

For the year Jan. 1–Dec. 31, 2012, or other tax year beginning , 2012, ending , 20 See separate instructions.

Your first name and initial Bernard Last name Sanders Your social security number

If a joint return, spouse's first name and initial Jane O Last name Sanders Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apt. no. Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). Presidential Election Campaign

Foreign country name Foreign province/state/country Foreign postal code 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 1 Single 2 Married filing jointly (even if only one had income) 3 Married filing separately. Enter spouse's SSN above and full name here. 4 Head of household (with qualifying person). (See instructions.) if the qualifying person is a child but not your dependent, enter this child's name here. 5 Qualifying widow(er) with dependent child

Exemptions 6a Yourself. If someone can claim you as a dependent, do not check box 6a. 6b Spouse. Boxes checked on 6a and 6b: 2. No. of children on 6c who: lived with you; did not live with you due to divorce or separation (see instructions); Dependents on 6c not entered above. Add numbers on lines above: 2.

Income table with columns for line number, description, and amount. Includes lines 7 through 22. Total income on line 22 is 280,954.

Adjusted Gross Income table with columns for line number, description, and amount. Includes lines 23 through 37. Adjusted gross income on line 37 is 280,954.

Tax and Credits

38 Amount from line 37 (adjusted gross income) **38** 280,954

39a Check You were born before January 2, 1948, or Blind. Spouse was born before January 2, 1948, or Blind. Total boxes checked **39a** 1

b If your spouse itemizes on a separate return or you were a dual-status alien, check here **39b**

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin) **40** 128,442

41 Subtract line 40 from line 38 **41** 152,512

42 Exemptions. Multiply \$3,800 by the number on line 6d. **42** 7,600

43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- **43** 144,912

44 Tax (see instructions). Check if any from: a Form(s) 8814 b Form 4972 c 982 election **44** 28,281

45 Alternative minimum tax (see instructions). Attach Form 8865 **45** 16,826

46 Add lines 44 and 45 **46** 45,107

47 Foreign tax credit. Attach Form 1116 if required. **47**

48 Credit for child and dependent care expenses. Attach Form 2441 **48**

49 Education credits from Form 8863, line 19 **49**

50 Retirement savings contributions credit. Attach Form 8880 **50**

51 Child tax credit. Attach Schedule 8812, if required. **51**

52 Residential energy credits. Attach Form 5695 **52**

53 Other credits from Form: a 3800 b 8801 c **53**

54 Add lines 47 through 53. These are your total credits **54**

55 Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- **55** 45,107

Standard Deduction for—

- People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.
- All others:
 - Single or Married filing separately, \$5,950
 - Married filing jointly or Qualifying widow(er), \$11,900
 - Head of household, \$8,700

Other Taxes

56 Self-employment tax. Attach Schedule SE **56**

57 Unreported social security and Medicare tax from Form: a 4137 b 8819 **57**

58 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required **58**

59a Household employment taxes from Schedule H **59a**

b First-time homebuyer credit repayment. Attach Form 5405 if required **59b**

60 Other taxes. Enter code(s) from instructions **60**

61 Add lines 55 through 60. This is your total tax **61** 45,107

Payments

62 Federal income tax withheld from Forms W-2 and 1099 **62** 46,118

63 2012 estimated tax payments and amount applied from 2011 return **63**

64a Earned income credit (EIC) **64a**

b Nontaxable combat pay election **64b**

65 Additional child tax credit. Attach Schedule 8812 **65**

66 American opportunity credit from Form 8863, line 8. **66**

67 Reserved **67**

68 Amount paid with request for extension to file **68** 1,240

69 Excess social security and tier 1 RRTA tax withheld **69**

70 Credit for federal tax on fuels. Attach Form 4136 **70**

71 Credits from Form: a 2439 b Reserved c 8801 d 8885 **71**

72 Add lines 62, 63, 64a, and 65 through 71. These are your total payments **72** 47,358

Refund

73 If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid **73** 2,251

74a Amount of line 73 you want refunded to you. If Form 8868 is attached, check here **74a** 2,251

Direct deposit? See instructions. **b** Routing number **c** Type: Checking Savings

d Account number

75 Amount of line 73 you want applied to your 2013 estimated tax **75**

Amount You Owe

76 Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions **76**

77 Estimated tax penalty (see instructions) **77**

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)

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 Daytime phone number

Spouse's signature. If a joint return, both must sign. Date Spouse's occupation If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only

Print/Type preparer's name Preparer's signature Date Check if self-employed PTIN

Firm's name SELF PREPARED Firm's EIN

Firm's address Phone no.

**SCHEDULE A
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Itemized Deductions

▶ Information about Schedule A and its separate instructions is at www.irs.gov/form1040.

▶ Attach to Form 1040.

OMB No. 1545-0074

2012

Attachment
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

Bernard & Jane O Sanders

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, line 38	2			
	3 Multiply line 2 by 7.5% (.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 (check only one box):	5			
	a <input checked="" type="checkbox"/> Income taxes, or		13,196.		
	b <input type="checkbox"/> General sales taxes				
	6 Real estate taxes (see instructions)	6	11,000.		
	7 Personal property taxes	7			
	8 Other taxes. List type and amount ▶	8			
	9 Add lines 5 through 8	9			24,196.
Interest You Paid	10 Home mortgage interest and points reported to you on Form 1098	10	46,793.		
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶	11			
	Note. Your mortgage interest deduction may be limited (see instructions).				
	12 Points not reported to you on Form 1098. See instructions for special rules	12			
	13 Mortgage insurance premiums (see instructions)	13			
	14 Investment interest. Attach Form 4952 if required. (See instructions.)	14			
15 Add lines 10 through 14	15			46,793.	
Gifts to Charity	16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions.	16	1,900.		
	17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	17			
	18 Carryover from prior year	18			
	19 Add lines 16 through 18	19			1,900.
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)	20			
Job Expenses and Certain Miscellaneous Deductions	21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ▶ Deductible expenses from Form 2106	21	5,073.		
	22 Tax preparation fees	22	99.		
	23 Other expenses—investment, safe deposit box, etc. List type and amount ▶ <u>Attorney and Accounting Fees</u>	23	56,000.		
	24 Add lines 21 through 23	24	61,172.		
	25 Enter amount from Form 1040, line 38	25	280,954.		
	26 Multiply line 25 by 2% (.02)	26	5,619.		
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27			55,553.
Other Miscellaneous Deductions	28 Other—from list in instructions. List type and amount ▶	28			
Total Itemized Deductions	29 Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40	29			128,442.
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>				

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	280,954.
	39a	Check <input checked="" type="checkbox"/> You were born before January 2, 1948, <input type="checkbox"/> Blind. Total boxes checked ▶ 39a 1 if: <input type="checkbox"/> Spouse was born before January 2, 1948, <input type="checkbox"/> Blind.		
	b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b <input type="checkbox"/>		
Standard Deduction for— • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, \$5,950 Married filing jointly or Qualifying widow(er), \$11,900 Head of household, \$8,700	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	128,442.
	41	Subtract line 40 from line 38	41	152,512.
	42	Exemptions. Multiply \$3,800 by the number on line 6d	42	7,600.
	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	144,912.
	44	Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/> 982 election	44	28,281.
	45	Alternative minimum tax (see instructions). Attach Form 6251	45	16,826.
	46	Add lines 44 and 45	46	45,107.
	47	Foreign tax credit. Attach Form 1116 if required	47	
	48	Credit for child and dependent care expenses. Attach Form 2441	48	
	49	Education credits from Form 8863, line 19	49	
	50	Retirement savings contributions credit. Attach Form 8880	50	
	51	Child tax credit. Attach Schedule 8812, if required	51	
	52	Residential energy credits. Attach Form 5695	52	
	53	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
	54	Add lines 47 through 53. These are your total credits	54	
	55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	45,107.
Other Taxes	56	Self-employment tax. Attach Schedule SE	56	
	57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
	58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
	58a	Household employment taxes from Schedule H	58a	
	b	First-time homebuyer credit repayment. Attach Form 5405 if required	58b	
	60	Other taxes. Enter code(s) from instructions	60	
	61	Add lines 55 through 60. This is your total tax	61	45,107.
Payments	62	Federal income tax withheld from Forms W-2 and 1099	62	46,118.
	63	2012 estimated tax payments and amount applied from 2011 return	63	
	64a	Earned income credit (EIC)	64a	
	b	Nontaxable combat pay election 64b		
	65	Additional child tax credit. Attach Schedule 8812	65	
	66	American opportunity credit from Form 8863, line 8	66	
	67	Reserved	67	
	68	Amount paid with request for extension to file	68	1,240.
	69	Excess social security and tier 1 RRTA tax withheld	69	
	70	Credit for federal tax on fuels. Attach Form 4136	70	
	71	Credits from Form: a <input type="checkbox"/> 2439 b <input checked="" type="checkbox"/> Reserved c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	71	
	72	Add lines 62, 63, 64a, and 65 through 71. These are your total payments	72	47,358.
Refund	73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid	73	2,251.
	74a	Amount of line 73 you want refunded to you. If Form 8878 is attached, check here ▶ <input type="checkbox"/>	74a	2,251.
Direct deposit? ▶ See instructions.	b	Routing number ▶ <input type="checkbox"/> Type: <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings		
	d	Account number		
	75	Amount of line 73 you want applied to your 2013 estimated tax ▶	75	
Amount You Owe	76	Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions ▶	76	
	77	Estimated tax penalty (see instructions)	77	

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) **▶**

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 Government Service	Daytime phone number
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation Self-employed	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶ SELF PREPARED	Firm's EIN ▶	Phone no.		

**SCHEDULE C
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► For information on Schedule C and its instructions, go to www.irs.gov/schedulec.
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2012
Attachment
Sequence No. **09**

Name of proprietor Jane O Sanders		Social security number (SSN) [REDACTED]
A Principal business or profession, including product or service (see instructions) Small Antique Business	B Enter code from instructions ▶ 4 5 4 3 9 0	
C Business name. If no separate business name, leave blank.	D Employer ID number (EIN), (see instr.) [REDACTED]	
E Business address (including suite or room no.) ▶ [REDACTED] City, town or post office, state, and ZIP code [REDACTED]		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶		
G Did you "materially participate" in the operation of this business during 2012? If "No," see instructions for limit on losses <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
H If you started or acquired this business during 2012, check here <input checked="" type="checkbox"/>		
I Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
J If "Yes," did you or will you file required Forms 1099? <input type="checkbox"/> Yes <input type="checkbox"/> 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 ▶ <input type="checkbox"/>	1	3,828.
2	Returns and allowances (see instructions)	2	
3	Subtract line 2 from line 1	3	3,828.
4	Cost of goods sold (from line 42)	4	1,811.
5	Gross profit. Subtract line 4 from line 3	5	2,017.
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	2,017.

Part II Expenses		Enter expenses for business use of your home only on line 30.	
8	Advertising	8	
9	Car and truck expenses (see instructions)	9	
10	Commissions and fees 205.	10	
11	Contract labor (see instructions)	11	
12	Depreciation	12	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	
14	Employee benefit programs (other than on line 19)	14	
15	Insurance (other than health)	15	
16	Interest:		
a	Mortgage (paid to banks, etc.)	16a	
b	Other	16b	
17	Legal and professional services	17	
18	Office expense (see instructions)	18	
19	Pension and profit-sharing plans	19	
20	Rent or lease (see instructions):		
a	Vehicles, machinery, and equipment	20a	
b	Other business property	20b	1,250.
21	Repairs and maintenance	21	
22	Supplies (not included in Part III)	22	
23	Taxes and licenses	23	
24	Travel, meals, and entertainment:		
a	Travel	24a	1,500.
b	Deductible meals and entertainment (see instructions)	24b	
25	Utilities	25	
26	Wages (less employment credits)	26	
27a	Other expenses (from line 48)	27a	
b	Reserved for future use	27b	
28	Total expenses before expenses for business use of home. Add lines 8 through 27a ▶	28	2,955.
29	Tentative profit or (loss). Subtract line 28 from line 7	29	-938.
30	Expenses for business use of your home. Attach Form 8829. Do not report such expenses elsewhere	30	
31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) 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	-938.
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 Form 1040, line 12, (or Form 1040NR, line 13) 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.

**SCHEDULE D
(Form 1040)**

Capital Gains and Losses

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.
▶ Information about Schedule D and its separate instructions is at www.irs.gov/form1040.
▶ Use Form 8949 to list your transactions for lines 1, 2, 3, 8, 9, and 10.

2012
Attachment
Sequence No. 12

Name(s) shown on return

Bernard & Jane O Sanders

Your social security number

[REDACTED]

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

Complete Form 8949 before completing line 1, 2, or 3. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price) from Form(s) 8949, Part I, line 2, column (d)	(e) Cost or other basis from Form(s) 8949, Part I, line 2, column (e)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1 Short-term totals from all Forms 8949 with box A checked in Part I				
2 Short-term totals from all Forms 8949 with box B checked in Part I				
3 Short-term totals from all Forms 8949 with box C checked in Part I				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6 ()
7 Net short-term capital gain or (loss) . Combine lines 1 through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back				7

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

Complete Form 8949 before completing line 8, 9, or 10. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price) from Form(s) 8949, Part II, line 4, column (d)	(e) Cost or other basis from Form(s) 8949, Part II, line 4, column (e)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 4, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8 Long-term totals from all Forms 8949 with box A checked in Part II				
9 Long-term totals from all Forms 8949 with box B checked in Part II				
10 Long-term totals from all Forms 8949 with box C checked in Part II	265,000.	235,000.	-29,453.	547.
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14 ()
15 Net long-term capital gain or (loss) . Combine lines 8 through 14 in column (h). Then go to Part III on the back				15 547.

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result</p>	<p>16</p>	<p>547.</p>
<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22. 		
<p>17 Are lines 15 and 16 both gains? <input checked="" type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p>		
<p>18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet in the instructions . . . ▶</p>	<p>18</p>	
<p>19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet in the instructions ▶</p>	<p>19</p>	
<p>20 Are lines 18 and 19 both zero or blank? <input checked="" type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Do not complete lines 21 and 22 below.</p>		
<p>21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of: <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) </p>	<p>21 ()</p>	
<p>Note. When figuring which amount is smaller, treat both amounts as positive numbers.</p>		
<p>22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.</p>		

**SCHEDULE E
(Form 1040)**

Supplemental Income and Loss

OMB No. 1545-0074

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

2012

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Information about Schedule E and its separate instructions is at www.irs.gov/form1040.

Attachment
Sequence No. **13**

Name(s) shown on return

Your social security number

Bernard & Jane O Sanders

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 or C-EZ (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 2012 that would require you to file Form(s) 1099? (see instructions) Yes No
B If "Yes," did you or will you file required Forms 1099? Yes No

1a	Physical address of each property (street, city, state, ZIP code)				
A	[REDACTED]				
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	1		150	0	
B					
C					

Type of Property:

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

Income:	Properties:	A	B	C
3 Rents received	3	5,300.		
4 Royalties received	4			
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7	8,568.		
8 Commissions.	8			
9 Insurance	9			
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see instructions)	12	1,437.		
13 Other interest.	13			
14 Repairs.	14			
15 Supplies	15	124.		
16 Taxes	16	3,301.		
17 Utilities.	17	153.		
18 Depreciation expense or depletion	18	2,727.		
19 Other (list) ▶ Condo Association Fees	19	8,946.		
20 Total expenses. Add lines 5 through 19	20	25,256.		
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	-19,956.		
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	(0.)	()	()
23a Total of all amounts reported on line 3 for all rental properties	23a	5,300.		
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	1,437.		
d Total of all amounts reported on line 18 for all properties	23d	2,727.		
e Total of all amounts reported on line 20 for all properties	23e	25,256.		
24 Income. Add positive amounts shown on line 21. Do not include any losses	24			
25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	(0.)		
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2.	26			0.

Alternative Minimum Tax—Individuals

Department of the Treasury
Internal Revenue Service (99)

► Information about Form 6251 and its separate instructions is at www.irs.gov/form6251.

► Attach to Form 1040 or Form 1040NR.

2012
Attachment
Sequence No. **32**

Name(s) shown on Form 1040 or Form 1040NR

Bernard & Jane O Sanders

Your social security number

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41, and go to line 2. Otherwise, enter the amount from Form 1040, line 38, and go to line 7. (If less than zero, enter as a negative amount.)	152,512.
2	Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4, or 2.5% (.025) of Form 1040, line 38. If zero or less, enter -0-	0.
3	Taxes from Schedule A (Form 1040), line 9	24,196.
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet in the instructions for this line	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27.	55,553.
6	Skip this line. It is reserved for future use	
7	Tax refund from Form 1040, line 10 or line 21	(281.)
8	Investment interest expense (difference between regular tax and AMT).	
9	Depletion (difference between regular tax and AMT)	
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	
11	Alternative tax net operating loss deduction	()
12	Interest from specified private activity bonds exempt from the regular tax	
13	Qualified small business stock (7% of gain excluded under section 1202)	
14	Exercise of incentive stock options (excess of AMT income over regular tax income)	
15	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	
16	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	
17	Disposition of property (difference between AMT and regular tax gain or loss)	0.
18	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	
19	Passive activities (difference between AMT and regular tax income or loss)	0.
20	Loss limitations (difference between AMT and regular tax income or loss)	
21	Circulation costs (difference between regular tax and AMT)	
22	Long-term contracts (difference between AMT and regular tax income)	
23	Mining costs (difference between regular tax and AMT)	
24	Research and experimental costs (difference between regular tax and AMT)	
25	Income from certain installment sales before January 1, 1987	()
26	Intangible drilling costs preference	
27	Other adjustments, including income-based related adjustments	
28	Alternative minimum taxable income. Combine lines 1 through 27. (If married filing separately, see instructions.)	231,980.

Part II Alternative Minimum Tax (AMT)

29	Exemption. See instructions	58,255.
30	Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 31, 33, and 35, and go to line 34.	173,725.
31	<ul style="list-style-type: none"> If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter. If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 54 here. All others: If line 30 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 30 by 26% (.26). Otherwise, multiply line 30 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result. 	45,107.
32	Alternative minimum tax foreign tax credit (see instructions)	
33	Tentative minimum tax. Subtract line 32 from line 31	45,107.
34	Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 47). If you used Schedule J to figure your tax, the amount from line 44 of Form 1040 must be refigured without using Schedule J (see instructions)	28,281.
35	AMT. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	16,826.

Part III Tax Computation Using Maximum Capital Gains Rates

Complete Part III only if you are required to do so by line 31 or by the Foreign Earned Income Tax Worksheet in the instructions.

36	Enter the amount from Form 6251, line 30. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions for line 31	36	173,725.
37	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	37	564.
38	Enter the amount from Schedule D (Form 1040), line 19 (as figured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	38	
39	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 37. Otherwise, add lines 37 and 38, and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as figured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	39	564.
40	Enter the smaller of line 36 or line 39	40	564.
41	Subtract line 40 from line 36	41	173,161.
42	If line 41 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 41 by 26% (.26). Otherwise, multiply line 41 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result . . . ▶	42	45,022.
43	Enter: <ul style="list-style-type: none"> • \$70,700 if married filing jointly or qualifying widow(er), • \$35,350 if single or married filing separately, or • \$47,350 if head of household. }	43	70,700.
44	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter -0-	44	144,348.
45	Subtract line 44 from line 43. If zero or less, enter -0-	45	0.
46	Enter the smaller of line 36 or line 37	46	564.
47	Enter the smaller of line 45 or line 46	47	0.
48	Subtract line 47 from line 46	48	564.
49	Multiply line 48 by 15% (.15) ▶	49	85.
If line 38 is zero or blank, skip lines 50 and 51 and go to line 52. Otherwise, go to line 50.			
50	Subtract line 46 from line 40	50	
51	Multiply line 50 by 25% (.25) ▶	51	
52	Add lines 42, 49, and 51	52	45,107.
53	If line 36 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 36 by 26% (.26). Otherwise, multiply line 36 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result	53	45,169.
54	Enter the smaller of line 52 or line 53 here and on line 31. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 31. Instead, enter it on line 4 of the worksheet in the instructions for line 31	54	45,107.

Passive Activity Loss Limitations

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1041.

▶ Information about Form 8582 and its instructions is available at www.irs.gov/form8582.

2012
Attachment
Sequence No. **88**

Name(s) shown on return

Identifying number

Bernard & Jane O Sanders

[Redacted]

Part I 2012 Passive Activity Loss

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see Special Allowance for Rental Real Estate Activities in the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	0.	
1b	Activities with net loss (enter the amount from Worksheet 1, column (b))	19,956.	
1c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	6,245.	
1d	Combine lines 1a, 1b, and 1c		-26,201.

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)		
2b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)		
2c	Add lines 2a and 2b		

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))		
3b	Activities with net loss (enter the amount from Worksheet 3, column (b))		
3c	Prior years unallowed losses (enter the amount from Worksheet 3, column (c))		
3d	Combine lines 3a, 3b, and 3c		

4	Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used		-26,201.
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- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

5	Enter the smaller of the loss on line 1d or the loss on line 4		26,201.
6	Enter \$150,000. If married filing separately, see instructions	150,000.	
7	Enter modified adjusted gross income, but not less than zero (see instructions)	255,287.	
8	Subtract line 7 from line 6		
9	Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see instructions		
10	Enter the smaller of line 5 or line 9		0.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

11	Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions		
12	Enter the loss from line 4		
13	Reduce line 12 by the amount on line 10		
14	Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13		

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total		0.
16	Total losses allowed from all passive activities for 2012. Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return		0.

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.

Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
	0.	19,956.	6,245.		26,201.
Total. Enter on Form 8582, lines 1a, 1b, and 1c	0.	19,956.	6,245.		

Worksheet 2—For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3—For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 3a, 3b, and 3c					

Worksheet 4—Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total			1.00		

Worksheet 5—Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
	E Ln 22	26,201.	1.00000000	26,201.
Total		26,201.	1.00	26,201.

Unreimbursed Employee Business Expenses

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

2012
Attachment
Sequence No. **129A**

▶ Information about Form 2106 and its separate instructions is available at www.irs.gov/form2106.

Your name Bernard Sanders	Occupation in which you incurred expenses Government Service	Social security number [REDACTED]
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You Can Use This Form Only if All of the Following Apply.

- You are an employee deducting ordinary and necessary expenses attributable to your job. An ordinary expense is one that is common and accepted in your field of trade, business, or profession. A necessary expense is one that is helpful and appropriate for your business. An expense does not have to be required to be considered necessary.
- You **do not** get reimbursed by your employer for any expenses (amounts your employer included in box 1 of your Form W-2 are not considered reimbursements for this purpose).
- If you are claiming vehicle expense, you are using the standard mileage rate for 2012.

Caution: You can use the standard mileage rate for 2012 **only if:** (a) you owned the vehicle and used the standard mileage rate for the first year you placed the vehicle in service, **or** (b) you leased the vehicle and used the standard mileage rate for the portion of the lease period after 1997.

Part I Figure Your Expenses

1 Complete Part II. Multiply line 8a by 55.5¢ (.555). Enter the result here	1	
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2	600.
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3	
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment	4	
5 Meals and entertainment expenses: \$ <u>8,946.</u> × 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 80% (.80) instead of 50%. For details, see instructions.)	5	4,473.
6 Total expenses. Add lines 1 through 5. Enter here and on Schedule A (Form 1040), line 21 (or on Schedule A (Form 1040NR), line 7). (Armed Forces reservists, fee-basis state or local government officials, qualified performing artists, and individuals with disabilities: See the instructions for special rules on where to enter this amount.)	6	5,073.

Part II Information on Your Vehicle. Complete this part **only** if you are claiming vehicle expense on line 1.

- 7 When did you place your vehicle in service for business use? (month, day, year) ▶
- 8 Of the total number of miles you drove your vehicle during 2012, enter the number of miles you used your vehicle for:
- | | | |
|------------|--------------------------------|---------|
| a Business | b Commuting (see instructions) | c Other |
|------------|--------------------------------|---------|
- 9 Was your vehicle available for personal use during off-duty hours? Yes No
- 10 Do you (or your spouse) have another vehicle available for personal use? Yes No
- 11a Do you have evidence to support your deduction? Yes No
- b If "Yes," is the evidence written? Yes No

Worksheet 6—Allowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
	E Ln 22	26,201.	26,201.	0.
Total		26,201.	26,201.	0.

Worksheet 7—Activities With Losses Reported on Two or More Forms or Schedules (See instructions.)

Name of activity:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule . ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule . ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule . ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Total			1.00		