

SCHEDULE SE
(Form 1040)

Self-Employment Tax

OMB No. 1545-0074

2000

Attachment
Sequence No. **17**

Department of the Treasury
Internal Revenue Service (99)

▶ See Instructions for Schedule SE (Form 1040).

▶ Attach to Form 1040.

| | |
|---|---|
| Name of person with self-employment income (as shown on Form 1040) | Social security number of person with self-employment income ▶ |
|---|---|

Who Must File Schedule SE

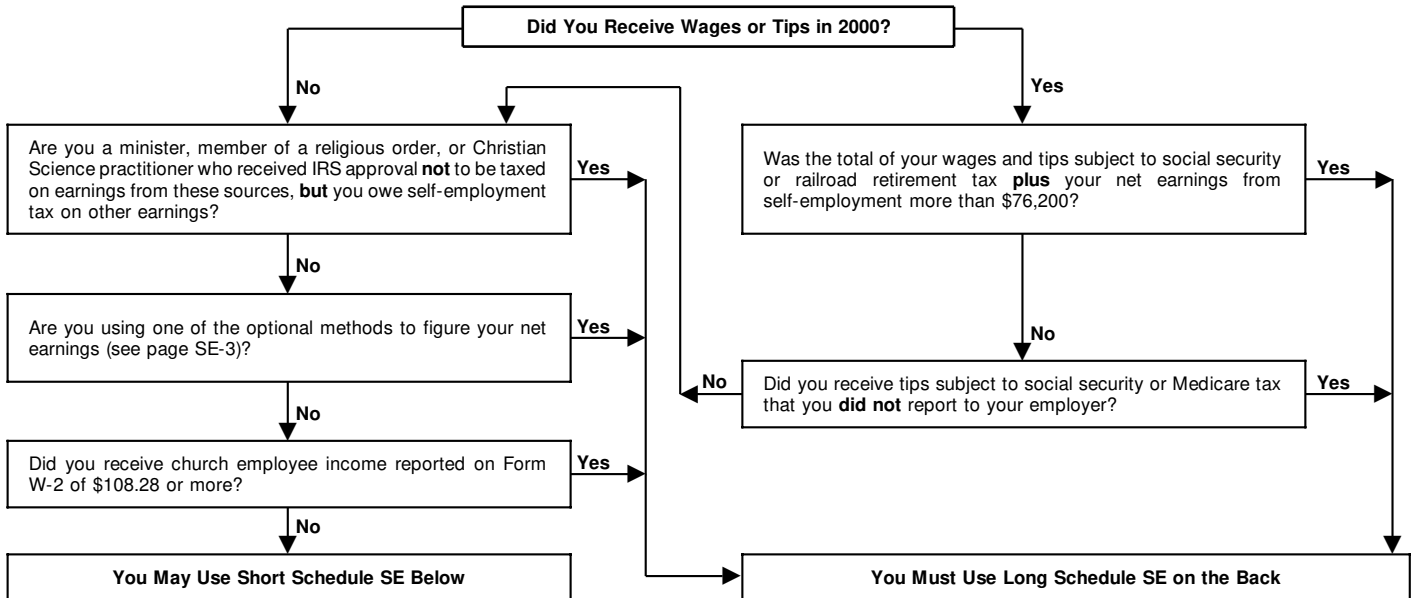
You must file Schedule SE if:

- 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-3.

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 52.

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



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

| | | | |
|--|---|--|--|
| 1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a | 1 | | |
| 2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report | 2 | | |
| 3 Combine lines 1 and 2 | 3 | | |
| 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 | | |
| 5 Self-employment tax. If the amount on line 4 is: <ul style="list-style-type: none"> • \$76,200 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 52. • More than \$76,200, multiply line 4 by 2.9% (.029). Then, add \$9,448.80 to the result. Enter the total here and on Form 1040, line 52. | 5 | | |
| 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 | | |

Name of person with **self-employment** income (as shown on Form 1040)

Social security number of person with **self-employment** income ▶

Section B—Long Schedule SE

Part I Self-Employment Tax

Note. If your only income subject to self-employment tax is **church employee income**, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a. Income from services you performed as a minister or a member of a religious order is **not** church employee income. See page SE-1.

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.

| | | | |
|--|-----------|--------|----|
| 1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a. Note. Skip this line if you use the farm optional method. See page SE-3 | 1 | | |
| 2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), line 15a (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report. Note. Skip this line if you use the nonfarm optional method. See page SE-3. | 2 | | |
| 3 Combine lines 1 and 2 | 3 | | |
| 4a If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3 | 4a | | |
| 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, do not file this schedule; you do not 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. Caution: See page SE-1 for definition of church employee income | 5a | | |
| b Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0- | 5b | | |
| 6 Net earnings from self-employment. 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 2000 | 7 | 76,200 | 00 |
| 8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation | 8a | | |
| b Unreported tips subject to social security tax (from Form 4137, line 9) | 8b | | |
| c Add lines 8a and 8b | 8c | | |
| 9 Subtract line 8c 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% (.124) | 10 | | |
| 11 Multiply line 6 by 2.9% (.029) | 11 | | |
| 12 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 52 | 12 | | |
| 13 Deduction for one-half of self-employment tax. Multiply line 12 by 50% (.5). Enter the result here and on Form 1040, line 27 | 13 | | |

Part II Optional Methods To Figure Net Earnings (See page SE-3.)

Farm Optional Method. You may use this method **only** if:

- Your gross farm income¹ was not more than \$2,400 **or**
- Your net farm profits² were less than \$1,733.

| | | | |
|---|-----------|-------|----|
| 14 Maximum income for optional methods | 14 | 1,600 | 00 |
| 15 Enter the smaller of: two-thirds (⅔) of gross farm income ¹ (not less than zero) or \$1,600. Also include this amount on line 4b above | 15 | | |

Nonfarm Optional Method. You may use this method **only** if:

- Your net nonfarm profits³ were less than \$1,733 and also less than 72.189% of your gross nonfarm income⁴ **and**
- 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 (⅔) of gross nonfarm income ⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above | 17 | | |

¹From Sch. F, line 11, and Sch. K-1 (Form 1065), line 15b.

³From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), line 15a; and Sch. K-1 (Form 1065-B), box 9.

²From Sch. F, line 36, and Sch. K-1 (Form 1065), line 15a.

⁴From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), line 15c; and Sch. K-1 (Form 1065-B), box 9.

