

Understanding Home Equity Products Interactive Training

RELATED TAX FORMS AND SCHEDULES

Tax forms and supporting documents may be required prior to final approval, depending on the customer, product, and property. The following pages list the various tax forms and related customer documentation.

Request for Copy of Tax Form - Form 4506

US Personal Tax Return - Form 1040

Partnership Tax Returns - Form 1065

S-Corporation Tax Returns - Form 1120S

Corporation Tax Returns - Form 1120

Form 4506	Request for Copy of Tax Form
	<p>Remember to place the condition for the IRS Form 4506 when requesting tax returns for the Borrower.</p> <p>The condition should be stated as:</p> <ul style="list-style-type: none">○ Subject to receipt and satisfactory review of a signed IRS Form 4506, to be signed at closing.

Form 1040	US Personal Tax Return	
<p>This form may be required when:</p> <ul style="list-style-type: none"> ○ Borrower is self-employed (owns more than 25% in the company). ○ Borrower has investment income (dividends, interest, capital gains, rental property, trust income, leases, royalties, etc.). ○ Borrower has additional income (alimony, auto allowance, retirement, pension, social security) or significant employee business expenses. ○ Borrower is employed by a family business. ○ Borrower applies for \$500,000 or more. 	W-2	Wage and Tax Statement
	1099	Miscellaneous Income Statement
	K-1	Partnership/S Corp Income Statement
	Schedule A	Itemized Deductions
	Schedule B	Interest and Dividend Income
	Schedule C	Profit or Loss From Business (Sole Proprietor)
	Schedule D	Capital Gains and Losses
	Schedule E	Supplemental Income and Loss (Rental Properties – seasoned or unseasoned, residential or commercial, Royalty Income, Trust and Estate Income, shows Partnerships & S-Corp)
	Schedule F	Farm Income (Ensure lien is not being placed on the farm)
	Form 2106	Employee Business Expenses (used with Schedule A)
	Form 6252	Installment Sale Income (must be seasoned 12 months, proof of 12 months of payments, note must continue for 3 more years, obtain copy of note)
	Form 4797	Sale of Business Property (used with Schedule D)
	Form 4952	Investment Interest Expense Deduction (used with Schedule D)
	Form 8829	Expenses for Business Use of Your Home (used with Schedule C)
Form 3903	Moving Expenses	
Form 4562	Depreciation and Amortization	
Form 2119	Sale of Your Home	
Schedule SE	Social Security self-employment Tax	

Form 1065	Partnership Tax Returns	
<p>Determine if the person is a general partner, limited partner or LLC member.</p> <p>Look for the recourse debt to ensure viability of payments if something happens to the Partnership.</p>	K – 1	Partner's Share of Income
	W – 2	Wage and Tax Statement (Guaranteed payments)
	1099	Miscellaneous Income (Guaranteed payments)
	Schedule A	Cost of Goods Sold
	Schedule B	Other Information
	Schedule K	Partner's Share of Income
	Schedule L	Balance Sheets
	Schedule M-1	Reconciliation of Income per Books
	Schedule M-2	Reconciliation of Partners' Capital Accounts
	Schedule D	Capital Gains and Losses
	4562	Depreciation and Amortization
	4797	Sale of Business Property
	8825	Rental Real Estate and Expenses

Form 1120S	S-Corporation Tax Returns	
<p>Remember to take the pension and profit sharing at the appropriate percentage:</p> <ul style="list-style-type: none"> ○ 100% if sole owner and no other employees ○ 50% if other owners or employees 	K – 1	Share of Income
	W – 2	Wage and Tax Statement (Guaranteed payments)
	1099	Miscellaneous Income (Guaranteed payments)
	Schedule A	Cost of Goods Sold
	Schedule B	Other Information
	Schedule K	Partner's Share of Income
	Schedule L	Balance Sheets
	Schedule M-1	Reconciliation of Income per Books
	Schedule M-2	Reconciliation of Partners' Capital Accounts
	Schedule D	Capital Gains and Losses
	4562	Depreciation and Amortization
	4797	Sale of Business Property
	8825	Rental Real Estate and Expenses

Form 1120	Corporation Tax Returns	
<p>Remember to take the pension and profit sharing at the appropriate percentage:</p> <ul style="list-style-type: none"> ○ 100% if sole owner and no other employees ○ 50% if other owners or employees, 0% if publicly held 	W-2	Wage and Tax Statement
	Schedule A	Cost of Goods Sold
	Schedule C	Dividends and Special Deductions
	Schedule D	Capital Gains and Losses
	Schedule E	Compensation of Officers (shows % of common stock ownership and amount of compensation)
	Schedule J	Tax Computation
	Schedule K	Other Information
	Schedule L	Balance Sheets
	Schedule M - 1	Reconciliation of Income per Books
	Schedule M - 2	Analysis of Unappropriated Retained Earnings
	4562	Depreciation and Amortization
	4797	Sale of Business Property