

Global Cash Flow Case
Study John Cooper

Lender: Addressed to you
Date: Yesterday
Request: \$44,500 Vehicle Purchase
Borrowers: John and Helen Cooper Vehicle Purchase

Credit Memorandum

John Cooper is a self-employed, general contractor, specializing in home renovations, doing business as John's Contracting. The sole proprietorship has been providing residential contracting for over ten years. John is trading in his current commercial truck and purchasing a new Silverado HD Truck for \$44,500. A purchase invoice for the truck dated yesterday was provided by the dealership. The used truck trade-in will generate a \$4,500 down payment. Although the truck will be used by John's Contracting, the loan will be in John and Helen Cooper's individual names and will be fully amortized over 60 months at 3.99% and a \$200 fee (all within Bank guidelines per the rate sheet). Helen Cooper is employed as an account representative for a local firm.

The Coopers currently have a business loan with your bank with a balance of \$7,000 that financed the purchase of equipment. They have promised to bring over the checking account if we complete this deal. Both have had positive credit histories for over ten years with no delinquencies and no judgments, collections, bankruptcies, or tax liens. The credit report dated ten days ago yielded credit scores of 711 and 723 for Mr. and Mrs. Cooper, respectively. In addition to Mrs. Cooper's salary and John's contracting income, the couple also owns a rental property that generates income. One year of tax returns and a current joint Personal Financial Statement is summarized below.

Loan Request: \$40,000

Rate: 5.99%

Term: 60 months

Category	Value	Balance	Monthly Payment
Cash	\$5,500		
Primary Residence	\$135,000	\$90,000	\$690
Rental Property	\$90,000	\$55,000	\$470
Business Equipment	\$14,000	\$7,000	\$250
Personal Property	\$30,000	\$0	
Credit Card		\$6,000	\$180
Total	\$287,000	\$164,000	\$1,790
Net Worth	\$123,000		

For the year Jan. 1–Dec. 31, 2024, or other tax year beginning _____, 2024, ending _____, 20____

See separate instructions.

Your first name and middle initial
John

Last name
Cooper

If joint return, spouse's first name and middle initial
Helen

Last name
Cooper

Home address (number and street). If you have a P.O. box, see instructions.
1400 High Street

City, town, or post office. If you have a foreign address, also complete spaces below.
Columbus

State
OH

ZIP code

Foreign country name

Foreign province/state/county

Foreign postal code

Apt. no.

Presidential Election Campaign
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.
☐ **You** ☐ **Spouse**

Filing Status

☐ Single ☐ Head of household (HOH)
☒ Married filing jointly (even if only one had income) ☐ Qualifying surviving spouse (QSS)
☐ Married filing separately (MFS)
If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent: _____
☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required): _____

Digital Assets

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** ☐ **No**

Standard Deduction

Someone can claim: ☐ You as a dependent ☐ Your spouse as a dependent
☐ Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness

You: ☐ Were born before January 2, 1960 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1960 ☐ Is blind

Dependents

(see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents
				☐	☐
				☐	☐
				☐	☐
				☐	☐

Income

1a Total amount from Form(s) W-2, box 1 (see instructions) **1a** **25,000**

b Household employee wages not reported on Form(s) W-2 **1b**

c Tip income not reported on line 1a (see instructions) **1c**

d Medicaid waiver payments not reported on Form(s) W-2 (see instructions) **1d**

e Taxable dependent care benefits from Form 2441, line 26 **1e**

f Employer-provided adoption benefits from Form 8839, line 29 **1f**

g Wages from Form 8919, line 6 **1g**

h Other earned income (see instructions) **1h**

i Nontaxable combat pay election (see instructions) **1i**

z Add lines 1a through 1h **1z**

2a Tax-exempt interest **2a**

3a Qualified dividends **3a**

4a IRA distributions **4a**

5a Pensions and annuities **5a**

6a Social security benefits **6a**

b Taxable interest **2b**

b Ordinary dividends **3b**

b Taxable amount **4b**

b Taxable amount **5b**

b Taxable amount **6b**

c If you elect to use the lump-sum election method, check here (see instructions) ☐

7 Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐ **7**

8 Additional income from Schedule 1, line 10 **8**

9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your **total income** **9**

10 Adjustments to income from Schedule 1, line 26 **10** **17,250**

11 Subtract line 10 from line 9. This is your **adjusted gross income** **11** **42,250**

12 **Standard deduction or itemized deductions** (from Schedule A) **12** **29,200**

13 Qualified business income deduction from Form 8995 or Form 8995-A **13**

14 Add lines 12 and 13 **14**

15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your **taxable income** **15** **13,050**

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a Form W-2, see instructions.

Attach Sch. B if required.

Standard Deduction for—

- Single or Married filing separately, \$14,600
- Married filing jointly or Qualifying surviving spouse, \$29,200
- Head of household, \$21,900
- If you checked any box under **Standard Deduction**, see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2024)

Tax and Credits

16	Tax (see instructions). Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐ ☐	16	
17	Amount from Schedule 2, line 3	17	
18	Add lines 16 and 17	18	
19	Child tax credit or credit for other dependents from Schedule 8812	19	
20	Amount from Schedule 3, line 8	20	
21	Add lines 19 and 20	21	
22	Subtract line 21 from line 18. If zero or less, enter -0-	22	
23	Other taxes, including self-employment tax, from Schedule 2, line 21	23	
24	Add lines 22 and 23. This is your total tax	24	1,500

Payments

25	Federal income tax withheld from:			
a	Form(s) W-2	25a		
b	Form(s) 1099	25b		
c	Other forms (see instructions)	25c		
d	Add lines 25a through 25c	25d		
26	2024 estimated tax payments and amount applied from 2023 return	26		
27	Earned income credit (EIC)	27		
28	Additional child tax credit from Schedule 8812	28		
29	American opportunity credit from Form 8863, line 8	29		
30	Reserved for future use	30		
31	Amount from Schedule 3, line 15	31		
32	Add lines 27, 28, 29, and 31. These are your total other payments and refundable credits	32		
33	Add lines 25d, 26, and 32. These are your total payments	33		

RefundDirect deposit?
See instructions.

34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34	
35a	Amount of line 34 you want refunded to you . If Form 8888 is attached, check here ☐	35a	
b	Routing number	c Type: ☐ Checking ☐ Savings	
d	Account number		
36	Amount of line 34 you want applied to your 2025 estimated tax	36	

Amount You Owe

37	Subtract line 33 from line 24. This is the amount you owe . For details on how to pay, go to www.irs.gov/Payments or see instructions	37	
38	Estimated tax penalty (see instructions)	38	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions ☐ **Yes**. Complete below. ☐ **No**

Designee's name	Phone no.	Personal identification number (PIN)
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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.

Joint return?
See instructions.
Keep a copy for your records.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)
Phone no.	Email address		

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: ☐ Self-employed
Firm's name	Firm's address			Phone no.
Firm's EIN				

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2024
Attachment
Sequence No. 01

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

For 2024, enter the amount reported to you on Form(s) 1099-K that was included in error or for personal items sold at a loss

Note: The remaining amounts reported to you on Form(s) 1099-K should be reported elsewhere on your return depending on the nature of the transaction. See www.irs.gov/1099k.

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions): _____		
3	Business income or (loss). Attach Schedule C	3	9,450
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	7,800
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income:		
a	Net operating loss 8a ()		
b	Gambling 8b		
c	Cancellation of debt 8c		
d	Foreign earned income exclusion from Form 2555 8d ()		
e	Income from Form 8853 8e		
f	Income from Form 8889 8f		
g	Alaska Permanent Fund dividends 8g		
h	Jury duty pay 8h		
i	Prizes and awards 8i		
j	Activity not engaged in for profit income 8j		
k	Stock options 8k		
l	Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property 8l		
m	Olympic and Paralympic medals and USOC prize money (see instructions) 8m		
n	Section 951(a) inclusion (see instructions) 8n		
o	Section 951A(a) inclusion (see instructions) 8o		
p	Section 461(l) excess business loss adjustment 8p		
q	Taxable distributions from an ABLE account (see instructions) 8q		
r	Scholarship and fellowship grants not reported on Form W-2 8r		
s	Nontaxable amount of Medicaid waiver payments included on Form 1040, line 1a or 1d 8s ()		
t	Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan 8t		
u	Wages earned while incarcerated 8u		
v	Digital assets received as ordinary income not reported elsewhere. See instructions 8v		
z	Other income. List type and amount: _____ 8z		
9	Total other income. Add lines 8a through 8z 9		
10	Combine lines 1 through 7 and 9. This is your additional income . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8 10		17,250

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71479F

Schedule 1 (Form 1040) 2024

Part II Adjustments to Income

11	Educator expenses		11	
12	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106		12	
13	Health savings account deduction. Attach Form 8889		13	
14	Moving expenses for members of the Armed Forces. Attach Form 3903		14	
15	Deductible part of self-employment tax. Attach Schedule SE		15	
16	Self-employed SEP, SIMPLE, and qualified plans		16	
17	Self-employed health insurance deduction		17	
18	Penalty on early withdrawal of savings		18	
19a	Alimony paid		19a	
b	Recipient's SSN			
c	Date of original divorce or separation agreement (see instructions): _____			
20	IRA deduction		20	
21	Student loan interest deduction		21	
22	Reserved for future use		22	
23	Archer MSA deduction		23	
24	Other adjustments:			
a	Jury duty pay (see instructions)	24a		
b	Deductible expenses related to income reported on line 8l from the rental of personal property engaged in for profit	24b		
c	Nontaxable amount of the value of Olympic and Paralympic medals and USOC prize money reported on line 8m	24c		
d	Reforestation amortization and expenses	24d		
e	Repayment of supplemental unemployment benefits under the Trade Act of 1974	24e		
f	Contributions to section 501(c)(18)(D) pension plans	24f		
g	Contributions by certain chaplains to section 403(b) plans	24g		
h	Attorney fees and court costs for actions involving certain unlawful discrimination claims (see instructions)	24h		
i	Attorney fees and court costs you paid in connection with an award from the IRS for information you provided that helped the IRS detect tax law violations	24i		
j	Housing deduction from Form 2555	24j		
k	Excess deductions of section 67(e) expenses from Schedule K-1 (Form 1041)	24k		
z	Other adjustments. List type and amount: _____	24z		
25	Total other adjustments. Add lines 24a through 24z		25	
26	Add lines 11 through 23 and 25. These are your adjustments to income . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 10		26	

SCHEDULE C
(Form 1040)

Department of the Treasury
Internal Revenue Service

Profit or Loss From Business
(Sole Proprietorship)

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.

OMB No. 1545-0074

2024
Attachment
Sequence No. **09**

Name of proprietor John Cooper		Social security number (SSN)
A Principal business or profession, including product or service (see instructions) General Contracting		B Enter code from instructions
C Business name. If no separate business name, leave blank. John's Contracting		D Employer ID number (EIN) (see instr.)
E Business address (including suite or room no.) _____ City, town or post office, state, and ZIP code Columbus OH		
F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) _____		
G Did you "materially participate" in the operation of this business during 2024? If "No," see instructions for limit on losses . ☐ Yes ☐ No		
H If you started or acquired this business during 2024, check here . ☐		
I Did you make any payments in 2024 that would require you to file Form(s) 1099? See instructions . ☐ Yes ☐ No		
J If "Yes," did you or will you file required Form(s) 1099? . ☐ Yes ☐ No		

Part I Income

1 Gross receipts or sales. See instructions for line 1 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 . ☐	1	75,200
2 Returns and allowances	2	
3 Subtract line 2 from line 1	3	
4 Cost of goods sold (from line 42)	4	40,600
5 Gross profit. Subtract line 4 from line 3	5	34,600
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7 Gross income. Add lines 5 and 6	7	34,600

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

8 Advertising	8	100	18 Office expense (see instructions) .	18	
9 Car and truck expenses (see instructions)	9	4,000	19 Pension and profit-sharing plans .	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	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 instructions)	13	15,000	21 Repairs and maintenance	21	
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III) .	22	1,750
15 Insurance (other than health)	15	2,300	23 Taxes and licenses	23	
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b	1,000	b Deductible meals (see instructions)	24b	
17 Legal and professional services	17		25 Utilities	25	1,000
			26 Wages (less employment credits)	26	
			27a Other expenses (from line 48) . .	27a	
			b Energy efficient commercial bldgs deduction (attach Form 7205) . .	27b	
28 Total expenses before expenses for business use of home. Add lines 8 through 27b	28	25,150			
29 Tentative profit or (loss). Subtract line 28 from line 7	29	9,450			
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions. Simplified method filers only: Enter the total square footage of (a) your home: _____ and (b) the part of your home used for business: _____ . Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30				
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040), line 3, and on Schedule SE, line 2. (If you checked the box on line 1, see instructions.) Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.	31	9,450			
32 If you have a loss, check the box that describes your investment in this activity. See instructions. • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 3, and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions.) Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited.			32a ☐ All investment is at risk.		
			32b ☐ Some investment is not at risk.		

Part III Cost of Goods Sold (see instructions)

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	39 _____
40	Add lines 35 through 39	40 _____
41	Inventory at end of year	41 _____
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42 40,000

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.

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

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

Attach to Form 1040, 1040-SR, 1040-NR, or 1041.

Go to www.irs.gov/ScheduleE for instructions and the latest information.

OMB No. 1545-0074

2024
Attachment
Sequence No. 13

Name(s) shown on return

John and Helen Cooper

Your social security number

Part I Income or Loss From Rental Real Estate and Royalties

Note: If you are in the business of renting personal property, use Schedule C. See instructions. If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

A Did you make any payments in 2024 that would require you to file Form(s) 1099? See instructions ☐ Yes ☐ No

B If "Yes," did you or will you file required Form(s) 1099? ☐ Yes ☐ No

1a Physical address of each property (street, city, state, ZIP code)

A Residential Rental

B

C

1b Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
A	A			☐
B	B			☐
C	C			☐

Type of Property:

- | | | | |
|---------------------------|------------------------------|-------------|--------------------------|
| 1 Single Family Residence | 3 Vacation/Short-Term Rental | 5 Land | 7 Self-Rental |
| 2 Multi-Family Residence | 4 Commercial | 6 Royalties | 8 Other (describe) _____ |

Income:

3 Rents received 3 24,000

4 Royalties received 4

Expenses:

5 Advertising 5

6 Auto and travel (see instructions) 6

7 Cleaning and maintenance 7 2,200

8 Commissions 8

9 Insurance 9

10 Legal and other professional fees 10

11 Management fees 11 2,000

12 Mortgage interest paid to banks, etc. (see instructions) 12 7,500

13 Other interest 13

14 Repairs 14

15 Supplies 15

16 Taxes 16 1,000

17 Utilities 17

18 Depreciation expense or depletion 18 3,500

19 Other (list) 19

20 Total expenses. Add lines 5 through 19 20 16,200

21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198 21 7,800

22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions) 22 () () ()

23a Total of all amounts reported on line 3 for all rental properties 23a 24,000

b Total of all amounts reported on line 4 for all royalty properties 23b

c Total of all amounts reported on line 12 for all properties 23c 7,500

d Total of all amounts reported on line 18 for all properties 23d 3,500

e Total of all amounts reported on line 20 for all properties 23e

24 Income. Add positive amounts shown on line 21. Do not include any losses 24 7,800

25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here 25 ()

26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, and IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040), line 5. Otherwise, include this amount in the total on line 41 on page 2 26 7,800

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.**Part II Income or Loss From Partnerships and S Corporations**

Note: If you report a loss, receive a distribution, dispose of stock, or receive a loan repayment from an S corporation, you **must** check the box in column (e) on line 28 and attach the required basis computation. If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column (f) on line 28 and attach **Form 6198**. See instructions.

- 27** Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see instructions before completing this section ☐ **Yes** ☐ **No**

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if basis computation is required	(f) Check if any amount is not at risk
A			☐		☐	☐
B			☐		☐	☐
C			☐		☐	☐
D			☐		☐	☐

Passive Income and Loss			Nonpassive Income and Loss		
	(g) Passive loss allowed (attach Form 8582 if required)	(h) Passive income from Schedule K-1	(i) Nonpassive loss allowed (see Schedule K-1)	(j) Section 179 expense deduction from Form 4562	(k) Nonpassive income from Schedule K-1
A					
B					
C					
D					
29a	Totals				
b	Totals				
30	Add columns (h) and (k) of line 29a				30
31	Add columns (g), (i), and (j) of line 29b				31 ()
32	Total partnership and S corporation income or (loss). Combine lines 30 and 31				32

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

Passive Income and Loss			Nonpassive Income and Loss		
	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1	
A					
B					
34a	Totals				
b	Totals				
35	Add columns (d) and (f) of line 34a				35
36	Add columns (c) and (e) of line 34b				36 ()
37	Total estate and trust income or (loss). Combine lines 35 and 36				37

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q , line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q , line 1b	(e) Income from Schedules Q , line 3b
39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below				39

Part V Summary

40	Net farm rental income or (loss) from Form 4835 . Also, complete line 42 below	40	
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Schedule 1 (Form 1040), line 5	41	
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120-S), box 17, code AN; and Schedule K-1 (Form 1041), box 14, code F. See instructions	42	
43	Reconciliation for real estate professionals. If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040, Form 1040-SR, or Form 1040-NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	