

**SAMPLE 1040 with Schedule A and Form 8396 (MCC)**

**Label** (See instructions on page 14.) Use the IRS label. Otherwise, please print or type.

**Label HERE**

For the year Jan. 1–Dec. 31, 2006, or other tax year beginning _____, 2006, ending _____, 20_____		OMB No. 1545-0074
Your first name and initial <b>Bob</b>	Last name <b>Homebuyer</b>	Your social security number <b>123 12 1234</b>
If a joint return, spouse's first name and initial <b>Sue</b>	Last name <b>Homebuyer</b>	Spouse's social security number <b>123 12 1233</b>
Home address (number and street). If you have a P.O. box, see page 14. <b>123 Your Street</b>		▲ You must enter your SSN(s) above. ▲
City, town or post office, state, and ZIP code. If you have a foreign address, see page 14. <b>Anytown, USA 12345-6789</b>		

Presidential Election Campaign  Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 14)  You  Spouse

**Filing Status**

Check only one box.

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 page 15.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶

5  Qualifying widow(er) with dependent child (see page 16)

**Exemptions**

6a  Yourself. If someone can claim you as a dependent, do not check box 6a

b  Spouse

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if qualifying child for child tax credit (see page 17)
<b>Child #1</b>	<b>Homebuyer</b>	<b>111 22 3333</b>	<b>Daughter</b>	<input checked="" type="checkbox"/>
<b>Child #2</b>	<b>Homebuyer</b>	<b>222 11 2211</b>	<b>Son</b>	<input checked="" type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

If more than four dependents, see page 17.

d Total number of exemptions claimed **4**

Boxes checked on 6a and 6b: **4**  
No. of children on 6c who:  
• lived with you \_\_\_\_\_  
• did not live with you due to divorce or separation (see page 18) \_\_\_\_\_  
Dependents on 6c not entered above \_\_\_\_\_  
Add numbers on lines above ▶

**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 W-2, see page 21.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	<b>60,000</b>
8a	Taxable interest. Attach Schedule B if required	8a	
b	Tax-exempt interest. Do not include on line 8a	8b	
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends (see page 21)	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 22)	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions	15a	
b	Taxable amount (see page 23)	15b	
16a	Pensions and annuities	16a	
b	Taxable amount (see page 24)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits	20a	
b	Taxable amount (see page 26)	20b	
21	Other income. List type and amount (see page 28)	21	
22	Add the amounts in the far right column for lines 7 through 21. This is your total income ▶	22	<b>60,000</b>

**Adjusted Gross Income**

23	Educator expenses (see page 28)	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	One-half of self-employment tax. Attach Schedule SE	27	
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction (see page 29)	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid	31a	
b	Recipient's SSN ▶		
32	IRA deduction (see page 30)	32	
33	Student loan interest deduction (see page 33)	33	
34	Tuition and fees deduction. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 through 31a and 32 through 35	36	
37	Subtract line 36 from line 22. This is your adjusted gross income ▶	37	<b>60,000</b>

<b>Tax and Credits</b>	38	Amount from line 37 (adjusted gross income)	38	60,000
	39a	Check <input type="checkbox"/> You were born before January 2, 1944, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1944, <input type="checkbox"/> Blind. Total boxes checked <input checked="" type="checkbox"/> 39a		
		b If your spouse itemizes on a separate return or you were a dual-status alien, see page 34 and check here <input type="checkbox"/> 39b		
		c Check if standard deduction includes real estate taxes or disaster loss (see page 34) <input type="checkbox"/> 39c		
		40 Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	10,759
		41 Subtract line 40 from line 38	41	49,241
		42 If line 38 is over \$119,975, or you provided housing to a Midwestern displaced individual, see page 36. Otherwise, multiply \$3,500 by the total number of exemptions claimed on line 6d	42	14,000
		43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	35,241
		44 Tax (see page 36). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972	44	4,481
		45 Alternative minimum tax (see page 39). Attach Form 6251	45	0
	46 Add lines 44 and 45	46	4,481	
	47 Foreign tax credit. Attach Form 1116 if required	47		
	48 Credit for child and dependent care expenses. Attach Form 2441	48		
	49 Credit for the elderly or the disabled. Attach Schedule R	49		
	50 Education credits. Attach Form 8863	50		
	51 Retirement savings contributions credit. Attach Form 8880	51		
	52 Child tax credit (see page 42). Attach Form 8901 if required	52	2,000	
	53 Credits from Form: a <input checked="" type="checkbox"/> 8396 b <input type="checkbox"/> 8839 c <input type="checkbox"/> 5695	53	2,000	
	54 Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54		
	55 Add lines 47 through 54. These are your total credits	55	4,000	
	56 Subtract line 55 from line 46. If line 55 is more than line 46, enter -0-	56	481	
<b>Other Taxes</b>	57	Self-employment tax. Attach Schedule SE	57	
	58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58	
	59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59	
	60	Additional taxes: a <input type="checkbox"/> AEIC payments b <input type="checkbox"/> Household employment taxes. Attach Schedule H	60	
	61	Add lines 56 through 60. This is your total tax	61	481
	<b>Payments</b>	62	Federal income tax withheld from Forms W-2 and 1099	62
63		2008 estimated tax payments and amount applied from 2007 return	63	
64a		Earned income credit (EIC)	64a	
		b Nontaxable combat pay election <input type="checkbox"/> 64b		
65		Excess social security and tier 1 RRTA tax withheld (see page 61)	65	
66		Additional child tax credit. Attach Form 8812	66	
67		Amount paid with request for extension to file (see page 61)	67	
68		Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> 4136 c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	68	
69		First-time homebuyer credit. Attach Form 5405	69	
70		Recovery rebate credit (see worksheet on pages 62 and 63)	70	
71		Add lines 62 through 70. These are your total payments	71	5,000
<b>Refund</b>	72	If line 71 is more than line 61, subtract line 61 from line 71. This is the amount you overpaid	72	4,519
	73a	Amount of line 72 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	73a	
		b Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
		d Account number <input type="text"/>		
	74	Amount of line 72 you want applied to your 2009 estimated tax	74	
<b>Amount You Owe</b>	75	Amount you owe. Subtract line 71 from line 61. For details on how to pay, see page 65	75	
	76	Estimated tax penalty (see page 65)	76	
Do you want to allow another person to discuss this return with the IRS (see page 66)? <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No				
<b>Third Party Designee</b>	Designee's name	Phone no.	Personal identification number (PIN)	
<b>Sign Here</b>	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.			
	Your signature	Date	Your occupation	Daytime phone number
	Spouse's signature. If a joint return, both must sign.			
<b>Paid Preparer's Use Only</b>	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code		EIN	
			Phone no.	

**Standard Deduction for—**

- People who checked any box on line 39a, 39b, or 39c or who can be claimed as a dependent, see page 34.
- All others:
  - Single or Married filing separately, \$5,450
  - Married filing jointly or Qualifying widow(er), \$10,900
  - Head of household, \$8,000

If you have a qualifying child, attach Schedule EIC.

**SCHEDULES A&B**  
**(Form 1040)**

**Schedule A—Itemized Deductions**  
(Schedule B is on back)

OMB No. 1545-0074

**2008**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040. ▶ See Instructions for Schedules A&B (Form 1040).

Attachment  
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

**Bob and Sue Homeowner**

**123 | 12 | 1234**

<b>Medical and Dental Expenses</b>	<b>Caution.</b> Do not include expenses reimbursed or paid by others.				
1	Medical and dental expenses (see page A-1).	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			
<b>Taxes You Paid</b>	<b>5 State and local (check only one box):</b>	5			
(See page A-2.)	a <input type="checkbox"/> Income taxes, or		1,259		
	b <input checked="" type="checkbox"/> General sales taxes				
6	Real estate taxes (see page A-5)	6	3,800		
7	Personal property taxes	7			
8	Other taxes. List type and amount ▶	8			
9	Add lines 5 through 8	9			5,059
<b>Interest You Paid</b>	10 Home mortgage interest reported to you on Form 1098	10	5,200		
(See page A-5.)	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-6 and show that person's name, identifying no., and address ▶	11			
Note. Personal interest is not deductible.	12 Points not reported to you on Form 1098. See page A-6 for special rules.	12			
	13 Qualified mortgage insurance premiums (see page A-6)	13			
	14 Investment interest. Attach Form 4952 if required. (See page A-6.)	14			
	15 Add lines 10 through 14	15			5,200
<b>Gifts to Charity</b>	16 Gifts by cash or check. If you made any gift of \$250 or more, see page A-7	16	500		
If you made a gift and got a benefit for it, see page A-7.	17 Other than by cash or check. If any gift of \$250 or more, see page A-8. You <b>must</b> attach Form 8283 if over \$500	17			
	18 Carryover from prior year	18			
	19 Add lines 16 through 18	19			500
<b>Casualty and Theft Losses</b>	20 Casualty or theft loss(es). Attach Form 4684. (See page A-8.)	20			
<b>Job Expenses and Certain Miscellaneous Deductions</b>	21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-9.) ▶	21			
(See page A-9.)	22 Tax preparation fees	22			
	23 Other expenses—investment, safe deposit box, etc. List type and amount ▶	23			
	24 Add lines 21 through 23	24			
	25 Enter amount from Form 1040, line 38	25			
	26 Multiply line 25 by 2% (.02)	26			
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27			
<b>Other Miscellaneous Deductions</b>	28 Other—from list on page A-10. List type and amount ▶	28			
<b>Total Itemized Deductions</b>	29 Is Form 1040, line 38, over \$159,950 (over \$79,975 if married filing separately)? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> Yes. Your deduction may be limited. See page A-10 for the amount to enter.	29			10,759
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>				

**NOTE: Reduce interest paid here by amount on line 11 from Form 8396:**  
**Interest Paid: \$7200**  
**- MCC Credit: -\$2000**  
**Line 10 Sch. A: \$5200**

Form **8396**

Department of the Treasury  
Internal Revenue Service (99)

**Mortgage Interest Credit**

(For Holders of Qualified Mortgage Credit Certificates Issued by State or Local Governmental Units or Agencies)

▶ Attach to Form 1040 or 1040NR. ▶ See instructions on back.

OMB No. 1545-0074

**2008**

Attachment Sequence No. **138**

Name(s) shown on your tax return: **Bob and Sue Homeowner** Your social security number: **123 : 12 : 1234**

Enter the address of your main home to which the qualified mortgage certificate relates if it is different from the address shown on your tax return.

**123 Your Street, Anytown, USA 12345-6789**

Name of Issuer of Mortgage Credit Certificate: **TDHCA** Mortgage Credit Certificate Number: **2008-72-9999** Issue Date: **09/01/2008**

**Part I Current Year Mortgage Interest Credit**

1	Interest paid on the certified indebtedness amount. If someone else (other than your spouse if filing jointly) also held an interest in the home, enter only your share of the interest paid . . .	1	7,200
2	Enter the certificate credit rate shown on your mortgage credit certificate. Do not enter the interest rate on your home mortgage . . . . .	2	35 %
3	If line 2 is 20% or less, multiply line 1 by line 2. If line 2 is more than 20%, or you refinanced your mortgage and received a reissued certificate, see the instructions for the amount to enter. You must reduce your deduction for home mortgage interest on Schedule A (Form 1040) by the amount on line 3.	3	2,000
4	Enter any 2005 credit carryforward from line 18 of your 2007 Form 8396 . . . . .	4	
5	Enter any 2006 credit carryforward from line 16 of your 2007 Form 8396 . . . . .	5	
6	Enter any 2007 credit carryforward from line 19 of your 2007 Form 8396 . . . . .	6	
7	Add lines 3 through 6 . . . . .	7	2,000
8	Enter the amount from Form 1040, line 46, or Form 1040NR, line 43 . . . . .	8	4,481
9	1040 filers: Enter the total of the amounts from Form 1040, lines 47 through 51; and line 12 of the line 11 Worksheet in Pub. 972 (see instructions). 1040NR filers: Enter the amount from Form 1040NR, lines 44 through 46; and line 12 of the line 11 Worksheet in Pub. 972 (see instructions).	9	2,000
10	Subtract line 9 from line 8. If zero or less, enter -0- here and on line 11 and go to Part II . . .	10	2,481
11	Current year mortgage interest credit. Enter the smaller of line 7 or line 10. Also include this amount in the total on Form 1040, line 53, or Form 1040NR, line 48, and check box a on that line . . . . .	11	2,000

**Part II Mortgage Interest Credit Carryforward to 2009. (Complete only if line 11 is less than line 7.)**

12	Add lines 3 and 4 . . . . .	12	
13	Enter the amount from line 7 . . . . .	13	
14	Enter the larger of line 11 or line 12 . . . . .	14	
15	Subtract line 14 from line 13 . . . . .	15	
16	2007 credit carryforward to 2009. Enter the smaller of line 6 or line 15 . . . . .	16	
17	Subtract line 16 from line 15 . . . . .	17	
18	2006 credit carryforward to 2009. Enter the smaller of line 5 or line 17 . . . . .	18	
19	2008 credit carryforward to 2009. Subtract line 11 from line 3. If zero or less, enter -0- . . . . .	19	

For Paperwork Reduction Act Notice, see back of form.

Cat. No. 62502X

Form **8396** (2008)