>Gain or Loss From Options</i> , earlier, for information about reporting certain option premiums.
None of the other statements in this column apply. . . .		Leave columns (b) and (g) blank
OUT OF SCOPE		
You received a Form 1099-B or 1099-S as a nominee for the actual owner of the property. . . .	N	Report the transaction on Form 8949 as you would if you were the actual owner, but enter any resulting gain as a negative adjustment (in parentheses) in column (g) or any resulting loss as a positive adjustment in column (g). However, if you received capital gain distributions as a nominee, report them instead as described under <i>Capital Gain Distributions</i> , earlier.
You sold or exchanged qualified small business stock and can exclude part of the gain. . . .	S	Report the sale or exchange on Form 8949 as you would if you were not taking the exclusion. Then enter the amount of the exclusion as a negative number (in parentheses) in column (g).
You can exclude all or part of your gain under the rules explained earlier in these instructions for DC Zone assets or qualified community assets. . . .	X	Report the sale or exchange on Form 8949 as you would if you were not taking the exclusion. Then enter the amount of the exclusion as a negative number (in parentheses) in column (g).
You are electing to postpone all or part of your gain under the rules explained earlier in these instructions for rollover of gain from QSB stock, empowerment zone assets, publicly traded securities, or stock sold to ESOPs or certain cooperatives. . . .	R	Report the sale or exchange on Form 8949 as you would if you were not making the election. Then enter the amount of postponed gain as a negative number (in parentheses) in column (g).
You have a nondeductible loss from a wash sale. . . .	W	Enter the amount of the nondeductible loss as a positive number in column (g). See <i>Wash Sales</i> , earlier, for details.