

**SCHEDULE SE**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Self-Employment Tax**

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedule SE (Form 1040).**

OMB No. 1545-0074

**2008**  
Attachment  
Sequence No. **17**

Name of person with <b>self-employment</b> income (as shown on Form 1040)	Social security number of person with <b>self-employment</b> income ▶	: : :
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**Who Must File Schedule SE**

You must file Schedule SE if:

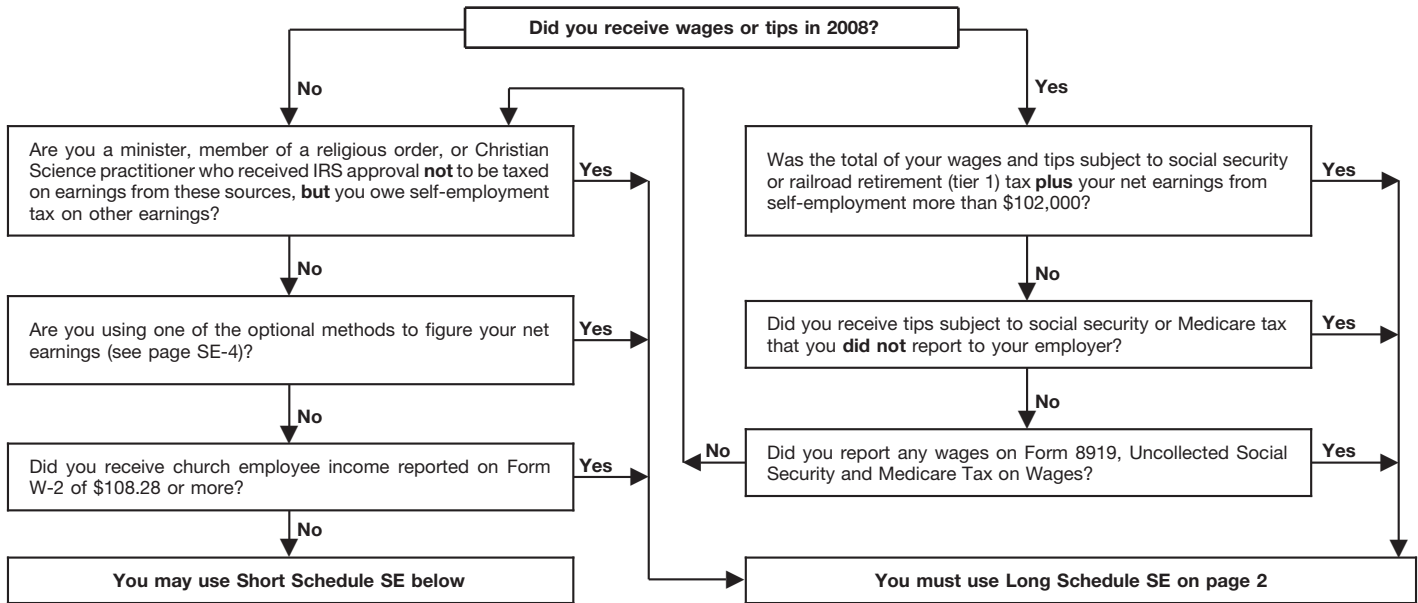
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order **is not** church employee income (see page SE-1).

**Note.** Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either “optional method” in Part II of Long Schedule SE (see page SE-4).

**Exception.** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write “Exempt—Form 4361” on Form 1040, line 57.

**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

**Note.** Use this flowchart **only** if you must file Schedule SE. If unsure, see *Who Must File Schedule SE*, above.



**Section A—Short Schedule SE. Caution.** Read above to see if you can use Short Schedule SE.

<b>1a</b> Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A . . . . .	<b>1a</b>		
<b>b</b> If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code X . . . . .	<b>1b</b>	(            )	
<b>2</b> Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report . . . . .	<b>2</b>		
<b>3</b> Combine lines 1a, 1b, and 2 . . . . .	<b>3</b>		
<b>4</b> <b>Net earnings from self-employment.</b> Multiply line 3 by 92.35% (.9235). If less than \$400, <b>do not</b> file this schedule; you do not owe self-employment tax . . . . . ▶	<b>4</b>		
<b>5</b> <b>Self-employment tax.</b> If the amount on line 4 is: ● \$102,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on <b>Form 1040, line 57.</b> ● More than \$102,000, multiply line 4 by 2.9% (.029). Then, add \$12,648 to the result. Enter the total here and on <b>Form 1040, line 57</b> . . . . .	<b>5</b>		
<b>6</b> <b>Deduction for one-half of self-employment tax.</b> Multiply line 5 by 50% (.5). Enter the result here and on <b>Form 1040, line 27</b> . . . . .	<b>6</b>		

Name of person with <b>self-employment</b> income (as shown on Form 1040)	Social security number of person with <b>self-employment</b> income ▶	: : :
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**Section B—Long Schedule SE**

**Part I Self-Employment Tax**

**Note.** If your only income subject to self-employment tax is **church employee income**, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a. Income from services you performed as a minister or a member of a religious order is **not** church employee income. See page SE-1.

**A** If you are a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361, but you had \$400 or more of **other** net earnings from self-employment, check here and continue with Part I . . . . .

**1a** Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. **Note.** Skip lines 1a and 1b if you use the farm optional method (see page SE-4)

**b** If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code X

**2** Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report. **Note.** Skip this line if you use the nonfarm optional method (see page SE-4)

**3** Combine lines 1a, 1b, and 2 . . . . .

**4a** If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3

**b** If you elect one or both of the optional methods, enter the total of lines 15 and 17 here . . . . .

**c** Combine lines 4a and 4b. If less than \$400, **stop**; you do not owe self-employment tax. **Exception.** If less than \$400 and you had **church employee income**, enter -0- and continue. . . . . ▶

**5a** Enter your **church employee income** from Form W-2. See page SE-1 for definition of church employee income . . . . . **5a** | | |

**b** Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0- . . . . . **5b** | | |

**6 Net earnings from self-employment.** Add lines 4c and 5b . . . . . **6** | | |

**7** Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2008 . . . . . **7** | 102,000 | 00

**8a** Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$102,000 or more, skip lines 8b through 10, and go to line 11 . . . . . **8a** | | |

**b** Unreported tips subject to social security tax (from Form 4137, line 10)

**c** Wages subject to social security tax (from Form 8919, line 10) . . . . . **8c** | | |

**d** Add lines 8a, 8b, and 8c . . . . . **8d** | | |

**9** Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 . . . . . ▶ **9** | | |

**10** Multiply the **smaller** of line 6 or line 9 by 12.4% (.124) . . . . . **10** | | |

**11** Multiply line 6 by 2.9% (.029) . . . . . **11** | | |

**12 Self-employment tax.** Add lines 10 and 11. Enter here and on **Form 1040, line 57** . . . . . **12** | | |

**13 Deduction for one-half of self-employment tax.** Multiply line 12 by 50% (.5). Enter the result here and on **Form 1040, line 27** . . . . . **13** | | |

**Part II Optional Methods To Figure Net Earnings** (see page SE-4)

**Farm Optional Method.** You may use this method **only** if **(a)** your gross farm income<sup>1</sup> was not more than \$6,300, **or (b)** your net farm profits<sup>2</sup> were less than \$4,548.

**14** Maximum income for optional methods . . . . . **14** | 4,200 | 00

**15** Enter the **smaller** of: two-thirds (⅔) of gross farm income<sup>1</sup> (not less than zero) **or** \$4,200. Also include this amount on line 4b above . . . . . **15** | | |

**Nonfarm Optional Method.** You may use this method **only** if **(a)** your net nonfarm profits<sup>3</sup> were less than \$4,548 and also less than 72.189% of your gross nonfarm income,<sup>4</sup> **and (b)** you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years.

**Caution.** You may use this method no more than five times.

**16** Subtract line 15 from line 14 . . . . . **16** | | |

**17** Enter the **smaller** of: two-thirds (⅔) of gross nonfarm income<sup>4</sup> (not less than zero) **or** the amount on line 16. Also include this amount on line 4b above . . . . . **17** | | |

<sup>1</sup>From Sch. F, line 11, and Sch. K-1 (Form 1065), box 14, code B. <sup>3</sup>From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.  
<sup>2</sup>From Sch. F, line 36, and Sch. K-1 (Form 1065), box 14, code A—minus the amount you would have entered on line 1b had you not used the optional method. <sup>4</sup>From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.