

Flintstone Case Study

Barney Rubble is a local business owner and he has requested a \$50,000 home equity line of credit on his primary residence. He has read the ad Your Bank is offering financing up to 90% loan to value for well qualified borrowers and has brought his financial statements in for your review. Mr. Rubble and his partner Fred Flintstone are 50/50 partners in Slate Rock and Gravel Company, Inc. which provides masonry products for local residential and commercial construction companies. The business has a long history and currently has borrowing relationship with Your Bank. Recently, Fred and Barney partnered to purchase the real estate their business occupies. They formed an entity known as SR&GC, LLC and also own this entity 50/50. When this entity was formed, they worked with your commercial loan department to finance the property.

Because he is small business owner he has had to provide tax returns in the past for mortgage refinances and come prepared. Enclosed you have Mr. Rubbles most recent tax return including K-1s for the business described above. While you intend to confirm his debts with a CBI report, you decide to begin underwriting using the debts listed on his PFS.

Use the worksheet included in this case study to calculate a debt-to-income ratio for Barney Rubble. As mentioned, Your Bank is offering 90% loan-to-value HELOCs on primary residence and Mr. Rubble is certain his credit score is above 700. Would you approve or present this request for approval based on your findings?

Loan Request	
<i>Applicant</i>	Barney Rubble
<i>Amount</i>	
<i>Purpose</i>	Home Equity Line of Credit
<i>Collateral</i>	Primary Residence
<i>Application Date</i>	Today

Applicant Information	
<i>Name</i>	Barney Rubble
<i>SSN</i>	234-56-7890
<i>Birth Date</i>	1/19/0023
<i>Name</i>	Betty Rubble
<i>SSN</i>	234-56-7891
<i>Birth Date</i>	9/22/0025
<i>Address</i>	751 Stone Age Ave, Bedrock USA
<i>Length at Residence</i>	10
<i>Employer</i>	Slate Rock and Gravel Company, Inc.
<i>Position</i>	Owner/President
<i>Gross Monthly Income</i>	19,179.17

Assets	Amount	Details
Checking	\$15,000	Your Bank
Savings	\$35,000	First Branch Bank
Marketable Securities	\$150,000	NASDAQ
Retirement Assets	\$250,000	
Cash Value Life Ins	\$50,000	
Closely Held Investment	\$2,500,000	Slate Rock/SR&GC
Real Estate	\$390,000	
Vehicle	\$25,000	Ford Pickup
Vehicle	\$35,000	Audi Q7
Personal Property	\$50,000	
Total Assets	\$3,500,000	

Liabiities	Balance	Details	Payments
Auto Loan	\$25,000	FMCC	\$775
Auto Loan	\$35,000	WFDFS	\$800
Mortgage	\$300,000	First Branch Bank	\$1,723
Credit Card	\$4,000	Amex	\$120
Credit Card	\$9,000	Citibank	\$270
Total Liabilities	\$373,000		\$3,688
Net Worth	\$3,127,000		

Contingent Liabilities	Commitment	Balance	Payments
Slate Rock	\$1,500,000	\$500,000	Interest
SR&GC	\$1,200,000	\$1,100,000	\$7,430
Total Liabilities	\$2,700,000		\$7,430

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	Last name	Your social security number
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
Home address (number and street). If you have a P.O. box, see instructions.		Apt. no.
City, town, or post office. If you have a foreign address, also complete spaces below.		State
Foreign country name		Foreign province/state/county
Foreign postal code		Foreign postal code
		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

Check only one box.

☐ 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):

If more than four dependents, see instructions and check here ☐

(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

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.

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a	
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	
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	
11	Subtract line 10 from line 9. This is your adjusted gross income	11	
12	Standard deduction or itemized deductions (from Schedule A)	12	
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	
2b	Taxable interest	2b	
3b	Ordinary dividends	3b	
4b	Taxable amount	4b	
5b	Taxable amount	5b	
6b	Taxable amount	6b	

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.

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

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	

If you have a qualifying child, attach Sch. EIC.

Refund

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

Barney and Betty Rubble

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	11,235
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	130,480
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	141,715

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 A
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Itemized Deductions

Attach to Form 1040 or 1040-SR.

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

Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

OMB No. 1545-0074

2024

Attachment
Sequence No. **07**

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

Your social security number

**Medical
and
Dental
Expenses**

Caution: Do not include expenses reimbursed or paid by others.

- 1** Medical and dental expenses (see instructions) **1**
- 2** Enter amount from Form 1040 or 1040-SR, line 11 **2**
- 3** Multiply line 2 by 7.5% (0.075) **3**
- 4** Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- **4**

**Taxes You
Paid**

- 5** State and local taxes.
- a** State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box ☐
- b** State and local real estate taxes (see instructions)
- c** State and local personal property taxes
- d** Add lines 5a through 5c
- e** Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)
- 6** Other taxes. List type and amount: _____
- 7** Add lines 5e and 6

5a 15,900

5b 2,800

5c 800

5d

5e

6

7 19,290

**Interest
You Paid**

Caution: Your mortgage interest deduction may be limited. See instructions.

- 8** Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box ☐
- a** Home mortgage interest and points reported to you on Form 1098. See instructions if limited
- b** Home mortgage interest not reported to you on Form 1098. See instructions if limited. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address
- c** Points not reported to you on Form 1098. See instructions for special rules
- d** Reserved for future use
- e** Add lines 8a through 8c
- 9** Investment interest. Attach Form 4952 if required. See instructions
- 10** Add lines 8e and 9

8a 8,012

8b

8c

8d

8e

9

10 8,012

**Gifts to
Charity**

Caution: If you made a gift and got a benefit for it, see instructions.

- 11** Gifts by cash or check. If you made any gift of \$250 or more, see instructions
- 12** Other than by cash or check. If you made any gift of \$250 or more, see instructions. You **must** attach Form 8283 if over \$500
- 13** Carryover from prior year
- 14** Add lines 11 through 13

11 1,350

12 500

13

14 1,850

**Casualty and
Theft Losses**

- 15** Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions

15

**Other
Itemized
Deductions**

- 16** Other—from list in instructions. List type and amount: _____

16

**Total
Itemized
Deductions**

- 17** Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040 or 1040-SR, line 12
- 18** If you elect to itemize deductions even though they are less than your standard deduction, check this box ☐

17

29,152

SCHEDULE B
(Form 1040)

Department of the Treasury
Internal Revenue Service

Name(s) shown on return

Interest and Ordinary Dividends

Attach to Form 1040 or 1040-SR.
Go to www.irs.gov/ScheduleB for instructions and the latest information.

OMB No. 1545-0074

2024
Attachment
Sequence No. 08

Your social security number

Part I
Interest

(See instructions
and the
Instructions for
Form 1040,
line 2b.)

Note: If you
received a
Form 1099-INT,
Form 1099-OID,
or substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the total interest
shown on that
form.

1 List name of payer. If any interest is from a seller-financed mortgage and the
buyer used the property as a personal residence, see the instructions and list this
interest first. Also, show that buyer's social security number and address:

Stone Age Bank

Amount

150

1

2 Add the amounts on line 1

2

150

3 Excludable interest on series EE and I U.S. savings bonds issued after 1989.
Attach Form 8815

3

0

4 Subtract line 3 from line 2. Enter the result here and on Form 1040 or 1040-SR, line 2b

4

150

Note: If line 4 is over \$1,500, you must complete Part III.

Amount

Part II
Ordinary
Dividends

(See instructions
and the
Instructions for
Form 1040,
line 3b.)

Note: If you
received a
Form 1099-DIV
or substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the ordinary
dividends shown
on that form.

5 List name of payer:

5

6 Add the amounts on line 5. Enter the total here and on Form 1040 or 1040-SR, line 3b

6

Note: If line 6 is over \$1,500, you must complete Part III.

Part III
Foreign
Accounts
and Trusts

Caution: If
required, failure to
file FinCEN Form
114 may result in
substantial
penalties.
Additionally, you
may be required to
file Form 8938,
Statement of
Specified Foreign
Financial Assets.
See instructions.

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign
account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

7a At any time during 2024, did you have a financial interest in or signature authority over a financial
account (such as a bank account, securities account, or brokerage account) located in a foreign
country? See instructions

If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial
Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114
and its instructions for filing requirements and exceptions to those requirements

b If you are required to file FinCEN Form 114, list the name(s) of the foreign country(-ies) where the
financial account(s) is (are) located:

8 During 2024, did you receive a distribution from, or were you the grantor of, or transferor to, a
foreign trust? If "Yes," you may have to file Form 3520. See instructions

Table with 2 columns: Yes, No. Rows correspond to questions 7a, 7b, and 8.

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 Betty Rubble		Social security number (SSN)											
A Principal business or profession, including product or service (see instructions) Food Service		B Enter code from instructions <table border="1" style="width:100%; height: 20px; border-collapse: collapse;"> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </table>											
C Business name. If no separate business name, leave blank. Happy Pappy Catering		D Employer ID number (EIN) (see instr.) <table border="1" style="width:100%; height: 20px; border-collapse: collapse;"> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </table>											
E Business address (including suite or room no.) _____ City, town or post office, state, and ZIP code _____													
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	70,250
2 Returns and allowances	2	2,000
3 Subtract line 2 from line 1	3	68,250
4 Cost of goods sold (from line 42)	4	45,000
5 Gross profit. Subtract line 4 from line 3	5	23,250
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	23,250

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

8 Advertising	8	150	18 Office expense (see instructions)	18	
9 Car and truck expenses (see instructions)	9	1,000	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	2,500
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	500	21 Repairs and maintenance	21	500
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	
15 Insurance (other than health)	15	1,000	23 Taxes and licenses	23	1,500
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	1,000
b Other	16b		b Deductible meals (see instructions)	24b	
17 Legal and professional services	17		25 Utilities	25	2,100
			26 Wages (less employment credits)	26	1,785
			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	12,015	29	29	11,235
29 Tentative profit or (loss). Subtract line 28 from line 7			30	30	
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			31	31	11,235
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.			32a ☐ All investment is at risk.		
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.			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 <u>45,000</u>
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 <u>45,000</u>

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) <u>1</u> / <u>1</u> / <u>2022</u>	
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 <u>1,000</u>	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

Name(s) shown on return

Barney Rubble

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

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
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 B C
A B 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
4 Royalties received
Expenses:
5 Advertising
6 Auto and travel (see instructions)
7 Cleaning and maintenance
8 Commissions
9 Insurance
10 Legal and other professional fees
11 Management fees
12 Mortgage interest paid to banks, etc. (see instructions)
13 Other interest
14 Repairs
15 Supplies
16 Taxes
17 Utilities
18 Depreciation expense or depletion
19 Other (list)
20 Total expenses. Add lines 5 through 19
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
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)
23a Total of all amounts reported on line 3 for all rental properties
b Total of all amounts reported on line 4 for all royalty properties
c Total of all amounts reported on line 12 for all properties
d Total of all amounts reported on line 18 for all properties
e Total of all amounts reported on line 20 for all properties
24 Income. Add positive amounts shown on line 21. Do not include any losses
25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here
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

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	Slate Rock and Gravel Company, Inc.	S	☐	56-0000000	☐	☐
B	SR&GC, LLC	P	☐	56-0000001	☐	☐
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				10,408	145,262
B	4,374				
C					
D					
29a Totals					145,262
b Totals	4,374			10,408	
30	Add columns (h) and (k) of line 29a			30	145,262
31	Add columns (g), (i), and (j) of line 29b			31 (	14,785)
32	Total partnership and S corporation income or (loss). Combine lines 30 and 31			32	130,480

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	

Schedule K-1
(Form 1065)

Department of the Treasury
Internal Revenue Service

2024

For calendar year 2024, or tax year

beginning / / 2024 ending / /

Partner's Share of Income, Deductions,
Credits, etc.

See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number

B Partnership's name, address, city, state, and ZIP code

C IRS center where partnership filed return:

D ☐ Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.

G ☐ General partner or LLC member-manager ☐ Limited partner or other LLC member

H1 ☐ Domestic partner ☐ Foreign partner

H2 ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN Name

I1 What type of entity is this partner?

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

J Partner's share of profit, loss, and capital (see instructions):

Beginning

Ending

Profit	%	%
Loss	%	%
Capital	%	%

Check if decrease is due to:

☐ Sale or ☐ Exchange of partnership interest. See instructions.

K1 Partner's share of liabilities:

Beginning

Ending

Nonrecourse	\$	\$
Qualified nonrecourse financing	\$	\$
Recourse	\$	\$

K2 Check this box if item K1 includes liability amounts from lower-tier partnerships ☐

K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner. See instructions ☐

L Partner's Capital Account Analysis

Beginning capital account \$
Capital contributed during the year \$
Current year net income (loss) \$
Other increase (decrease) (attach explanation) \$
Withdrawals and distributions \$ (
Ending capital account \$

M Did the partner contribute property with a built-in gain (loss)?

☐ Yes ☐ No If "Yes," attach statement. See instructions.

N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)

Beginning \$
Ending \$

☐ Final K-1

☐ Amended K-1

651123
OMB No. 1545-0123

Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items

1	Ordinary business income (loss)	14	Self-employment earnings (loss)
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	15	Credits
4a	Guaranteed payments for services		
4b	Guaranteed payments for capital	16	Schedule K-3 is attached if checked ☐
4c	Total guaranteed payments	17	Alternative minimum tax (AMT) items
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends	18	Tax-exempt income and nondeductible expenses
6c	Dividend equivalents		
7	Royalties		
8	Net short-term capital gain (loss)	19	Distributions
9a	Net long-term capital gain (loss)		
9b	Collectibles (28%) gain (loss)	20	Other information
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)		
12	Section 179 deduction	21	Foreign taxes paid or accrued
13	Other deductions		

22 ☐ More than one activity for at-risk purposes*

23 ☐ More than one activity for passive activity purposes*

*See attached statement for additional information.

For IRS Use Only

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Schedule K-1
(Form 1120-S)Department of the Treasury
Internal Revenue Service**2024**

For calendar year 2024, or tax year

beginning / / 2024ending / / **Shareholder's Share of Income, Deductions, Credits, etc.**

See separate instructions.

Part I Information About the Corporation**A** Corporation's employer identification number**B** Corporation's name, address, city, state, and ZIP code**C** IRS Center where corporation filed return**D** Corporation's total number of shares

Beginning of tax year

End of tax year

Part II Information About the Shareholder**E** Shareholder's identifying number**F1** Shareholder's name, address, city, state, and ZIP code**F2** If the shareholder is a disregarded entity, a trust, an estate, or a nominee or similar person, enter the individual or entity responsible for reporting:

TIN _____ Name _____

F3 What type of entity is this shareholder? _____**G** Current year allocation percentage %**H** Shareholder's number of shares

Beginning of tax year

End of tax year

I Loans from shareholder

Beginning of tax year \$

End of tax year \$

For IRS Use Only

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss)	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Schedule K-3 is attached if checked ☐
6	Royalties	15	Alternative minimum tax (AMT) items
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)	16	Items affecting shareholder basis
10	Other income (loss)		
		17	Other information
11	Section 179 deduction		
12	Other deductions		
18	☐ More than one activity for at-risk purposes*		
19	☐ More than one activity for passive activity purposes*		

* See attached statement for additional information.

Customer Names _____

Loan Officer Name _____

Date _____

Individual - IRS 1040 Page 1 & 2

1 Wages	\$ _____	Form 1040, Page 1: Line 1a
2 Interest	\$ _____	Form 1040, Page 1: Line 2a and 2b less any K-1 Interest on Schedule B
3 Dividends	\$ _____	Form 1040, Page 1: Line 3a less any K-1 Dividends on Schedule B
4 Taxable Retirement	\$ _____	Form 1040, Page 1: Line 4b, 5b, and 6b
5 Individual Cash Flow	\$ _____	1 + 2 + 3 + 4

Sole Proprietorship - IRS 1040 Schedule C

6 Net Income Before Tax	\$ _____	Schedule C, Page 1: Line 31
7 Depreciation	\$ _____	Schedule C, Page 1: Line 12 + Line 13
8 Interest	\$ _____	Schedule C, Page 1: Line 16a + Line 16b
9 Sole Proprietorship Cash Flow	\$ _____	6 + 7 + 8

Partnership - IRS 1065 K-1

10 Guaranteed Payment	\$ _____	Schedule K-1 to Form 1065, Page 1: Part III, Line 4
11 Distribution	\$ _____	Schedule K-1 to Form 1065, Page 1: Part III, Line 19a
12 Contribution	\$ _____	Schedule K-1 to Form 1065, Page 1: Part III, Box L
13 Partnership Cash Flow		10 + 11 - 12

Sub S Corporation - IRS 1120S K-1

14 Distributions	\$ _____	Schedule K-1 to Form 1120S, Page 1: Part III, Line 16D
15 Sub S Cash Flow	\$ _____	Schedule K-1 to Form 1065, Page 1: Part III, Line 19D
16 Cash Flow for the Individual	\$ _____	5 + 9 + 13 + 15

Individual Debts

Creditor	Payment	Comments
17 Total	\$	
18 Annual Payments		Line 17 x 12

Debt-to-Income

Number 18 from Above _____

Number 16 from Above _____

No. 18 / No. 16	%
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