

**Department of the Treasury
Internal Revenue Service
Small Business and Self-Employed**

955 S Springfield Ave
Springfield NJ 07081

CERTIFIED MAIL

Date: **SEP 23 2009**

FLEMINGTON NJ 08822

Form Number:

1040

Taxpayer Identifying Number:

- -

Person to Contact:

Telephone Number:

- -

Employee Identification Number:

Last Day to File a Petition With the

United States Tax Court: DEC 22 2009

CERTIFIED MAIL

Tax Year Ended:	December 31, 2006	December 31, 2007
Deficiency:		
Increase in tax:	\$6,652.00	\$2,303.00
Penalties or Additions to Tax		
IRC 6662(a)	1,330.40	460.60

Dear & :

NOTICE OF DEFICIENCY

We have determined that you owe additional tax or other amounts, or both, for the tax year(s) identified above. This letter is your NOTICE OF DEFICIENCY, as required by law. The enclosed statement shows how we figured the deficiency.

If you want to contest this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court for a redetermination of the deficiency. You can get a copy of the rules for filing a petition and a petition form you can use by writing to the address below.

United States Tax Court, 400 Second Street, NW, Washington, DC 20217

The Tax Court has a simplified procedure for small tax cases when the amount in dispute for each tax year is \$50,000 or less. If you intend to file a petition for multiple tax years and the amount in dispute for anyone or more of the tax years exceeds \$50,000, this simplified procedure is not available to you. If you use this simplified procedure, you cannot appeal the Tax Court's decision. You can get information pertaining to the simplified procedure for small cases from the Tax Court by writing to the court at the above address or from the court's internet site at www.ustaxcourt.gov.

Instructions for Form 4089 B

Note:

If you consent to the assessment of the amounts shown in this waiver, please sign and return it in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.

If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

Who Must Sign

If this waiver is for any year(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.

For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.

For a person acting in a fiduciary capacity (executor, administrator, trustee), file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.

For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

Optional Paragraphs

A check in the block to the left of a paragraph below indicates that the paragraph applies to your situation.

- The amount shown as the deficiency may not be billed, since all or part of the refund due has been held to offset all or a portion of the amount of the deficiency. The amount that will be billed, if any, is shown on the attached examination report.
- The amount shown as a deficiency may not be billed, since the refund due will be reduced by the amount of the deficiency. The net refund due is shown on the attached examination report.

Form 5278 (Rev. June 2004)	Department of the Treasury - Internal Revenue Service Statement - Income Tax Changes	Schedule	
1. Name(s) of taxpayer(s)	2. <input type="checkbox"/> Notice of Deficiency <input type="checkbox"/> Other (<i>specify</i>) <input type="checkbox"/> Settlement computation		
3. Taxpayer Identification Number	4. Form number 1040	5. Docket number	6. Office symbols
7. Adjustment to income	Tax years ended		
	12/31/2006	12/31/2007	
a. Sch C1 - Utilities	1,958.62	516.74	
b. Sch C1 - Office Expenses	4,500.00		
c. Sch C1 - Car and Truck Expenses	13,324.27	15,360.39	
d. Sch C1 - COGS - Materials and Supplies	5,482.74	6,812.91	
e. SE AGI Adjustment	(1,785.00)	(1,152.00)	
f. Itemized Deductions	1,761.00	1,136.00	
g. Sch C1 Loss		(6,390.00)	
h.			
8. Total adjustments	25,241.63	16,248.04	
9. Taxable income as shown in:			
<input type="checkbox"/> Preliminary letter dated _____			
<input type="checkbox"/> Notice of deficiency dated _____			
<input type="checkbox"/> Return as filed	2,062.00	(36,991.00)	
10. Taxable income as revised	27,304.00	(20,707.00)	
11. Tax	3,237.00	0.00	
Tax method _____	SCHEDULE D	TAX TABLE	
Filing status _____	Joint	Joint	
12. Alternative tax, if applicable			
13. Alternative minimum tax (<i>Starting tax year 2000</i>)			
14. Corrected tax liability (<i>lesser of line 11 or 12 plus line 13</i>)	3,237.00	0.00	
15. Less credits			
a. Child Tax Credit	2,000.00		
b.			
c.			
16. Balance (<i>line 14 less total of lines 15a - 15c</i>)	1,237.00	0.00	
17. Plus other taxes			
a. Self Employment Tax	4,336.00	2,303.00	
b.			
c.			
18. Total corrected tax liability (<i>line 16 plus lines 17a - 17c</i>)	5,573.00	2,303.00	
19. Total tax shown on return or as previously adjusted	766.00	0.00	
20. Adjustments: increase (decrease) to:			
a. Earned income credit			
b. Additional child tax credit	(1,845.00)	0.00	
c. Fuel credits / other			
21. Deficiency - Increase in tax (overassessment - decrease in tax) <i>(line 18 less line 19 adjusted by lines 20a - 20c)</i>	6,652.00	2,303.00	
22. Adjustments to prepayment credits - Increase (decrease)			
23. Balance due or (Overpayment) excluding interest and penalties <i>(line 21 adjusted by line 22)</i>	6,652.00	2,303.00	
24. Penalties and/or Additions to Tax (<i>listed below</i>)	1,330.40	460.60	

Form 886-A (Rev. January 1994)886-A	EXPLANATION OF ITEMS	
Name of Taxpayer &	- -	Year/Period Ended 2006 2007

Sch C1 Loss

Tax Period	Per Return	Per Exam	Adjustment
2007	\$0.00	(\$6,390.00)	(\$6,390.00)

You did not take this schedule C loss on your original return. You claimed that you were not entitled to it since some of your investment was not at risk. We are now allowing this loss and then adjusting each expense item based on the substantiation provided.

Name of Taxpayer:	&		09/16/2009
Identification Number:	- -	Total	XX.XX.XX

2006 - Child Tax Credit and Form 8812 Additional Child Tax Credit

1. Amount of credit based on qualifying children	2,000.00
2. Modified AGI	63,957.00
3. Limitation based on filing status (\$110,000 if joint; \$75,000 if single, head of household or qualifying widow(er); \$55,000 if married filing separate)	110,000.00
4. Subtract line 3 from line 2 (not less than 0) (If the result is not a multiple of \$1,000 increase it to the next multiple of \$1,000.)	0.00
5. Multiply line 4 by .05	0.00
6. Subtract line 5 from line 1 (If a or less, no credit is allowed)	2,000.00
7. Corrected tax before allowable credits	3,237.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	3,237.00
10. Child Tax Credit (smaller of line 6 or 9)	2,000.00

Form 8812 - Additional Child Tax Credit

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	2,000.00
2. Child Tax Credit allowed (line 10 above)	2,000.00
3. Subtract line 2 from line 1 (If zero or less, no credit is allowed.)	0.00
4a. Total taxable earned income	68,480.63
4b. Nontaxable combat pay included on line 4a	0.00
5. If the amount on line 4a is more than \$11,300 subtract \$11,300 from line 4a (If line 4a is less than \$11,300, then set to zero.)	57,180.63
6. Multiply the amount on line 5 by 15%	8,577.00
7. Enter the total of the withheld social security and Medicare taxes	0.00
8. One-half of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare or RRT A taxes	0.00
9. Total of line 7 and line 8	0.00
10. Earned income credit and excess social security & RRTA taxes withheld	0.00
11. Subtract line 10 from line 9. (If zero or less, enter 0.)	0.00
12. Larger of line 6 or line 11	8,577.00
13. Additional Child Tax Credit	0.00

Name of Taxpayer:	&	09/16/2009
Identification Number:	- - Total	XX.XX.XX

2006 - Taxable Earned Income Worksheet for Child Tax Credit/8812

- | | | |
|---|------------|--------------|
| 1. a. Enter the amount from Form 1040, line 7 | 1a. | 39.960.00 |
| b. Enter the amount of any nontaxable combat pay received. Also enter this amount on Form 8812, line 4b.
This amount should be shown in Form(s) W-2, box 14, with code Q | | |
| | 1b. | 0.00 |
| Next, if you are filing Schedule C, C-EZ, F, or SE, or you received a Schedule K-1 (Form 1065 or Form 1065-8), go to line 2a. Otherwise, skip lines 2a through 2e and go to line 3. | | |
| 2. a. Enter any statutory employee income reported on line 1 of Schedule C or C-EZ | 2a. | 0.00 |
| b. Enter any 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 1065-8), box 9, code KI. Reduce this amount by any unreimbursed nonfarm partnership expenses you deducted on Schedule E. Do not include any statutory employee income or any other amounts exempt from self-employment tax. Options and commodities dealers must add any gain or subtract any loss (in the normal course of dealing in or trading section 1256 contracts) from section 1256 contracts or related property | | |
| | 2b. | 30.688,63 |
| c. Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A. Reduce this amount by any unreimbursed farm partnership expenses you deducted on Schedule E. Do not include any amounts exempt from self-employment tax | | |
| | 2c. | 0.00 |
| d. If you used the farm optional method to figure net earnings from self-employment, enter the amount from Schedule SE, Section B, line 15. Otherwise, skip this line and enter on line 2e the amount from line 2c | | |
| | 2d. | |
| e. If line 2c is a profit, enter the smaller of line 2c or line 2d. If line 2c is a (loss), enter the (loss) from line 2c. 2e. | | |
| | | 0.00 |
| 3. Combine lines 1a, 1b, 2a, 2b, and 2e. If zero or less, stop . Do not complete the rest of this worksheet. Instead, enter -0- on line 2 of the Line 11 Worksheet on page 6 or line 4a of Form 8812, whichever applies .. | | |
| | | 3. 70.648.63 |
| 4. Enter any amount included on line 1 a that is: | | |
| a. A scholarship or fellowship grant not reported on Form W-2 | | |
| | 4a. | 0.00 |
| b. For work done while an inmate in a penal institution (enter "PRI" and this amount on the dotted line next to line 7 of Form 1040) | | |
| | 4b. | 0.00 |
| c. A pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan (enter "OFC" and this amount on the dotted line next to line 7 of Form 1040). This amount may be shown in box 11 of your Form W-2. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity | | |
| | 4c. | 0.00 |
| 5. a. Enter any amount Included on line 3 that is also included on Form 2555, line 41, or Form 2555-EZ, line 18. Do not include any amount that is also included on line 4a, 4b, or 4c above. . | | |
| | 5a. | 0.00 |
| b. Enter the amount, if any, from Form 2555, line 42, that is also deducted on Schedule C, C-EZ, or F, or included on Schedule E in partnership net income or (loss) | | |
| | 5b. | 0.00 |
| c. Subtract line 5b from line 5a | | |
| | 5c. | 0.00 |
| 6. Enter the amount from Form 1040, line 30 | 6. | 2.168.00 |
| 7. Add lines 4a through 4c, 5c, and 6. | 7. | 2.168.00 |
| 8. Subtract line 7 from line 3. | 8. | 68.480.63 |
- If you were sent here from the Line 11 Worksheet on page 6, enter this amount on line 2 of that worksheet.
 - If you were sent here from Form 8812, enter this amount on line 4a of that form.

	Total		
Taxpayer: &		Page	of
TIN: - -		Tax Period(s)	200612

Accuracy-Related Penalties under IRC 6662

20 Percent Penalty - Internal Revenue Code Section 6662(a)

It has been determined that the underpayment of tax shown on line 7 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement).

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total Underpayment	6,652.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to Section 6662A penalty issues	0.00
4. Less: Underpayment attributable to Section 6662(h) penalty issues	0.00
5. Less: Underpayment attributable to civil fraud penalty issues	0.00
6. Less: Allocable prepayment credits	0.00
7. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2,3,4,5, and 6)	6,652.00
8. Applicable penalty rate	20.00%
9. Section 6662(a) accuracy-related penalty (Line 7 times line 8)	1,330.40
10. Less: Previously assessed/previously agreed Section 6662(a) accuracy-related penalty	0.00
11. Total section 6662(a) accuracy-related penalty (Line 9 less line 10)	1,330.40

40 Percent Penalty - Internal Revenue Code Section 6662(h)

It has been determined that the underpayment of tax shown on line 7 below is attributable to a gross valuation misstatement (overstatement). Therefore, an addition to tax is imposed as provided by Section 6662(h) of the Internal Revenue Code.

1. Total Underpayment	6,652.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to Section 6662A penalty issues	0.00
4. Less: Underpayment attributable to Section 6662(a) penalty issues	6,652.00
5. Less: Underpayment attributable to civil fraud penalty issues	0.00
6. Less: Allocable prepayment credits	0.00
7. Underpayment to which Section 6662(h) applies (Line 1 less the sum of lines 2, 3, 4, 5, and 6)	0.00
8. Applicable penalty rate	40.00%
9. Section 6662(h) accuracy-related penalty (Line 7 times line 8)	0.00
10. Less: Previously assessed/previously agreed Section 6662(h) accuracy-related penalty	0.00
11. Total section 6662(h) accuracy-related penalty (Line 9 less line 10)	0.00

Name of Taxpayer:	&		09/16/2009
Identification Number:	- -	Total	XX.XX.XX

2006 • SCHEDULE A - ITEMIZED DEDUCTIONS

	PER RETURN	PER EXAM	ADJUSTMENT
1. Medical, dental and insurance premiums	6,514.00	6,514.00	0.00
2. 7.50% of Adjusted Gross Income	3,036.00	4,797.00	
3. Net Medical and Dental Expense	3,479.00	1,717.00	1,762.00
4. Taxes	5,330.00	5,330.00	0.00
5. Home Interest Expense	15,906.00	15,906.00	0.00
6. Investment Interest	0.00	0.00	0.00
7. Other Interest Expense	0.00	0.00	0.00
8. Total Interest Expense	15,906.00	15,906.00	0.00
9. Contributions	500.00	500.00	0.00
10. Casualty and theft Losses	0.00	0.00	0.00
11. Miscellaneous deductions subject to AGI limit	250.00	250.00	0.00
12. 2.00% of Adjusted Gross Income	810.00	1,279.00	
13. Excess Miscellaneous deductions	0.00	0.00	0.00
14. Other Miscellaneous deductions	0.00	0.00	0.00
15. Total itemized deductions (Sum of Lines 3, 4, 8, 9, 10, 13, and 14 less any applicable limitation)	25,214.00	23,453.00	1,761.00

ITEMIZED DEDUCTIONS WORKSHEET - PER EXAM

A. Total of lines 3, 4, 8, 9, 10, 13, and 14	23,453.00
B. Total of lines 3, 6, 10, (plus any gambling losses included on line 14)	1,717.00
C. Line A less Line B	21,736.00
D. Multiply the amount on line C by 80%	17,389.00
E. Adjusted Gross Income from Form 1040	63,957.00
F. Itemized Deduction Limitation	150,500.00
G. Line E less Line F	0.00
H. Multiply the amount on Line G by 3%	0.00
I. Enter the smaller of Line D or Line H	0.00
J. Divide Line I by 3	0.00
K. Subtract Line J from Line I	0.00
L. Total Itemized Deductions (entered on line 15 above)	23,453.00

Name of Taxpayer:	&		09/16/2009
Identification Number:	- -	Total	XX.XX.XX

2006 - SCHEDULE D - CAPITAL GAINS AND LOSSES

Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less

1	Short-term capital gain or loss		(977.00)
2	Short-term capital loss carryover		0.00
3	Net Short-term Gain or Loss (Add line 1 and 2)		(977.00)

Part II Long-Term Capital Gains and Losses-Assets Held More Than One Year

4	Long-term capital gain or loss		79.00
5	Long-term capital gain or loss carryover		0.00
6	Net long-term Gain or Loss (Add line 4 and 5)		79.00

Part III Summary

7	Sum of lines 3 and 6 - Net Capital Gain or Loss		(898.00)
8	Capital loss limitation		(898.00)
9	Capital Gain or Loss - As Corrected		(898.00)
10	Capital Gain or Loss - Per Return		(898.00)
11	Line 9 less line 10 - Adjustment to Income		0.00

CORRECTED CARRYOVER

12	Short-term Carryover to Subsequent Year		0.00
13	Long-term Carryover to Subsequent Year		0.00

28% RATE GAIN COMPUTATION

1	Tentative 28% rate gain (total of lines 1 thru 4 from worksheet)		0.00
2	Long-term capital loss carryover		0.00
3	Net short-term capital loss		(977.00)
4	Allowable 28% rate gain (sum of lines 1 thru 3) (if -0- or less, enter -0-)		0.00

SECTION 1250 GAIN COMPUTATION

1	Tentative Section 1250 gain (line 13 from Worksheet)		0.00
2	Tentative 28% rate gain	0.00	
3	Net short-term capital loss	(977.00)	
4	Long-term capital loss carryover	0.00	
5	Sum of lines 2 thru 4 (if less than -0-, enter as positive amount) (if -0- or greater, enter -0-)		977.00
6	Allowable Section 1250 gain (line 1 less line 5) (if -0- or less, enter -0-)		0.00

Name of Taxpayer: &		09/16/2009
Identification Number: - -	Total	XX.XX.XX

2006 - Qualified Dividends and Capital Gain Tax Worksheet

1. Enter the amount from Form 1040, line 43	1.		27,304.00
2. Enter the amount from Form 1040, line 9b.....	2.		1,024.00
3. Are you filing Schedule D?			
<input checked="" type="checkbox"/> Yes. Enter the smaller of line 15 or 16 of Schedule D. but do not enter less than -0-	}	3.	0.00
<input type="checkbox"/> No. Enter the amount from Form 1040, line 13			
4. Add lines 2 and 3.....	4.		1,024.00
5. If you are claiming investment interest expense on Form 4952, enter the amount from line 4g of that form.			
Otherwise, enter -0-.....	5.		0.00
6. Subtract line 5 from line 4. If zero or less, enter -0-.....	6.		1,024.00
7. Subtract line 6 from line 1. If zero or less, enter -0-.....	7.		26,280.00
8. Enter the smaller of:			
• The amount on line 1, or 61,300.00	}		
• \$30,650 if single or married filing separately,		8.	27,304.00
\$61,300 if married filing jointly or qualifying widow(er), \$41,050 if head of household.			
9. Is the amount on line 7 equal to or more than the amount on line 8?			
<input type="checkbox"/> Yes. Skip lines 9 through 11; go to line 12 and check the "No" box.			
<input checked="" type="checkbox"/> No. Enter the amount from line 7.....	9.		26,280.00
10. Subtract line 9 from line 8.....	10.		1,024.00
11. Multiply line 10 by 5% (.05).....	11.		51.00
12. Are the amounts on lines 6 and 10 the same?			
<input checked="" type="checkbox"/> Yes. Skip lines 12 through 15; go to line 16.			
<input type="checkbox"/> No. Enter the smaller of line 1 or line 6.....	12.		
13. Enter the amount from line 10 (if line 10 is blank, enter -0-).....	13.		
14. Subtract line 13 from line 12.....	14.		
15. Multiply line 14 by 15% (.15).....	15.		
16. Figure the tax on the amount on line 7. Use the Tax Table or Tax Computation Worksheet, whichever applies.....	16.		3,186.00
17. Add lines 11, 15, and 16.....	17.		3,237.00
18. Figure the tax on the amount on line 1. Use the Tax Table or Tax Computation Worksheet, whichever applies.....	18.		3,344.00
19. Tax on all taxable income. Enter the smaller of line 17 or line 18. Also include this amount on Form 1040, line 44.....	19.		3,237.00

	Total			
Taxpayer: &			Page of	
TIN: - -			Tax Period(s)	200712

Accuracy-Related Penalties under IRC 6662

20 Percent Penalty - Internal Revenue Code Section 6662(a)

It has been determined that the underpayment of tax shown on line 7 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement).

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total Underpayment	2,303.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to Section 6662A penalty issues	0.00
4. Less: Underpayment attributable to Section 6662(h) penalty issues	0.00
5. Less: Underpayment attributable to civil fraud penalty issues	0.00
6. Less: Allocable prepayment credits	0.00
7. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2,3,4,5, and 6)	2,303.00
8. Applicable penalty rate	20.00%
9. Section 6662(a) accuracy-related penalty (Line 7 times line 8)	460.60
10. Less: Previously assessed/previously agreed Section 6662(a) accuracy-related penalty	0.00
11. Total section 6662(a) accuracy-related penalty (Line 9 less line 10)	460.60

40 Percent Penalty - Internal Revenue Code Section 6662(h)

It has been determined that the underpayment of tax shown on line 7 below is attributable to a gross valuation misstatement (overstatement). Therefore, an addition to tax is imposed as provided by Section 6662(h) of the Internal Revenue Code.

1. Total Underpayment	2,303.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to Section 6662A penalty issues	0.00
4. Less: Underpayment attributable to Section 6662(a) penalty issues	2,303.00
5. Less: Underpayment attributable to civil fraud penalty issues	0.00
6. Less: Allocable prepayment credits	0.00
7. Underpayment to which Section 6662(h) applies (Line 1 less the sum of lines 2, 3, 4, 5, and 6)	0.00
8. Applicable penalty rate	40.00%
9. Section 6662(h) accuracy-related penalty (Line 7 times line 8)	0.00
10. Less: Previously assessed/previously agreed Section 6662(h) accuracy-related penalty	0.00
11. Total section 6662(h) accuracy-related penalty (Line 9 less line 10)	0.00

Name of Taxpayer:	&	09/16/2009
Identification Number:	- - Total	XX.XX.XX

2007 - SCHEDULE D - CAPITAL GAINS AND LOSSES

Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less

1	Short-term capital gain or loss	0.00
2	Short-term capital loss carryover	0.00
3	Net Short-term Gain or Loss (Add line 1 and 2)	0.00

Part II Long-Term Capital Gains and Losses-Assets Held More Than One Year

4	Long-term capital gain or loss	2,455.00
5	Long-term capital gain or loss carryover	0.00
6	Net long-term Gain or Loss (Add line 4 and 5)	2,455.00

Part III Summary

7	Sum of lines 3 and 6 - Net Capital Gain or Loss	2,455.00
8	Capital loss limitation	0.00
9	Capital Gain or Loss - As Corrected	2,455.00
10	Capital Gain or Loss - Per Return	2,455.00
11	Line 9 less line 10 - Adjustment to Income	0.00

CORRECTED CARRYOVER

12	Short-term Carryover to Subsequent Year	0.00
13	Long-term Carryover to Subsequent Year	0.00

28% RATE GAIN COMPUTATION

1	Tentative 28% rate gain (total of lines 1 thru 4 from worksheet)	0.00
2	Long-term capital loss carryover	0.00
3	Net short-term capital loss	0.00
4	Allowable 28% rate gain (sum of lines 1 thru 3) (if -0- or less, enter -0-)	0.00

SECTION 1250 GAIN COMPUTATION

1	Tentative Section 1250 gain (line 13 from Worksheet)	0.00
2	Tentative 28% rate gain	0.00
3	Net short-term capital loss	0.00
4	Long-term capital loss carryover	0.00
5	Sum of lines 2 thru 4 (if less than -0-, enter as positive amount) (if -0- or greater, enter -0-)	0.00
6	Allowable Section 1250 gain (line 1 less line 5) (if -0- or less, enter -0-)	0.00

Name of Taxpayer:	&		09/16/2009
Identification Number:	- -	Total	XX.XX.XX

2007 - Qualified Dividends and Capital Gain Tax Worksheet

1. Enter the amount from Form 1040, line 43	1.		(20,707.00)
2. Enter the amount from Form 1040, line 9b.	2.	1,258.00	
3. Are you filing Schedule D? 0.00			
<input type="checkbox"/> Yes. Enter the smaller of line 15 or 16 of Schedule D, but do not enter less than -0-	3.	2,455.00	
<input checked="" type="checkbox"/> No. Enter the amount from Form 1040, line 13	3.	2,455.00	
4. Add lines 2 and 3.	4.	3,713.00	
5. If you are claiming investment interest expense on Form 4952, enter the amount from line 4g of that form.			
Otherwise, enter -0-	5.	0.00	
6. Subtract line 5 from line 4. If zero or less, enter -0-	6.		3,713.00
7. Subtract line 6 from line 1. If zero or less, enter -0-	7.		0.00
8. Enter the smaller of:			
• The amount on line 1, or 61,300.00			
• \$30,650 if single or married filing separately, \$61,300 if married filing jointly or qualifying widow(er), \$41,050 if head of household.	8.		0.00
9. Is the amount on line 7 equal to or more than the amount on line 8?			
<input checked="" type="checkbox"/> Yes. Skip lines 9 through 11; go to line 12 and check the "No" box.			
<input type="checkbox"/> No. Enter the amount from line 7.	9.		
10. Subtract line 9 from line 8.	10.		
11. Multiply line 10 by 5% (.05).	11.		
12. Are the amounts on lines 6 and 10 the same?			
<input type="checkbox"/> Yes. Skip lines 12 through 15; go to line 16.			
<input checked="" type="checkbox"/> No. Enter the smaller of line 1 or line 6.	12.		0.00
13. Enter the amount from line 10 (if line 10 is blank, enter -0-).	13.		0.00
14. Subtract line 13 from line 12.	14.		0.00
15. Multiply line 14 by 15% (.15)	15.		0.00
16. Figure the tax on the amount on line 7. Use the Tax Table or Tax Computation Worksheet, whichever applies.	16.		0.00
17. Add lines 11, 15, and 16	17.		0.00
18. Figure the tax on the amount on line 1. Use the Tax Table or Tax Computation Worksheet, whichever applies	18.		0.00
19. Tax on all taxable income. Enter the smaller of line 17 or line 18. Also include this amount on Form 1040, line 44	19.		0.00

Name of Taxpayer: &		09/16/2009
Identification Number: - -	Total	XX.XX.XX

2007 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary

	-	-
1. Self-employment income		16,300.04
2. Multiply line 1 by 92.35%		15,053.09
3. Farm Optional Method Income		0.00
4. Non Farm Optional Method Income		0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)		15,053.09
6. Maximum earnings subject to social security		97,500.00
7. Social Security wages and tips from W-2		0.00
8. Unreported tips subject to social security tax from Form 4137		0.00
9. Wages subject to social security tax from Form 8919		0.00
9. Sum of lines 7, 8, and 9		0.00
10. Line 6 less line 10		97,500.00
11. Multiply the smaller of line 5 or 11 by 12.40%		1,866.58
12. Multiply line 5 by 2.90%		436.54
13. Self-Employment Tax (sum of lines 12 and 13)		2,303.12

Secondary

	-	-
1. Self-employment income		0.00
2. Multiply line 1 by 92.35%		0.00
3. Farm Optional Method Income		0.00
4. Non Farm Optional Method Income		0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)		0.00
6. Maximum earnings subject to social security		97,500.00
7. Social Security wages and tips from W-2		0.00
8. Unreported tips subject to social security tax from Form 4137		0.00
9. Wages subject to social security tax from Form 8919		0.00
9. Sum of lines 7, 8, and 9		0.00
10. Line 6 less line 10		0.00
11. Multiply the smaller of line 5 or 11 by 12.40%		0.00
12. Multiply line 5 by 2.90%		0.00
13. Self-Employment Tax (sum of lines 12 and 13)		0.00