

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

You must file Schedule SE if:

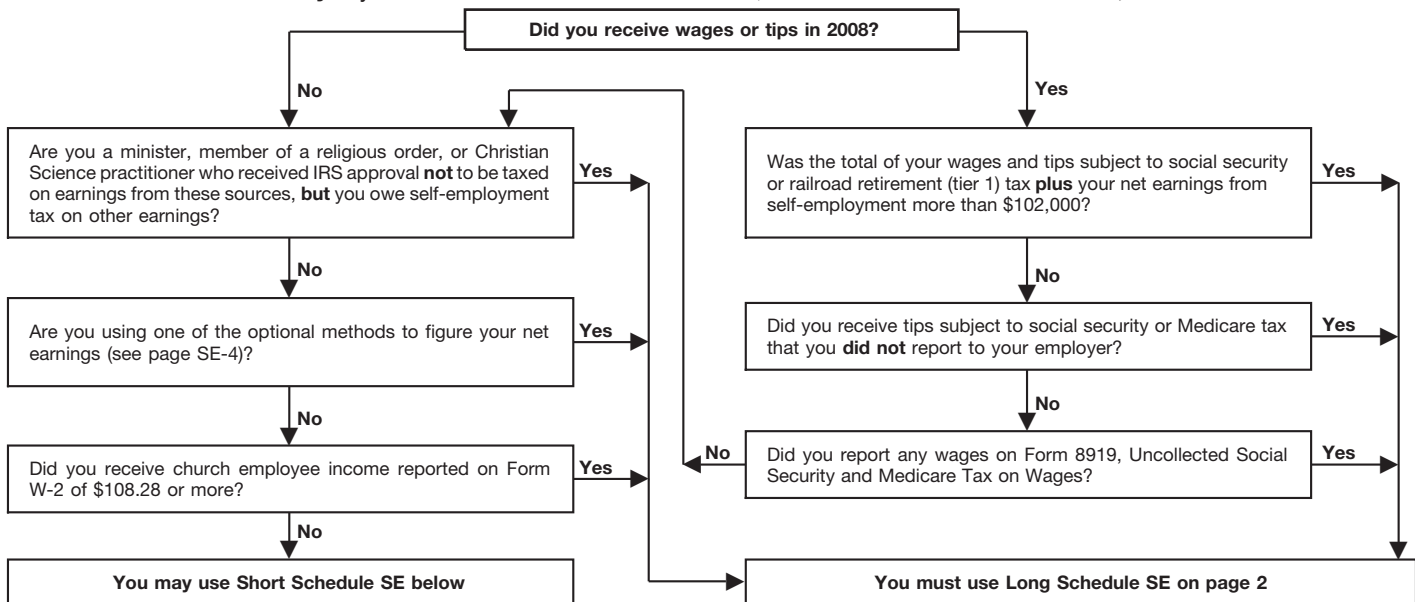
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious 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.

1a Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a		
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	1b	()	
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	2		
3 Combine lines 1a, 1b, and 2	3		
4 Net earnings from self-employment. Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax ▶	4		
5 Self-employment tax. If the amount on line 4 is: ● \$102,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 57. ● More than \$102,000, multiply line 4 by 2.9% (.029). Then, add \$12,648 to the result. Enter the total here and on Form 1040, line 57	5		
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.5). Enter the result here and on Form 1040, line 27	6		

Name of person with self-employment income (as shown on Form 1040)	Social security number of person with self-employment 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 income¹ was not more than \$6,300, **or (b)** your net farm profits² 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 income¹ (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 profits³ were less than \$4,548 and also less than 72.189% of your gross nonfarm income,⁴ **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 income⁴ (not less than zero) **or** the amount on line 16. Also include this amount on line 4b above **17** | |

¹From Sch. F, line 11, and Sch. K-1 (Form 1065), box 14, code B.

³From 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.

²From 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.

⁴From 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.