



**State of Hawaii
Department of Taxation**

Joint Electronic Filing Program with the Internal Revenue Service

Electronic Filing Test Package

Tax Year 2007

November 8, 2007

Publication EF-3

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Software Developer Testing Procedures

1. **Concurrent Hawaii testing** – Software developers may participate in Hawaii testing concurrently with IRS Participants Acceptance Test System (PATS) testing.
2. **Testing Period** – The Department will begin retrieving test records from the IRS on November 13, 2007. Testing is allowed year round. Our office will be closed on weekends and on all National holidays. In addition, Hawaii has 4 state holidays observed on March 21, March 26, June 11, and August 15, 2008.
3. **Before you begin!** – Please call 808-587-1740 or send an e-mail to the Electronic Filing Coordinator (e-mail address: Tax.Efile@hawaii.gov) before transmitting test returns and provide the following information:
 - Your company's name
 - Your ETIN
 - The name, telephone number and e-mail address of a contact person
 - Approximate date you will transmit
 - If using a third party Transmitter, the Transmitter's ETIN
 - Identify your software limitations that have been approved by the IRS. Refer to IRS Publication 1346 for the list of limitations.
 - Limitations for Hawaii returns
4. **Hawaii test returns** – The 18 Hawaii test returns are based on the modified **IRS 2005 electronic filing test scenarios**. The cover sheet for each state test references the IRS test return number and describes the variations from the IRS test scenario. The 18 test case scenarios are included in this packet.
5. **Hawaii downloads** – The Department will retrieve test returns daily from the IRS for processing in the test system. Retrieval will be approximately 9:00 a.m. Hawaii Standard Time (HST).
6. **Acknowledgments and Test Return Results** – Hawaii will use the IRS for test return acknowledgements. Report files containing comparison results of the tests will be sent to the contacts provided.
7. **Variables** – We accept variances for some differences in test transmissions. These differences will show as a mismatch in the Test Return Results. When the only differences are acceptable variances, we will indicate the variance has been accepted and the form type has passed testing. Most common variances follow:
 - Spelling and typographical errors that do not affect the computation of the return.
 - Abbreviations vs. complete spellings of words (e.g., Lane vs. Ln; Square vs. Sq.; Housing vs. Hsng; etc.).
 - Rounding differences.
 - Differences in tax when using tax rate charts versus tax tables.
 - If your software will not be used for on-line filing, you may omit filling in Field 49 of the Generic Record Layout.

8. **Passing Hawaii testing** – When the Department has received acceptable transmissions of all test returns, the developer will be notified via e-mail that the software has passed Hawaii testing. Once accepted, the ETIN(s) used by the software must be provided to the Department via e-mail.

Hawaii Test Case #1 (Based on the modified 2005 IRS Test #5)

Attachments (PDFs):

Hawaii Form N-11
 Hawaii Form N-210

Taxpayer Name: TEST O MAPLE
 Taxpayer SSN: 400-00-7905

Hawaii changes to IRS test:

All form(s):

Taxpayer Social Security number changed to Hawaii test designation:
400-00-7905

Taxpayer Address changed to Hawaii address:
**2763 LLANES CT
 KAILUA HI 96734**

Taxpayer Telephone Number changed to Hawaii telephone number:
808-555-1111

W-2(1):

Employer changed to the **United States Air Force**
 Box 15 State changed to Hawaii: **HI**
 Box 16 State wages: **\$2,000** (The difference of \$800 between federal and
 state wages is COLA.)

W-2(2):

Employer changed to the **Hawaii National Guard**
 Box 15 State changed to Hawaii: **HI**

State Return Details:

FORM N-11

First time filer:	yes
Line 7 Federal AGI:	\$13,900
Line 8 Difference in wages:	\$800
Line 9 Interest on bonds:	\$97,131
Interest from CA bonds is taxed for Hawaii purposes but not for Federal purposes. This interest is not included in the Federal return detail.	
Line 15 Military reserve pay:	\$3,631
Pay is not taxed for Hawaii purposes but taxed for Federal purposes.	
Line 16 IHA payments:	\$1,000
Line 20 Hawaii AGI:	\$107,200
Taxpayer is a dependent of another?	Yes
Line 22 Standard deduction:	\$2,000
Line 24 Exemptions:	\$0
Line 25 Taxable income:	\$105,200
Line 26 Tax liability:	\$7,933 (from tax rate schedule)
Line 30 Withholding:	\$84
Line 31 Estimated tax payments:	\$900
Line 47 Balance due:	\$6,949
Line 48 Penalty for underpayment of estimated tax:	\$125 (The underpayment penalty is calculated using full months, not days as calculated on federal Form 2210. See section 235-97(f), HRS, at www.hawaii.gov/tax .)
Line 51 Preprinted label:	yes

HAWAII TEST CASE #1

Line 52 Federal Schedule C: **no**
Line 53 Federal Schedule E: **no**
Line 54 Federal Schedule F: **no**
No designee
Hawaii Election Campaign Fund: **yes**

Form N-210

Part I
Line c **(x)**
Part II
Line 1 **\$7,933**
Line 4 **\$84**
Line 7 **\$2,700**
Part III
Line 10 **\$246** (\$900 estimated tax payments
plus \$84 in withholding divided
evenly to 4 periods.)
Part IV
Line 18 (all columns) **04/20/2008**

HAWAII TEST CASE #1

TEST #5 - IRS scenario

FORMS REQUIRED: FORM 1040A, SCH 1, FORM PMT

INFORMATION RETURNS ATTACHED: FORM W-2 (2)

ENTRIES NOT REQUIRING FORMS:

STATEMENTS:

OTHER: DEPENDENT OF ANOTHER
DIRECT DEBIT

THIRD PARTY DESIGNEE: NONE

PREPARED BY: TAXPAYER

TAXPAYER: NAME: TEST O MAPLE	SSN: 400-00-1005
DOB: 04-15-1989	OCCUPATION: TREE TRIMMER
DISABLED: NO	PRES ELEC FUND: YES
DAYTIME PHONE #: 201-555-1111	BLIND: NO

CHECK DIGITS FROM IRS LABEL: KX

ADDRESS: 7842 WEEPING WILLOW LN
AUDUBON, NJ 08106-7842

FILING STATUS: SINGLE **LINE 6d:** 0

SCHEDULE 1:

PART I:

LINE 1: FIRST SECURITY	6500
MONEY BANK	1000 (TAX-EXEMPT)

PART II:

LINE 5: DOW SMITH	3000 (NON-QUALIFIED)
--------------------------	----------------------

FORM PAYMENT: ACH DEBIT

RTN: 012345672
ACCT #: 1234000000
TYPE OF ACCT: CHECKING
AMOUNT OF PAYMENT: 10
REQUESTED PAYMENT DATE: 04-16-2008
TAXPAYERS DAYTIME PHONE NUMBER: 201-555-1111
TYPE OF FORM BEING FILED: 1040A

PRACTITIONER PIN INFORMATION:

JURAT/DISCLOSURE VERSION INDICATOR: D
PAID PREPARER SIGNATURE: EFIN + 28734
PRIMARY TAXPAYER SIGNATURE: 19821
PIN TYPE: P

AUTHENTICATION RECORD:

TAXPAYER SIGNATURE DATE: 03-21-2008

ETD TRANSMISSION:

FORM 9465:

LINE 3: (201) 555-1003; 10:00PM
LINE 4: (201) 555-1111; (no ext); 9:00AM
LINE 5: FIRST SECURITY
21 MAIN ST
AUDUBON NJ 08106-0021
LINE 6: OAKLEYS YARD AND GARDEN
87 KUDZU CENTER
AUDUBON NJ 08106
LINE 7: FORM 1040A
LINE 8: 2007
LINE 9: 21
LINE 10: 10
LINE 11: 5
LINE 12: 1
LINE 13(a): 012345672
LINE 13(b): 1234000000
ACCOUNT TYPE: CHECKING

TAXPAYER PIN: 19821
PRIOR YEAR AGI: 0
SIGNATURE DATE: 04-16-2008

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040A, FORM W-2 (2)

FORM 1040A

First Name, MI & Last Name: (TEST O MAPLE)
Social Security Number: (400-00-7905)
Home Address: (2763 LLANES CT)
City, State, and Zip: (KAILUA HI 96734)
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
Filing Status: (SINGLE)
Number of boxes on 6a and 6b: (0)
Total number box 6d: (0)
Line 7 Total wages: (4400)
Line 8a Taxable interest: (6500)
Line 8b Tax exempt interest: (1000)
Line 9a Ordinary dividends: (3000)
Line 15 Total income: (13900)
Line 21 Adjusted gross income: (13900)
Line 22 Amount from line 21: (13900)
Line 24 Standard deduction: (4700)
Line 25 Subtract line 24 from line 22: (9200)
Line 26 Multiply \$3400 by the total number of exemptions on line 6d: (0)
Line 27 Taxable income: (9200)
Line 28 Tax: (993)
Line 35 Subtract line 34 from line 28: (993)
Line 37 Total tax: (993)
Line 38 Federal income tax withheld: (972)
Line 42 Total payments: (972)
Line 46 Amount you owe: (21)

Taxpayer's occupation: (TREE TRIMMER)
Third party designee: (NO)
Daytime phone number: (808-555-1111)
Taxpayer PIN: (19821)
Date: (03-21-2008)

HAWAII TEST CASE #1

Form W-2 #1

a. Employee's social security number: (400-00-7905)
b. Employer identification number: (22-2244661)
c. Employer's name address and zip code: **(UNITED STATES AIR FORCE)**
(783 CHRISTMAS TREE DRIVE)
(AUDUBON NJ 08106)
e. Employee's name (first, mi, last): (TEST O MAPLE)
f. Employee's address and zip code: **(2763 LLANES CT)**
(KAILUA, HI 96734)

Box 1 Wages, tips, etc.: (1200)
Box 2 Federal income tax withheld: (472)
Box 3 Social security wages: (1200)
Box 4 Social security tax withheld: (74)
Box 5 Medicare wages and tips: (1200)
Box 6 Medicare tax withheld: (17)
Box 15 State and state ID number: **(HI 22130)**
Box 16 State wages: **(2000)**
Box 17 State income tax withheld: (84)

Form W-2 #2

a. Employee's social security number: (400-00-7905)
b. Employer identification number: (22-3355771)
c. Employer's name address and zip code: **(HAWAII NATIONAL GUARD)**
(87 KUDZU CENTER)
(AUDUBON NJ 08106)
e. Employee's name (first, mi, last): (TEST O MAPLE)
f. Employee's address and zip code: **(2763 LLANES CT)**
(KAILUA, HI 96734)

Box 1 Wages, tips, etc.: (3200)
Box 2 Federal income tax withheld: (500)
Box 3 Social security wages: (3200)
Box 4 Social security tax withheld: (198)
Box 5 Medicare wages and tips: (3200)
Box 6 Medicare tax withheld: (46)
Box 15 State and state ID number: **(HI 07543917)**
Box 16 State wages: (3200)



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate
X First Time Filer Address or Name Change

Place label here

Form with fields: Your First Name (Test), Spouse's First Name, Care Of, Present mailing or home address (2763 Llanes Ct, Kailua, HI, 96734)

IMPORTANT — Complete this Section

Enter the first four letters of your last name. Use ALL CAPITAL letters. MAPL
Your Social Security Number 400-00-7905
Enter the first four letters of your Spouse's last name. Use ALL CAPITAL letters.
Spouse's Social Security Number

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

(Place an X in only ONE box)

- 1 Single
2 Married filing joint return
3 Married filing separate return
4 Head of household
5 Qualifying widow(er)

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

6a Yourself Age 65 or over
6b Spouse Age 65 or over
Enter the number of Xs on 6a and 6b

If you placed an X on lines 3 and 6b above, see the Instructions on page 9 and if your spouse meets the qualifications, place an X here

6c Enter the number of your dependent children
6d Enter the number of other dependents

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 0

ID No 01



JT072

Name(s) as shown on return _____

Test O. Maple

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 10 of the Instructions)	7	13900
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 11 of the Instructions).....	8	800
9	Interest on out-of-state bonds (including municipal bonds)	9	97131
10	Other Hawaii additions to federal AGI (see page 11 of the Instructions).....	10	
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	97931
12	Add lines 7 and 11.....	12	111831
13	Pensions taxed federally but not taxed by Hawaii.....	13	
14	Social security benefits taxed on federal return	14	
15	First \$3,631 of military reserve or Hawaii national guard duty pay	15	3631
16	Payments to an individual housing account	16	1000
17	Exceptional trees deduction (attach affidavit) (see page 14 of the Instructions).....	17	
18	Other Hawaii subtractions from federal AGI (see page 14 of the Instructions).....	18	
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	4631
20	Line 12 minus line 19..... Hawaii AGI ▶	20	107200

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here **X**

21 If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.

21a	Medical and dental expenses (from Worksheet A-1).....	21a	
21b	Taxes (from Worksheet A-2).....	21b	
21c	Interest expense (from Worksheet A-3)	21c	
21d	Contributions (from Worksheet A-4).....	21d	
21e	Casualty and theft losses (from Worksheet A-5).....	21e	
21f	Miscellaneous deductions (from Worksheet A-6).....	21f	

22	Enter the larger of your: } Itemized Deductions — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. OR Standard Deduction shown below for your filing status.	22	2000
		Single or Married filing separately — \$2,000 Married filing jointly or Qualifying widow(er) — \$4,000 Head of household — \$2,920	

23 Line 20 minus line 22. (This line MUST be filled in)..... 23 105200

ID No 01



JT073

Name(s) as shown on return _____

Test O. Maple

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es)			
	Yourself			
	Spouse, and see page 21 of the Instructions.....	24		0
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶	25		105200
26	Tax. Place an X if from Tax Table; <input checked="" type="checkbox"/> Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.)	Tax ▶	26	7933
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	27		
28	Total nonrefundable tax credits (attach Schedule CR).....	28		0
29	Line 26 minus line 28 (but not less than zero).....	Balance ▶	29	7933
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)	30		84
31	2007 estimated tax payments	31		900
32	Amount of estimated tax applied from 2006 return	32		
33	Amount paid with extension(s).....	33		
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions	34		
35	Credit for Low-Income Household Renters (attach Schedule X)	35		
36	Credit for Child and Dependent Care Expenses (attach Schedule X)	36		
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)	37		
38	Credit for General Income Tax (see page 25 of the Instructions).....	38		
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....	39		
40	Add lines 30 through 39.....	Total Payments and Credits ▶	40	984
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)	41		
42	Contributions to (see page 26 of the Instructions):	Yourself	Spouse	
42a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2	
42b	Hawaii Public Libraries Fund.....	\$2	\$2	
42c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5	
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here	43		
44	Line 41 minus line 43	44		
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX	45		



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7905

Your Spouse's SSN

JT074

Name(s) as shown on return _____

Test O. Maple

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions **46a** _____

b Routing number _____ **c** Type: Checking Savings

d Account number _____

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector"..... **47** _____ **6949**

48 **Estimated tax penalty.** (See page 27 of Instructions.) Do not include on line 41 or 47. Place an X here if Form N-210 is attached **X** **48** _____ **125**

49 **AMENDED RETURN ONLY** – Amount paid (overpaid) on original return. (See Instructions)..... **49** _____

50 **AMENDED RETURN ONLY** – Balance due (refund) with amended return. (See Instructions) **50** _____

51 If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only. **X**

52 Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

53 Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received _____ and your Hawaii Tax I.D. Number for this activity **W** _____ - _____

54 Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

DESIGNEE
If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.

Designee's name > _____ Phone no. > _____ Identification number > _____

HAWAII ELECTION CAMPAIGN FUND Do you want \$2 to go to the Hawaii Election Campaign Fund? **X** Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE	Your signature	Date	Your occupation	Daytime Phone Number
	_____	_____	Tree Trimmer	(808)555-1111
	Spouse's signature (if filing jointly, BOTH must sign)	Date	Spouse's occupation	
	_____	_____	_____	

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >	Federal E.I. No. >		
	Firm's name (or yours if self-employed), Address, and ZIP Code >	Phone No. >		

- REMINDERS:**
- File your return on or before April 20, 2008.
 - **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
 - **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
 - Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
 - Make check or money order payable to the "Hawaii State Tax Collector".

STATE OF HAWAII — DEPARTMENT OF TAXATION
**Underpayment of Estimated Tax by Individuals,
Estates, and Trusts**
▶ See Separate Instructions
▶ Attach to Form N-11, N-13, N-15, or N-40

2007

Name(s) as shown on tax return Test O. Maple	Social Security Number or FEIN 400-00-7905
---	---

Part I Reasons For Filing — If a, b, or c below applies to you, you may be able to lower or eliminate your penalty. But you **MUST** check the boxes that apply and file Form N-210 with your tax return. If d below applies to you, check that box and file Form N-210 with your tax return.

Check whichever boxes apply:

- a You request a **waiver**. In certain circumstances, the Department of Taxation will waive all or part of the penalty. See the Instructions for **Waiver of Penalty**.
- b You use the **annualized income installment method**. If your income varied during the year, this method may reduce the amount of one or more required installments. See the **Instructions for Schedule A**.
- c You had Hawaii income tax withheld from wages and you treat it as paid for estimated tax purposes when it was **actually** withheld instead of in equal amounts on the payment due dates. See the Instructions for line 10.
- d One or more of your required installments (line 9) are based upon your 2006 tax and you filed or are filing a joint return for either 2006 or 2007 but not for both years.

Part II All Filers Must Complete This Part

1 2007 tax liability. (see Instructions)	1	7,933.00
2 Total credits. (see Instructions).....	2	
3 Balance. Line 1 minus line 2.....	3	7,933.00
4 Hawaii income taxes withheld. (see Instructions).....	4	84.00
5 Balance. Line 3 minus line 4. If this amount is less than \$500, stop here; do not complete or file this form. You do not owe the penalty.	5	7,849.00
6 Multiply the amount on line 3 by 60% (.60).	6	4,760.00
7 Enter the tax amount from your 2006 income tax return. (Caution: See Instructions.).....	7	2,700.00
8 Enter the smaller of line 6 or line 7. (see Instructions)	8	2,700.00

Part III Figure Your Underpayment

	PAYMENT DUE DATES				
	(a) 4/20/2007	(b) 6/20/2007	(c) 9/20/2007	(d) 1/20/2008	
9 Required installments. If you are using the Annualized Income Installment Method, enter the amounts from Schedule A, line 24. Farmers and fishermen, enter the amount from line 8 in column (d). All others, enter 1/4 of line 8 in each column.	9	675.00	675.00	675.00	675.00
10 Estimated and other tax payments made. (see Instructions) For column (a) only, enter the amount from line 10 on line 14 also. If line 10 is equal to or more than line 9 for all payment periods, stop here; you do not owe the penalty..... Complete lines 11 through 17 of one column before going to the next column.	10	246.00	246.00	246.00	246.00
11 Enter amount, if any, from line 17 of previous column.	11		0.00	0.00	0.00
12 Add lines 10 and 11.....	12		246.00	246.00	246.00
13 Add amounts on lines 15 and 16 of the previous column.	13		429.00	858.00	1,287.00
14 Line 12 minus line 13. If zero or less, enter -0-. For column (a) only, enter the amount from line 10.....	14	246.00	0.00	0.00	0.00
15 If the amount on line 14 is zero, line 13 minus line 12. Otherwise, enter -0-.....	15		183.00	612.00	
16 Underpayment. If line 9 is equal to or more than line 14, line 9 minus line 14, then go to line 11 of next column. Otherwise go to line 17.	16	429.00	675.00	675.00	675.00
17 Overpayment. If line 14 is more than line 9, line 14 minus line 9, then go to line 11 of next column.....	17				

Complete Part IV on page 2 to figure the penalty. If there are no entries on line 16, no penalty is owed.

Part IV Figuring the Penalty (See Instructions)		(a) 4/20/2007	(b) 6/20/2007	(c) 9/20/2007	(d) 1/20/2008
18	Enter the date the amount on line 16 was paid or April 20, 2008, whichever is earlier.....	4/20/08	4/20/08	4/20/08	4/20/08
19	Enter the number of months from the payment due date through the date of payment on line 18. If April 20, 2008, is the date entered on line 18, enter 12, 10, 7, and 3, respectively, here.	12	10	7	3
20	Multiply the following: Number of months on line 19 x .00667 x underpayment on line 16 for columns (a) through (d)	34.00	45.00	32.00	14.00
21	Penalty — Add amounts on line 20 in all columns. Enter the total here and on Form N-11, line 48; Form N-13, line 28; Form N-15, line 65; or Form N-40, line 28.				125.00

Schedule A Required Installments Using the Annualized Income Installment Method
Annualized Income Installment Method

Estates and trusts, do not use the period ending dates shown to the right. Instead use the following: 2/28/07, 4/30/07, 7/31/07, and 11/30/07.		(a) 1/1/07-3/31/07	(b) 1/1/07-5/31/07	(c) 1/1/07-8/31/07	(d) 1/1/07-12/31/07
1	Enter your adjusted gross income for each period (see Instructions). (Estates and trusts, enter your taxable income without your exemption for each period.)				
2	Annualization amounts (Estates and trusts, see Instructions). ...	4	2.4	1.5	1
3	Annualized income. Multiply line 1 by line 2.				
4	Enter your itemized deductions for the period shown in each column. If you do not itemize, enter -0- and skip to line 7. (Estates and trusts, enter -0- and skip to line 9, and enter the amount from line 3 on line 9.)				
5	Annualization amounts	4	2.4	1.5	1
6	Multiply line 4 by line 5 (see Instructions if line 3 is more than \$50,000)				
7	In each column, enter the full amount of your standard deduction. If you itemized deductions enter -0- (see Instructions).				
8	Enter line 6 or line 7, whichever is larger				
9	Line 3 minus line 8				
10	In each column, multiply \$1,040 by the total number of exemptions claimed. If you use the personal exemption for disabled persons instead, enter the appropriate amount for 2007 (Estates and trusts, enter the exemption amount shown on your return.) (See Instructions) .				
11	Line 9 minus line 10				
12	Figure your tax on the amount on line 11 (see Instructions)				
13	Enter any other taxes for each period (see Instructions)				
14	Total tax — add lines 12 and 13				
15	For each period, enter the same type of credits as allowed for Form N-210, Part II, line 2 (see Instructions).....				
16	Total tax after credits. Line 14 minus line 15. If zero or less, enter -0-.				
17	Applicable percentage.....	15%	30%	45%	60%
18	Multiply line 16 by line 17.				
19	Complete lines 19 through 24 of one column before going to the next column. Add the amount in all preceding columns of line 24				
20	Line 18 minus line 19. If zero or less, enter -0-.....				
21	Enter ¼ of Form N-210, Part II, line 8, in each column				
22	Subtract line 24 of the previous column from line 23 of the previous column . . .				
23	Add lines 21 and 22 and enter the total				
24	Enter the smaller of line 20 or line 23 here and on Form N-210, line 9				

Hawaii Test Case #2 (Based on the modified 2005 IRS Test #6)

Attachments (PDFs):

Hawaii Form N-11
 Hawaii Schedule X

Taxpayer Name: TEST P BARRELL
 Taxpayer SSN: 400-00-7906

Hawaii changes to IRS test:

All form(s):
 Social Security number changed to Hawaii test designation:
 400-00-7906
 Address changed to Hawaii address:
 45-553C KUU IPO PL
 KANEOHE, HI 96744
 1099-R(1), 1099-R(2):
 Box 11 State changed to reflect Hawaii: HI

State Return Details:

FORM N-11

Address change:	yes
Year spouse died:	2006
Line 7 Federal AGI:	\$17,420
Line 13 Non taxable pensions:	\$4,920
Line 20 Hawaii AGI:	\$12,500
Line 22 Itemized or standard:	\$4,000
Line 24 Exemptions:	\$3,120
Line 25 Taxable income:	\$5,380
Line 26 Tax liability:	\$85 (from tax tables)
Line 32 Estimated from 2006:	\$42
Line 33 Extension payments:	\$8
Line 34 Low income refundable credit:	\$190
Line 34 DHS exemptions:	4
Line 38 Credit for general income tax:	\$130
Line 41 Overpaid:	\$285
Line 42a School repair contribution:	no
Line 42b Library contribution:	no
Line 42c Domestic violence contribution:	no
Line 46a Refund:	\$285
Line 46b Routing transit number:	121301028
Line 46c Type of account:	savings
Line 46d Account number:	70261192123456789
Line 52 Federal Schedule C:	no
Line 53 Federal Schedule E:	no
Line 54 Federal Schedule F:	no
Taxpayer's designee information:	
Designee's Name:	JOHN DOE
Phone No.:	888-555-1111
ID Number:	11122
Hawaii Election Campaign Fund:	yes

State Schedule X Information

Part I: LOW-INCOME REFUNDABLE TAX CREDIT DATA:

Line 2 Persons: Test Barrell
Roland Barrell

Line 3 information:

Qualifying person's name	Qualifying person's social security number	Relationship
Alicia Barrell	400-01-7906	Niece
Thelma Barrell	400-02-7906	Niece
Ben Barrell	400-03-7906	Nephew
Grayson Barrell	400-04-7906	Nephew

Line 3 Qualifying minor children: **4**
 Line 4 AGI: **\$12,500**
 Line 10 Low-income refundable credit: **\$190**

TEST #6 - IRS scenario

FORMS REQUIRED: FORM 1040A, SCH 1

INFORMATION RETURNS ATTACHED: FORM 1099-R (2)

ENTRIES NOT REQUIRING FORMS: FORM 1040A, LINE 39: 500
FORM 1040A, LINE 45: 125

STATEMENTS:

OTHER: TOTAL SOCIAL SECURITY BENEFITS RECEIVED: 33

THIRD PARTY DESIGNEE: NAME: JOHN DOE
PHONE: 888-555-1111
PIN: 11122

PREPARED BY:

TAXPAYER: NAME: TEST P BARRELL SSN: 400-00-1006
DOB: 06-18-1940 OCCUPATION: RETIRED
DISABLED: NO PRES ELEC FUND: YES
DAYTIME PHONE: NOT GIVEN BLIND: NO

CHECK DIGITS FROM IRS LABEL: NZ

ADDRESS: 25000 HAM AND BACON JUNCTION
PIG TOWN, MD 21230

FILING STATUS: QUALIFYING WIDOW(ER) LINE 6d: 2
YEAR SPOUSE DIED: 2006

DEPENDENT INFORMATION:

NAME	AGE	SSN	RELATIONSHIP	# MO	CHILD TAX CR
ROLAND BARRELL	19	400-55-3006	SON	12	

NOTE: DEPENDENT IS A STUDENT

SCHEDULE 1:

PART I:

LINE 1: BEST SAVINGS 6000
FORTUNE BANK 4000

ETD TRANSMISSION:

FORM 4868:

LINE 4: 0
LINE 5: 700
LINE 6: 0

HAWAII TEST CASE #2

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040A, FORM 1099-R (2)

FORM 1040A

First Name, MI and Last Name: (TEST P BARRELL)
Social Security Number: (400-00-7906)
Home Address: (45-553C KUU IPO PL)
City, State, and Zip: (KANE OHE, HI 96744)
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
Filing Status: (QUALIFYING WIDOW(ER))
Year spouse died: (2006)
Dependent #1 Name: (ROLAND BARRELL)
 Social Security Number: (400-55-3006)
 Relationship: (SON)
Number of boxes checked on 6a and 6b: (1)
Number of children who lived with you: (1)
Total number in box 6d: (2)
Line 8a Taxable interest: (10000)
Line 11b Taxable IRA distributions: (2500)
Line 12b Taxable pensions and annuities: (4920)
Line 15 Total income: (17420)
Line 21 Adjusted gross income: (17420)
Line 22 Amount from line 21: (17420)
Line 23a Taxpayer born before 1/2/1943: (X)
 Number of boxes checked: (1)
Line 24 Standard deduction: (11750)
Line 25 Subtract line 24 from line 22: (5670)
Line 26 Multiply \$3400 by the total number of exemptions on line 6d: (6800)

Line 27 Taxable income: (0)
Line 28 Tax: (0)
Line 35 Subtract line 34 from line 28: (0)
Line 37 Total tax: (0)
Line 38 Federal income tax withheld: (200)
 LITERAL: (FORM 1099)
Line 39 2007 estimated taxes paid: (500)
Line 42 Total payments: (700)
Line 43 Amount overpaid: (700)
Line 44a Refund: (575)
Line 44b Routing transit number: (XXXXXXXXXX)
Line 44d Account number: (XXXXXXXXXXXXXXXXXXXX)
Line 45 Applied to 2008 estimated taxes: (125)

Third party designee: (YES)
Designee's name: (JOHN DOE)
Phone number: (888-555-1111)
PIN: (11122)
Taxpayer's occupation: (RETIRED)

HAWAII TEST CASE #2

Form 1099-R #1

Payer's name address and zip code: (OUR SHARE BANK & TRUST)
(72 MARKET PLACE)
(PIG TOWN MD 21230-7272)

Payer's identification number: (52-7754541)

Recipient's social security number: (400-00-7906)

Recipient's name (first, mi, last): (TEST P BARRELL)

Recipient's street address: (45-553C KUUIPO PL)

Recipient's city, state, and zip code: (KANEHOHE, HI 96744)

Box 1 Gross distribution: (2500)

Box 2a Taxable amount: (2500)

Box 7 Distribution code: (7)

Box 7 IRA/SEP Simple: (X)

Box 11 State: (HI)

Form 1099-R #2

Payer's name address and zip code: (WEECAN DUETTE LOBBYISTS)
(1000 BUCKS ST)
(PIG TOWN MD 21230)

Payer's identification number: (52-9081726)

Recipient's social security number: (400-00-7906)

Recipient's name (first, mi, last): (TEST P BARRELL)

Recipient's street address: (45-553C KUUIPO PL)

Recipient's city, state, and zip code: (KANEHOHE, HI 96744)

Box 1 Gross distribution: (4920)

Box 2a Taxable amount: (4920)

Box 4 Federal income tax withheld: (200)

Box 7 Distribution code: (7)

Box 11 State: (HI)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate
First Time Filer X Address or Name Change

Place label here

Form with fields: Your First Name (Test), Your Last Name (P Barrell), Spouse's First Name, Spouse's Last Name, Care Of, Present mailing or home address (45-553C Kuuipo Pl), City, town or post office (Kaneohe), State (HI), Postal/ZIP code (96744), If Foreign address, enter Province and/or State, Country.

IMPORTANT — Complete this Section

Enter the first four letters of your last name. Use ALL CAPITAL letters BARR
Your Social Security Number 400-00-7906
Enter the first four letters of your Spouse's last name. Use ALL CAPITAL letters
Spouse's Social Security Number

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

(Place an X in only ONE box)

- 1 Single
2 Married filing joint return (even if only one had income).
3 Married filing separate return. Enter spouse's SSN and the first four letters of last name above. Enter spouse's full name here.
4 Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter the child's full name.
5 X Qualifying widow(er) with dependent child. Enter the year your spouse died 2006

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

6a X Yourself X Age 65 or over
6b Spouse Age 65 or over
6c Enter the number of your dependent children (see page 9 of the Instructions) 1
6d Enter the number of other dependents (see page 9 of the Instructions)
6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above 3

ID No 01



JT072

Name(s) as shown on return _____

Test P. Barrell

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 10 of the Instructions)	7	_____	17420
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 11 of the Instructions).....	8	_____	
9	Interest on out-of-state bonds (including municipal bonds)	9	_____	
10	Other Hawaii additions to federal AGI (see page 11 of the Instructions).....	10	_____	
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	_____	0
12	Add lines 7 and 11.....	12	_____	17420
13	Pensions taxed federally but not taxed by Hawaii.....	13	_____	4920
14	Social security benefits taxed on federal return	14	_____	
15	First \$3,631 of military reserve or Hawaii national guard duty pay	15	_____	
16	Payments to an individual housing account	16	_____	
17	Exceptional trees deduction (attach affidavit) (see page 14 of the Instructions).....	17	_____	
18	Other Hawaii subtractions from federal AGI (see page 14 of the Instructions).....	18	_____	
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	_____	4920
20	Line 12 minus line 19..... Hawaii AGI ▶	20	_____	12500

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here

21 If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.

21a	Medical and dental expenses (from Worksheet A-1).....	21a	_____	
21b	Taxes (from Worksheet A-2).....	21b	_____	
21c	Interest expense (from Worksheet A-3).....	21c	_____	
21d	Contributions (from Worksheet A-4).....	21d	_____	
21e	Casualty and theft losses (from Worksheet A-5).....	21e	_____	
21f	Miscellaneous deductions (from Worksheet A-6).....	21f	_____	

22	Enter the larger of your: } Itemized Deductions — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. OR Standard Deduction shown below for your filing status. Single or Married filing separately — \$2,000 Married filing jointly or Qualifying widow(er) — \$4,000 Head of household — \$2,920	22	_____	4000
----	---	----	-------	------

23	Line 20 minus line 22. (This line MUST be filled in).....	23	_____	8500
----	---	----	-------	------

ID No 01



JT073

Name(s) as shown on return

Test P. Barrell

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es)			
	Yourself			
	Spouse, and see page 21 of the Instructions.....	24		3120
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶	25		5380
26	Tax. Place an X if from <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.)	Tax ▶	26	85
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	27		
28	Total nonrefundable tax credits (attach Schedule CR).....	28		0
29	Line 26 minus line 28 (but not less than zero).....	Balance ▶	29	85
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)	30		
31	2007 estimated tax payments	31		
32	Amount of estimated tax applied from 2006 return	32		42
33	Amount paid with extension(s).....	33		8
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions 4	34		190
35	Credit for Low-Income Household Renters (attach Schedule X)	35		
36	Credit for Child and Dependent Care Expenses (attach Schedule X)	36		
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)	37		
38	Credit for General Income Tax (see page 25 of the Instructions).....	38		130
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....	39		
40	Add lines 30 through 39.....	Total Payments and Credits ▶	40	370
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)	41		285
42	Contributions to (see page 26 of the Instructions):	Yourself	Spouse	
42a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2	
42b	Hawaii Public Libraries Fund.....	\$2	\$2	
42c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5	
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here	43		0
44	Line 41 minus line 43	44		285
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX	45		0



JT074

Name(s) as shown on return

Test P. Barrell

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions 46a 285

b Routing number 121301028 c Type: Checking Savings

d Account number 70261192123456789

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.

Make check or money order payable to the "Hawaii State Tax Collector"..... 47 _____

48 **Estimated tax penalty.** (See page 27 of

Instructions.) Do not include on line 41 or 47. Place an

X here if Form N-210 is attached > 48 _____

49 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions)..... 49 _____

50 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 50 _____

51 If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only.

52 Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

53 Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received _____ and your Hawaii Tax I.D. Number for this activity **W** _____ - _____

54 Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

DESIGNEE

If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.

888-555-1111

Designee's name > John Doe Phone no. > _____ Identification number > 11122

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No

If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature _____ Date _____ Your occupation _____ Daytime Phone Number _____

Retired

()

Spouse's signature (if filing jointly, BOTH must sign) _____ Date _____ Spouse's occupation _____

PLEASE SIGN HERE

Paid Preparer's Information: Preparer's Signature > _____ Date _____ Check if self-employed > Preparer's identification number _____

Print Preparer's Name > _____ Federal E.I. No. > _____

Firm's name (or yours if self-employed), Address, and ZIP Code > _____ Phone No. > _____

REMINDERS:

- File your return on or before April 20, 2008.
- **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
- **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
- Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
- Make check or money order payable to the "Hawaii State Tax Collector".

Name(s) as shown on Form N-11, N-13, or N-15
Test P. Barrell

Your social security number
400-00-7906

Caution: Please read the instructions for Schedule X in your tax return instruction booklet carefully before completing this schedule.

PART I: LOW-INCOME REFUNDABLE TAX CREDIT

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) \$20,000 or less?
If "No", **STOP**. You cannot claim this credit. However, you may claim the credit for a minor child receiving support from the Department of Human Services, etc. In this situation, only complete lines 3, 9, and 10. If "Yes", go to line 2.
- List YOURSELF, YOUR SPOUSE, AND YOUR DEPENDENTS if all the requirements in the box below are met. Do not list minor children receiving more than half of their support from public agencies even though you may claim them as a dependent. List these minor children on line 3.

2 Listed Person Must Meet All Requirements		Name	Name
a) Resident of Hawaii	c) Not in prison, youth correctional facility, or jail for entire taxable year	Test Barrell	
b) Present in Hawaii more than 9 months during 2007	d) Cannot be claimed as a dependent by another taxpayer	Roland Barrell	

Enter the number of qualified persons listed above **2** **2**

- List all MINOR CHILDREN RECEIVING MORE THAN HALF OF THEIR SUPPORT FROM PUBLIC AGENCIES, such as the Department of Human Services, who meet all the requirements in the box below.

3 Listed Person Must Meet All Requirements		Caution: Do not list any children already listed on line 2 above.		
		Name	Social Security Number	Relationship to You
a) Resident of Hawaii	d) More than half of support from public agency	Alicia Barrell	400-01-7906	Niece
b) Present in Hawaii more than 9 months during 2007	e) Not listed on any other Hawaii tax return	Thelma Barrell	400-02-7906	Niece
c) Not in prison, youth correctional facility, or jail for entire taxable year		Ben Barrell	400-03-7906	Nephew
		Grayson Barrell	400-04-7906	Nephew

Enter the number of children listed above. Also enter this number in the space provided on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51 **3** **4**

4 Enter the amount of your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A).....	4	12,500.00
5 If you are married filing a separate return, enter your spouse's adjusted gross income	5	
6 Add lines 4 and 5. Enter the total here	6	12,500.00
7 Enter on line 7 the amount of the tax credit shown below that applies to the amount on line 6. If line 6 is: Tax credit per qualified exemption is: Under \$10,000 .....\$35 \$10,000 under \$15,000 .....25 \$15,000 to \$20,000 .....10 Over \$20,000 .....0	7	25.00
8 Multiply line 2 by the amount of the tax credit on line 7. Enter the total here	8	50.00
9 Multiply line 3 by \$35. Enter the total here	9	140.00
10 Add lines 8 and 9. Enter the result here and on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51. This is your low-income refundable tax credit. (Whole dollars only).....	10	190 00

PART II: CREDIT FOR LOW-INCOME HOUSEHOLD RENTERS

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) less than \$30,000?
If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 2.
- Are you a resident who was present in Hawaii more than nine months of the taxable year? If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 3.
- Can you be claimed as a dependent by another taxpayer? If "Yes", **STOP**. You cannot claim this credit. If "No", proceed to line 4.
- Enter required information for each rental unit that was fully subject to real property tax. DO NOT list rental units that were wholly or partially exempt from real property tax. If you occupied more than one qualified unit, submit the required information for each additional unit on a separate sheet. If you shared the unit with others, enter only YOUR SHARE of the rent.

Address (give Apt. No., if any) _____
Occupied From _____, 2007, To _____, 2007. Total rent paid for this period. \$ _____
month month

Owned by (or agent for owner) _____ name address W _____ (Hawaii Tax I.D. Number)

5 Add up YOUR SHARE of rent paid during the taxable year for all the units you have listed.	5	
6 Enter the amount of your exclusions (e.g. utilities, parking stalls, ground rent, rental subsidies such as public assistance)	6	
7 Line 5 minus line 6. If this amount is \$1,000, or less, STOP . You cannot claim this credit.....	7	
8 Enter the number of qualified exemptions from the Qualified Exemptions worksheet in the Instructions.	8	
9 Multiply the number of exemptions on line 8 by \$50 and enter the result here and on Form N-11, line 35; Form N-13, line 21d; or Form N-15, line 52. This is your low-income household renter's credit. (Whole dollars only)	9	00

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #3 (Based on the modified 2005 IRS Test #9)

Attachments:

Hawaii Form N-11
Hawaii Schedule X

Taxpayer name: TEST C ACAPPELLA
Taxpayer SSN: 400-00-7909

Hawaii changes to IRS test:

All form(s):
Social Security number changed to Hawaii test designation:
400-00-7909
Address changed to Hawaii address:
47-578 PUAPOO PL
KANEHOE, HI 96744
Telephone Number changed to Hawaii telephone number:
808-555-1008
W-2(1):
Box 15 State changed to Hawaii: HI

Note: For purposes of this test, the filing status is still married filing separately, but the spouse does not have income and does not file a separate return. This will allow the spouse to be claimed as an exemption on the Hawaii return and to test the box under line 6b.

State Return Details:

FORM N-11

Status is MFS and spouse qualifies:	yes
Mark an X in the box under Line 6b:	Spouse meets qualification to be claimed as an exemption on this return
Line 7 Federal AGI:	\$26,000
Line 20 Hawaii AGI:	\$26,000
Line 21b Taxes:	\$800
Line 21c Interest:	\$1,300
Line 24 Exemptions:	\$3,120
Line 25 Taxable income:	\$20,780
Line 26 Tax liability:	\$1,121 (from tax tables)
Line 30 Tax withheld:	\$800
Line 35 Renters credit:	\$150 (spouse qualifies for credit)
Line 38 Credit for general income tax:	\$25
Line 47 Balance due:	\$146
Line 52 Federal Schedule C:	no
Line 53 Federal Schedule E:	no
Line 54 Federal Schedule F:	no
Taxpayer's designee information same as federal.	
Hawaii Election Campaign Fund:	yes

State Schedule X Information

Part II: CREDIT FOR LOW-INCOME HOUSEHOD RENTERS DATA

Line 4	Rental unit address:	47-578 PUAPOO PL KANEHOHE, HI 96744
Line 4	Rental occupied(from and to):	01 to 12
Line 4	Total rent paid:	\$7,500
Line 4	Owner name and address:	Jay Spector 1 Kapiolani Blvd Honolulu, HI 96814
Line 4	Hawaii Tax I.D. Number:	W44444444-01
Line 5	Taxpayer's share of rent paid:	\$7,500
Line 8	Qualified exemptions:	3
Line 9	Renters credit:	\$150

TEST #9 - IRS scenario

FORMS REQUIRED: FORM 1040, SCH A, FORM 2120

INFORMATION RETURNS ATTACHED: FORM W-2 (1)

ENTRIES NOT REQUIRING FORMS:

STATEMENTS:

OTHER: SPOUSE ITEMIZES DEDUCTIONS

THIRD PARTY DESIGNEE: NONE

PREPARED BY: TAXPAYER

TAXPAYER: NAME: TEST C ACAPPELLA SSN: 400-00-1009
DOB: 03-16-1971 OCCUPATION: TEACHER
DISABLED: NO PRES ELEC FUND: YES
DAYTIME PHONE: 314-555-1008 BLIND: NO

SPOUSE: NAME: DUET ACAPPELLA SSN: 400-00-2009

CHECK DIGITS FROM IRS LABEL: QQ

ADDRESS: 4 QUARTET CTR
SOLO, MO 65564

FILING STATUS: MARRIED FILING SEPARATELY LINE 6d: 2

DEPENDENT INFORMATION:

NAME	AGE	SSN	RELATIONSHIP	#	MO	CHILD TAX CR
FORTISSIMO ARIA	12	400-55-3009	DAUGHTER	00		X

NOTE: CHILD CLAIMED AS DEPENDENT BUT DID NOT LIVE WITH TAXPAYER.

SCHEDULE A:

LINE 5: 800
LINE 10: 1300

FORM 2120:

FOR CALENDAR YEAR: 2007

PERSON BEING CLAIMED: FORTISSIMO ARIA

INFORMATION FOR PERSON NOT CLAIMING CHILD: TRIO ARIA, 400-55-4009
3 KINGSTON TRIO STREET
SOLO, MO 65564

NOTE: ORIGINAL SIGNATURE MAINTAINED ON FILE. SIGNATURE DATE: 12-31-2007

HAWAII TEST CASE #3

ETD TRANSMISSION:

FORM 9465:

LINE 3: (LEAVE BLANK)
LINE 4: (314) 555-1008; EXT 1245; 8:00AM
LINE 5: NONE
LINE 6: SOLO CITY ORCHESTRA
SOLO CENTER SUITE 420
SOLO MO 65564
LINE 7: FORM 1040
LINE 8: 2007
LINE 9: 28
LINE 10: 10
LINE 11: 5
LINE 12: 1

TAXPAYER PIN: 19821
PRIOR YEAR AGI: 0
SIGNATURE DATE: 04-15-2008

HAWAII TEST CASE #3

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040, FORM W-2 (1)

FORM 1040

First Name, MI & Last Name: (TEST C ACAPPELLA)
Social Security Number: (400-00-7909)
Spouse's Social Security Number: (400-00-2009)
Home Address: (47-578 PUAPOO PL)
City, State, and Zip: (KANEOHE, HI 96744)
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
Filing Status: (MARRIED FILING SEPARATELY)
Spouse's First Name and Last Name: (DUET ACAPPELLA)
Dependent #1 Name: (FORTISSIMO ARIA)
 Social Security Number: (400-55-3009)
 Relationship: (DAUGHTER)
 Qualifying child for child tax credit: (X)
Number of boxes checked on 6a and 6b: (1)
Number of children who did not live with you: (1)
Total number in box 6d: (2)
Line 7 Total wages: (26000)
Line 22 Total income: (26000)
Line 37 Adjusted Gross Income: (26000)
Line 38 Amount from line 37: (26000)
Line 39b If you are married filing separate and your spouse itemizes: (X)
Line 40 Itemized or standard deduction: (2100)
Line 41 Subtract line 40 from line 38: (23900)
Line 42 Multiply \$3400 by the total number of exemptions on line 6d: (6800)
Line 43 Taxable income: (17100)
Line 44 Tax: (2178)
Line 46 Add lines 44 and 45: (2178)
Line 52 Child tax credit: (1000)
Line 56 Total credits: (1000)
Line 57 Subtract line 56 from line 46: (1178)
Line 63 Total tax: (1178)
Line 64 Federal income tax withheld: (1150)
Line 72 Total payments: (1150)
Line 76 Amount you owe: (28)

Third party designee: (NO)
Daytime phone number: (808-555-1008)
Taxpayers occupation: (TEACHER)

This return was prepared by the taxpayer.

Form W-2 #1

a. Employee's social security number:	(400-00-7909)
b. Employer identification number:	(43-7685943)
c. Employer's name address and zip code:	(SOLO CITY ORCHESTRA) (SOLO CENTER SUITE 420) (SOLO MO 65564)
e. Employee's first name and initial:	(TEST C ACAPPELLA)
f. Employee's address and zip code:	(47-578 PUAPOO PL) (KANEHOHE, HI 96744)
Box 1	Wages, tips, other compensation: (26000)
Box 2	Federal income tax withheld: (1150)
Box 3	Social security wages: (26000)
Box 4	Social security tax withheld: (1612)
Box 5	Medicare wages and tips: (26000)
Box 6	Medicare tax withheld: (377)
Box 15	State and employer's state ID no: (HI 43918273)
Box 16	State wages, tips, etc: (26000)
Box 17	State income tax: (800)



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007

OR

M M D D Y Y

M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate. First Time Filer Address or Name Change

Place label here

Form with fields for: Your First Name (Test), Your Last Name (C Acappella), Spouse's First Name, Spouse's Last Name, Care Of, Present mailing or home address (47-578 Puapoo Pl), City (Kaneohe), State (HI), Postal/ZIP code (96744).

IMPORTANT — Complete this Section

Enter the first four letters of your last name: ACAP. Your Social Security Number: 400-00-7909. Enter the first four letters of your Spouse's last name: ACAP. Spouse's Social Security Number: 400-00-2009.

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

(Place an X in only ONE box)

- 1 Single
2 Married filing joint return (even if only one had income).
3 X Married filing separate return. Enter spouse's SSN and the first four letters of last name above. Enter spouse's full name here. Duet Acappella
4 Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter the child's full name.
5 Qualifying widow(er) with dependent child. Enter the year your spouse died

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

6a X Yourself... Age 65 or over... 2
6b X Spouse... Age 65 or over... X
6c Enter the number of your dependent children... 1
6d Enter the number of other dependents...
6e Total number of exemptions claimed... 3

ID No 01



JT072

Name(s) as shown on return

Test C. Acappella

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 10 of the Instructions)	7	26000
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 11 of the Instructions).....	8	
9	Interest on out-of-state bonds (including municipal bonds)	9	
10	Other Hawaii additions to federal AGI (see page 11 of the Instructions).....	10	
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	0
12	Add lines 7 and 11.....	12	26000
13	Pensions taxed federally but not taxed by Hawaii.....	13	
14	Social security benefits taxed on federal return	14	
15	First \$3,631 of military reserve or Hawaii national guard duty pay	15	
16	Payments to an individual housing account	16	
17	Exceptional trees deduction (attach affidavit) (see page 14 of the Instructions).....	17	
18	Other Hawaii subtractions from federal AGI (see page 14 of the Instructions).....	18	
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	0
20	Line 12 minus line 19..... Hawaii AGI ▶	20	26000

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here

21	If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.		
21a	Medical and dental expenses (from Worksheet A-1).....	21a	
21b	Taxes (from Worksheet A-2).....	21b	800
21c	Interest expense (from Worksheet A-3).....	21c	1300
21d	Contributions (from Worksheet A-4).....	21d	
21e	Casualty and theft losses (from Worksheet A-5).....	21e	
21f	Miscellaneous deductions (from Worksheet A-6).....	21f	

22	Enter the larger of your: } Itemized Deductions — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. OR Standard Deduction shown below for your filing status. Single or Married filing separately — \$2,000 Married filing jointly or Qualifying widow(er) — \$4,000 Head of household — \$2,920	22	2100
----	---	----	------

23	Line 20 minus line 22. (This line MUST be filled in).....	23	23900
----	---	----	-------

ID No 01



JT073

Name(s) as shown on return

Test C. Acappella

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es)			
	Yourself			
	Spouse, and see page 21 of the Instructions.....	24		3120
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶	25		20780
26	Tax. Place an X if from <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.)	Tax ▶	26	1121
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	27		
28	Total nonrefundable tax credits (attach Schedule CR).....	28		0
29	Line 26 minus line 28 (but not less than zero).....	Balance ▶	29	1121
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)	30	800	
31	2007 estimated tax payments	31		
32	Amount of estimated tax applied from 2006 return	32		
33	Amount paid with extension(s).....	33		
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions	34		
35	Credit for Low-Income Household Renters (attach Schedule X)	35	150	
36	Credit for Child and Dependent Care Expenses (attach Schedule X)	36		
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)	37		
38	Credit for General Income Tax (see page 25 of the Instructions).....	38	25	
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....	39		
40	Add lines 30 through 39.....	Total Payments and Credits ▶	40	975
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)	41		
42	Contributions to (see page 26 of the Instructions):	Yourself	Spouse	
42a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2	
42b	Hawaii Public Libraries Fund.....	\$2	\$2	
42c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5	
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here	43		
44	Line 41 minus line 43	44		
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX	45		



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7909

Your Spouse's SSN

JT074

Name(s) as shown on return

Test C. Acappella

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions **46a** _____

b Routing number _____ **c** Type: Checking Savings

d Account number _____

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector"..... **47** _____ **146**

48 **Estimated tax penalty.** (See page 27 of Instructions.) Do not include on line 41 or 47. Place an X here if Form N-210 is attached > **48** _____

49 **AMENDED RETURN ONLY** – Amount paid (overpaid) on original return. (See Instructions)..... **49** _____

50 **AMENDED RETURN ONLY** – Balance due (refund) with amended return. (See Instructions) **50** _____

- 51** If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only.
- 52** Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____
- 53** Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received _____ and your Hawaii Tax I.D. Number for this activity **W** _____ - _____
- 54** Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

DESIGNEE

If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.

Designee's name > _____ Phone no. > _____ Identification number > _____

HAWAII ELECTION CAMPAIGN FUND Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

PLEASE SIGN HERE

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature	Date	Your occupation	Daytime Phone Number
_____	_____	Teacher	(808)555-1008
Spouse's signature (if filing jointly, BOTH must sign)	Date	Spouse's occupation	
_____	_____		

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >	Federal E.I. No. >		
	Firm's name (or yours if self-employed), Address, and ZIP Code >	Phone No. >		

REMINDERS:

- File your return on or before April 20, 2008.
- **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
- **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
- Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
- Make check or money order payable to the "Hawaii State Tax Collector".

Name(s) as shown on Form N-11, N-13, or N-15
Test C. Acappella

Your social security number
400-00-7909

Caution: Please read the instructions for Schedule X in your tax return instruction booklet carefully before completing this schedule.

PART I: LOW-INCOME REFUNDABLE TAX CREDIT

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) \$20,000 or less?
If "No", **STOP**. You cannot claim this credit. However, you may claim the credit for a minor child receiving support from the Department of Human Services, etc. In this situation, only complete lines 3, 9, and 10. If "Yes", go to line 2.
- List YOURSELF, YOUR SPOUSE, AND YOUR DEPENDENTS if all the requirements in the box below are met. Do not list minor children receiving more than half of their support from public agencies even though you may claim them as a dependent. List these minor children on line 3.

2 Listed Person Must Meet All Requirements		Name	Name
a) Resident of Hawaii	c) Not in prison, youth correctional facility, or jail for entire taxable year		
b) Present in Hawaii more than 9 months during 2007	d) Cannot be claimed as a dependent by another taxpayer		

Enter the number of qualified persons listed above **2**

- List all MINOR CHILDREN RECEIVING MORE THAN HALF OF THEIR SUPPORT FROM PUBLIC AGENCIES, such as the Department of Human Services, who meet all the requirements in the box below.

3 Listed Person Must Meet All Requirements		Caution: Do not list any children already listed on line 2 above.		
		Name	Social Security Number	Relationship to You
a) Resident of Hawaii	d) More than half of support from public agency			
b) Present in Hawaii more than 9 months during 2007	e) Not listed on any other Hawaii tax return			
c) Not in prison, youth correctional facility, or jail for entire taxable year				

Enter the number of children listed above. Also enter this number in the space provided on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51 **3**

4 Enter the amount of your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A).....	4	
5 If you are married filing a separate return, enter your spouse's adjusted gross income	5	
6 Add lines 4 and 5. Enter the total here	6	
7 Enter on line 7 the amount of the tax credit shown below that applies to the amount on line 6. If line 6 is: Tax credit per qualified exemption is: Under \$10,000 .....\$35 \$10,000 under \$15,000 .....25 \$15,000 to \$20,000 .....10 Over \$20,000 .....0	7	
8 Multiply line 2 by the amount of the tax credit on line 7. Enter the total here	8	
9 Multiply line 3 by \$35. Enter the total here	9	
10 Add lines 8 and 9. Enter the result here and on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51. This is your low-income refundable tax credit. (Whole dollars only).....	10	00

PART II: CREDIT FOR LOW-INCOME HOUSEHOLD RENTERS

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) less than \$30,000?
If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 2.
- Are you a resident who was present in Hawaii more than nine months of the taxable year? If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 3.
- Can you be claimed as a dependent by another taxpayer? If "Yes", **STOP**. You cannot claim this credit. If "No", proceed to line 4.

4 Enter required information for each rental unit that was fully subject to real property tax. DO NOT list rental units that were wholly or partially exempt from real property tax. If you occupied more than one qualified unit, submit the required information for each additional unit on a separate sheet. If you shared the unit with others, enter only YOUR SHARE of the rent.
Address (give Apt. No., if any) 47-578 Puapoo Pl, Kaneohe, HI 96744

Occupied From January month, 2007, To December month, 2007. Total rent paid for this period. \$ 7,500

Owned by (or agent for owner) Jay Spector, 1 Kapiolani Blvd, Honolulu, HI 96814 W 44444444 - 01
name address (Hawaii Tax I.D. Number)

5 Add up YOUR SHARE of rent paid during the taxable year for all the units you have listed.	5	<u>7,500.00</u>
6 Enter the amount of your exclusions (e.g. utilities, parking stalls, ground rent, rental subsidies such as public assistance)	6	
7 Line 5 minus line 6. If this amount is \$1,000, or less, STOP . You cannot claim this credit.....	7	<u>7,500.00</u>
8 Enter the number of qualified exemptions from the Qualified Exemptions worksheet in the Instructions.	8	<u>3</u>
9 Multiply the number of exemptions on line 8 by \$50 and enter the result here and on Form N-11, line 35; Form N-13, line 21d; or Form N-15, line 52. This is your low-income household renter's credit. (Whole dollars only)	9	<u>150</u> 00

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #4 (Based on the modified 2005 IRS Test #13)

Attachments:

Hawaii Form N-11
 Hawaii Schedule X

Taxpayer name: TEST U GRASS
 Taxpayer SSN: 400-00-7913

Hawaii changes to IRS test:

All form(s) for primary taxpayer:
 Taxpayer/recipient Social Security number changed to Hawaii test designation:
400-00-7913
 Taxpayer/recipient Address changed to Hawaii address:
**5 SAND ISLAND ACCESS RD BLDG T922
 HONOLULU, HI 96819-4906**

W-2(1):
 Box 15 State changed to Hawaii: **HI**
 W-2(2):
 Box 15 State changed to Hawaii: **HI**
Add Box 17 State income tax withheld: \$10
 1099-G:
Line 9 State income tax withheld: \$1100

Form 1040A, Schedule 2:
 Changes are reflected below (in boldface)

Information for CHILDRENRUS, SUSAN CAREGIVER, and A CHILDS PLACE:
Column(b)
**55 Sandbox Rd
 Honolulu, HI 96819**

**First Childsplay Blvd
 Honolulu, HI 96819**

**16 Playground St
 Honolulu, HI 96819**

State Return Details:

FORM N-11

Line 7	Federal AGI:	\$42,450
Line 20	Hawaii AGI:	\$42,450
Line 22		\$4,000
Line 23		\$38,450
Taxpayer is disabled?		Yes
Line 24	Exemptions:	\$8,320 (regular)
Line 25	Taxable income:	\$30,130
Line 26	Tax liability:	\$1,453 (from tax table)
Line 30	Hawaii income tax withheld:	\$2,825
Line 36	Child care credit:	\$336
Line 38	Credit for general income tax:	\$100
Line 41	Overpaid:	\$1,808
Line 42a	School repair contribution:	yes for both taxpayer and spouse

HAWAII TEST CASE #4

Line 42b Library contribution: **yes for both taxpayer and spouse**
Line 42c Domestic violence contribution: **yes for both taxpayer and spouse**
Line 43 Amount: **\$18**
Line 45 Apply to 2008: **\$500**
Line 46a Refund: **\$1,290**
Direct deposit information is same as federal, except it is for a checking account.
Line 52 Federal Schedule C: **no**
Line 53 Federal Schedule E: **no**
Line 54 Federal Schedule F: **no**
Taxpayers' designee:
Designee: **JOHN DOE**
Phone No.: **(888)555-1111**
ID No.: **11112**
Hawaii election campaign fund: **yes for taxpayer only**

State Schedule X Information

Part III: CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES:

Section A: Care Provider Information

Hawaii Tax I.D. Number for Childrenrus: **W22222222-01**
Hawaii Tax I.D. Number for Susan **W33333333-01**
Caregiver:
Hawaii Tax I.D. Number for A Childs **W23232323-01**
Place:

Section C: Credit For Child And Dependent Care Expenses

Line 21 AGI: **\$42,450**
Line 23 Child care credit: **\$336**

TEST #13 - IRS scenario

FORMS REQUIRED: FORM 1040A, SCH 2, FORM 8812

INFORMATION RETURNS ATTACHED: FORM W-2 (2)

ENTRIES NOT REQUIRING FORMS: FORM 1040A, LINE 13: 1650
FORM 1040A, LINE 17: 1200
(TAXPAYER: 800, SPOUSE: 400)

STATEMENTS: FORM 1040A, LINE 6c, DEPENDENT LISTING
SCH 2, LINE 1, COLUMNS A & B, CHILD CARE PROVIDERS
SCH 2, LINE 1, COLUMNS C & D, CHILD CARE PROVIDERS
SCH 2, LINE 2, QUALIFYING NAME

OTHER: DIRECT DEPOSIT
IRA DISTRIBUTIONS RECEIVED IN 2004: 1800 (TAXPAYER)
1500 (SPOUSE)

THIRD PARTY DESIGNEE: NAME: JOHN DOE
PHONE: 888-555-1111
PIN: 11112

PREPARED BY:

TAXPAYER: NAME: TEST U GRASS SSN: 400-00-1013
DOB: 01-01-1957 OCCUPATION: CONSULTANT
DISABLED: NO PRES ELEC FUND: YES
DAYTIME PHONE: NOT GIVEN BLIND: YES

SPOUSE: NAME: MAY B GRASS SSN: 400-00-2013
DOB: 08-22-1962 OCCUPATION: SALESPERSON
DISABLED: NO PRES ELEC FUND: NO
BLIND: NO

CHECK DIGITS FROM IRS LABEL: XU

ADDRESS: 74131 FESCUE DR
SAINT THOMAS, VI 00802

FILING STATUS: MARRIED FILING JOINTLY LINE 6d: 8

DEPENDENT INFORMATION:

Table with 7 columns: NAME, AGE, SSN, RELATIONSHIP, # MO, CHILD TAX CR. Rows include Timothy Grass, Mary Grass, David Grass, Susan Grass, Philip Grass, and Angela Grass.

HAWAII TEST CASE #4

DIRECT DEPOSIT: **NAME OF INSTITUTION:** SAVINGS CREDIT UNION
RTN: 253174576
ACCT #: 06542153
TYPE OF ACCT: SAVINGS

SCHEDULE 2:

PART I:

LINE 1:

(a)	(b)	(c)	(d)
CHILDREN RUS	55 PLAY ST	SAINT THOMAS VI 00802	02-7777777 400
SUSAN CAREGIVER	FIRST ST NW	SAINT THOMAS VI 00802	02-6789000 800
A CHILDS PLACE	16 LEARNING WAY	SAINT THOMAS VI 00802	02-1245556 1940

PART II:

Line 2:

(a)	(b)	(c)	
TIMOTHY GRASS	400-55-3013	1040	(NOTE: TOTAL PAID 1340)
MARY GRASS	400-55-4013	700	(NOTE: TOTAL PAID 1000)
DAVID GRASS	400-55-5013	500	(NOTE: TOTAL PAID 800)

(NOTE: COLUMN C FOR EACH DEPENDENT IS ADJUSTED BY \$300 EACH OF EXCLUDED BENEFITS)

LINE 3: 2240

PART III:

LINE 14: 1000

LINE 16: 100

ETD TRANSMISSION:

FORM 4868:

LINE 4: 0
LINE 5: 5988
LINE 6: 0

HAWAII TEST CASE #4

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040A, FORM W-2 (2)

FORM 1040A

First Name, MI & Last Name: (TEST U GRASS)
Social Security Number: **(400-00-7913)**
Spouse's First Name, MI & Last Name: (MAY B GRASS)
Spouse's Social Security Number: (400-00-2013)
Home Address: **(5 SAND ISLAND ACCESS RD BLDG T922)**
City, State, and Zip: **(HONOLULU, HI 96819-4906)**
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
If joint return, does your spouse want \$3.00 to go to this fund: (NO)
Filing Status: (MARRIED FILING JOINTLY)
Dependent #1 Name: (TIMOTHY GRASS)
Social Security Number: (400-55-3013)
Relationship: (SON)
Qualifying child for child tax credit: (X)
Dependent #2 Name: (MARY GRASS)
Social Security Number: (400-55-4013)
Relationship: (DAUGHTER)
Qualifying child for child tax credit: (X)
Dependent #3 Name: (DAVID GRASS)
Social Security Number: (400-55-5013)
Relationship: (SON)
Qualifying child for child tax credit: (X)
Dependent #4 Name: (SUSAN GRASS)
Social Security Number: (400-55-6013)
Relationship: (DAUGHTER)
Qualifying child for child tax credit: (X)
Dependent #5 Name: (PHILIP GRASS)
Social Security Number: (400-55-7013)
Relationship: (SON)
Qualifying child for child tax credit: (X)
Dependent #6 Name: (ANGELA GRASS)
Social Security Number: (400-55-8013)
Relationship: (DAUGHTER)
Qualifying child for child tax credit: (X)
Number of boxes on 6a and 6b: (2)
Number of children who lived with you: (6)
Total number in box 6d: (8)
Line 7 Total wages: (42000)
Line 13 Unemployment compensation: (1650)
Line 15 Total income: (43650)
Line 17 IRA deduction: (1200)
Line 20 Total adjustments: (1200)
Line 21 Adjusted gross income: (42450)
Line 22 Amount from line 21: (42450)
Line 23a Taxpayer is blind: (X)
Line 23a Number of boxes checked: (1)
Line 24 Standard deduction: (11750)
Line 25 Subtract line 24 from line 22: (30700)
Line 26 Multiply \$3400 by the total number of exemptions on line 6d: (27200)

HAWAII TEST CASE #4

Line 27	Taxable income:	(3500)
Line 28	Tax:	(353)
Line 29	Credit for child care expenses:	(353)
Line 32	Child tax credit:	(0)
Line 34	Total credits:	(353)
Line 35	Subtract line 34 from line 28:	(0)
Line 37	Total tax:	(0)
Line 38	Federal income tax withheld:	(1450)
Line 41	Additional child tax credit:	(4538)
Line 42	Total payments:	(5988)
Line 43	Amount overpaid:	(5988)
Line 44a	Amount to be refunded:	(5988)
Line 44b	Routing transit number:	(253174576)
Line 44c	Type of account:	(Savings)
Line 44d	Account number:	(06542153)
	Third party designee:	(YES)
	Designee's name:	(JOHN DOE)
	Phone number:	(888-555-1111)
	PIN:	(11112)
	Taxpayer's occupation:	(CONSULTANT)
	Spouse's occupation:	(SALESPERSON)

HAWAII TEST CASE #4

TEST #13: continued:

Form W-2 #1

a. Employee's social security number: (400-00-1013)
b. Employer identification number: (02-9876543)
c. Employer's name address and zip code: (LAST JOB INC)
(97 WHEATLEY AVE)
(SAINT THOMAS VI 00802)
e. Employee's name (first, mi, last): (TEST U GRASS)
f. **Employee's address and zip code:** (5 SAND ISLAND ACCESS RD BLDG T922)
(HONOLULU, HI 96819-4906)

Box 1 Wages, tips, etc.: (24500)
Box 2 Federal income tax withheld: (900)
Box 3 Social security wages: (24500)
Box 4 Social security tax withheld: (1519)
Box 5 Medicare wages and tips: (24500)
Box 6 Medicare tax withheld: (355)
Box 10 Dependent care benefits: (1000)
Box 15 State and state ID number: (HI 02888)
Box 16 State wages: (24500)
Box 17 State income tax withheld: (1715)

Form W-2 #2

a. Employee's social security number: (400-00-2013)
b. Employer identification number: (02-5689124)
c. Employer's name address and zip code: (SNODGRASS FEED AND SEED)
(1 PLANTATION ST)
(SAINT THOMAS VI 00802)
e. Employee's name (first, mi, last): (MAY B GRASS)
f. **Employee's address and zip code:** (5 SAND ISLAND ACCESS RD BLDG T922)
(HONOLULU, HI 96819-4906)

Box 1 Wages, tips, etc.: (17500)
Box 2 Federal income tax withheld: (550)
Box 3 Social security wages: (17500)
Box 4 Social security tax withheld: (1085)
Box 5 Medicare wages and tips: (17500)
Box 6 Medicare tax withheld: (254)
Box 15 State and state ID number: (HI 023456)
Box 16 State wages: (17500)
Box 17 State income tax withheld: *See HI changes

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate
First Time Filer Address or Name Change

Place label here

Form with fields for Name, Spouse's Name, Address, City, State, ZIP, and Country.

IMPORTANT — Complete this Section

Fields for last name (GRAS), Social Security Number (400-00-7913), Spouse's last name (GRAS), and Spouse's Social Security Number (400-00-2013).

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

(Place an X in only ONE box)

- 1 Single
2 X Married filing joint return
3 Married filing separate return
4 Head of household
5 Qualifying widow(er)

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

Lines 6a-6e for dependents and exemptions.

ID No 01



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7913

Your Spouse's SSN
400-00-2013

JT072

Name(s) as shown on return

Test U. Grass

May B. Grass

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 10 of the Instructions)	7	42450
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 11 of the Instructions).....	8	
9	Interest on out-of-state bonds (including municipal bonds)	9	
10	Other Hawaii additions to federal AGI (see page 11 of the Instructions).....	10	
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	0
12	Add lines 7 and 11.....	12	42450
13	Pensions taxed federally but not taxed by Hawaii.....	13	
14	Social security benefits taxed on federal return	14	
15	First \$3,631 of military reserve or Hawaii national guard duty pay	15	
16	Payments to an individual housing account	16	
17	Exceptional trees deduction (attach affidavit) (see page 14 of the Instructions).....	17	
18	Other Hawaii subtractions from federal AGI (see page 14 of the Instructions).....	18	
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	0
20	Line 12 minus line 19..... Hawaii AGI ▶	20	42450

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here

- 21 If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.
- 21a Medical and dental expenses
(from Worksheet A-1)..... 21a
- 21b Taxes (from Worksheet A-2)..... 21b
- 21c Interest expense (from Worksheet A-3)..... 21c
- 21d Contributions (from Worksheet A-4)..... 21d
- 21e Casualty and theft losses (from Worksheet A-5)..... 21e
- 21f Miscellaneous deductions (from Worksheet A-6)..... 21f

22 Enter the larger of your: } **Itemized Deductions** — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. **OR** **Standard Deduction** shown below for your filing status. 22 4000

Single or Married filing separately — \$2,000
Married filing jointly or Qualifying widow(er) — \$4,000
Head of household — \$2,920

23 Line 20 minus line 22. (This line MUST be filled in)..... 23 38450

ID No 01



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7913

Your Spouse's SSN
400-00-2013

JT073

Name(s) as shown on return

Test U. Grass May B. Grass

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es)			
	<input checked="" type="checkbox"/> Yourself	Spouse, and see page 21 of the Instructions.....	24	8320
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶		25	30130
26	Tax. Place an X if from <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.)	Tax ▶	26	1453
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....		27	
28	Total nonrefundable tax credits (attach Schedule CR).....		28	0
29	Line 26 minus line 28 (but not less than zero).....	Balance ▶	29	1453
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)		30	2825
31	2007 estimated tax payments		31	
32	Amount of estimated tax applied from 2006 return		32	
33	Amount paid with extension(s).....		33	
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions		34	
35	Credit for Low-Income Household Renters (attach Schedule X)		35	
36	Credit for Child and Dependent Care Expenses (attach Schedule X)		36	336
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)		37	
38	Credit for General Income Tax (see page 25 of the Instructions).....		38	100
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....		39	
40	Add lines 30 through 39.....	Total Payments and Credits ▶	40	3261
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)		41	1808
42	Contributions to (see page 26 of the Instructions):	Yourself Spouse		
42a	Hawaii Schools Repairs and Maintenance Fund.....	<input checked="" type="checkbox"/> \$2 <input checked="" type="checkbox"/> \$2		
42b	Hawaii Public Libraries Fund.....	<input checked="" type="checkbox"/> \$2 <input checked="" type="checkbox"/> \$2		
42c	Domestic Violence / Child Abuse and Neglect Funds	<input checked="" type="checkbox"/> \$5 <input checked="" type="checkbox"/> \$5		
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here		43	18
44	Line 41 minus line 43		44	1790
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX		45	500



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7913

Your Spouse's SSN
400-00-2013

JT074

Name(s) as shown on return _____

Test U. Grass May B. Grass

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions 46a 1290

b Routing number 253174576 c Type: Checking Savings

d Account number 06542153

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector"..... 47 _____

48 **Estimated tax penalty.** (See page 27 of Instructions.) Do not include on line 41 or 47. Place an X here if Form N-210 is attached > 48 _____

49 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions)..... 49 _____

50 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 50 _____

51 If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only.

52 Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity W _____ - _____, and main business activity/product: _____ / _____

53 Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received _____ and your Hawaii Tax I.D. Number for this activity W _____ - _____

54 Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity W _____ - _____, and main business activity/product: _____ / _____

DESIGNEE
If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.
888-555-1111
Designee's name > John Doe Phone no. > Identification number > 11112

HAWAII ELECTION CAMPAIGN FUND
Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No No
Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE
Your signature _____ Date _____ Your occupation **Consultant** Daytime Phone Number () _____
Spouse's signature (if filing jointly, BOTH must sign) _____ Date _____ Spouse's occupation **Salesperson**

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >	Federal E.I. No. >		
	Firm's name (or yours if self-employed), Address, and ZIP Code >	Phone No. >		

REMINDERS:

- File your return on or before April 20, 2008.
- **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
- **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
- Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
- Make check or money order payable to the "Hawaii State Tax Collector".

Name(s) as shown on Form N-11, N-13, or N-15
 Test U. and May B. Grass

Your social security number
 400-00-7913

Caution: Please read the instructions for Schedule X in your tax return instruction booklet carefully before completing this schedule.

PART I: LOW-INCOME REFUNDABLE TAX CREDIT

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) \$20,000 or less?
 If "No", **STOP**. You cannot claim this credit. However, you may claim the credit for a minor child receiving support from the Department of Human Services, etc. In this situation, only complete lines 3, 9, and 10. If "Yes", go to line 2.
- List YOURSELF, YOUR SPOUSE, AND YOUR DEPENDENTS if all the requirements in the box below are met. Do not list minor children receiving more than half of their support from public agencies even though you may claim them as a dependent. List these minor children on line 3.

2 Listed Person Must Meet All Requirements a) Resident of Hawaii b) Present in Hawaii more than 9 months during 2007 c) Not in prison, youth correctional facility, or jail for entire taxable year d) Cannot be claimed as a dependent by another taxpayer	Name	Name

Enter the number of qualified persons listed above **2**

- List all MINOR CHILDREN RECEIVING MORE THAN HALF OF THEIR SUPPORT FROM PUBLIC AGENCIES, such as the Department of Human Services, who meet all the requirements in the box below.

3 Listed Person Must Meet All Requirements a) Resident of Hawaii b) Present in Hawaii more than 9 months during 2007 c) Not in prison, youth correctional facility, or jail for entire taxable year d) More than half of support from public agency e) Not listed on any other Hawaii tax return	Caution: Do not list any children already listed on line 2 above.		
	Name	Social Security Number	Relationship to You

Enter the number of children listed above. Also enter this number in the space provided on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51 **3**

4 Enter the amount of your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A).....	4	
5 If you are married filing a separate return, enter your spouse's adjusted gross income	5	
6 Add lines 4 and 5. Enter the total here	6	
7 Enter on line 7 the amount of the tax credit shown below that applies to the amount on line 6. If line 6 is: Tax credit per qualified exemption is: Under \$10,000 .....\$35 \$10,000 under \$15,000 .....25 \$15,000 to \$20,000 .....10 Over \$20,000 .....0	7	
8 Multiply line 2 by the amount of the tax credit on line 7. Enter the total here	8	
9 Multiply line 3 by \$35. Enter the total here	9	
10 Add lines 8 and 9. Enter the result here and on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51. This is your low-income refundable tax credit. (Whole dollars only).....	10	00

PART II: CREDIT FOR LOW-INCOME HOUSEHOLD RENTERS

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) less than \$30,000?
 If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 2.
- Are you a resident who was present in Hawaii more than nine months of the taxable year? If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 3.
- Can you be claimed as a dependent by another taxpayer? If "Yes", **STOP**. You cannot claim this credit. If "No", proceed to line 4.
- Enter required information for each rental unit that was fully subject to real property tax. DO NOT list rental units that were wholly or partially exempt from real property tax. If you occupied more than one qualified unit, submit the required information for each additional unit on a separate sheet. If you shared the unit with others, enter only YOUR SHARE of the rent.

Address (give Apt. No., if any) _____
 Occupied From _____, 2007, To _____, 2007. Total rent paid for this period. \$ _____
 month month

Owned by (or agent for owner) _____ name _____ address _____
 W _____ (Hawaii Tax I.D. Number)

5 Add up YOUR SHARE of rent paid during the taxable year for all the units you have listed.	5	
6 Enter the amount of your exclusions (e.g. utilities, parking stalls, ground rent, rental subsidies such as public assistance)	6	
7 Line 5 minus line 6. If this amount is \$1,000, or less, STOP . You cannot claim this credit.....	7	
8 Enter the number of qualified exemptions from the Qualified Exemptions worksheet in the Instructions.	8	
9 Multiply the number of exemptions on line 8 by \$50 and enter the result here and on Form N-11, line 35; Form N-13, line 21d; or Form N-15, line 52. This is your low-income household renter's credit. (Whole dollars only)	9	00

PART III: CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES

Section A: Care Provider Information

1	(a) Care Provider's name	(b) Address (number, street, city, state and ZIP code)	(c) Identification number (SSN or FEIN)	(d) Hawaii Tax I.D. Number	(e) Amount paid
	Childrenrus	55 Sandbox Rd Honolulu, HI 96819	02-7777777	w 22222222 .01	400.00
	Susan Caregiver	First Childsplay Blvd Honolulu, HI 96819	02-6789000	w 33333333 .01	800.00
	A Child's Place	16 Playground St Honolulu, HI 96819	02-1245556	w 23232323 .01	1,940.00

Section B: Dependent Care Benefits — (If you did not receive benefits, skip to line 16)

2	Enter the total amount of dependent care benefits you received in 2007. Amounts you received as an employee should be shown in Box 10 of your W-2 form(s). If you were self-employed or a partner, include amounts you received under a dependent care assistance program from your sole proprietorship or partnership.....	2	1,000.00
3	Enter the amount, if any, you carried over from 2006 and used in 2007 during the grace period.....	3	
4	Enter the amount, if any, you forfeited or carried forward to 2008. (See the Instructions)	4	(100.00)
5	Combine lines 2 through 4	5	900.00
6	Enter the total amount of qualified expenses incurred in 2007 for the care of the qualifying person(s)	6	3,140.00
7	Enter the smaller of line 5 or 6.....	7	900.00
8	Enter YOUR earned income	8	24,500.00
9	If married filing a joint return, enter YOUR SPOUSE'S earned income (if student or disabled, see Instructions); if married filing separately, see the Instructions for the amount to enter; all others , enter the amount from line 8	9	17,500.00
10	Enter the smallest of line 7, 8, or 9.....	10	900.00
11	Taxable benefits. Enter the amount of taxable benefits from the worksheet in the Instructions. Also, include this amount on Form N-13, line 7 or Form N-15, line 7. On the corresponding dotted line write "DCB"..... 11		0.00
12	Enter \$2,400 (\$4,800 if two or more qualifying persons)	12	4,800.00
13	Add lines f and i from the Taxable Benefits worksheet in the Instructions.....	13	900.00
14	Line 12 minus line 13. If zero or less, STOP . You cannot take the credit. Exception. If you paid 2006 expenses in 2007 (see Instructions).....	14	3,900.00
15	Complete line 16. Do not include in column (d) any benefits shown on line 13. Then, add the amounts in column (d) and enter the total here.	15	2,240.00

Section C: Credit for Child and Dependent Care Expenses — (If you are married, you must file a joint return to claim the tax credit.)

16	(a) Qualifying person's name	(b) Relationship	(c) Qualifying person's social security number	(d) Qualified expenses you incurred and paid in 2007 for the person listed in column (a)
	Timothy Grass	Son	400-55-3013	1,040.00
	Mary Grass	Daughter	400-55-4013	700.00
	David Grass	Son	400-55-5013	500.00

17	Add the amounts in column (d) of line 16. DO NOT enter more than \$2,400 for one qualifying person or \$4,800 for two or more persons. If you completed Section B, enter the smaller of line 14 or line 15.....	17	2,240.00
18	Enter YOUR earned income	18	24,500.00
19	If married filing a joint return, enter YOUR SPOUSE'S earned income (if student or disabled, see the Instructions); all others , enter the amount from line 18.....	19	17,500.00
20	Enter the smallest of line 17, 18, or 19.....	20	2,240.00
21	Enter adjusted gross income from Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A.....	21	42,450.00
22	Enter on line 22 the decimal amount shown below that applies to the amount on line 21. If line 21 is: Decimal amount is: If line 21 is: Decimal amount is: Under \$22,001 .25 \$32,001 — 34,000 .19 \$22,001 — 24,000 .24 34,001 — 36,000 .18 24,001 — 26,000 .23 36,001 — 38,000 .17 26,001 — 28,000 .22 38,001 — 40,000 .16 28,001 — 30,000 .21 40,001 and over .15 30,001 — 32,000 .20	22	x0.15
23	Multiply line 20 by the decimal amount on line 22. Enter the result here and on Form N-11, line 36; Form N-13, line 21e; or Form N-15, line 53. (Whole dollars only)	23	336 00

Hawaii Test Case #5 (Based on the modified 2005 IRS Test #14)**Attachments:**

Hawaii Form N-11
Hawaii Form N-615

Taxpayer name: TEST D RICHARD
Taxpayer SSN: 400-00-7914

Hawaii changes to IRS test:

All form(s):
Social Security number changed to Hawaii test designation:
400-00-7914
Address changed to foreign address:
3-4-2 HAMAMATSU-CHO
MINATO-KU, TOKYO, JAPAN 261-3254

State Return Details:**FORM N-11**

Line 7	Federal AGI:	\$6,496
Line 20	Hawaii AGI:	\$6,496
	Taxpayer is a dependent of another?	yes
Line 22	Itemized or standard:	\$500
Line 24	Exemptions:	\$0
Line 25	Taxable income:	\$5,996
Line 26	Tax liability:	\$401 (from Form N-615)
	Taxpayer DOES NOT qualify for any tax credits.	
Line 47	Balance due:	\$401
Line 52	Federal Schedule C:	no
Line 53	Federal Schedule E:	yes
	Gross Rents:	0
	Tax ID:	blank
Line 54	Federal Schedule F:	no
	Taxpayer's designee:	
	Preparer	
	Hawaii Election Campaign Fund:	no
	Return was prepared by:	
	Preparer's Name:	ROBERT R ROBERTS
	Preparer's ID:	400-55-4014
	Preparer's FEIN:	88-6868686
	Preparer's Firm's Name:	ROBERTS ENTERPRISES
	Preparer's Firm's Address:	645 SALEM ST NIXON, NV 89424
	Preparer's Phone No.:	775-555-1313
	Preparer self-employed:	yes
	Date:	April 10, 2008

Form N-615

Line A:		RICHARD D RICHARD
Line B:		400-55-3014
Line C:		Married filing joint
Line D:		4
Line 6	Parent's taxable income:	\$40,100
Line 7	Investment income of other children:	\$1,620
Line 9	Tax on amount in line 8:	\$2,651 (from tax table)
Line 10	Parent's tax:	\$2,140 (from tax table)
Line 15	Tax on amount in line 14:	\$7 (from tax table)
Line 17	Tax on amount in line 4:	\$175 (from tax table)

TEST #14 - IRS scenario

FORMS REQUIRED: FORM 1040, SCH B, SCH D, SCH E PG 2, FORM 8615

INFORMATION RETURNS ATTACHED:

ENTRIES NOT REQUIRING FORMS: FORM 1040, LINE 65: 600
FORM 1040, LINE 69: 109

STATEMENTS:

OTHER: DEPENDENT OF ANOTHER

THIRD PARTY DESIGNEE: PREPARER

PREPARED BY: ROBERT R ROBERTS (SELF-EMPLOYED) SSN: 400-55-4014
ROBERTS ENTERPRISES EIN: 88-6868686
645 SALEM ST PHONE: 775-555-1313
NIXON, NV 89424

TAXPAYER: NAME: TEST D RICHARD SSN: 400-00-1014
DOB: 03-13-1994 OCCUPATION: STUDENT
DISABLED: NO PRES ELEC FUND: NO
DAYTIME PHONE: NOT GIVEN BLIND: NO

CHECK DIGITS FROM IRS LABEL: BT

ADDRESS: 94022 PATRICIA CT
HAPPY JACK, AZ 86024

FILING STATUS: SINGLE LINE 6d: 0

SCHEDULE B:

PART I:

LINE 1:

PAYER NAME	AMOUNT
FOREFATHERS BANK	1514

PART II:

LINE 5:

PAYER NAME	AMOUNT
WIZE INVESTMENT	582 (NON-QUALIFIED)

PART III:

LINE 7a: NO

LINE 8: NO

SCHEDULE D:

PART I:

LINE 1:	(a)	(b)	(c)	(d)	(e)
100 SHS WIZE		03-24-2007	06-02-2007	1000	1800

SCHEDULE E, PG 2:

PART III:

LINE 33A(a): LONG TIME GONE
LINE 33A(b): 04-5763211
LINE 33A(d): 5200

FORM 8615:

LINE A: RICHARD D RICHARD
LINE B: 400-55-3014
LINE C: MARRIED FILING JOINTLY

PART II:

LINE 6: 40100
LINE 7: 1620
LINE 10: 5236

ETD TRANSMISSION:

FORM 56:

PART I:

NAME OF PERSON FOR WHOM YOU ARE ACTING: TEST D RICHARD
IDENTIFYING NUMBER: 400-00-1014
ADDRESS OF PERSON FOR WHOM YOU ARE ACTING: 94022 PATRICIA CT
CITY, STATE, ZIP: HAPPY JACK, AZ 86024
FIDUCIARY'S NAME: RICHARD D RICHARD
ADDRESS OF FIDUCIARY: 94022 PATRICIA CT
CITY, STATE, ZIP: HAPPY JACK, AZ 86024
TELEPHONE NUMBER: 987-654-3210

PART II:

LINE 1(b)1: X
LINE 1(b)2: 05-15-2007

PART III:

LINE 2: ESTATE/TRUST
LINE 3: 1041
LINE 4: 2005 2006 2007
LINE 5: X

PART V:

NAME OF COURT: US DISTRICT COURT, NINTH DISTRICT
ADDRESS OF COURT: 123 N SAN FRANCISCO ST, SUITE 200
CITY, STATE, ZIP: FLAGSTAFF, AZ 86001
DATE PROCEEDING INITIATED: 04-20-2007
DOCKET NUMBER OF PROCEEDING: 123AX
DATE: 05-15-2007
TIME: 10:00 A.M.

PIN: 74125

SIGNATURE DATE: 04-15-2008

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040

FORM 1040

First Name, MI & Last Name: (TEST D RICHARD)
Social Security Number: (400-00-7914)
Home Address: (PO BOX 6677)
City, State, and Zip Code: (KANEHOE HI 96744-9179)
Do you want \$3.00 to go to the Presidential Campaign Fund: (NO)
Filing Status: (SINGLE)
Number of boxes checked on 6a and 6b: (0)
Total number in box 6d: (0)
Line 8a Taxable interest: (1514)
Line 9a Ordinary dividend income: (582)
Line 13 Capital gain or (loss): (-800)
Line 17 Schedule E income or (loss): (5200)
Line 22 Total income: (6496)
Line 37 Adjusted gross income: (6496)
Line 38 Amount from line 37: (6496)
Line 40 Itemized or standard deduction: (850)
Line 41 Subtract line 40 from line 38: (5646)
Line 42 Multiply \$3400 by the total number of exemptions on line 6d: (0)
Line 43 Taxable income: (5646)
Line 44 Tax: (804)
Line 46 Add lines 44 and 45: (804)
Line 57 Subtract line 56 from line 46: (804)
Line 63 Total tax: (804)
Line 65 2007 estimated tax payments: (600)
Line 69 Amount paid with Form 4868: (109)
Line 72 Total payments: (709)
Line 76 Amount you owe: (95)

Third party designee: (YES)
Designee's name: (PREPARER)
Taxpayer's occupation: (STUDENT)

Paid Preparer Information:
Self-employed: (X)
Preparer's SSN: (400-55-4014)
Firm Name: (ROBERTS ENTERPRISES)
EIN: (88-6868686)
Firm Address: (645 SALEM ST)
(NIXON NV 89424)
Phone no: (775-555-1313)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate
First Time Filer Address or Name Change

Place label here

Form with fields: Your First Name (Test), Your Last Name (Richard), Spouse's First Name, Spouse's Last Name, Care Of, Present mailing or home address (3-4-2 Hamamatsu-Cho), City, town or post office (Minato-Ku), Postal/ZIP code (261-3254), If Foreign address, enter Province and/or State (Tokyo), Country (Japan)

IMPORTANT — Complete this Section

Enter the first four letters of your last name (RICH), Your Social Security Number (400-00-7914), Spouse's Social Security Number

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

1 X Single, 2 Married filing joint return, 3 Married filing separate return, 4 Head of household, 5 Qualifying widow(er) with dependent child

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

6a Yourself, 6b Spouse, 6c Enter the number of your dependent children, 6d Enter the number of other dependents, 6e Total number of exemptions claimed (0)

ID No 01



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7914

Your Spouse's SSN

JT072

Name(s) as shown on return _____

Test D. Richard

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 10 of the Instructions)	7	_____	6496
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 11 of the Instructions).....	8	_____	
9	Interest on out-of-state bonds (including municipal bonds)	9	_____	
10	Other Hawaii additions to federal AGI (see page 11 of the Instructions).....	10	_____	
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	_____	0
12	Add lines 7 and 11.....	12	_____	6496
13	Pensions taxed federally but not taxed by Hawaii.....	13	_____	
14	Social security benefits taxed on federal return	14	_____	
15	First \$3,631 of military reserve or Hawaii national guard duty pay	15	_____	
16	Payments to an individual housing account	16	_____	
17	Exceptional trees deduction (attach affidavit) (see page 14 of the Instructions).....	17	_____	
18	Other Hawaii subtractions from federal AGI (see page 14 of the Instructions).....	18	_____	
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	_____	0
20	Line 12 minus line 19..... Hawaii AGI ▶	20	_____	6496

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here **X**

21 If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.

21a	Medical and dental expenses (from Worksheet A-1).....	21a	_____	
21b	Taxes (from Worksheet A-2).....	21b	_____	
21c	Interest expense (from Worksheet A-3)	21c	_____	
21d	Contributions (from Worksheet A-4).....	21d	_____	
21e	Casualty and theft losses (from Worksheet A-5).....	21e	_____	
21f	Miscellaneous deductions (from Worksheet A-6).....	21f	_____	

22	Enter the larger of your: } Itemized Deductions — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. OR Standard Deduction shown below for your filing status. Single or Married filing separately — \$2,000 Married filing jointly or Qualifying widow(er) — \$4,000 Head of household — \$2,920	22	_____	500
----	---	----	-------	-----

23 Line 20 minus line 22. (This line MUST be filled in)..... 23 _____ 5996

ID No 01



JT073

Name(s) as shown on return

Test D. Richard

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es)			
	Yourself	Spouse, and see page 21 of the Instructions.....	24	0
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶		25	5996
26	Tax. Place an X if from Tax Table; Tax Rate Schedule; Form N-168; <input checked="" type="checkbox"/> Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) Tax ▶		26	401
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....		27	
28	Total nonrefundable tax credits (attach Schedule CR).....		28	0
29	Line 26 minus line 28 (but not less than zero)..... Balance ▶		29	401
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)		30	
31	2007 estimated tax payments		31	
32	Amount of estimated tax applied from 2006 return		32	
33	Amount paid with extension(s).....		33	
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions		34	
35	Credit for Low-Income Household Renters (attach Schedule X)		35	
36	Credit for Child and Dependent Care Expenses (attach Schedule X)		36	
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)		37	
38	Credit for General Income Tax (see page 25 of the Instructions).....		38	
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....		39	
40	Add lines 30 through 39..... Total Payments and Credits ▶		40	0
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)		41	
42	Contributions to (see page 26 of the Instructions):	Yourself	Spouse	
42a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2	
42b	Hawaii Public Libraries Fund.....	\$2	\$2	
42c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5	
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here		43	
44	Line 41 minus line 43		44	
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX		45	



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7914

Your Spouse's SSN

JT074

Name(s) as shown on return

Test D. Richard

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions **46a** _____

b Routing number _____ c Type: Checking Savings

d Account number _____

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector"..... **47** _____ **401**

48 **Estimated tax penalty.** (See page 27 of Instructions.) Do not include on line 41 or 47. Place an X here if Form N-210 is attached > **48** _____

49 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions)..... **49** _____

50 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) **50** _____

51 If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only.

52 Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

53 Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received _____ **0** and your Hawaii Tax I.D. Number for this activity **W** _____ - _____

54 Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

DESIGNEE
If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.
775-555-1313
Designee's name > Robert R. Roberts Phone no. > Identification number > 400-55-4014

HAWAII ELECTION CAMPAIGN FUND
Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No
Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE
Your signature _____ Date _____ Your occupation **Student** Daytime Phone Number () _____
Spouse's signature (if filing jointly, BOTH must sign) _____ Date _____ Spouse's occupation _____

Paid Preparer's Information	Preparer's Signature > _____	Date 4/10/08	Check if self-employed > <input checked="" type="checkbox"/>	Preparer's identification number 400-55-4014
	Print Preparer's Name > Robert R. Roberts		Federal E.I. No. > 88-6868686	
	Firm's name (or yours if self-employed), Address, and ZIP Code > Roberts Enterprises 645 Salem St, Nixon, NV 89424		Phone No. > (775) 555-1313	

REMINDERS:

- File your return on or before April 20, 2008.
- **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
- **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
- Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
- Make check or money order payable to the "Hawaii State Tax Collector".

STATE OF HAWAII — DEPARTMENT OF TAXATION
**Computation of Tax for Children Under Age 14 Who
Have Investment Income of More than \$1,000**

2007

➤ See Separate Instructions

➤ Attach ONLY to the Child's Form N-11, Form N-13, or Form N-15

Child's name shown on return Test D. Richard	Child's social security number 400-00-7914
A Parent's name (first, initial, last) (Caution: See Instructions before completing) Richard D. Richard	B Parent's social security number 400-55-3014
C Parent's filing status (check one): <input type="checkbox"/> Single, <input checked="" type="checkbox"/> Married filing jointly, <input type="checkbox"/> Married filing separately, <input type="checkbox"/> Head of household or <input type="checkbox"/> Qualifying widow(er)	
D Enter number of exemptions claimed on parent's return. (If the parent's filing status is married filing separately, see Instructions.) ➤	4

Step 1 Figure child's net investment income

1 Enter the child's investment income. (See Instructions. If this amount is \$1,000 or less, stop here; do not file this form.)	1	6,496.00
2 If the child DID NOT itemize deductions on Form N-11 or Form N-15, enter \$1,000. If the child ITEMIZED deductions, see Instructions.	2	1,000.00
3 Line 1 minus line 2. Enter the result. (If zero or less, stop here; do not complete the rest of this form but ATTACH it to the child's return.)	3	5,496.00
4 Enter the child's taxable income (from Form N-11, line 25; Form N-13, line 15; or Form N-15, line 43).	4	5,996.00
5 Enter the smaller of line 3 or line 4. (If zero, stop here; do not complete the rest of this form but ATTACH it to the child's return.) ➤	5	5,496.00

Step 2 Figure tentative tax based on the parent's tax rate

6 Enter the parent's taxable income (from Form N-11, line 25; Form N-13, line 15; or Form N-15, line 43). If less than zero, enter zero.	6	40,100.00
7 Enter the total, if any, from Forms N-615, line 5, of ALL OTHER children of the parent listed above. (Do NOT include the amount on line 5 above.)	7	1,620.00
8 Add the amounts on lines 5, 6, and 7. Enter the total.	8	47,216.00
9 Tax on the amount on line 8 based on the parent's filing status. See Instructions. Check if from <input checked="" type="checkbox"/> Tax Table, <input type="checkbox"/> Tax Rate Schedule, <input type="checkbox"/> Capital Gains Tax Worksheet in the Instructions for Form N-11 or Form N-15, <input type="checkbox"/> Form N-168.	9	2,651.00
10 Enter the parent's tax (from Form N-11, line 26; Form N-13, line 16; or Form N-15, line 44). Do not include any tax from Form N-152 or Form N-814. Check if from <input checked="" type="checkbox"/> Tax Table, <input type="checkbox"/> Tax Rate Schedule, <input type="checkbox"/> Capital Gains Tax Worksheet in the Instructions for Form N-11 or Form N-15, <input type="checkbox"/> Form N-168.	10	2,140.00
11 Line 9 minus line 10. Enter the result. (If no amount is entered on line 7, enter the amount from line 11 on line 13 and go to Step 3 .)	11	511.00
12a Add the amounts on lines 5 and 7. Enter the total.	12a	7,116.00
b Divide the amount on line 5 by the amount on line 12a. Enter the decimal (rounded to at least three places).	12b	0.772
13 Multiply the amount on line 11 by the amount on line 12b. Enter the result. ➤	13	394.00

Step 3 Figure child's tax — If the amounts on lines 4 and 5 are the same, enter -0- on line 15 and go to line 16.

14 Line 4 minus line 5. Enter the result.	14	500.00
15 Tax on the amount on line 14 based on the child's filing status. See Instructions. Check if from <input checked="" type="checkbox"/> Tax Table, <input type="checkbox"/> Tax Rate Schedule, <input type="checkbox"/> Capital Gains Tax Worksheet in the Instructions for Form N-11 or Form N-15, <input type="checkbox"/> Form N-168.	15	7.00
16 Add the amounts on lines 13 and 15. Enter the total.	16	401.00
17 Tax on the amount on line 4 based on the child's filing status. See Instructions. Check if from <input checked="" type="checkbox"/> Tax Table, <input type="checkbox"/> Tax Rate Schedule, <input type="checkbox"/> Capital Gains Tax Worksheet in the Instructions for Form N-11 or Form N-15, <input type="checkbox"/> Form N-168.	17	175.00
18 Enter the larger of line 16 or line 17 here and on the child's Form N-11, line 26; Form N-13, line 16; or Form N-15, line 44. (Whole dollars only) Be sure to check the box for Form N-615. ➤	18	401 00

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #6 (Based on the modified 2005 IRS Test #16)

Attachments:

Hawaii Form N-11
 Hawaii Form N-334
 Hawaii Form N-334A
 Hawaii Schedule CR

Taxpayer name: TEST T ISLANDER
 Taxpayer SSN: 400-00-7916

Hawaii changes to IRS test:

All form(s)
 Social Security number changed to Hawaii test designation:
 400-00-7916
 Address changed to Hawaii address:
 98-073 LII-IPO ST
 AIEA, HI 96701
 W-2(1)
 Line 15 State changed to Hawaii: HI
 W-2G(1)
 Line 13 State changed to Hawaii: HI

State Return Details:

FORM N-11

Line 7	Federal AGI:	\$47,475
Line 20	Hawaii AGI:	\$47,475
Line 22	Itemized or standard:	\$2,920
Line 24	Exemptions:	\$1,040
Line 25	Taxable income:	\$43,515
Line 26	Tax liability:	\$2,602 (from tax tables)
Line 28	Nonrefundable tax credits:	\$1,950
Line 30	Taxes:	\$2,023
Line 38	Credit for general income tax:	\$80
Line 41	Overpaid:	\$1,451
Line 42a	School repair contribution:	no
Line 42b	Library contribution:	no
Line 42c	Domestic violence contribution:	no
Line 46a	Refund:	\$1,451
Line 52	Federal Schedule C:	yes
	Gross receipts:	\$28,900
	Hawaii Tax I.D. Number:	W77777777-01
	Main business activity/product:	INSUR SALES/524290
Line 53	Federal Schedule E:	yes
	Gross receipts:	0
	Hawaii Tax I.D. Number:	blank
Line 54	Federal Schedule F:	no
	No designee	
	Hawaii Election Campaign Fund:	yes

FORM N-334

Solar Thermal Energy System - Date system installed and placed in service: 6/29/07

Line 1	\$5,000
Line 3	\$5,000
Line 4	\$1,750
Line 15	\$1,750
Line 46	\$200
Line 48	\$1,950
Line 49	\$2,602
Line 51	\$2,602
Line 52	\$1,950
Line 53	\$0

FORM N-334A

Entity's name and address	SANDY SHORES, INC. 1234 SANDY SHORES STREET HONOLULU, HI 96813
Entity's identification number	56-8523699
Type of entity	S CORPORATION
Name of individual for this statement	TEST T ISLANDER
Photovoltaic Energy System - Date system installed and placed in service:	2/1/07

Line 35	\$500
Line 37	\$500
Line 38	\$175
Line 39	10
Line 40	\$1,750
Line 45	\$1,750
Line 46	\$1,750
Line 47	\$200

Hawaii Schedule CR:

Part I:	
Line 12	\$1,950 (Mark an X in the boxes for Solar and Photovoltaic)
Line 14	\$1,950

TEST #16 - IRS scenario

FORMS REQUIRED: FORM 1040, SCH C, SCH E PG 2, FORM 8901

INFORMATION RETURNS ATTACHED: FORM W-2 (1), FORM W-2G (1), FORM 1099-R (1)

ENTRIES NOT REQUIRING FORMS: FORM 1040, LINE 52: 1000
FORM 1040, LINE 65: 3000

STATEMENTS:

OTHER: NOTE: STATUTORY EMPLOYEE

THIRD PARTY DESIGNEE: NONE

PREPARED BY:

TAXPAYER: NAME: TEST T ISLANDER	SSN: 400-00-1016
DOB: 08-22-1971	OCCUPATION: INSURANCE BROKER
DISABLED: NO	PRES ELEC FUND: YES
DAYTIME PHONE: NOT GIVEN	BLIND: NO

CHECK DIGITS FROM IRS LABEL: JU

ADDRESS: 123 PLAY HERE ST
WASHINGTON, DC 20011

FILING STATUS: HEAD OF HOUSEHOLD	LINE 6d: 1
QUALIFYING NAME: MICHAEL ISLANDER	SSN: 400-55-3016
	AGE: 16

SCHEDULE C:

NAME OF PROPRIETOR: TEST T ISLANDER	SSN: 400-00-1016
LINE A: INSURANCE SALES	
LINE B: 524290	
LINE D: 65-7044337	
LINE F: CASH	
LINE G: YES	

PART I:

LINE 1: 28900 STATUTORY EMPLOYEE BOX = X

PART II:

LINE 18: 640
LINE 22: 4065
LINE 23: 820
LINE 26: 8300

SCHEDULE E, PAGE 2:

PART II:

LINE 27: NO

LINE 28A(a): SANDY SHORES, INC

LINE 28A(b): S

LINE 28A(d): 56-8523699

LINE 28A(j): 24400

FORM 8901:

	First Name	Last Name	SSN	Relationship
CHILD 1:	MICHAEL	ISLANDER	400-55-3016	SON

ETD TRANSMISSION:

FORM 4868:

LINE 4: 3874

LINE 5: 3500

LINE 6: 374

HAWAII TEST CASE #6

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040, FORM W-2 (1), FORM W-2G (1), FORM 1099-R (1)

FORM 1040:

First Name, MI and Last Name: (TEST T ISLANDER)
Social Security Number: (400-00-7916)
Home Address: (98-073 LII-IPO ST)
City, State, and Zip: (AIEA, HI 96701)
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
Filing Status: (HEAD OF HOUSEHOLD)
Qualifying person's name: (MICHAEL ISLANDER)
Qualifying person's SSN: (400-55-3016)
Number of boxes checked on 6a and 6b: (1)
Total number in box 6d: (1)
Line 12 Schedule C income or (loss): (15075)
Line 16b Taxable pensions & annuities: (3000)
Line 17 Schedule E income: (24400)
Line 21 Other income - LITERAL: (BLACKJACK 5000)
Line 21 Total other income: (5000)
Line 22 Total income: (47475)
Line 37 Adjusted gross income: (47475)
Line 38 Amount from line 37: (47475)
Line 40 Itemized or standard deduction: (7850)
Line 41 Subtract line 40 from line 38: (39625)
Line 42 Multiply \$3400 by the total number of exemptions on line 6d: (3400)
Line 43 Taxable income: (36225)
Line 44 Tax: (4874)
Line 46 Add lines 44 and 45: (4874)
Line 52 Child tax credit (1000)
Line 56 Total credits: (1000)
Line 57 Subtract line 56 from line 46: (3874)
Line 63 Total tax: (3874)
Line 64 Federal income tax withheld: (500)
Line 65 2007 estimated tax payments: (3000)
Line 72 Total payments: (3500)
Line 76 Amount you owe: (374)
Taxpayers Occupation: (INSURANCE BROKER)

Third party designee: (NO)

TEST #16: continued:

Form W-2 #1:

a. Employees social security number: (400-00-7916)
 b. Employers identification number: (58-2346821)
 c. Employers name address and Zip Code: (OUT OF STATE INSURANCE SERVICES)
 (7000 SIX FLAGS DR)
 (ATLANTA GA 30301)
 e. Employees name (First, MI, Last): (TEST T ISLANDER)
f. Employees address and Zip code: (98-073 LII-IPO ST)
(AIEA, HI 96701)
 Box 1 Wages, tips, etc.: (28900)
 Box 2 Federal Income Tax Withheld: (0)
 Box 3 Social Security wages: (28900)
 Box 4 Social Security tax withheld: (1792)
 Box 5 Medicare wages and tips: (28900)
 Box 6 Medicare tax withheld: (419)
 Box 13 Statutory employee: (X)
Box 15 State and State ID Number: (HI 5822768)
 Box 16 State Wages: (28900)
 Box 17 State Income tax withheld: (2023)

Form W-2G #1:

Payer's name, address and Zip codes: (GULF CRUISE LINES)
 (DOCK 106 HARBOR ROW)
 (DESTIN FL 32540)
 Payer's identification number: (65-7294862)
 Winner's name **address and Zip code:** (TEST T ISLANDER)
(98-073 LII-IPO ST)
(AIEA, HI 96701)
 Box 1 Gross winnings: (5000)
 Box 2 Federal Income tax withheld: (500)
 Box 3 Type of wager: (BLACKJACK)
 Box 4 Date won: (02-14-2007)
Box 9 Winner's taxpayer ID No.: (400-00-7916)
Box 13 State/Payer's state ID No.: (HI 5822768)

Form 1099-R #1:

Payer's name address and Zip Code: (VACATION INSURANCE SERVICES)
 (93 BAY ST)
 (DESTIN FL 32540)
 Payer's identification number: (65-9687321)
Recipient's social security number: (400-00-7916)
 Recipient's name (First, MI, Last): (TEST T ISLANDER)
Recipient's street address: (98-073 LII-IPO ST)
Recipient's city state and Zip code: (AIEA, HI 96701)
 Box 1 Gross distribution: (3000)
 Box 2a Taxable amount: (3000)
 Box 2b Total distribution: (X)
 Box 7 Distribution code: (2)



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate
First Time Filer Address or Name Change

Place label here

Form fields for personal information: Your First Name (Test), Your Last Name (T Islander), Spouse's First Name, Spouse's Last Name, Care Of, Present mailing or home address (98-073 Lii-Ipo St), City, town or post office (Aiea), State (HI), Postal/ZIP code (96701).

IMPORTANT — Complete this Section

Important section fields: Enter the first four letters of your last name (ISLA), Your Social Security Number (400-00-7916), Enter the first four letters of your Spouse's last name, Spouse's Social Security Number.

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

Marital status selection: (Place an X in only ONE box) 1 Single, 2 Married filing joint return, 3 Married filing separate return, 4 X Head of household, 5 Qualifying widow(er).

CAUTION: If you can be claimed as a dependent... 6a X Yourself, 6b Spouse, 6c Enter the number of your dependent children, 6d Enter the number of other dependents, 6e Total number of exemptions claimed.

ID No 01



JT072

Name(s) as shown on return

Test T. Islander

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

Table with 3 columns: Line number, Description, and Amount. Includes lines 7 through 20, covering Federal adjusted gross income, Hawaii additions, and Hawaii subtractions.

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here

- 21 If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.
21a Medical and dental expenses
21b Taxes
21c Interest expense
21d Contributions
21e Casualty and theft losses
21f Miscellaneous deductions

22 Enter the larger of your: } Itemized Deductions — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. OR Standard Deduction shown below for your filing status. 22 2920

23 Line 20 minus line 22. (This line MUST be filled in) 23 44555

ID NO 01



JT073

Name(s) as shown on return

Test T. Islander

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es)			
	Yourself			
	Spouse, and see page 21 of the Instructions.....	24		1040
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶	25		43515
26	Tax. Place an X if from <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.)	Tax ▶	26	2602
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	27		
28	Total nonrefundable tax credits (attach Schedule CR).....	28		1950
29	Line 26 minus line 28 (but not less than zero).....	Balance ▶	29	652
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)	30	2023	
31	2007 estimated tax payments	31		
32	Amount of estimated tax applied from 2006 return	32		
33	Amount paid with extension(s).....	33		
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions	34		
35	Credit for Low-Income Household Renters (attach Schedule X)	35		
36	Credit for Child and Dependent Care Expenses (attach Schedule X)	36		
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)	37		
38	Credit for General Income Tax (see page 25 of the Instructions).....	38	80	
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....	39		
40	Add lines 30 through 39.....	Total Payments and Credits ▶	40	2103
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)	41		1451
42	Contributions to (see page 26 of the Instructions):	Yourself	Spouse	
42a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2	
42b	Hawaii Public Libraries Fund.....	\$2	\$2	
42c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5	
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here	43		0
44	Line 41 minus line 43	44		1451
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX	45		



JT074

Name(s) as shown on return

Test T. Islander

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions **46a** 1451

b Routing number c Type: Checking Savings

d Account number

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.

Make check or money order payable to the "Hawaii State Tax Collector"..... **47**

48 **Estimated tax penalty.** (See page 27 of

Instructions.) Do not include on line 41 or 47. Place an

X here if Form N-210 is attached > **48**

49 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions)..... **49**

50 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) **50**

51 If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only.

52 Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts 28900, your Hawaii Tax I.D. Number for this activity **W** 77777777 - 01, and main business activity/product: Insur Sales / 524290

53 Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received 0 and your Hawaii Tax I.D. Number for this activity **W** _____ - _____

54 Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

DESIGNEE

If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.

Designee's name > Phone no. > Identification number >

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

PLEASE SIGN HERE

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature Date Your occupation Daytime Phone Number
> _____ _____ **Insurance Broker** ()

Spouse's signature (if filing jointly, BOTH must sign) Date Spouse's occupation
> _____ _____ _____

Paid Preparer's Information
Preparer's Signature > Date Check if self-employed > Preparer's identification number

Print Preparer's Name > Federal E.I. No. >

Firm's name (or yours if self-employed), Address, and ZIP Code > Phone No. >

REMINDERS:

- File your return on or before April 20, 2008.
- **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
- **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
- Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
- Make check or money order payable to the "Hawaii State Tax Collector".

**STATE OF HAWAII — DEPARTMENT OF TAXATION
RENEWABLE ENERGY TECHNOLOGIES
INCOME TAX CREDIT**

Or fiscal year beginning _____, 2007, and ending _____, 20_____

ATTACH THIS SCHEDULE TO YOUR FORM F-1, N-11, N-13, N-15, N-30, N-40, OR N-70NP

Name Test T. Islander	SSN or FEIN 400-00-7916
--------------------------	----------------------------

Note: For taxable years beginning after December 31, 2006, this credit can be claimed only for renewable energy technology systems installed and placed in service in Hawaii and nonresident taxpayers can now claim the credit.

Note: Multiple owners of a single system are entitled to a single tax credit. (See separate instructions)

COMPUTATION OF TAX CREDIT

NOTE: If you are claiming the Ethanol Facility Tax Credit, no other credit can be claimed. Skip lines 1 through 46 and begin on line 47

NOTE: If you are only claiming your distributive share of a tax credit distributed from an S corporation, a partnership, an estate, or a trust (Form N-334A), skip lines 1 through 45 and begin on line 46. If you are only claiming a tax credit carried over from a previous year, begin on line 47.

SOLAR THERMAL ENERGY SYSTEM		Enter date system was installed and placed in service ➤	<u>6 / 29 / 07</u>
1. Cost of qualified solar thermal energy system installed and placed in service in Hawaii on single-family residential property.....	1	5,000.00	
2. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	2		
3. Actual cost of solar thermal energy system. (Subtract line 2 from line 1 and enter result).....	3	5,000.00	
4. Enter 35% of line 3 or \$2,250, whichever is less.....	4		1,750.00
5. Per unit cost of qualified solar thermal energy system installed and placed in service in Hawaii on multi-family residential property.....	5		
6. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	6		
7. Actual per unit cost of solar thermal energy system. (Subtract line 6 from line 5 and enter result).....	7		
8. Enter 35% of line 7 or \$350, whichever is less.....	8		
9. Number of units you own to which the allocated unit cost on line 7 is applicable.....	9		
10. Multiply line 8 by line 9 and enter result.....	10		
11. Cost of qualified solar thermal energy system installed and placed in service in Hawaii on commercial property.....	11		
12. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	12		
13. Actual cost of solar thermal energy system. (Subtract line 12 from line 11 and enter result)...	13		
14. Enter 35% of line 13 or \$250,000, whichever is less.....	14		
15. Add lines 4, 10, and 14, and enter result (but not less than zero).....	15		1,750.00
WIND-POWERED ENERGY SYSTEM		Enter date system was installed and placed in service ➤	<u> / / </u>
16. Cost of qualified wind powered energy system installed and placed in service in Hawaii on single-family residential property.....	16		
17. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	17		
18. Actual cost of wind powered energy system. (Subtract line 17 from line 16 and enter result) .	18		
19. Enter 20% of line 18 or \$1,500, whichever is less.....	19		
20. Per unit cost of qualified wind powered energy system installed and placed in service in Hawaii on multi-family residential property.....	20		
21. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	21		
22. Actual per unit cost of wind powered energy system. (Subtract line 21 from line 20 and enter result).....	22		
23. Enter 20% of line 22 or \$200, whichever is less.....	23		
24. Number of units you own to which the allocated unit cost on line 23 is applicable.....	24		
25. Multiply line 23 by line 24 and enter result.....	25		
26. Cost of qualified wind powered energy system installed and placed in service in Hawaii on commercial property.....	26		

(Continued on back)

27. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	27		
28. Actual cost of wind powered energy system. (Subtract line 27 from line 26 and enter result) .	28		
29 Enter 20% of line 28 or \$500,000, whichever is less.....			29
30. Add lines 19, 25, and 29, and enter result. (but not less than zero).....			30

PHOTOVOLTAIC ENERGY SYSTEM

Enter date system was installed and placed in service ► ___/___/___

31. Cost of qualified photovoltaic energy system installed and placed in service in Hawaii on single-family residential property.....	31		
32. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	32		
33. Actual cost of photovoltaic energy system. (Subtract line 32 from line 31 and enter result)	33		
34. Enter 35% of line 33 or \$5,000, whichever is less.....			34
35. Per unit cost of qualified photovoltaic energy system installed and placed in service in Hawaii on multi-family residential property.....	35		
36. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	36		
37. Subtract line 36 from line 35 and enter result.....	37		
38. Enter 35% of line 37 or \$350, whichever is less	38		
39. Number of building units you own to which the allocated unit cost on line 38 is applicable	39		
40. Multiply line 38 by line 39 and enter result			40
41. Cost of qualified photovoltaic energy system installed and placed in service in Hawaii on commercial property.....	41		
42. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	42		
43. Actual cost of photovoltaic energy system. (Subtract line 42 from line 41 and enter result)	43		
44. Enter 35% of line 43 or \$500,000, whichever is less.....			44
45. Add lines 34, 40, and 44, and enter result. (but not less than zero).....			45

TOTAL CREDIT FOR RENEWABLE ENERGY TECHNOLOGIES

46. Distributive share of tax credit from attached Form(s) N-334A	46		200.00
47. Carryover of unused renewable energy technologies income tax credit from prior year.....	47		
48. Add lines 15, 30, 45, 46, and 47 and enter result here. This represents your tentative current year renewable energy technologies income tax credit.....	48		1,950.00
Tax Liability Limitations			
49. a. Individuals — Enter tax liability amount from Form N-11, Form N-13, or Form N-15.....			
b. Corporations — Enter tax liability from Form N-30			
c. Other filers — Enter your tax liability, before credits, from the applicable form.....	49		2,602.00
50. If you are claiming other credits, complete the credit worksheet in the instructions and enter the total here	50		
51. Line 49 minus line 50. This represents your tax liability, as adjusted. If the result is zero or less than zero, enter zero on line 51.....	51		2,602.00
52. Total credit allowed — Enter the smaller of line 48 or line 51. This is your renewable energy technologies income tax credit allowable for the year. Enter this amount also, rounded to the nearest dollar for individual taxpayers, on the appropriate line on Schedule CR; Form N-13; Form N-40, Schedule E; or Form F-1, Schedule H; whichever is applicable. ...	52		1,950.00
53. Line 48 minus line 52. This represents your carryover of unused credit. The amount of any unused tax credit may be carried over and used as a credit against your tax liability in subsequent years until exhausted	53		0.00

FORM N-334A
(REV. 2007)

STATE OF HAWAII—DEPARTMENT OF TAXATION
INFORMATION STATEMENT
CONCERNING RENEWABLE ENERGY TECHNOLOGIES INCOME TAX CREDIT
 (TO BE CLAIMED BY INDIVIDUAL OR CORPORATE SHAREHOLDERS OF S CORPORATIONS, MEMBERS OF PARTNERSHIPS,
 BENEFICIARIES OF ESTATES OR TRUSTS, OR CONDOMINIUM APARTMENT ASSOCIATIONS)

TAXABLE YEAR
2007

Or fiscal year beginning _____, 2007, and ending _____, 20____.

ATTACH THIS STATEMENT TO FORM N-334

Name (S Corporation, Partnership, Estate, or Trust, or Condominium Apartment Association) Sandy Shores, Inc.	Social Security Number or Fed. Employer I.D. Number 56-8523699
Number and Street 1234 Sandy Shores Street	<input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Estate or Trust <input type="checkbox"/> Condominium Apartment Association
City or Town, State and Zip Code Honolulu, HI 96813	
Name of individual or corporation for whom this statement is being prepared Test T. Islander	

NOTE: Every Hawaii S corporation, partnership, estate, or trust, or condominium apartment association, is required to prepare this statement for each individual or corporate shareholder, member, or beneficiary, respectively, in order that the prorated amount of such entity's tax credit may be claimed by the individual or corporate taxpayer. **Also attach a copy of this form as issued to each member to the return of the S corporation, partnership, estate, or trust, condominium apartment association.**

MEMBERS: USE THE INFORMATION PROVIDED ON THIS STATEMENT TO COMPLETE THE FORM N-334 USED TO CLAIM YOUR SHARE OF THIS TAX CREDIT. ATTACH BOTH THE FORM N-334 AND A COPY OF THIS FORM TO THE RETURN YOU FILE.

COMPUTATION OF TAX CREDIT

SOLAR THERMAL ENERGY SYSTEM		Enter date system was installed and placed in service ➤ ____/____/____
1. Cost of qualified solar thermal energy system installed and placed in service in Hawaii on single-family residential property	1	
2. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	2	
3. Actual cost of solar thermal energy system. (Subtract line 2 from line 1 and enter result).....	3	
4. Enter 35% of line 3 or \$2,250, whichever is less	4	
5. Per unit cost of qualified solar thermal energy system installed and placed in service in Hawaii on multi-family residential property	5	
6. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	6	
7. Actual per unit cost of solar thermal energy system. (Subtract line 6 from line 5 and enter result)	7	
8. Enter 35% of line 7 or \$350, whichever is less.....	8	
9. Number of units you own to which the allocated unit cost on line 7 is applicable	9	
10. Multiply line 8 by line 9 and enter result.....	10	
11. Cost of qualified solar thermal energy system installed and placed in service in Hawaii on commercial property	11	
12. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	12	
13. Actual cost of solar thermal energy system. (Subtract line 12 from line 11 and enter result).....	13	
14. Enter 35% of line 13 or \$250,000, whichever is less	14	
15. Add lines 4, 10, and 14, and enter result (but not less than zero)	15	
WIND-POWERED ENERGY SYSTEM		Enter date system was installed and placed in service ➤ ____/____/____
16. Cost of qualified wind powered energy system installed and placed in service in Hawaii on single-family residential property	16	
17. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	17	
18. Actual cost of wind powered energy system. (Subtract line 17 from line 16 and enter result)	18	
19. Enter 20% of line 18 or \$1,500, whichever is less	19	
20. Per unit cost of qualified wind powered energy system installed and placed in service in Hawaii on multi-family residential property	20	
21. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	21	
22. Actual per unit cost of wind powered energy system. (Subtract line 21 from line 20 and enter result)	22	

(Continued on back)

23. Enter 20% of line 22 or \$200, whichever is less.....	23		
24. Number of units you own to which the allocated unit cost on line 23 is applicable	24		
25. Multiply line 23 by line 24 and enter result.....			25
26. Cost of qualified wind powered energy system installed and placed in service in Hawaii on commercial property	26		
27. Enter the amount of consumer incentive premiums, costs used for other credits, utility rebate, and federal credit, if any, received for the qualifying system.....	27		
28. Actual cost of wind powered energy system. (Subtract line 27 from line 26 and enter result)	28		
29. Enter 20% of line 28 or \$500,000, whichever is less			29
30. Add lines 19, 25, and 29, and enter result. (but not less than zero)			30
PHOTOVOLTAIC ENERGY SYSTEM Enter date system was installed and placed in service ➤ <u>2/ 1 / 07</u>			
31. Cost of qualified photovoltaic energy system installed and placed in service in Hawaii on single-family residential property	31		
32. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	32		
33. Actual cost of photovoltaic energy system. (Subtract line 32 from line 31 and enter result)	33		
34. Enter 35% of line 33 or \$5,000, whichever is less			34
35. Per unit cost of qualified photovoltaic energy system installed and placed in service in Hawaii on multi-family residential property	35	500.00	
36. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	36		
37. Subtract line 36 from line 35 and enter result.....	37	500.00	
38. Enter 35% of line 37 or \$350, whichever is less.....	38	175.00	
39. Number of building units you own to which the allocated unit cost on line 38 is applicable.....	39	10	
40. Multiply line 38 by line 39 and enter result.....			40 1,750.00
41. Cost of qualified photovoltaic energy system installed and placed in service in Hawaii on commercial property	41		
42. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	42		
43. Actual cost of photovoltaic energy system. (Subtract line 42 from line 41 and enter result)	43		
44. Enter 35% of line 43 or \$500,000, whichever is less			44
45. Add lines 34, 40, and 44, and enter result. (but not less than zero)			45 1,750.00
TOTAL AND DISTRIBUTIVE SHARE OF RENEWABLE ENERGY TECHNOLOGIES INCOME TAX CREDIT			
46. Total tax credit claimed. Add lines 15, 30, and 45, and enter the total here.	46		1,750.00
47. Distributive share of tax credit. Each shareholder, partner, member, or beneficiary, shall enter this amount on Form N-334, line 46.	47		200.00

GENERAL INSTRUCTIONS

For requirements for claiming the renewable energy technologies income tax credit and definitions see the Instructions for Form N-334.

SPECIFIC INSTRUCTIONS

Complete one Form N-334A for each individual and corporate shareholder, partner, member, or beneficiary, receiving a distributive share of the renewable energy technologies income tax credit. Attach a copy of the Forms N-334A as issued to each partner, member, beneficiary, or shareholder to the return of the S corporation, partnership, estate, trust, or condominium apartment association.

For each type of system, enter the date the system was purchased and placed in service.

Lines 1 through 46 — Fill in the lines as they apply to your claim.

Line 47 — **Distributive share of tax credit:**

Each individual and corporate shareholder, partner, member, or beneficiary, of an S corporation, partnership, estate, trust, or condominium apartment association, receiving a Form N-334A must enter this amount on Form N-334, line 46. Both the Form N-334 and a copy of the Form N-334A must be attached to the individual or corporate income tax return on which the credit is claimed.



CT071

or other tax year beginning _____ and ending _____

Name(s) as shown on return Test T. Islander	SSN(s) or Federal Employer I.D. No. 400-00-7916
--	--

Attach this schedule directly behind Form N-11, N-15, N-30, or N-70NP

Part I Nonrefundable Tax Credits

- 1 Income tax paid to another state or foreign country (N-11, N-15, & N-70NP filers) (Attach required documents. See tax return instruction booklet for more information.)..... **1•** _____
- 2 Carryover of the Energy Conservation Tax Credit (attach Form N-157) **2•** _____
- 3 Enterprise Zone Tax Credit (attach Form N-756) **3•** _____
- 4 Low-Income Housing Tax Credit (attach Form N-586) **4•** _____
- 5 Credit for Employment of Vocational Rehabilitation Referrals (attach Form N-884) **5•** _____
- 6 High Technology Business Investment Tax Credit (attach Form N-318) **6•** _____
- 7 Carryover of the Individual Development Account Contribution Tax Credit (attach Form N-320) **7•** _____
- 8 Technology Infrastructure Renovation Tax Credit (attach Form N-326)..... **8•** _____
- 9 Credit for School Repair and Maintenance (attach Form N-330) **9•** _____
- 10 Carryover of the Hotel Construction and Remodeling Tax Credit (attach Form N-314) **10•** _____
- 11 Carryover of the Residential Construction and Remodeling Tax Credit (attach Form N-332) **11•** _____
- 12 Renewable Energy Technologies Income Tax Credit (attach Form N-334)
Place an X in the appropriate box to indicate the type of energy system installed and placed in service:
• Solar • Wind • Photovoltaic **12•** _____ 1950
- 13 Ko Olina Resort and Marina Attractions and Educational Facilities Tax Credit (attach Form N-336) **13** _____
- 14 **Total Nonrefundable Credits.** Add Lines 1 through 13. Enter here and on Form N-11, Line 28; N-15, Line 45; N-30, Line 12; or N-70NP, Line 16.
Attach this schedule directly behind your Form N-11, N-15, N-30, or N-70NP. **14•** _____ 1950

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #7 (Based on the modified 2005 IRS Test #20)

Attachments:

Hawaii Form N-11
Hawaii Schedule X

Taxpayer name: TEST R DE LA HALO
Taxpayer SSN: 400-00-7920

Hawaii changes to IRS test:

All form(s) for primary taxpayer:
Social Security number changed to Hawaii test designation:
400-00-7920
Address changed to Hawaii address:
3000 WAIPUNA RSE
HONOLULU, HI 96822
W-2(1), W-2(2):
Box 15 State changed to Hawaii: HI

State Return Details:

FORM N-11

Line 7	Federal AGI:	\$95,860
Line 18	Other subtractions:	\$76,000 (Adjustment for test purposes to lower the Hawaii AGI)
Line 20	Hawaii AGI:	\$19,860
Line 21a	Medical and dental expenses:	\$9,010
Line 21b	Taxes:	\$1,556
Line 21c	Interest:	\$3,500
Line 21d	Contributions:	\$2,000
Line 21e	Casualty and theft:	\$8,514
Line 21f	Miscellaneous:	\$1,731
Line 22	Itemized or standard:	\$26,311
Line 23	Line 20 minus line 22:	-\$6,451 (Mark an X in the box for minus sign)
Line 24	Exemptions:	\$9,360
Line 25	Taxable income:	\$0
Line 26	Tax liability:	\$0
Line 30	Taxes:	\$1,273
Line 34	Low income refundable credit:	\$80
Line 41	Overpaid:	\$1,353
Line 42a	School repair contribution:	yes for taxpayer and spouse
Line 42b	Library contribution:	yes for taxpayer and spouse
Line 42c	Domestic violence contribution:	yes for taxpayer and spouse
Line 43	Amount:	\$18
Line 46a	Refund:	\$1,335
Line 52	Federal Schedule C:	yes
	Gross receipts:	\$16,780
	Hawaii Tax I.D. Number:	W66666666-01
	Main business activity/product:	LAWN SVCS/_____
Line 53	Federal Schedule E:	yes
	Gross receipts:	0
	Hawaii Tax I.D. Number:	blank
Line 54	Federal Schedule F:	no
	No designee	
	Hawaii Election Campaign Fund:	yes for taxpayer and spouse

State Schedule X Information

Part I: LOW-INCOME REFUNDABLE TAX CREDIT DATA:

Line 2 Persons: Test De La Halo
Ruby Monday
Angela De La Halo
Gabriel De La Halo
Michael Monday
Lucky Monday
Archibald De La Halo
David Saint

Note: Mary Saint did not meet physical presence in Hawaii requirement and is not eligible for the low-income refundable tax credit.

Line 4 AGI: **\$19,860**
Line 10 Low-income refundable credit: **\$80**

TEST #20 - IRS scenario

FORMS REQUIRED: FORM 1040, SCH A, SCH C, SCH C-EZ, SCH E PG 2, SCH SE, SCH SE PG2, FORM 2106, FORM 3903, FORM 4684, FORM 6251

INFORMATION RETURNS ATTACHED: FORM W-2 (2)

ENTRIES NOT REQUIRING FORMS: FORM 1040, LINE 19: 2670
FORM 1040, LINE 65: 500

STATEMENTS: FORM 1040, LINE 6C, DEPENDENT LIST

OTHER: W-2 FROM FICA CIRCUS IS NON-STANDARD

THIRD PARTY DESIGNEE: NONE

PREPARED BY:

TAXPAYER: NAME: TEST R DE LA HALO
DOB: 04-10-1978
DISABLED: NO
DAYTIME PHONE: NOT GIVEN

SSN: 400-00-1020
OCCUPATION: TREE TRIMMER
PRES ELEC FUND: NO
BLIND: NO

SPOUSE: NAME: RUBY D MONDAY
DOB: 03-20-1980
DISABLED: NO

SSN: 400-00-2020
OCCUPATION: ANIMAL TRAINER
PRES ELEC FUND: NO
BLIND: NO

CHECK DIGITS FROM IRS LABEL: DV

ADDRESS: 7 HEAVENS LN
BETHLEHEM, KY 40007

FILING STATUS: MARRIED FILING JOINTLY LINE 6d: 9

DEPENDENT INFORMATION:

NAME	AGE	SSN	RELATIONSHIP	#	MO	CHILD TAX CR
ANGELA DE LA HALO	6	400-55-3020	DAUGHTER	12	X	
GABRIEL DE LA HALO	9	400-55-4020	SON	12	X	
MICHAEL MONDAY	10	400-55-5020	SON	12	X	
LUCKY MONDAY	11	400-55-6020	DAUGHTER	12	X	
ARCHIBALD DE LA HALO	12	900-93-7020	SON	12	X	
DAVID SAINT	60	400-55-8020	PARENT	0		
MARY SAINT	58	400-55-9020	PARENT	0		

SCHEDULE A:

LINE 1: 10500
LINE 5: 1273 (FORM W-2)
LINE 6: 97
LINE 7: 186
LINE 10: 3500
LINE 16: 2000
LINE 21: 1978 (FORM 2106)
LINE 22: 150

SCHEDULE C:

NAME OF PROPRIETOR: TEST R DE LA HALO **SSN:** 400-00-1020
LINE A: LAWN SERVICES
LINE B: 561730
LINE C: HALO LAWN SERVICES
LINE E: 12 GREENWAY LN
LOS ANGELES CA 90075
LINE F: CASH
LINE G: YES

PART I:

LINE 1: 16780

PART II:

LINE 15: 2216
LINE 21: 1502
LINE 22: 1800

SCHEDULE C-EZ:

NAME OF PROPRIETOR: RUBY D MONDAY **SSN:** 400-00-2020
PART I:
LINE A: ANIMAL TRAINING
LINE B: 812910
LINE C: RUBYS RULES

PART II:

LINE 1: 1667
LINE 2: 768 (NOTE: CAR & TRUCK EXPENSE 323, SUPPLIES 445)

PART III:

LINE 4: 01-25-2007
LINE 5: (a) 798 (b) 200 (c) 16700
LINE 6: YES
LINE 7: YES
LINE 8a: YES
LINE 8b: YES

SCHEDULE E, PAGE 2:

PART II

LINE 27: NO

LINE 28A(a): TREES, INC

LINE 28A(b): S

LINE 28A(d): 56-1823899

LINE 28A(g): 1200

SCHEDULE SE #1: (PAGE 1)

NAME: TEST R DE LA HALO

SSN: 400-00-1020

SECTION A:

LINE 2: 11262

SCHEDULE SE #2: (PAGE 2)

NAME: RUBY D MONDAY

SSN: 400-00-2020

SECTION B:

PART I:

LINE 2: 899

FORM 2106:

NAME: RUBY D MONDAY

SSN: 400-00-2020

OCCUPATION: ANIMAL TRAINER

PART I:

STEP 1: (A) (B)

LINE 1: 1888

LINE 2: 45

LINE 5: 190

LINE 7: 100

PART II:

SECTION A: (a) VEHICLE 1

LINE 11: 05-01-2003

LINE 12: 4000

LINE 13: 3000

LINE 15: 2

LINE 16: 520

LINE 18: YES

LINE 19: YES

LINE 20: YES

LINE 21: YES

SECTION C: (a) VEHICLE 1

LINE 23: 742

LINE 27: 557

LINE 28: 1331

SECTION D: (a) VEHICLE 1

LINE 30: 18000

LINE 32: 13500

LINE 33: 200 DB 11.52%

FORM 3903:

MILEAGE FROM OLD HOME TO NEW WORKPLACE: 1100
MILEAGE FROM OLD HOME TO OLD WORKPLACE: 12
LINE 1: 500
LINE 2: 711
LINE 4: 1000 (NOTE: FROM W-2)

FORM 4684:

INCIDENT DATE: 07-04-2007

SECTION A:

LINE 1:	TYPE	LOCATION	DATE ACQUIRED
PROPERTY A:	JEWELRY	7 HEAVENS LN	12-24-2004

PROPERTY A

LINE 2: 14000
LINE 3: 3400
LINE 5: 14800
LINE 6: 0

ETD TRANSMISSION:

FORM 4868:

LINE 4: 8037
LINE 5: 11378
LINE 6: 0

HAWAII TEST CASE #7

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040, FORM W-2 (2)

FORM 1040

First Name, MI and Last Name: (TEST R DE LA HALO)
Social Security Number: (400-00-7920)
Spouse's Name, MI and Last Name: (RUBY D MONDAY)
Spouse's Social Security Number: (400-00-2020)
Home Address: (3000 WAIPUNA RSE)
City, State, and Zip: (HONOLULU, HI 96822)
Do you want \$3.00 to go to the Presidential Campaign Fund: (NO)
If filing joint, does Taxpayer's spouse want \$3.00 to go to this fund: (NO)
Filing Status: (MARRIED FILING JOINTLY)
Literal: (STATEMENT #1)
Dependent #1 Name: (ANGELA DE LA HALO)
Social Security Number: (400-55-3020)
Relationship: (DAUGHTER)
Qualifying child for child tax credit: (X)
Dependent #2 Name: (GABRIEL DE LA HALO)
Social Security Number: (400-55-4020)
Relationship: (SON)
Qualifying child for child tax credit: (X)
Dependent #3 Name: (MICHAEL MONDAY)
Social Security Number: (400-55-5020)
Relationship: (SON)
Qualifying child for child tax credit: (X)
Dependent #4 Name: (LUCKY MONDAY)
Social Security Number: (400-55-6020)
Relationship: (DAUGHTER)
Qualifying child for child tax credit: (X)
Dependent #5 Name: (ARCHIBALD DE LA HALO)
Social Security Number: (900-93-7020)
Relationship: (SON)
Qualifying child for child tax credit: (X)
Dependent #6 Name: (DAVID SAINT)
Social Security Number: (400-55-8020)
Relationship: (PARENT)
Dependent #7 Name: (MARY SAINT)
Social Security Number: (400-55-9020)
Relationship: (PARENT)
Number of boxes checked on 6a and 6b: (2)
Number of children who lived with you: (5)
Number of other dependents: (2)
Total number in box 6d: (9)
Line 7 Total wages: (80900)
Line 12 Schedule C income or (loss): (12161)
Line 17 Schedule E income: (1200)
Line 19 Unemployment compensation: (2670)
Line 22 Total income: (96931)
Line 26 Moving Expenses: (211)
Line 27 One-half self-employment tax: (860)
Line 36 Total adjustments: (1071)
Line 37 Adjusted gross income: (95860)
Line 38 Amount from line 37: (95860)

HAWAII TEST CASE #7

Line 40	Itemized or standard deduction:	(11491)
Line 41	Subtract line 40 from line 38:	(84369)
Line 42	Multiply \$3400 by the total number of exemptions on line 6d:	(30600)
Line 43	Taxable income:	(53769)
Line 44	Tax:	(7284)
Line 45	Alternative minimum tax:	(4035)
Line 46	Add line 44 and 45:	(11319)
Line 52	Child tax credit:	(5000)
Line 56	Total credits:	(5000)
Line 57	Subtract line 56 from line 46:	(6319)
Line 58	Self-employment tax:	(1718)
Line 63	Total tax:	(8037)
Line 64	Federal income tax withheld:	(10878)
Line 65	2007 estimated tax payments:	(500)
Line 72	Total payments:	(11378)
Line 73	Amount overpaid:	(3341)
Line 74a	Amount refunded to you:	(3341)
Line 74b	Routing transit number:	(XXXXXXXXXX)
Line 74d	Account number:	(XXXXXXXXXXXXXXXXXXXX)
	Third party designee	(NO)
	Taxpayer's occupation:	(TREE TRIMMER)
	Spouse's occupation:	(ANIMAL TRAINER)

TEST #20: continued:

Form W-2 #1

a. Employee's social security number: (400-00-2020)
 b. Employer identification number: (61-6270532)
 c. Employer's name address and zip code: (ANIMAL STAR CIRCUS)
 (RR 72 BOX 187)
 (BETHLEHEM KY 40007)
 e. Employee's name (first, mi, last): (RUBY D MONDAY)
f. Employee's address and zip code: (3000 WAIPUNA RSE)
 (HONOLULU, HI 96822)
 Box 1 Wages, tips, etc.: (77700)
 Box 2 Federal income tax withheld: (10800)
 Box 3 Social security wages: (87900)
 Box 4 Social security tax withheld: (5450)
 Box 5 Medicare wages and tips: (87900)
 Box 6 Medicare tax withheld: (1275)
 Box 12a See instructions: (P 1000)
 Box 12b See instructions: (D 10200)
 Box 13 Retirement plan: (X)
Box 15 State and state ID number: (HI 617283)
 Box 16 State wages: (77700)
 Box 17 State income tax withheld: (1250)

Form W-2 #2

a. Employee's social security number: (400-00-2020)
 b. Employer identification number: (61-2987342)
 c. Employer's name address and zip code: (FICA CIRCUS)
 (123 BLUEBIRD CIRCLE)
 (BETHLEHEM KY 40007)
 e. Employee's name (first, mi, last): (RUBY D MONDAY)
f. Employee's address and zip code: (3000 WAIPUNA RSE)
 (HONOLULU, HI 96822)
 Box 1 Wages, tips, etc.: (3200)
 Box 2 Federal income tax withheld: (78)
 Box 3 Social security wages: (3200)
 Box 4 Social security tax withheld: (198)
 Box 5 Medicare wages and tips: (3200)
 Box 6 Medicare tax withheld: (46)
 Box 12a Employee business expense: (L 100)
Box 15 State and state ID number: (HI 619823)
 Box 16 State wages: (3200)
 Box 17 State income tax withheld: (23)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate. First Time Filer Address or Name Change

Place label here

Form with fields for: Your First Name (Test), Spouse's First Name (Ruby), Present mailing or home address (3000 Waipuna Rse), City (Honolulu), State (HI), Postal/ZIP code (96822)

IMPORTANT — Complete this Section

Enter the first four letters of your last name. DE L. Use ALL CAPITAL letters. Your Social Security Number 400-00-7920. Enter the first four letters of your Spouse's last name. MOND. Use ALL CAPITAL letters. Spouse's Social Security Number 400-00-2020

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

(Place an X in only ONE box)

- 1 Single
2 X Married filing joint return (even if only one had income).
3 Married filing separate return.
4 Head of household (with qualifying person).
5 Qualifying widow(er) with dependent child.

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

- 6a X Yourself... Age 65 or over... Enter the number of Xs on 6a and 6b... 2
6b X Spouse... Age 65 or over...
6c Enter the number of your dependent children... 5
6d Enter the number of other dependents... 2
6e Total number of exemptions claimed... 9

ID No 01



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7920

Your Spouse's SSN
400-00-2020

JT072

Name(s) as shown on return

Test R. De La Halo

Ruby D. Monday

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 10 of the Instructions)	7	95860
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 11 of the Instructions).....	8	
9	Interest on out-of-state bonds (including municipal bonds)	9	
10	Other Hawaii additions to federal AGI (see page 11 of the Instructions).....	10	
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	0
12	Add lines 7 and 11.....	12	95860
13	Pensions taxed federally but not taxed by Hawaii.....	13	
14	Social security benefits taxed on federal return	14	
15	First \$3,631 of military reserve or Hawaii national guard duty pay	15	
16	Payments to an individual housing account	16	
17	Exceptional trees deduction (attach affidavit) (see page 14 of the Instructions).....	17	
18	Other Hawaii subtractions from federal AGI (see page 14 of the Instructions).....	18	76000
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	76000
20	Line 12 minus line 19..... Hawaii AGI ▶	20	19860

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here

21	If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.		
21a	Medical and dental expenses (from Worksheet A-1).....	21a	9010
21b	Taxes (from Worksheet A-2).....	21b	1556
21c	Interest expense (from Worksheet A-3).....	21c	3500
21d	Contributions (from Worksheet A-4).....	21d	2000
21e	Casualty and theft losses (from Worksheet A-5).....	21e	8514
21f	Miscellaneous deductions (from Worksheet A-6).....	21f	1731

22	Enter the larger of your: } Itemized Deductions — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. OR Standard Deduction shown below for your filing status. Single or Married filing separately — \$2,000 Married filing jointly or Qualifying widow(er) — \$4,000 Head of household — \$2,920	22	26311
----	---	----	-------

23	Line 20 minus line 22. (This line MUST be filled in).....	23	X 6451
----	---	----	--------

ID No 01



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7920

Your Spouse's SSN
400-00-2020

JT073

Name(s) as shown on return

Test R. De La Halo Ruby D. Monday

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es)			
	Yourself			
	Spouse, and see page 21 of the Instructions.....	24		9360
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶	25		0
26	Tax. Place an X if from <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.)	Tax ▶	26	0
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	27		
28	Total nonrefundable tax credits (attach Schedule CR).....	28		0
29	Line 26 minus line 28 (but not less than zero).....	Balance ▶	29	0
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)	30		1273
31	2007 estimated tax payments	31		
32	Amount of estimated tax applied from 2006 return	32		
33	Amount paid with extension(s).....	33		
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions	34		80
35	Credit for Low-Income Household Renters (attach Schedule X)	35		
36	Credit for Child and Dependent Care Expenses (attach Schedule X)	36		
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)	37		
38	Credit for General Income Tax (see page 25 of the Instructions).....	38		
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....	39		
40	Add lines 30 through 39.....	Total Payments and Credits ▶	40	1353
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)	41		1353
42	Contributions to (see page 26 of the Instructions):	Yourself	Spouse	
42a	Hawaii Schools Repairs and Maintenance Fund.....	<input checked="" type="checkbox"/> \$2	<input checked="" type="checkbox"/> \$2	
42b	Hawaii Public Libraries Fund.....	<input checked="" type="checkbox"/> \$2	<input checked="" type="checkbox"/> \$2	
42c	Domestic Violence / Child Abuse and Neglect Funds	<input checked="" type="checkbox"/> \$5	<input checked="" type="checkbox"/> \$5	
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here	43		18
44	Line 41 minus line 43	44		1335
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX	45		0



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7920

Your Spouse's SSN
400-00-2020

JT074

Name(s) as shown on return

Test R. De La Halo Ruby D. Monday

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions 46a 1335

b Routing number c Type: Checking Savings

d Account number

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.

Make check or money order payable to the "Hawaii State Tax Collector"..... 47

48 **Estimated tax penalty.** (See page 27 of

Instructions.) Do not include on line 41 or 47. Place an

X here if Form N-210 is attached > 48

49 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions)..... 49

50 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 50

51 If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only.

52 Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts 16780, your Hawaii Tax I.D. Number for this activity W 66666666 - 01, and main business activity/product: Lawn Svcs /

53 Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received 0 and your Hawaii Tax I.D. Number for this activity W -

54 Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity W - _____, and main business activity/product: _____ /

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.

Designee's name > Phone no. > Identification number >

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature Date Your occupation Daytime Phone Number
> Tree Trimmer ()

Spouse's signature (if filing jointly, BOTH must sign) Date Spouse's occupation
> Animal Trainer

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >	Federal E.I. No. >		
	Firm's name (or yours if self-employed), Address, and ZIP Code >	Phone No. >		

REMINDERS:

- File your return on or before April 20, 2008.
- **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
- **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
- Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
- Make check or money order payable to the "Hawaii State Tax Collector".

Name(s) as shown on Form N-11, N-13, or N-15
Test R. De La Halo and Ruby D. Monday

Your social security number
400-00-7920

Caution: Please read the instructions for Schedule X in your tax return instruction booklet carefully before completing this schedule.

PART I: LOW-INCOME REFUNDABLE TAX CREDIT

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) \$20,000 or less?
If "No", **STOP**. You cannot claim this credit. However, you may claim the credit for a minor child receiving support from the Department of Human Services, etc. In this situation, only complete lines 3, 9, and 10. If "Yes", go to line 2.
- List YOURSELF, YOUR SPOUSE, AND YOUR DEPENDENTS if all the requirements in the box below are met. Do not list minor children receiving more than half of their support from public agencies even though you may claim them as a dependent. List these minor children on line 3.

2 Listed Person Must Meet All Requirements	Name	
	a) Resident of Hawaii b) Present in Hawaii more than 9 months during 2007 c) Not in prison, youth correctional facility, or jail for entire taxable year d) Cannot be claimed as a dependent by another taxpayer	Test De La Halo Ruby Monday Angela De La Halo Gabriel De La Halo	Michael Monday Lucky Monday Archibald De La Halo David Saint

Enter the number of qualified persons listed above **2** **8**

- List all MINOR CHILDREN RECEIVING MORE THAN HALF OF THEIR SUPPORT FROM PUBLIC AGENCIES, such as the Department of Human Services, who meet all the requirements in the box below.

3 Listed Person Must Meet All Requirements	Caution: Do not list any children already listed on line 2 above.		
	Name	Social Security Number	Relationship to You
a) Resident of Hawaii b) Present in Hawaii more than 9 months during 2007 c) Not in prison, youth correctional facility, or jail for entire taxable year d) More than half of support from public agency e) Not listed on any other Hawaii tax return			

Enter the number of children listed above. Also enter this number in the space provided on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51 **3**

4 Enter the amount of your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A).....	4	19,860.00
5 If you are married filing a separate return, enter your spouse's adjusted gross income	5	
6 Add lines 4 and 5. Enter the total here	6	19,860.00
7 Enter on line 7 the amount of the tax credit shown below that applies to the amount on line 6. If line 6 is: Tax credit per qualified exemption is: Under \$10,000 .....\$35 \$10,000 under \$15,000 .....25 \$15,000 to \$20,000 .....10 Over \$20,000 .....0	7	10.00
8 Multiply line 2 by the amount of the tax credit on line 7. Enter the total here	8	80.00
9 Multiply line 3 by \$35. Enter the total here	9	
10 Add lines 8 and 9. Enter the result here and on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51. This is your low-income refundable tax credit. (Whole dollars only).....	10	80 00

PART II: CREDIT FOR LOW-INCOME HOUSEHOLD RENTERS

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) less than \$30,000?
If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 2.
- Are you a resident who was present in Hawaii more than nine months of the taxable year? If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 3.
- Can you be claimed as a dependent by another taxpayer? If "Yes", **STOP**. You cannot claim this credit. If "No", proceed to line 4.
- Enter required information for each rental unit that was fully subject to real property tax. DO NOT list rental units that were wholly or partially exempt from real property tax. If you occupied more than one qualified unit, submit the required information for each additional unit on a separate sheet. If you shared the unit with others, enter only YOUR SHARE of the rent.

Address (give Apt. No., if any) _____
Occupied From _____, 2007, To _____, 2007. Total rent paid for this period. \$ _____
month month

Owned by (or agent for owner) _____ name address W _____ (Hawaii Tax I.D. Number)

5 Add up YOUR SHARE of rent paid during the taxable year for all the units you have listed.	5	
6 Enter the amount of your exclusions (e.g. utilities, parking stalls, ground rent, rental subsidies such as public assistance)	6	
7 Line 5 minus line 6. If this amount is \$1,000, or less, STOP . You cannot claim this credit.....	7	
8 Enter the number of qualified exemptions from the Qualified Exemptions worksheet in the Instructions.	8	
9 Multiply the number of exemptions on line 8 by \$50 and enter the result here and on Form N-11, line 35; Form N-13, line 21d; or Form N-15, line 52. This is your low-income household renter's credit. (Whole dollars only)	9	00

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #8 (Based on the modified 2005 IRS Test #30)

Attachments:

Hawaii Form N-11
 Hawaii Form N-158
 Hawaii Form N-312
 Hawaii Schedule CR
 Federal Form 4562

Taxpayer name: TEST E RATT
 Taxpayer SSN: 400-00-7930

Hawaii changes to IRS test:

All form(s):
 Social Security number changed to Hawaii test designation:
400-00-7930
 Address changed to Hawaii address:
c/o John Doe
62-100 Mauna Kea Beach Drive
KAMUELA, HAWAII 96743-9799

Note: For purposes of this test, the taxpayer will not be required to attach Hawaii Schedule D-1 and the statement for federal Form 4562 (line 19b, 5 year property) to the Hawaii income tax return since the taxpayer would not be able to file their Hawaii income tax return electronically if Hawaii Schedule D-1 and the statement for federal Form 4562 (line 19b, 5 year property) are attached.

State Return Details:

FORM N-11

Line 7	Federal AGI:	\$21,777
Line 10	Other additions:	\$53,065 (For Hawaii tax purposes, the taxpayer did not elect to take any IRC section 179 deduction.)
Line 18	Other subtractions:	\$53,418 (Adjustment for test purposes to lower the Hawaii AGI)
Line 20	Hawaii AGI:	\$21,424
Line 21a	Medical and dental:	\$512
Line 21b	Taxes:	\$1,600
Line 21c	Interest:	\$1,883
Line 21d	Contributions:	\$6,727
Line 22	Itemized or standard:	\$10,722
Line 24	Exemptions:	\$2,080
Line 25	Taxable income:	\$8,622
Line 26	Tax liability:	\$189 (from tax tables)
Line 31	Estimated tax payments:	\$480
Line 38	Credit for general income tax:	\$120
Line 39	Refundable tax credits:	\$17,520
Line 41	Overpaid:	\$17,931
Line 42a	School repair contribution:	no
Line 42b	Library contribution:	no
Line 42c	Domestic violence contribution:	no
Line 46a	Refund:	\$17,931
Line 52	Federal Schedule C:	no

HAWAII TEST CASE #8

Line 53 Federal Schedule E: **yes**
 Gross receipts: **0**
 Hawaii Tax I.D. Number: **blank**
 Line 54 Federal Schedule F: **yes**
 Gross receipts: **\$222,145**
 Hawaii Tax I.D. Number: **W88888888-01**
 Main business activity/product: **FARMING/SOYBEANS**
 Taxpayers' designee information:
 Designee's Name: **JOHN DOE**
 Phone No.: **888-555-1111**
 ID Number: **11122**
 Hawaii Election Campaign Fund: **yes for taxpayer and spouse**

State Tax Refund Worksheet

Line 1: **\$2,000**
 Line 3: **\$0**
 Line 5: **\$9,352**
 Line 6: **\$1,900**
 Line 9: **\$2,000**
 Line 10: **\$0**

Hawaii Form N-158:

Part I Total Investment Interest Expense

Line 1 Investment interest expense: **\$60**
 Line 2 Disallowed interest expense: **\$11**
 Line 3 Total interest expense: **\$71**

Part II Net Investment Income

Line 4a Gross Income from Property held for investment: **\$390**
 Line 4f Investment Income: **\$390**
 Line 6 Net Investment Income: **\$390**

Part III Investment Interest Expense Deduction

Line 7 Disallowed investment expense: **\$0**

Hawaii Form N-312:

Hawaii Tax Identification Number **W88888888-01**

Part I:

Line 1 Hawaii purchases:

(a)	(b)	(c)
Tractor	06-01-07	\$142,000
Truck	06-15-07	\$46,000
Grain Trailer	06-15-07	\$60,000

Line 2a Purchases from out-of-state sellers:

(a)	(b)	(c)
John Deere Combine	05-15-07	\$190,000

Line 2b **yes**
 Line 3 **\$438,000**
 Line 5 **\$17,520**
 Line 6 **\$0**
 Line 7 **\$17,520**
 Line A **no**
 Line B **no**
 Line C **no**
 Line D **no**
 Line E **no**

Hawaii Schedule CR:

Part II:
 Line 15 \$17,520
 Line 22 \$17,520

FEDERAL FORM 4562:

ACTIVITY: FARMING - SOYBEANS

PART III:

LINE 17: 38877

BACKGROUND INFORMATION: **PROPERTY:** TRACTOR
 (NOTE: SOLD 12-31-2007)
PLACED IN SERVICE: 08-01-2006
BASIS: 18000
RECOVERY PERIOD: 5
CONVENTION: HY
METHOD: 150 DB

BACKGROUND INFORMATION: **PROPERTY:** HARVESTER
PLACED IN SERVICE: 07-01-2006
BASIS: 134460
RECOVERY PERIOD: 5
CONVENTION: HY
METHOD: 150 DB

LINE 19b:

(c)	(d)	(e)	(f)
142000	5	HY	150 DB (NOTE: TRACTOR 06-01-2007)
46000	5	HY	150 DB (NOTE: TRUCK 06-15-2007)
60000	5	HY	150 DB (NOTE: GRAIN TRAILER 06-15-2007)

LINE 19c:

(c)	(d)	(e)	(f)
190000	7	HY	150 DB

BACKGROUND INFORMATION: **PROPERTY:** JOHN DEERE COMBINE
PLACED IN SERVICE: 05-15-2007
BASIS: 190000
 (NOTE: DID NOT TAKE SECTION 179 EXPENSE)

PART V:

LINE 24(a): YES

LINE 24(b): YES

LINE 26:

(a)	(b)	(c)
TRUCK	03-21-2004	100% (NOTE: TRUCK IS FULLY DEPRECIATED)

(a) VEHICLE 1

LINE 30: 1500
LINE 31: 0
LINE 32: 0
LINE 34: NO
LINE 35: YES
LINE 36: YES

NOTE: DO NOT TAKE MILEAGE EXPENSE

TEST #30 - IRS scenario

FORMS REQUIRED: FORM 1040, SCH A, SCH E PG2, SCH F, SCH SE, FORM 4562,
FORM 4684 PG2, FORM 4797, FORM 4835(2), FORM 4952,
FORM 8283 PG2, FORM 8396, FORM PMT

INFORMATION RETURNS ATTACHED:

ENTRIES NOT REQUIRING FORMS: FORM 1040, LINE 8a: 390
FORM 1040, LINE 10: 2000

STATEMENTS: FORM 4562, LINE 19b, 5 YEAR PROPERTY

OTHER: DIRECT DEBIT

THIRD PARTY DESIGNEE: NAME: JOHN DOE
PHONE: 888-555-1111
PIN: 11122

PREPARED BY:

TAXPAYER: NAME: TEST E RATT SSN: 400-00-1030
DOB: 06-10-1954 OCCUPATION: FARMER
DISABLED: NO PRES ELEC FUND: YES
DAYTIME PHONE: NOT GIVEN BLIND: NO

SPOUSE: NAME: WHARF B RATT SSN: 400-00-2030
DOB: 04-17-1958 OCCUPATION: HOMEMAKER
DISABLED: NO PRES ELEC FUND: YES
BLIND: NO

CHECK DIGITS FROM IRS LABEL: PB

ADDRESS: 452 MOUSETRAP CT
CHEESETOWN, PA 17201

FILING STATUS: MARRIED FILING JOINTLY LINE 6d: 2

SCHEDULE A:

LINE 1: 2119
LINE 5: 480 (STATE ESTIMATED TAXES)
LINE 7: 1120
LINE 10: 1217 (NOTE: TOTAL MTG INTEREST PAID 1352)
LINE 11: JAMES BOWLIN
PO BOX 123 FRANKLIN PA 17304
400-44-3030
AMOUNT PAID: 360
LINE 12: 100
LINE 14: 71
LINE 16: 300
LINE 17: 7000 (NOTE: LIMITED BY AGI TO 6533)

SCHEDULE E PG2:
PART V:
LINE 42: 16060

SCHEDULE F:
NAME OF PROPRIETOR: TEST E RATT SSN: 400-00-1030
LINE A: SOYBEANS
LINE B: 111900
LINE C: ACCRUAL
LINE E: YES

PART II:
LINE 12: 360
LINE 13: 963
LINE 15: 120
LINE 16: 149491
LINE 19: 1496
LINE 20: 3950
LINE 21: 4303
LINE 22: 1900
LINE 23a: 1200
LINE 23b: 300
LINE 24: 28200
LINE 26a: 1010
LINE 26b: 1200
LINE 27: 3044
LINE 28: 2690
LINE 29: 5854
LINE 30: 231
LINE 31: 842
LINE 32: 1800
LINE 34a: 4105 (TRACTOR TIRES)

PART III:
LINE 38: 226717
LINE 39a: 1800
LINE 39b: 1500
LINE 40a: 400
LINE 40b: 400
LINE 42: 200
LINE 43: 500
LINE 44: 325
LINE 46: 34308
LINE 47: 6790
LINE 49: 33601

SCHEDULE SE:
NAME: TEST E RATT SSN: 400-00-1030
SECTION A:
LINE 1: 9086

FORM 4562:

ACTIVITY: SCHEDULE F - 1

PART I:

LINE 2: 438000

LINE 6

(a)	(b)	(c)
JOHN DEERE COMBINE	190000	62000

PART III:

LINE 17: 36582

<p>BACKGROUND INFORMATION:</p>	<p>PROPERTY: TRACTOR <i>(NOTE: SOLD 12-31-2007)</i> PLACED IN SERVICE: 08-01-2006 BASIS: 9000 <i>(NOTE: COST BASIS OF 18000 LESS PRIOR YEAR BONUS DEPRECIATION OF 9000)</i> RECOVERY PERIOD: 5 CONVENTION: HY METHOD: 150 DB</p>
---------------------------------------	---

<p>BACKGROUND INFORMATION:</p>	<p>PROPERTY: HARVESTER PLACED IN SERVICE: 07-01-2006 BASIS: 134460 RECOVERY PERIOD: 5 CONVENTION: HY METHOD: 150 DB</p>
---------------------------------------	--

LINE 19b:

(c)	(d)	(e)	(f)
142000	5	HY	150 DB <i>(NOTE: TRACTOR 06-01-2007)</i>
46000	5	HY	150 DB <i>(NOTE: TRUCK 06-15-2007)</i>
60000	5	HY	150 DB <i>(NOTE: GRAIN TRAILER 06-15-2007)</i>

LINE 19c:

(c)	(d)	(e)	(f)
128000	7	HY	150 DB

<p>BACKGROUND INFORMATION:</p>	<p>PROPERTY: JOHN DEERE COMBINE PLACED IN SERVICE: 05-15-2007 BASIS: 128000 <i>(NOTE: COST BASIS OF 190000 LESS SECTION 179 EXPENSE OF 62000)</i></p>
---------------------------------------	---

PART V:

LINE 24(a): YES

LINE 24(b): YES

LINE 26:

(a)	(b)	(c)
TRUCK	03-21-2004	100% <i>(NOTE: TRUCK IS FULLY DEPRECIATED)</i>

(a) VEHICLE 1

LINE 30: 1500
 LINE 31: 0
 LINE 32: 0
 LINE 34: NO
 LINE 35: YES
 LINE 36: YES

NOTE: DO NOT TAKE MILEAGE EXPENSE

FORM 4684 PG 2:

INCIDENT DATE: 03-24-2007

SECTION B:

PART I:

LINE 19:	TYPE	LOCATION	DATE ACQUIRED
PROPERTY A:	SILO-DESTROYED BY TORNADO	CHEESETOWN PA	03-24-1986

PROPERTY A

LINE 20: 12640
LINE 21: 8000
LINE 23: 12640
LINE 24: 0

PART II:

LINE 34:
(a) (b)(i)
SILO-DESTROYED BY TORNADO 4640

FORM 4797:

PART II:

LINE 14: (4640)

PART III:

LINE 19A:
(a) (b) (c)
TRACTOR 08-01-2006 12-31-2007

PROPERTY TYPE: 1245

PROPERTY A

LINE 20: 17730
LINE 21: 18000
LINE 22: 4995

FORM 4835 #1:

LINE A: NO

PART I:

LINE 1: 12460

PART II:

LINE 19a: 1460
LINE 27: 260

FORM 4835 #2:

LINE A: NO

PART I:

LINE 1: 3600

PART II:

LINE 18: 750

LINE 19a: 2100

LINE 27: 632

FORM 4952:

PART I:

LINE 1: 60

LINE 2: 11

FORM 8283:

SECTION B:

PART I:

LINE 4: ART (CONTRIBUTION OF LESS THAN \$20,000)

LINE 5A:

(a)	(b)	(c)	(d)	(e)	(f)
PAINTING	EXCELLENT	7000	02-1991	PURCHASED	5100

PART IV:

DATE: 09-12-2007

DOES THE ORGANIZATION INTEND TO USE PROPERTY FOR UNRELATED USE: NO

NAME OF CHARITABLE ORGANIZATION: CHEESETOWN MUSEUM

NOTE: 50% CHARITABLE ORGANIZATION

ADDRESS: MAIN ST CHEESETOWN PA 17201

EIN: 23-1421452

FORM 8396:

ADDRESS: 1644 FELINE DR
CHEESETOWN PA 17201

PART I:

LINE 1: 1352

LINE 2: 10%

LINE 6: 120

FORM PAYMENT: ACH DEBIT

RTN: 312345699

ACCT #: 12345678999

TYPE OF ACCT: CHECKING

AMOUNT OF PAYMENT: 82

REQUESTED PAYMENT DATE: 04-16-2008

TAXPAYERS DAYTIME PHONE NUMBER: 814-555-1024

TYPE OF FORM BEING FILED: 1040E

ETD TRANSMISSION FORM TYPE:

ETD TRANSMISSION:

FORM 9465:

LINE 3: (814)555-1024; 1:00PM

LINE 4: (LEAVE BLANK)

LINE 5: NONE

LINE 6: (LEAVE BLANK)

LINE 7: FORM 1040

LINE 8: 2007

LINE 9: 462

LINE 10: 62

LINE 11: 100

LINE 12: 16

TAXPAYER PIN: 19821

SPOUSE PIN: 29821

PRIOR YEAR AGI: 0

SIGNATURE DATE: 04-16-2008

HAWAII TEST CASE #8

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040

FORM 1040:

First Name, MI and Last Name: (TEST E RATT)
Social Security Number: (400-00-7930)
 Spouse's First Name, MI, and Last Name: (WHARF B RATT)
 Spouse's Social Security Number: (400-00-2030)
Home Address: (62-100 MAUNA KEA BEACH DRIVE)
City, State, and Zip: (KAMUELA, HAWAII 96743-9799)
 Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
 If filing joint, does Taxpayer's spouse want \$3.00 to go to this fund: (YES)
 Filing Status: (MARRIED FILING JOINTLY)
 Number of boxes checked on 6a and 6b: (2)
 Total number in box 6d: (2)
 Line 8a Taxable interest: (390)
 Line 10 Taxable refunds: (2000)
 Line 14 Form 4797 gain or (loss): (85)
 Line 17 Schedule E income or (loss): (10858)
 Line 18 Schedule F income or (loss): (9086)
 Line 22 Total income: (22419)
 Line 27 One-half of self-employment tax: (642)
 Line 36 Total adjustments: (642)
 Line 37 Adjusted gross income: (21777)
 Line 38 Amount from line 37: (21777)
 Line 40 Itemized or standard deduction: (10667)
 Line 41 Subtract line 40 from line 38: (11110)
 Line 42 Multiply \$3400 by the total number of exemptions on line 6d: (6800)
 Line 43 Taxable income: (4310)
 Line 44 Tax: (433)
 Line 46 Add lines 44 and 45: (433)
 Line 54 Other credits: (255)
 Line 54a Form 8396: (X)
 Line 56 Total credits: (255)
 Line 57 Subtract line 56 from line 46: (178)
 Line 58 Self-employment tax: (1284)
 Line 63 Total tax: (1462)
 Line 65 2007 estimated tax payments: (1000)
 Line 72 Total payments: (1000)
 Line 76 Amount you owe: (462)
 Third party designee: (YES)
 Designee's name: (JOHN DOE)
 Phone number: (888-555-1111)
 PIN: (11122)
 Taxpayer's occupation: (FARMER)
 Spouse's occupation: (HOMEMAKER)



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate
First Time Filer Address or Name Change

Place label here

Form with fields: Your First Name (Test), Spouse's First Name (Wharf), Care Of (John Doe), Present mailing or home address (62-100 Mauna Kea Beach Drive), City, town or post office (Kamuela), State (HI), Postal/ZIP code (96743-9799)

IMPORTANT — Complete this Section

Enter the first four letters of your last name: RATT
Your Social Security Number: 400-00-7930
Enter the first four letters of your Spouse's last name: RATT
Spouse's Social Security Number: 400-00-2030

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

(Place an X in only ONE box)

- 1 Single
2 X Married filing joint return (even if only one had income).
3 Married filing separate return.
4 Head of household (with qualifying person).
5 Qualifying widow(er) with dependent child.

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

6a X Yourself Age 65 or over
6b X Spouse Age 65 or over
6c Enter the number of your dependent children
6d Enter the number of other dependents
6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 2

ID No 01



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7930

Your Spouse's SSN
400-00-2030

JT072

Name(s) as shown on return _____

Test E. Ratt

Wharf B. Ratt

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 10 of the Instructions)	7	21777
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 11 of the Instructions).....	8	_____
9	Interest on out-of-state bonds (including municipal bonds)	9	_____
10	Other Hawaii additions to federal AGI (see page 11 of the Instructions).....	10	53065
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	53065
12	Add lines 7 and 11.....	12	74842
13	Pensions taxed federally but not taxed by Hawaii.....	13	_____
14	Social security benefits taxed on federal return	14	_____
15	First \$3,631 of military reserve or Hawaii national guard duty pay	15	_____
16	Payments to an individual housing account	16	_____
17	Exceptional trees deduction (attach affidavit) (see page 14 of the Instructions).....	17	_____
18	Other Hawaii subtractions from federal AGI (see page 14 of the Instructions).....	18	53418
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	53418
20	Line 12 minus line 19..... Hawaii AGI ▶	20	21424

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here

21 If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.

21a	Medical and dental expenses (from Worksheet A-1).....	21a	512
21b	Taxes (from Worksheet A-2).....	21b	1600
21c	Interest expense (from Worksheet A-3).....	21c	1883
21d	Contributions (from Worksheet A-4).....	21d	6727
21e	Casualty and theft losses (from Worksheet A-5).....	21e	_____
21f	Miscellaneous deductions (from Worksheet A-6).....	21f	_____

22 Enter the larger of your: } **Itemized Deductions** — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. **OR** **Standard Deduction** shown below for your filing status.
Single or Married filing separately — \$2,000
Married filing jointly or Qualifying widow(er) — \$4,000
Head of household — \$2,920

22 10722

23 Line 20 minus line 22. (This line MUST be filled in)..... 23 10702

ID No 01



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7930

Your Spouse's SSN
400-00-2030

JT073

Name(s) as shown on return

Test E. Ratt

Wharf B. Ratt

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es)			
	Yourself			
	Spouse, and see page 21 of the Instructions.....	24		2080
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶	25		8622
26	Tax. Place an X if from <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.)	Tax ▶	26	189
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	27		
28	Total nonrefundable tax credits (attach Schedule CR).....	28		0
29	Line 26 minus line 28 (but not less than zero).....	Balance ▶	29	189
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)	30		
31	2007 estimated tax payments	31	480	
32	Amount of estimated tax applied from 2006 return	32		
33	Amount paid with extension(s).....	33		
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions	34		
35	Credit for Low-Income Household Renters (attach Schedule X)	35		
36	Credit for Child and Dependent Care Expenses (attach Schedule X)	36		
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)	37		
38	Credit for General Income Tax (see page 25 of the Instructions).....	38	120	
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....	39	17520	
40	Add lines 30 through 39.....	Total Payments and Credits ▶	40	18120
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)	41		17931
42	Contributions to (see page 26 of the Instructions):	Yourself	Spouse	
42a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2	
42b	Hawaii Public Libraries Fund.....	\$2	\$2	
42c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5	
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here	43		0
44	Line 41 minus line 43	44		17931
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX	45		0



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7930

Your Spouse's SSN
400-00-2030

JT074

Name(s) as shown on return _____

Test E. Ratt Wharf B. Ratt

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions **46a** 17931

b Routing number c Type: Checking Savings

d Account number

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector"..... **47** _____

48 **Estimated tax penalty.** (See page 27 of Instructions.) Do not include on line 41 or 47. Place an X here if Form N-210 is attached ► **48** _____

49 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions)..... **49** _____

50 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) **50** _____

51 If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only.

52 Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

53 Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received _____ 0 and your Hawaii Tax I.D. Number for this activity **W** _____ - _____

54 Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts 222145, your Hawaii Tax I.D. Number for this activity **W** 88888888 - 01, and main business activity/product: Farming / Soybeans

DESIGNEE
If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.
888-555-1111
Designee's name ► John Doe Phone no. ► _____ Identification number ► 11122

HAWAII ELECTION CAMPAIGN FUND
Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No
Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE
Your signature _____ Date _____ Your occupation Farmer Daytime Phone Number () _____
Spouse's signature (if filing jointly, BOTH must sign) _____ Date _____ Spouse's occupation Homemaker

PAID PREPARER'S INFORMATION
Preparer's Signature _____ Date _____ Check if self-employed Preparer's identification number _____
Print Preparer's Name ► _____ Federal E.I. No. ► _____
Firm's name (or yours if self-employed), Address, and ZIP Code ► _____ Phone No. ► _____

- REMINDERS:**
- File your return on or before April 20, 2008.
 - **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
 - **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
 - Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
 - Make check or money order payable to the "Hawaii State Tax Collector".

Name(s) as shown on return Test E. and Wharf B. Ratt	Social security number or employer identification number 400-00-7930
---	---

Part I Total Investment Interest Expense

1 Investment interest expense paid or accrued in 2007. See Instructions	1	60.00
2 Disallowed investment interest expense from 2006 Form N-158, line 7	2	11.00
3 Total investment interest expense. Add lines 1 and 2.....	3	71.00

Part II Net Investment Income

4a Gross income from property held for investment (excluding any net gain from the disposition of property held for investment).....	4a	390.00
b Net gain from the disposition of property held for investment	4b	
c Enter the smaller of line 4b or your net capital gain from the disposition of property held for investment.....	4c	
d Line 4b minus line 4c.....	4d	
e Enter the amount from line 4c that you elect to include in investment income. See Instructions	4e	
f Investment income. Add lines 4a, 4d, and 4e.	4f	390.00
5 Investment expenses. See Instructions.....	5	
6 Net investment income. Line 4f minus line 5. If zero or less, enter -0-.....	6	390.00

Part III Investment Interest Expense Deduction

7 Disallowed investment interest expense to be carried forward to 2008. Line 3 minus line 6. If zero or less, enter -0-	7	0.00
8 Investment interest expense deduction. Enter the smaller of line 3 or line 6. See Instructions.....	8	71.00

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Note

Section 265 (with respect to the nondeductibility of expenses and interest relating to tax-exempt income) shall be operative; except that it shall not apply to expenses and interest for royalties and other income derived from any patents, copyrights, and trade secrets by an individual or a qualified high technology business as defined in section 235-7.3, Hawaii Revised Statutes. Such expenses shall be deductible.

Purpose of Form

Interest expense paid by an individual, estate, or a trust on a loan that is allocable to property held for investment (defined below) may not be fully deductible in the current year. Form N-158 is used to figure the amount of investment interest expense deductible for the current year and the amount, if any, to carry forward to future years.

For more information, get federal Publication 550, Investment Income and Expenses.

Who Must File

If you are an individual, estate, or a trust, and you claim a deduction for investment interest expense, you must complete and attach Form N-158 to your tax return, unless **all** of the following apply:

- Your investment interest expense is not more than your investment income from interest and ordinary dividends.
- You have no other deductible investment expenses.
- You have no disallowed investment interest expense from 2006.

Allocation of Interest Expense

If you paid or accrued interest on a loan and used the loan proceeds for more than one purpose, you may have to allocate the interest. This is necessary because different rules apply to investment interest, personal interest, trade or business interest, home mortgage interest, and passive activity interest. See federal Publication 535, Business Expenses.

Specific Instructions

Part I — Total Investment Interest Expense

Line 1

Enter the investment interest paid or accrued during the tax year, regardless of when you incurred the indebtedness. Investment interest is interest paid or accrued on a loan (or part of a loan) that is allocable to property held for investment (as defined later).

Include investment interest expense reported to you on Schedule K-1 from a partnership or an S corporation. Include amortization of bond premium on taxable bonds purchased after October 22, 1986, but before January 1, 1988, unless you elected to offset amortizable bond premium against the interest payments on the bond. A taxable bond is a bond on which the interest is includible in gross income.

Investment interest expense **does not** include the following:

- Home mortgage interest.
- Interest expense that is properly allocable to a passive activity. Generally, a passive activ-

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

**FORM
N-312
(REV. 2007)**

CAPITAL GOODS EXCISE TAX CREDIT

2007

SEE SEPARATE INSTRUCTIONS BEFORE COMPLETING THIS FORM.

Note: If you are claiming the Ethanol Facility Tax Credit, no other credit can be claimed for the taxable year. Or fiscal year beginning _____, 20____, and ending _____, 20____

ATTACH THIS SCHEDULE TO FORM F-1, N-11, N-15, N-20, N-30, N-35, N-40, OR N-70NP

SSN OR FEIN
400-00-7930

Name
Test E. and Wharf B. Ratt

Hawaii Tax Identification Number
W 88888888 _____ . 01

CAUTION: A claim for this credit, including an amended claim, must be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. An extension of time for filing a return does not extend the time for claiming the credit. The taxpayer shall treat the amount of the credit allowable and claimed as a taxable income item for the taxable year in which it is properly recognized under the method of accounting used to compute taxable income. Alternatively, the basis of eligible property for depreciation purposes for State income taxes shall be reduced by the amount of the credit allowable and claimed. **No credit may be claimed for property for which the Motion Picture, Digital Media, and Film Production Income Tax Credit or the Technology Infrastructure Renovation Tax Credit is claimed.**

PART I COMPUTATION OF TAX CREDIT

(a) Description of Property — Attach a separate sheet if more space is needed	(b) Date property was placed in service	(c) Cost of qualifying property
1. Hawaii purchases		
Tractor	6/1/07	142,000.00
Truck	6/15/07	46,000.00
Grain trailer	6/15/07	60,000.00
2a. Purchases from out-of-state sellers		
John Deere Combine	5/15/07	190,000.00
2b. Was 4% Use Tax paid on these purchases? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Some <input type="checkbox"/>		
3. Total qualifying cost of eligible property. Add amounts in column (c), lines 1 and 2. (Estates, trusts, and cooperatives, see Instructions)	3	438,000.00
4. Tax credit percentage.	4	4%
5. Multiply line 3 by line 4 and enter result here	5	17,520.00
6. Amount of sales or use taxes paid to another state or jurisdiction for which a credit was claimed under section 238-3(i), Hawaii Revised Statutes. (see Instructions)	6	0.00
7. Capital Goods Excise Tax Credit — Line 5 minus line 6. Enter difference (> zero) rounded to the nearest dollar for individual taxpayers and enter on Form F-1, line 74 or Schedule CR, line 15	7	17,520.00

- A. Was a deduction taken under Internal Revenue Code Section 179 (regarding an election to expense certain depreciable business assets) on any property listed on lines 1 or 2a?
- B. Was any property listed on lines 1 or 2a acquired from a related company or person?
- C. Is any property listed on lines 1 or 2a subject to the limitation on capital goods excise tax credit and the depreciation deduction under Internal Revenue Code Section 280F?
- D. Is any property listed on lines 1 or 2a an integral part of a building or structure?
- E. Does any of the property listed on lines 1 or 2a have a useful life of less than 3 years?

Yes	No
	✓
	✓
	✓
	✓
	✓

If you answered "Yes" to any question above, please attach an explanation as to how the qualifying basis was determined and identify the property involved on lines 1 or 2a, Part I using the applicable letter(s) for the description above.

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



CT071

or other tax year beginning _____ and ending _____

Name(s) as shown on return Test E. and Wharf B. Ratt	SSN(s) or Federal Employer I.D. No. 400-00-7930 400-00-2030
---	--

Attach this schedule directly behind Form N-11, N-15, N-30, or N-70NP

Part I Nonrefundable Tax Credits

- 1 Income tax paid to another state or foreign country (N-11, N-15, & N-70NP filers) (Attach required documents. See tax return instruction booklet for more information.)..... 1● _____
- 2 Carryover of the Energy Conservation Tax Credit (attach Form N-157) 2● _____
- 3 Enterprise Zone Tax Credit (attach Form N-756) 3● _____
- 4 Low-Income Housing Tax Credit (attach Form N-586) 4● _____
- 5 Credit for Employment of Vocational Rehabilitation Referrals (attach Form N-884) 5● _____
- 6 High Technology Business Investment Tax Credit (attach Form N-318) 6● _____
- 7 Carryover of the Individual Development Account Contribution Tax Credit (attach Form N-320) 7● _____
- 8 Technology Infrastructure Renovation Tax Credit (attach Form N-326)..... 8● _____
- 9 Credit for School Repair and Maintenance (attach Form N-330) 9● _____
- 10 Carryover of the Hotel Construction and Remodeling Tax Credit (attach Form N-314) 10● _____
- 11 Carryover of the Residential Construction and Remodeling Tax Credit (attach Form N-332) 11● _____
- 12 Renewable Energy Technologies Income Tax Credit (attach Form N-334)
Place an X in the appropriate box to indicate the type of energy system installed and placed in service:
• Solar • Wind • Photovoltaic 12● _____
- 13 Ko Olina Resort and Marina Attractions and Educational Facilities Tax Credit (attach Form N-336) 13 _____
- 14 Total Nonrefundable Credits. Add Lines 1 through 13. Enter here and on Form N-11, Line 28; N-15, Line 45; N-30, Line 12; or N-70NP, Line 16.
Attach this schedule directly behind your Form N-11, N-15, N-30, or N-70NP. 14● _____



CT072

Schedule CR (Rev. 2007)

Name(s) as shown on return Test E. and Wharf B. Ratt	SSN(s) or Federal Employer I.D. No. 400-00-7930 400-00-2030
---	---

Part II Refundable Tax Credits

15 Capital Goods Excise Tax Credit (attach Form N-312)	15●	<u>17520</u>
16 Fuel Tax Credit for Commercial Fishers (attach Form N-163).....	16●	<u> </u>
17 Motion Picture and Film Production Income Tax Credit (attach Form N-316)...	17●	<u> </u>
18 Tax Credit for Research Activities (attach Form N-319)	18●	<u> </u>
19 Ethanol Facility Tax Credit (attach Form N-324).....	19●	<u> </u>
20 Motion Picture, Digital Media, and Film Production Income Tax Credit (attach Form N-340)	20●	<u> </u>
21 Other refundable credits		
a. Pro rata share of taxes withheld and paid by a partnership, estate, trust, or S corporation on the sale of Hawaii real property interests	21a	<u> </u>
b. Credit From a Regulated Investment Company	21b	<u> </u>
c. Add lines 21a and 21b	21c●	<u> </u>
22 Total Refundable Credits. Add Lines 15 through 20 and Line 21c. Enter here and on Form N-11, Line 39; N-15, Line 56; N-30, Line 14(d); or N-70NP, Line 18(d). Attach this schedule directly behind your Form N-11, N-15, N-30, or N-70NP.	22	<u>17520</u>

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return Test E. and Wharf B. Ratt	Business or activity to which this form relates Farming - Soybeans	Identifying number 400-00-7930
---	--	--

Part I Election To Expense Certain Property Under Section 179
Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	\$125,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$500,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
(a) Description of property (b) Cost (business use only) (c) Elected cost		
6		
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10 Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13 Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) and cellulosic biomass ethanol plant property placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2007	17	38877
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B—Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		248000	5 yrs	HY	150 DB	37200
c 7-year property		190000	7 yrs	HY	150 DB	20349
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (see instructions)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr.	22	96426
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? **Yes** **No** **24b** If "Yes," is the evidence written? **Yes** **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special allowance for qualified Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25	
26 Property used more than 50% in a qualified business use:								
Truck	3/21/04	100 %						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.								29

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)	1500											
31 Total commuting miles driven during the year	0											
32 Total other personal (noncommuting) miles driven	0											
33 Total miles driven during the year. Add lines 30 through 32	1500											
34 Was the vehicle available for personal use during off-duty hours?		✓										
35 Was the vehicle used primarily by a more than 5% owner or related person?	✓											
36 Is another vehicle available for personal use?	✓											

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are **not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2007 tax year (see instructions):					
43 Amortization of costs that began before your 2007 tax year.					43
44 Total. Add amounts in column (f). See the instructions for where to report.					44

Hawaii Test Case #9 (Based on the modified 2005 IRS Test #36)**Attachments:**

Hawaii Form N-11

Taxpayer name: TEST Y INSIGHTFUL
 Taxpayer SSN: 400-00-7936

Hawaii changes to IRS test:

All form(s) for primary taxpayer:
 Social Security number changed to Hawaii test designation:
400-00-7936
 Address changed to Hawaii address:
47-578 PUAPOO PL
KANEOHE, HI 96744
 1099R(1), 1099R(2)
 Line 11 State changed to Hawaii: **HI**
 1099R(1)
Add Box 10 State tax withheld: \$100
 Line 12 State distribution changed to: **\$8,000**

State Return Details:**FORM N-11:**

Line 7	Federal AGI:	\$25,900
Line 13	Pensions:	\$4,000
Line 14	Social security benefits:	\$1,800
Line 20	Hawaii AGI:	\$20,100
Line 22	Itemized or standard:	\$4,000
Line 24	Exemption:	\$8,040
Line 24	Disability:	spouse disabled
Line 25	Taxable income:	\$8,060
Line 26	Tax liability:	\$172 (from tax table)
Line 30	Taxes:	\$100
Line 38	Credit for general income tax:	\$120
Line 41	Overpaid:	\$48
Line 42a	School repair contribution:	no
Line 42b	Library contribution:	no
Line 42c	Domestic violence contribution:	no
Line 46a	Refund:	\$48
Line 52	Federal Schedule C:	no
Line 53	Federal Schedule E:	no
Line 54	Federal Schedule F:	no
No designee		
Hawaii Election Campaign Fund:		no

HAWAII TEST CASE #9

TEST #36- TO BE USED ONLY FOR ON-LINE FILING TESTING - IRS scenario

FORMS REQUIRED: FORM 1040A, SCH 1

INFORMATION RETURNS ATTACHED: FORM 1099R (2)

ENTRIES NOT REQUIRING FORMS: FORM 1040A, LINE 14a: 23000
(TAXPAYER 12000, SPOUSE 11000)

STATEMENTS:

OTHER:

THIRD PARTY DESIGNEE: NONE

TAXPAYER: NAME: TEST Y INSIGHTFUL	SSN: 400-00-1036
DOB: 03-15-1943	OCCUPATION: RETIRED
DISABLED: NO	PRES ELEC FUND: NO
DAYTIME PHONE: NOT GIVEN	BLIND: NO

SPOUSE: NAME: IRENE K INSIGHTFUL	SSN: 400-00-2036
DOB: 05-12-1940	OCCUPATION: RETIRED
DISABLED: NO	PRES ELEC FUND: NO
	BLIND: YES

CHECK DIGITS FROM IRS LABEL: CI

ADDRESS: 512 HOWARD DR
WINTER PARK, FL 32789

FILING STATUS: MARRIED FILING JOINT **LINE 6d:** 2

SCHEDULE 1:

PART 1:

LINE 1: CORPORATE BONDS 12000

ETD TRANSMISSION:

FORM 4868:

LINE 4: 633

LINE 5: 0

LINE 6: 633

LINE 7: 633

ON-LINE SELF-SELECT PIN INFORMATION:

JURAT/DISCLOSURE VERSION INDICATOR: A
PRIMARY TAXPAYER SIGNATURE: 19360
SPOUSE SIGNATURE: 19340

AUTHENTICATION RECORD:

PRIMARY PRIOR YEAR AGI: 26500
PRIMARY DATE OF BIRTH: 03-15-1943
SPOUSE PRIOR YEAR AGI: 26500
SPOUSE DATE OF BIRTH: 05-12-1940
TAXPAYER SIGNATURE DATE: 02-12-2008
PIN TYPE CODE: 0

TRANA DATA: SEQ 0170: TRANSMISSION TYPE CODE: 0

PATS.PATS.PATS.PATS.PATS.PATS.PATS.PATS

SUMMARY RECORD DATA: SEQ 0190: IP ADDRESS:

SEQ 0200: IP DATE: 20080212
SEQ 0210: IP TIME: 110700
SEQ 0220: E-MAIL INDICATOR: N

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040A, FORM 1099-R (2)

FORM 1040A:

First Name, MI and Last Name: (TEST Y INSIGHTFUL)
Social Security Number: (**400-00-7936**)
 Spouse's First Name, MI, and Last Name: (IRENE K INSIGHTFUL)
 Spouse's Social Security Number: (400-00-2036)
Home Address: (**47-578 PUAPOO PL**)
City, State, and Zip: (**KANEOHE, HI 96744**)
 Do you want \$3.00 to go to the Presidential Campaign Fund: (NO)
 If filing joint, does Taxpayer's spouse want \$3.00 to go to this fund: (NO)
 Filing Status: (MARRIED FILING JOINTLY)
 Number of boxes checked on 6a and 6b: (2)
 Total number in box 6d: (2)
 Line 8a Taxable interest: (12000)
 Line 11a Total IRA distributions: (700)
 Line 11b Taxable amount: (100)
 Line 12a Total pensions and annuities: (15000)
 Line 12b Taxable amount: (12000)
 Line 14a Social security benefits: (23000)
 Line 14b Taxable amount: (1800)
 Line 15 Total income: (25900)
 Line 21 Adjusted gross income: (25900)
 Line 22 Amount from line 21: (25900)
 Line 23a Spouse born before 1/2/1943: (X)
 Spouse is blind: (X)
 Total number of boxes checked: (2)
 Line 24 Standard deduction: (12800)
 Line 25 Subtract line 24 from line 22: (13100)
 Line 26 Multiply \$3400 by the total number of exemptions on line 6d: (6800)
 Line 27 Taxable income: (6300)
 Line 28 Tax: (633)
 Line 35 Subtract line 34 from line 28: (633)
 Line 37 Total tax: (633)
 Line 42 Total payments: (0)
 Line 46 Amount you owe: (633)
 Third party designee: (NO)
 Taxpayer's occupation: (RETIRED)
 Spouse's occupation: (RETIRED)
 Taxpayer PIN: (19360)
 Taxpayer signature date: (02-12-2008)
 Spouse PIN: (19340)

HAWAII TEST CASE #9

Form 1099-R #1:

Payer's name address and zip code: (THEME PARK PENSION PLAN)
(1 BUENA VISTA WAY)
(ANAHEIM CA 92812)
Payer's identification number: (33-4234444)
Recipient's social security number: (400-00-2036)
Recipient's name (first, mi, last): (IRENE K INSIGHTFUL)
Recipient's street address: **(47-578 PUAPOO PL)**
Recipient's city state and zip code: **(KANEHOE, HI 96744)**

Box 1 Gross distribution: (15000)
Box 2a Taxable amount: (12000)
Box 7 Distribution code: (7)
Box 10 State tax withheld: **(100)**
Box 11 State/Payers state no: **(HI 330011)**
Box 12 State distribution: **(8000)**

Form 1099-R #2:

Payer's name address and zip code: (BIG BROKERS)
(12 WALL STREET)
(NEW YORK CITY NY 10005)
Payer's identification number: (13-4433221)
Recipient's social security number: (400-00-2036)
Recipient's name (first, mi, last): (IRENE K INSIGHTFUL)
Recipient's street address: **(47-578 PUAPOO PL)**
Recipient's city state and zip code: **(KANEHOE, HI 96744)**

Box 1 Gross distribution: (700)
Box 2a Taxable amount: (100)
Box 7 Distribution code: (7)
Box 7 IRA/SEP/SIMPLE: (X)
Box 11 State/Payers state no: **(HI 132143)**
Box 12 State distribution: (100)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



JT071

FORM N-11 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return RESIDENT



Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Fiscal Year Beginning

and Ending

FOR OFFICE USE ONLY

THIS SPACE RESERVED

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate
First Time Filer Address or Name Change

Place label here

Form with fields for: Your First Name, Spouse's First Name, Present mailing or home address, City, town or post office, etc.

IMPORTANT — Complete this Section

Fields for: Enter the first four letters of your last name (INSI), Your Social Security Number (400-00-7936), Spouse's Social Security Number (400-00-2036)

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE

(Place an X in only ONE box)

- 1 Single
2 X Married filing joint return (even if only one had income).
3 Married filing separate return.
4 Head of household (with qualifying person).
5 Qualifying widow(er) with dependent child.

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

6a X Yourself... Age 65 or over... 6b X Spouse... X Age 65 or over... 6c Enter the number of your dependent children... 6d Enter the number of other dependents... 6e Total number of exemptions claimed... 3

ID No 01



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7936

Your Spouse's SSN
400-00-2036

JT072

Name(s) as shown on return

Test Y. Insightful Irene K. Insightful

If amount is negative (loss), place an X in the box.

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 10 of the Instructions)	7	25900
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 11 of the Instructions).....	8	
9	Interest on out-of-state bonds (including municipal bonds)	9	
10	Other Hawaii additions to federal AGI (see page 11 of the Instructions).....	10	
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	0
12	Add lines 7 and 11.....	12	25900
13	Pensions taxed federally but not taxed by Hawaii.....	13	4000
14	Social security benefits taxed on federal return	14	1800
15	First \$3,631 of military reserve or Hawaii national guard duty pay	15	
16	Payments to an individual housing account	16	
17	Exceptional trees deduction (attach affidavit) (see page 14 of the Instructions).....	17	
18	Other Hawaii subtractions from federal AGI (see page 14 of the Instructions).....	18	
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	5800
20	Line 12 minus line 19..... Hawaii AGI ▶	20	20100

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 15, and place an X here

- 21 If you do not itemize your deductions, go to line 22 below. Otherwise go to page 15 of the Instructions and enter your itemized deductions here.
- 21a Medical and dental expenses
(from Worksheet A-1)..... 21a
- 21b Taxes (from Worksheet A-2)..... 21b
- 21c Interest expense (from Worksheet A-3)..... 21c
- 21d Contributions (from Worksheet A-4)..... 21d
- 21e Casualty and theft losses (from Worksheet A-5)..... 21e
- 21f Miscellaneous deductions (from Worksheet A-6)..... 21f

22 Enter the larger of your: } **Itemized Deductions** — If line 20 is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 36 of the Instructions. If not, add lines 21a through 21f. OR **Standard Deduction** shown below for your filing status. 22 4000
Single or Married filing separately — \$2,000
Married filing jointly or Qualifying widow(er) — \$4,000
Head of household — \$2,920

23 Line 20 minus line 22. (This line MUST be filled in)..... 23 16100

ID NO 01



JT073

Name(s) as shown on return

Test Y. Insightful Irene K. Insightful

24	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself <input checked="" type="checkbox"/> Spouse, and see page 21 of the Instructions.....	24		8040
25	Taxable Income. Line 23 minus line 24 (but not less than zero) Taxable Income ▶	25		8060
26	Tax. Place an X if from <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 36 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.)	Tax ▶	26	172
27	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	27		
28	Total nonrefundable tax credits (attach Schedule CR).....	28		0
29	Line 26 minus line 28 (but not less than zero).....	Balance ▶	29	172
30	Hawaii State Income tax withheld (attach W-2s) (see page 24 of the Instructions for other attachments)	30	100	
31	2007 estimated tax payments	31		
32	Amount of estimated tax applied from 2006 return	32		
33	Amount paid with extension(s).....	33		
34	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions	34		
35	Credit for Low-Income Household Renters (attach Schedule X)	35		
36	Credit for Child and Dependent Care Expenses (attach Schedule X)	36		
37	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)	37		
38	Credit for General Income Tax (see page 25 of the Instructions).....	38	120	
39	Total refundable tax credits from Schedule CR (attach Schedule CR).....	39		
40	Add lines 30 through 39.....	Total Payments and Credits ▶	40	220
41	If line 40 is larger than line 29, enter the amount OVERPAID (line 40 minus line 29)	41		48
42	Contributions to (see page 26 of the Instructions):	Yourself	Spouse	
42a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2	
42b	Hawaii Public Libraries Fund.....	\$2	\$2	
42c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5	
43	Add the amounts of the Xs on lines 42a through 42c and enter the total here	43		0
44	Line 41 minus line 43	44		48
45	Amount of line 44 to be applied to your 2008 ESTIMATED TAX	45		0



Form N-11 (Rev. 2007)
Your Social Security Number
400-00-7936

Your Spouse's SSN
400-00-2036

JT074

Name(s) as shown on return

Test Y. Insightful Irene K. Insightful

46a Amount to be **REFUNDED TO YOU** (line 44 minus line 45).
If filing late, see page 26 of Instructions 46a 48

b Routing number c Type: Checking Savings

d Account number

47 **AMOUNT YOU OWE** (line 29 minus line 40). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector"..... 47

48 **Estimated tax penalty.** (See page 27 of Instructions.) Do not include on line 41 or 47. Place an X here if Form N-210 is attached > 48

49 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions)..... 49

50 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 50

51 If you don't need Hawaii income tax forms mailed to you next year, place an X in this box to receive a preprinted label only.

52 Did you file a federal Schedule C? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

53 Did you file a federal Schedule E? Yes No If yes, enter Hawaii gross rents received _____ and your Hawaii Tax I.D. Number for this activity **W** _____ - _____

54 Did you file a federal Schedule F? Yes No If yes, enter Hawaii gross receipts _____, your Hawaii Tax I.D. Number for this activity **W** _____ - _____, and main business activity/product: _____ / _____

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 28 of the Instructions.

Designee's name > Phone no. > Identification number >

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature Date Your occupation Daytime Phone Number
> Retired ()

Spouse's signature (if filing jointly, BOTH must sign) Date Spouse's occupation
> Retired

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >	Federal E.I. No. >		
	Firm's name (or yours if self-employed), Address, and ZIP Code >	Phone No. >		

REMINDERS:

- File your return on or before April 20, 2008.
- **You must enter your social security number(s).** Your social security number(s) is no longer printed on your preprinted address label.
- **Don't forget to sign your return.** If married filing a joint return, both spouses must sign the return.
- Be sure required attachments are attached. (W-2s or HW-2s, Schedule X, Form N-200V, check or money order, etc.)
- Make check or money order payable to the "Hawaii State Tax Collector".

Hawaii Test Case #10 (Based on the modified 2005 IRS Test #5)**Attachments (PDFs):**

Hawaii Form N-15
Hawaii Form N-210

Taxpayer Name: TEST O MAPLE
Taxpayer SSN: 400-00-7950

Hawaii changes to IRS test:

Taxpayer is a part-year resident. Taxpayer was a resident of Hawaii from January 1, 2007 - October 31, 2007.

All form(s):

Taxpayer Social Security number changed to Hawaii test designation:
400-00-7950

W-2(1): (Wages were earned in Hawaii from January 1, 2007 - October 31, 2007)

Employer changed to the **United States Air Force**

Box 15 State changed to Hawaii: **HI**

Box 16 State wages: **\$2,000** (The difference of \$800 between federal and state wages is COLA.)

W-2(2): (Wages were earned in Hawaii from January 1, 2007 - October 31, 2007)

Employer changed to the **Hawaii National Guard**

Box 15 State changed to Hawaii: **HI**

Note: Interest and dividend income allocated to Hawaii during period of residency (January 1, 2007 - October 31, 2007).

State Return Details:**FORM N-15**

First time filer:	yes		
Line 7 Wages:	Col. A: \$5,200	Col. B: \$5,200	
Line 8 Interest income:	Col. A: \$120,652	Col. B: \$100,543	
	Interest of \$114,152 from CA bonds is taxed for Hawaii purposes but not for Federal purposes. This interest is not included in the Federal return detail.		
Line 9 Ordinary dividends:	Col. A: \$3,000	Col. B: \$2,500	
Line 32 IHA payments:	Col. A: \$1,000	Col. B: \$1,000	
Line 33 Military reserve pay:	Col. A: \$3,631	Col. B: \$3,631	
	Pay is not taxed for Hawaii purposes but taxed for Federal purposes.		
Line 36 Adjusted gross income:	Col. A: \$124,221	Col. B: \$103,612	
Line 37 Ratio of Hawaii AGI to total AGI:	0.83		
Taxpayer is a dependent of another?	yes		
Line 40a Standard deduction:	\$2,000		
Line 40b Prorated standard deduction:	\$1,660		
Line 42a Exemptions:	\$0		
Line 42b Prorated exemptions:	\$0		
Line 43 Taxable income:	\$101,952		
Line 44 Tax liability:	\$7,665 (from tax rate schedule)		
Line 47 Withholding:	\$84		
Line 48 Estimated tax payments:	\$900 (Form N-1)		
Line 64 Balance due:	\$6,681		

HAWAII TEST CASE #10

Line 65 Penalty for underpayment of
estimated tax:

\$125 (The underpayment penalty is
calculated using full months, not
days as calculated on federal Form
2210. See section 235-97(f), Hawaii
Revised Statutes, at
www.hawaii.gov/tax.)

No designee
Hawaii Election Campaign Fund:

yes

Form N-210

Part I

Line c

(x)

Part II

Line 1

\$7,665

Line 4

\$84

Line 7

\$2,700

Part III

Line 10

\$246 (\$900 estimated tax payments
plus \$84 in withholding divided
evenly to 4 periods.)

Part IV

Line 18 (all columns)

04/20/2008

HAWAII TEST CASE #10

TEST #5 - IRS scenario (Taxpayer's SSN has been changed for the IRS test)

FORMS REQUIRED: FORM 1040A, SCH 1, FORM PMT

INFORMATION RETURNS ATTACHED: FORM W-2 (2)

ENTRIES NOT REQUIRING FORMS:

STATEMENTS:

OTHER: DEPENDENT OF ANOTHER
DIRECT DEBIT

THIRD PARTY DESIGNEE: NONE

PREPARED BY: TAXPAYER

TAXPAYER: NAME: TEST O MAPLE **SSN:** 400-00-1050
DOB: 04-15-1989 **OCCUPATION:** TREE TRIMMER
DISABLED: NO **PRES ELEC FUND:** YES
DAYTIME PHONE #: 201-555-1111 **BLIND:** NO

CHECK DIGITS FROM IRS LABEL: KX

ADDRESS: 7842 WEEPING WILLOW LN
AUDUBON, NJ 08106-7842

FILING STATUS: SINGLE **LINE 6d:** 0

SCHEDULE 1:

PART I:

LINE 1: FIRST SECURITY 6500
MONEY BANK 1000 (TAX-EXEMPT)

PART II:

LINE 5: DOW SMITH 3000 (NON-QUALIFIED)

FORM PAYMENT: ACH DEBIT

RTN: 012345672
ACCT #: 1234000000
TYPE OF ACCT: CHECKING
AMOUNT OF PAYMENT: 10
REQUESTED PAYMENT DATE: 04-16-2008
TAXPAYERS DAYTIME PHONE NUMBER: 201-555-1111
TYPE OF FORM BEING FILED: 1040A

PRACTITIONER PIN INFORMATION:

JURAT/DISCLOSURE VERSION INDICATOR: D
PAID PREPARER SIGNATURE: EFIN + 28734
PRIMARY TAXPAYER SIGNATURE: 19821
PIN TYPE: P

AUTHENTICATION RECORD:

TAXPAYER SIGNATURE DATE: 03-21-2008

ETD TRANSMISSION:

FORM 9465:

LINE 3: (201) 555-1003; 10:00PM
LINE 4: (201) 555-1111; (no ext); 9:00AM
LINE 5: FIRST SECURITY
21 MAIN ST
AUDUBON NJ 08106-0021
LINE 6: OAKLEYS YARD AND GARDEN
87 KUDZU CENTER
AUDUBON NJ 08106
LINE 7: FORM 1040A
LINE 8: 2007
LINE 9: 21
LINE 10: 10
LINE 11: 5
LINE 12: 1
LINE 13(a): 012345672
LINE 13(b): 1234000000
ACCOUNT TYPE: CHECKING

TAXPAYER PIN: 19821
PRIOR YEAR AGI: 0
SIGNATURE DATE: 04-16-2008

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040A, FORM W-2 (2)

FORM 1040A

First Name, MI & Last Name:	(TEST O MAPLE)
Social Security Number:	(400-00-7950)
Home Address:	(7842 WEEPING WILLOW LN)
City, State, and Zip:	(AUDUBON NJ 08106-7842)
Do you want \$3.00 to go to the Presidential Campaign Fund:	(YES)
Filing Status:	(SINGLE)
Number of boxes on 6a and 6b:	(0)
Total number box 6d:	(0)
Line 7 Total wages:	(4400)
Line 8a Taxable interest:	(6500)
Line 8b Tax exempt interest:	(1000)
Line 9a Ordinary dividends:	(3000)
Line 15 Total income:	(13900)
Line 21 Adjusted gross income:	(13900)
Line 22 Amount from line 21:	(13900)
Line 24 Standard deduction:	(4700)
Line 25 Subtract line 24 from line 22:	(9200)
Line 26 Multiply \$3400 by the total number of exemptions on line 6d:	(0)
Line 27 Taxable income:	(9200)
Line 28 Tax:	(993)
Line 35 Subtract line 34 from line 28:	(993)
Line 37 Total tax:	(993)
Line 38 Federal income tax withheld:	(972)
Line 42 Total payments:	(972)
Line 46 Amount you owe:	(21)
Taxpayer's occupation:	(TREE TRIMMER)
Third party designee:	(NO)
Daytime phone number:	(201-555-1111)
Taxpayer PIN:	(19821)
Date:	(03-21-2008)

Form W-2 #1

a. Employee's social security number: (400-00-7950)
 b. Employer identification number: (22-2244661)
c. Employer's name address and zip code: **(UNITED STATES AIR FORCE)**
 (783 CHRISTMAS TREE DRIVE)
 (AUDUBON NJ 08106)
 e. Employee's name (first, mi, last): (TEST O MAPLE)
 f. Employee's address and zip code: (7842 WEEPING WILLOW LN)
 (AUDUBON NJ 08106-7842)

Box 1 Wages, tips, etc.: (1200)
 Box 2 Federal income tax withheld: (472)
 Box 3 Social security wages: (1200)
 Box 4 Social security tax withheld: (74)
 Box 5 Medicare wages and tips: (1200)
 Box 6 Medicare tax withheld: (17)
Box 15 State and state ID number: **(HI 22130)**
Box 16 State wages: **(2000)**
 Box 17 State income tax withheld: (84)

Form W-2 #2

a. Employee's social security number: (400-00-7950)
 b. Employer identification number: (22-3355771)
c. Employer's name address and zip code: **(HAWAII NATIONAL GUARD)**
 (87 KUDZU CENTER)
 (AUDUBON NJ 08106)
 e. Employee's name (first, mi, last): (TEST O MAPLE)
 f. Employee's address and zip code: (7842 WEEPING WILLOW LN)
 (AUDUBON NJ 08106-7842)

Box 1 Wages, tips, etc.: (3200)
 Box 2 Federal income tax withheld: (500)
 Box 3 Social security wages: (3200)
 Box 4 Social security tax withheld: (198)
 Box 5 Medicare wages and tips: (3200)
 Box 6 Medicare tax withheld: (46)
Box 15 State and state ID number: **(HI 07543917)**
 Box 16 State wages: (3200)



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007

OR

M M D D Y Y M M D D Y Y

AMENDED Return

Tax Year

01 - 01 - 07

thru

10 - 31 - 07

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): X Part-Year Resident Nonresident Nonresident Alien or Dual-Status Alien

Form with fields for Name, Spouse's Name, Care Of, Address, City, State, ZIP, and Foreign Address.

IMPORTANT - Complete this Section. Includes fields for last name (MAPL), Social Security Number (400-00-7950), and Spouse's Social Security Number.

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 X Single
2 Married filing joint return
3 Married filing separate return
4 Head of household
5 Qualifying widow(er)

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X below line 37.

6a Yourself Age 65 or over
6b Spouse Age 65 or over
Enter the number of Xs on 6a and 6b

Table with 4 columns: 1. First and last name, 2. Dependent's social security number, 3. Relationship, 4. Enter number of children/dependents.

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 0

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7950

Your Spouse's SSN

Name(s) as shown on return
Test O. Maple

If amount is negative (loss), place an X in the box.

	Col. A - Total Income		Col. B - Hawaii Income
7 Wages, salaries, tips, etc. (attach Form(s) W-2)	5200	7	5200
8 Interest income from the worksheet on page 38 of the Instructions	120652	8	100543
9 Ordinary dividends	3000	9	2500
10 State income tax refund from the worksheet on page 38 of the Instructions		10	
11 Alimony received		11	
12 Business or farm income or (loss)		12	
13 Capital gain or (loss) from the worksheet on page 38 of the Instructions		13	
14 Supplemental gains or (losses) (attach Schedule D-1)		14	
15 IRA distributions		15	
16 Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)		16	
17 Rents, royalties, partnerships, estates, trusts, etc.		17	
18 Unemployment compensation (insurance).		18	
19 Other income (state nature and source)		19	
20 Add lines 7 through 19..... Total Income >	128852	20	108243
21 Educator expenses.....		21	
22 Certain business expenses of reservists, performing artists, and fee-basis government officials		22	
23 IRA deduction.....		23	
24 Student loan interest deduction from the worksheet on page 42 of the Instructions		24	
25 Health savings account deduction.....		25	
26 Moving expenses (attach Form N-139)		26	
27 One-half of self-employment tax		27	
28 Self-employed health insurance deduction		28	
29 Self-employed SEP, SIMPLE, and qualified plans		29	
30 Penalty on early withdrawal of savings		30	
31 Alimony paid (Enter name and SS No. of recipient)		31	
32 Payments to an individual housing account	1000	32	1000



Your Social Security Number
400 - 00 - 7950

Your Spouse's SSN

Name(s) as shown on return

Test O. Maple

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	3631	33	3631
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)		34	
35	Add lines 21 through 34..... Total Adjustments >	4631	35	4631
36	Line 20 minus line 35..... Adjusted Gross Income >	124221	36	103612

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 0.83
CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here **X**

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	38a	
38b	Taxes (from Worksheet NR-2 or PY-2).....	38b	
38c	Interest expense (from Worksheet NR-3 or PY-3)	38c	
38d	Contributions (from Worksheet NR-4 or PY-4)	38d	
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	38e	
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	38f	

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

0

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

	40a	2000
--	-----	------

Prorated Standard Deduction

40b	Multiply line 40a by the ratio on line 37	>	40b	1660
41	Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)		41	101952
42a	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself Spouse and see page 26 of the Instructions		42a	0

42b Multiply line 42a by the ratio on line 37**Prorated Exemption(s)** > **42b** 0

43	Taxable Income. Line 41 minus line 42b (but not less than zero).....	Taxable Income >	43	101952
44	Tax. Place an X if from: Tax Table; <input checked="" type="checkbox"/> Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..	Tax >	44	7665
	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	44a		

45 Total nonrefundable tax credits (attach Schedule CR)..... **45** 0

46 Line 44 minus line 45 (but not less than zero).....**Balance** > **46** 7665

47 Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments)

	47	84
--	----	----

48 2007 estimated tax payments on Forms N-1 900 ; N-288A

	48	900
--	----	-----

49 Amount of estimated tax applied from 2006 return..... **49**

50 Amount paid with extension(s)

	50	
--	----	--



Your Social Security Number
400 - 00 - 7950

Your Spouse's SSN

Name(s) as shown on return

Test O. Maple

MT074

51 Low-Income Refundable Tax Credit (attach Schedule X) **DHS, etc.** exemptions51 _____

52 Credit for Low-Income Household Renters (attach Schedule X)52 _____

53 Credit for Child and Dependent Care Expenses (attach Schedule X)53 _____

54 Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)54 _____

55 Credit for General Income Tax (see Instructions) **Federal AGI**55 _____

56 Total refundable tax credits from Schedule CR (attach Schedule CR)56 _____

57 Add lines 47 through 56 **Total Payments and Credits** ▶ 57 _____ 984

58 If line 57 is larger than line 46, enter the amount **OVERPAID** (line 57 minus line 46) 58 _____

59 **Contributions to** (see page 31 of the Instructions): **Yourself** **Spouse**

59a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2
59b	Hawaii Public Libraries Fund.....	\$2	\$2
59c	Domestic Violence / Child Abuse and Neglect Funds.....	\$5	\$5

60 Add the amounts of the Xs on lines 59a through 59c and enter the total here..... 60 _____

61 Line 58 minus line 60 61 _____

62 Amount of line 61 to be **applied to** your **2008 ESTIMATED TAX**62 _____

63 Amount to be **REFUNDED TO YOU** (line 61 minus line 62) If filing late, see page 31 of Instructions 63 _____

64 **AMOUNT YOU OWE** (line 46 minus line 57). Send Form N-200V with your payment. Make check or money order payable to the "Hawaii State Tax Collector"..... 64 _____ 6681

65 **Estimated tax penalty.** (See page 31 of Instr.) Do not include this amount in line 58 or 64. Place an X in this box if Form N-210 is attached ▶ **X** ...65 _____ 125

66 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions)..... 66 _____

67 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions).... 67 _____

68 If you would like us to mail you a packet of forms for next year's filing, please place an X in this box

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions.

Designee's name ▶ Phone no. ▶ Identification number ▶

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No

If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE	Your signature	Date	Your occupation	Daytime Phone Number
	▶		Tree Trimmer	(201)555-1111
	Spouse's signature (if filing jointly, BOTH must sign)	Date	Spouse's occupation	
	▶			

Preparer's Information	Paid Preparer's Signature ▶	Date	Check if self-employed ▶ <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name ▶	Federal E.I. No. ▶		
	Firm's name (or yours if self-employed), ▶	Phone No. ▶		

STATE OF HAWAII — DEPARTMENT OF TAXATION
**Underpayment of Estimated Tax by Individuals,
Estates, and Trusts**
➤ See Separate Instructions
➤ Attach to Form N-11, N-13, N-15, or N-40

2007

Name(s) as shown on tax return Test O. Maple	Social Security Number or FEIN 400-00-7950
---	---

Part I Reasons For Filing — If a, b, or c below applies to you, you may be able to lower or eliminate your penalty. But you **MUST** check the boxes that apply and file Form N-210 with your tax return. If d below applies to you, check that box and file Form N-210 with your tax return.

Check whichever boxes apply:

- a You request a **waiver**. In certain circumstances, the Department of Taxation will waive all or part of the penalty. See the Instructions for **Waiver of Penalty**.
- b You use the **annualized income installment method**. If your income varied during the year, this method may reduce the amount of one or more required installments. See the **Instructions for Schedule A**.
- c You had Hawaii income tax withheld from wages and you treat it as paid for estimated tax purposes when it was **actually** withheld instead of in equal amounts on the payment due dates. See the Instructions for line 10.
- d One or more of your required installments (line 9) are based upon your 2006 tax and you filed or are filing a joint return for either 2006 or 2007 but not for both years.

Part II All Filers Must Complete This Part

1 2007 tax liability. (see Instructions)	1	7,665.00
2 Total credits. (see Instructions).....	2	
3 Balance. Line 1 minus line 2.....	3	7,665.00
4 Hawaii income taxes withheld. (see Instructions).....	4	84.00
5 Balance. Line 3 minus line 4. If this amount is less than \$500, stop here; do not complete or file this form. You do not owe the penalty.	5	7,581.00
6 Multiply the amount on line 3 by 60% (.60).	6	4,599.00
7 Enter the tax amount from your 2006 income tax return. (Caution: See Instructions.).....	7	2,700.00
8 Enter the smaller of line 6 or line 7. (see Instructions)	8	2,700.00

Part III Figure Your Underpayment

	PAYMENT DUE DATES			
	(a) 4/20/2007	(b) 6/20/2007	(c) 9/20/2007	(d) 1/20/2008
9 Required installments. If you are using the Annualized Income Installment Method, enter the amounts from Schedule A, line 24. Farmers and fishermen, enter the amount from line 8 in column (d). All others, enter 1/4 of line 8 in each column.	675.00	675.00	675.00	675.00
10 Estimated and other tax payments made. (see Instructions) For column (a) only, enter the amount from line 10 on line 14 also. If line 10 is equal to or more than line 9 for all payment periods, stop here; you do not owe the penalty..... Complete lines 11 through 17 of one column before going to the next column.	246.00	246.00	246.00	246.00
11 Enter amount, if any, from line 17 of previous column.		0.00	0.00	0.00
12 Add lines 10 and 11.....		246.00	246.00	246.00
13 Add amounts on lines 15 and 16 of the previous column.		429.00	858.00	1,287.00
14 Line 12 minus line 13. If zero or less, enter -0-. For column (a) only, enter the amount from line 10.....	246.00	0.00	0.00	0.00
15 If the amount on line 14 is zero, line 13 minus line 12. Otherwise, enter -0-.....		183.00	612.00	
16 Underpayment. If line 9 is equal to or more than line 14, line 9 minus line 14, then go to line 11 of next column. Otherwise go to line 17.	429.00	675.00	675.00	675.00
17 Overpayment. If line 14 is more than line 9, line 14 minus line 9, then go to line 11 of next column.....				

Complete Part IV on page 2 to figure the penalty. If there are no entries on line 16, no penalty is owed.

Part IV Figuring the Penalty (See Instructions)		(a) 4/20/2007	(b) 6/20/2007	(c) 9/20/2007	(d) 1/20/2008	
18	Enter the date the amount on line 16 was paid or April 20, 2008, whichever is earlier.....	4/20/08	4/20/08	4/20/08	4/20/08	
19	Enter the number of months from the payment due date through the date of payment on line 18. If April 20, 2008, is the date entered on line 18, enter 12, 10, 7, and 3, respectively, here.	12	10	7	3	
20	Multiply the following: Number of months on line 19 x .00667 x underpayment on line 16 for columns (a) through (d)	34.00	45.00	32.00	14.00	
21	Penalty — Add amounts on line 20 in all columns. Enter the total here and on Form N-11, line 48; Form N-13, line 28; Form N-15, line 65; or Form N-40, line 28.				21	125.00

Schedule A Required Installments Using the Annualized Income Installment Method
Annualized Income Installment Method

Estates and trusts, do not use the period ending dates shown to the right. Instead use the following: 2/28/07, 4/30/07, 7/31/07, and 11/30/07.		(a) 1/1/07-3/31/07	(b) 1/1/07-5/31/07	(c) 1/1/07-8/31/07	(d) 1/1/07-12/31/07
1	Enter your adjusted gross income for each period (see Instructions). (Estates and trusts, enter your taxable income without your exemption for each period.)				
2	Annualization amounts (Estates and trusts, see Instructions). ...	4	2.4	1.5	1
3	Annualized income. Multiply line 1 by line 2.				
4	Enter your itemized deductions for the period shown in each column. If you do not itemize, enter -0- and skip to line 7. (Estates and trusts, enter -0- and skip to line 9, and enter the amount from line 3 on line 9.)				
5	Annualization amounts	4	2.4	1.5	1
6	Multiply line 4 by line 5 (see Instructions if line 3 is more than \$50,000)				
7	In each column, enter the full amount of your standard deduction. If you itemized deductions enter -0- (see Instructions).				
8	Enter line 6 or line 7, whichever is larger				
9	Line 3 minus line 8				
10	In each column, multiply \$1,040 by the total number of exemptions claimed. If you use the personal exemption for disabled persons instead, enter the appropriate amount for 2007 (Estates and trusts, enter the exemption amount shown on your return.) (See Instructions) .				
11	Line 9 minus line 10				
12	Figure your tax on the amount on line 11 (see Instructions)				
13	Enter any other taxes for each period (see Instructions)				
14	Total tax — add lines 12 and 13				
15	For each period, enter the same type of credits as allowed for Form N-210, Part II, line 2 (see Instructions).....				
16	Total tax after credits. Line 14 minus line 15. If zero or less, enter -0-.				
17	Applicable percentage.....	15%	30%	45%	60%
18	Multiply line 16 by line 17.				
19	Complete lines 19 through 24 of one column before going to the next column. Add the amount in all preceding columns of line 24				
20	Line 18 minus line 19. If zero or less, enter -0-.....				
21	Enter ¼ of Form N-210, Part II, line 8, in each column				
22	Subtract line 24 of the previous column from line 23 of the previous column . . .				
23	Add lines 21 and 22 and enter the total				
24	Enter the smaller of line 20 or line 23 here and on Form N-210, line 9				

Hawaii Test Case #11 (Based on the modified 2005 IRS Test #6)

Attachments (PDFs):

Hawaii Form N-15
Hawaii Schedule X

Taxpayer Name: TEST P BARRELL
Taxpayer SSN: 400-00-7951

Hawaii changes to IRS test:

Taxpayer is a part-year resident. Taxpayer was a resident of Hawaii from January 1, 2007 - November 30, 2007.

All form(s):

Social Security number changed to Hawaii test designation:
400-00-7951

1099-R(1):

Box 11 State changed to reflect Hawaii: HI

Note: Interest income allocated to Hawaii during period of residency (January 1, 2007 - November 30, 2007). IRA distribution taken on February 1, 2007. Pension income is not taxable for Hawaii income tax purposes.

State Return Details:

FORM N-15

Address change:	yes		
Year spouse died:	2006		
Line 8 Interest income:	Col. A: \$10,000	Col. B: \$9,167	
Line 15 IRA distribution:	Col. A: \$2,500	Col. B: \$2,500	
Line 36 Adjusted gross income:	Col. A: \$12,500	Col. B: \$11,667	
Line 37 Ratio of Hawaii AGI to total AGI:	0.93		
Line 40a Standard deduction:	\$4,000		
Line 40b Prorated standard deduction:	\$3,720		
Line 42a Exemptions:	\$3,120		
Line 42b Prorated exemptions:	\$2,902		
Line 43 Taxable income:	\$5,045		
Line 44 Tax liability:	\$74 (from tax tables)		
Line 49 Estimated from 2006:	\$42		
Line 50 Extension payments:	\$8		
Line 51 Low income refundable credit:	\$190		
Line 51 DHS exemptions:	4		
Line 52 Renters credit:	\$150		
Line 55 Credit for general income tax:	\$130		
Line 55 Federal AGI:	\$17,420		
Line 58 Overpaid:	\$446		
Line 59a School repair contribution:	no		
Line 59b Library contribution:	no		
Line 59c Domestic violence contribution:	no		
Line 63 Refund:	\$446		

Taxpayer's designee information:

Designee's Name: JOHN DOE
Phone No.: 888-555-1111

ID Number: 11122
 Hawaii Election Campaign Fund: yes

State Schedule X Information

Part I: LOW-INCOME REFUNDABLE TAX CREDIT DATA:

Line 2 Persons: Test Barrell
 Roland Barrell

Line 3 information:

Qualifying person's name	Qualifying person's social security number	Relationship
Alicia Barrell	400-01-7906	Niece
Thelma Barrell	400-02-7906	Niece
Ben Barrell	400-03-7906	Nephew
Grayson Barrell	400-04-7906	Nephew

Line 3 Qualifying minor children: 4
 Line 4 AGI: \$12,500
 Line 10 Low-income refundable credit: \$190

Part II: CREDIT FOR LOW-INCOME HOUSEHOD RENTERS DATA

Line 4 Rental unit address: 47-578 PUAPOO PL
 KANEOHE, HI 96744
 Line 4 Rental occupied(from and to): 01 to 12
 Line 4 Total rent paid: \$8,000
 Line 4 Owner name and address: Jay Spector
 1 Kapiolani Blvd
 Honolulu, HI 96814
 Line 4 Hawaii Tax I.D. Number: W44444444-01
 Line 5 Taxpayer's share of rent paid: \$8,000
 Line 8 Qualified exemptions: 3
 Line 9 Renters credit: \$150

HAWAII TEST CASE #11

TEST #6 - IRS scenario (Taxpayer's SSN has been changed for the IRS test)

FORMS REQUIRED: FORM 1040A, SCH 1

INFORMATION RETURNS ATTACHED: FORM 1099-R (2)

ENTRIES NOT REQUIRING FORMS: FORM 1040A, LINE 39: 500
FORM 1040A, LINE 45: 125

STATEMENTS:

OTHER: TOTAL SOCIAL SECURITY BENEFITS RECEIVED: 33

THIRD PARTY DESIGNEE: NAME: JOHN DOE
PHONE: 888-555-1111
PIN: 11122

PREPARED BY:

TAXPAYER: NAME: TEST P BARRELL SSN: 400-00-1051
DOB: 06-18-1940 OCCUPATION: RETIRED
DISABLED: NO PRES ELEC FUND: YES
DAYTIME PHONE: NOT GIVEN BLIND: NO

CHECK DIGITS FROM IRS LABEL: NZ

ADDRESS: 25000 HAM AND BACON JUNCTION
PIG TOWN, MD 21230

FILING STATUS: QUALIFYING WIDOW(ER) LINE 6d: 2
YEAR SPOUSE DIED: 2006

DEPENDENT INFORMATION:

NAME	AGE	SSN	RELATIONSHIP	#	MO	CHILD TAX CR
ROLAND BARRELL	19	400-55-3006	SON		12	

NOTE: DEPENDENT IS A STUDENT

SCHEDULE 1:

PART I:

LINE 1: BEST SAVINGS 6000
FORTUNE BANK 4000

ETD TRANSMISSION:

FORM 4868:

LINE 4: 0
LINE 5: 700
LINE 6: 0

HAWAII TEST CASE #11

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040A, FORM 1099-R (2)

FORM 1040A

First Name, MI and Last Name: (TEST P BARRELL)
Social Security Number: (400-00-7951)
Home Address: 25000 HAM AND BACON JUNCTION
City, State, and Zip: PIG TOWN, MD 21230
Do you want \$3.00 to go to the (YES)
Presidential Campaign Fund:
Filing Status: (QUALIFYING WIDOW(ER))
Year spouse died: (2006)
Dependent #1 Name: (ROLAND BARRELL)
 Social Security Number: (400-55-3006)
 Relationship: (SON)
Number of boxes checked on 6a and 6b: (1)
Number of children who lived with you: (1)
Total number in box 6d: (2)
Line 8a Taxable interest: (10000)
Line 11b Taxable IRA distributions: (2500)
Line 12b Taxable pensions and annuities: (4920)
Line 15 Total income: (17420)
Line 21 Adjusted gross income: (17420)
Line 22 Amount from line 21: (17420)
Line 23a Taxpayer born before 1/2/1943: (X)
 Number of boxes checked: (1)
Line 24 Standard deduction: (11750)
Line 25 Subtract line 24 from line 22: (5670)
Line 26 Multiply \$3400 by the total (6800)
 number of exemptions on line
 6d:
Line 27 Taxable income: (0)
Line 28 Tax: (0)
Line 35 Subtract line 34 from line 28: (0)
Line 37 Total tax: (0)
Line 38 Federal income tax withheld: (200)
 LITERAL: (FORM 1099)
Line 39 2007 estimated taxes paid: (500)
Line 42 Total payments: (700)
Line 43 Amount overpaid: (700)
Line 44a Refund: (575)
Line 44b Routing transit number: (XXXXXXXXXX)
Line 44d Account number: (XXXXXXXXXXXXXXXXXXXX)
Line 45 Applied to 2008 estimated (125)
 taxes:

Third party designee: (YES)
Designee's name: (JOHN DOE)
Phone number: (888-555-1111)
PIN: (11122)
Taxpayer's occupation: (RETIRED)

Form 1099-R #1

Payer's name address and zip code: (OUR SHARE BANK & TRUST)
(72 MARKET PLACE)
(PIG TOWN MD 21230-7272)
Payer's identification number: (52-7754541)
Recipient's social security number: **(400-00-7951)**
Recipient's name (first, mi, last): (TEST P BARRELL)
Recipient's street address: 25000 HAM AND BACON JUNCTION
Recipient's city, state, and zip code: PIG TOWN, MD 21230

Box 1 Gross distribution: (2500)
Box 2a Taxable amount: (2500)
Box 7 Distribution code: (7)
Box 7 IRA/SEP Simple: (X)
Box 11 State: **(HI)**

Form 1099-R #2

Payer's name address and zip code: (WEECAN DUETTE LOBBYISTS)
(1000 BUCKS ST)
(PIG TOWN MD 21230)
Payer's identification number: (52-9081726)
Recipient's social security number: **(400-00-7951)**
Recipient's name (first, mi, last): (TEST P BARRELL)
Recipient's street address: 25000 HAM AND BACON JUNCTION
Recipient's city, state, and zip code: PIG TOWN, MD 21230

Box 1 Gross distribution: (4920)
Box 2a Taxable amount: (4920)
Box 4 Federal income tax withheld: (200)
Box 7 Distribution code: (7)
Box 11 State: (MD)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007

OR

M M D D Y Y M M D D Y Y

AMENDED Return

Tax Year

01 - 01 - 07

thru

11 - 30 - 07

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): X Part-Year Resident Nonresident Nonresident Alien or Dual-Status Alien

Form with fields for Name, Spouse's Name, Address, City, State, ZIP, and Country.

IMPORTANT - Complete this Section. Fields for Social Security Number and Spouse's Social Security Number.

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 Single, 2 Married filing joint return, 3 Married filing separate return, 4 Head of household, 5 X Qualifying widow(er) with dependent child.

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X below line 37.

6a X Yourself, 6b Spouse, 6c Dependents table.

Table with 3 columns: 1. First and last name, 2. Dependent's social security number, 3. Relationship. Row 1: Roland Barrell, 400-55-3006, Son.

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 3

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7951

Your Spouse's SSN

Name(s) as shown on return
Test P. Barrell

If amount is negative (loss), place an X in the box.

Col. A - Total Income

Col. B - Hawaii Income

7	Wages, salaries, tips, etc. (attach Form(s) W-2)	_____	7	_____
8	Interest income from the worksheet on page 38 of the Instructions	10000	8	9167
9	Ordinary dividends	_____	9	_____
10	State income tax refund from the worksheet on page 38 of the Instructions	_____	10	_____
11	Alimony received	_____	11	_____
12	Business or farm income or (loss)	_____	12	_____
13	Capital gain or (loss) from the worksheet on page 38 of the Instructions	_____	13	_____
14	Supplemental gains or (losses) (attach Schedule D-1)	_____	14	_____
15	IRA distributions	2500	15	2500
16	Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)	_____	16	_____
17	Rents, royalties, partnerships, estates, trusts, etc.	_____	17	_____
18	Unemployment compensation (insurance).	_____	18	_____
19	Other income (state nature and source)	_____	19	_____
20	Add lines 7 through 19..... Total Income >	12500	20	11667
21	Educator expenses.....	_____	21	_____
22	Certain business expenses of reservists, performing artists, and fee-basis government officials	_____	22	_____
23	IRA deduction.....	_____	23	_____
24	Student loan interest deduction from the worksheet on page 42 of the Instructions	_____	24	_____
25	Health savings account deduction.....	_____	25	_____
26	Moving expenses (attach Form N-139)	_____	26	_____
27	One-half of self-employment tax	_____	27	_____
28	Self-employed health insurance deduction	_____	28	_____
29	Self-employed SEP, SIMPLE, and qualified plans	_____	29	_____
30	Penalty on early withdrawal of savings	_____	30	_____
31	Alimony paid (Enter name and SS No. of recipient)	_____	31	_____
32	Payments to an individual housing account	_____	32	_____



Your Social Security Number
400 - 00 - 7951

Your Spouse's SSN

Name(s) as shown on return
Test P. Barrell

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	_____	33	_____
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)	_____	34	_____
35	Add lines 21 through 34..... Total Adjustments >	0	35	0
36	Line 20 minus line 35..... Adjusted Gross Income >	12500	36	11667

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 0.93

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	38a	_____
38b	Taxes (from Worksheet NR-2 or PY-2).....	38b	_____
38c	Interest expense (from Worksheet NR-3 or PY-3)	38c	_____
38d	Contributions (from Worksheet NR-4 or PY-4)	38d	_____
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	38e	_____
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	38f	_____

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

0

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

40b Multiply line 40a by the ratio on line 37

41 Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)

42a Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself Spouse and see page 26 of the Instructions

42b Multiply line 42a by the ratio on line 37

43 **Taxable Income.** Line 41 minus line 42b (but not less than zero).....

44 **Tax.** Place an X if from: Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..

45 Total nonrefundable tax credits (attach Schedule CR).....

46 Line 44 minus line 45 (but not less than zero).....

47 Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments)

48 2007 estimated tax payments on Forms N-1 ; N-288A

49 Amount of estimated tax applied from 2006 return.....

50 Amount paid with extension(s)

Prorated Standard Deduction

3720

7947

2902

5045

74

0

74

42

8



Your Social Security Number
400 - 00 - 7951

Your Spouse's SSN

Name(s) as shown on return
Test P. Barrell

MT074

51	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions	4	.....51	_____	190
52	Credit for Low-Income Household Renters (attach Schedule X)		.....52	_____	150
53	Credit for Child and Dependent Care Expenses (attach Schedule X)		.....53	_____	
54	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)		.....54	_____	
55	Credit for General Income Tax (see Instructions) Federal AGI	17420	.....55	_____	130
56	Total refundable tax credits from Schedule CR (attach Schedule CR)		.....56	_____	
57	Add lines 47 through 56		Total Payments and Credits >	57	_____ 520
58	If line 57 is larger than line 46, enter the amount OVERPAID (line 57 minus line 46)		.....58	_____	446
59	Contributions to (see page 31 of the Instructions):	Yourself	Spouse		
59a	Hawaii Schools Repairs and Maintenance Fund	\$2	\$2		
59b	Hawaii Public Libraries Fund	\$2	\$2		
59c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5		
60	Add the amounts of the Xs on lines 59a through 59c and enter the total here		.....60	_____	0
61	Line 58 minus line 60		.....61	_____	446
62	Amount of line 61 to be applied to your 2008 ESTIMATED TAX		.....62	_____	0
63	Amount to be REFUNDED TO YOU (line 61 minus line 62) If filing late, see page 31 of Instructions		.....63	_____	446
64	AMOUNT YOU OWE (line 46 minus line 57). Send Form N-200V with your payment. Make check or money order payable to the "Hawaii State Tax Collector"		.....64	_____	
65	Estimated tax penalty. (See page 31 of Instr.) Do not include this amount in line 58 or 64. Place an X in this box if Form N-210 is attached >		...65	_____	
66	AMENDED RETURN ONLY - Amount paid (overpaid) on original return. (See Instructions)		.....66	_____	
67	AMENDED RETURN ONLY - Balance due (refund) with amended return. (See Instructions)		....67	_____	
68	If you would like us to mail you a packet of forms for next year's filing, please place an X in this box		.....68	_____	

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions.
888-555-1111
Designee's name > John Doe Phone no. > Identification number > 11122

HAWAII ELECTION CAMPAIGN FUND Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE

Your signature	Date	Your occupation	Daytime Phone Number
>		Retired	()
Spouse's signature (if filing jointly, BOTH must sign)	Date	Spouse's occupation	
>			

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >		Federal E.I. No. >	
	Firm's name (or yours if self-employed), >		Phone No. >	

Name(s) as shown on Form N-11, N-13, or N-15
Test P. Barrell

Your social security number
400-00-7951

Caution: Please read the instructions for Schedule X in your tax return instruction booklet carefully before completing this schedule.

PART I: LOW-INCOME REFUNDABLE TAX CREDIT

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) \$20,000 or less?
If "No", **STOP**. You cannot claim this credit. However, you may claim the credit for a minor child receiving support from the Department of Human Services, etc. In this situation, only complete lines 3, 9, and 10. If "Yes", go to line 2.
- List YOURSELF, YOUR SPOUSE, AND YOUR DEPENDENTS if all the requirements in the box below are met. Do not list minor children receiving more than half of their support from public agencies even though you may claim them as a dependent. List these minor children on line 3.

2 Listed Person Must Meet All Requirements		Name	Name
a) Resident of Hawaii	c) Not in prison, youth correctional facility, or jail for entire taxable year	Test Barrell	
b) Present in Hawaii more than 9 months during 2007	d) Cannot be claimed as a dependent by another taxpayer	Roland Barrell	

Enter the number of qualified persons listed above **2** **2**

- List all MINOR CHILDREN RECEIVING MORE THAN HALF OF THEIR SUPPORT FROM PUBLIC AGENCIES, such as the Department of Human Services, who meet all the requirements in the box below.

3 Listed Person Must Meet All Requirements		Caution: Do not list any children already listed on line 2 above.		
		Name	Social Security Number	Relationship to You
a) Resident of Hawaii	d) More than half of support from public agency	Alicia Barrell	400-01-7906	Niece
b) Present in Hawaii more than 9 months during 2007	e) Not listed on any other Hawaii tax return	Thelma Barrell	400-02-7906	Niece
c) Not in prison, youth correctional facility, or jail for entire taxable year		Ben Barrell	400-03-7906	Nephew
		Grayson Barrell	400-04-7906	Nephew

Enter the number of children listed above. Also enter this number in the space provided on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51 **3** **4**

4 Enter the amount of your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A).....	4	12,500.00
5 If you are married filing a separate return, enter your spouse's adjusted gross income	5	
6 Add lines 4 and 5. Enter the total here	6	12,500.00
7 Enter on line 7 the amount of the tax credit shown below that applies to the amount on line 6. If line 6 is: Tax credit per qualified exemption is: Under \$10,000 .....\$35 \$10,000 under \$15,000 .....25 \$15,000 to \$20,000 .....10 Over \$20,000 .....0	7	25.00
8 Multiply line 2 by the amount of the tax credit on line 7. Enter the total here	8	50.00
9 Multiply line 3 by \$35. Enter the total here	9	140.00
10 Add lines 8 and 9. Enter the result here and on Form N-11, line 34; Form N-13, line 21c; or Form N-15, line 51. This is your low-income refundable tax credit. (Whole dollars only).....	10	190 00

PART II: CREDIT FOR LOW-INCOME HOUSEHOLD RENTERS

- Is your adjusted gross income (Form N-11, line 20; Form N-13, line 11; or Form N-15, line 36, Column A) less than \$30,000?
If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 2.
- Are you a resident who was present in Hawaii more than nine months of the taxable year? If "No", **STOP**. You cannot claim this credit. If "Yes", go to Question 3.
- Can you be claimed as a dependent by another taxpayer? If "Yes", **STOP**. You cannot claim this credit. If "No", proceed to line 4.
- Enter required information for each rental unit that was fully subject to real property tax. DO NOT list rental units that were wholly or partially exempt from real property tax. If you occupied more than one qualified unit, submit the required information for each additional unit on a separate sheet. If you shared the unit with others, enter only YOUR SHARE of the rent.

Address (give Apt. No., if any) 47-578 Puapoo Pl, Kaneohe, HI 96744

Occupied From January month, 2007, To December month, 2007. Total rent paid for this period. \$ 8,000

Owned by (or agent for owner) Jay Spector, 1 Kapiolani Blvd, Honolulu, HI 96814 W 44444444 - 01
name address (Hawaii Tax I.D. Number)

5 Add up YOUR SHARE of rent paid during the taxable year for all the units you have listed.	5	8,000.00
6 Enter the amount of your exclusions (e.g. utilities, parking stalls, ground rent, rental subsidies such as public assistance)	6	
7 Line 5 minus line 6. If this amount is \$1,000, or less, STOP . You cannot claim this credit.....	7	8,000.00
8 Enter the number of qualified exemptions from the Qualified Exemptions worksheet in the Instructions.	8	3
9 Multiply the number of exemptions on line 8 by \$50 and enter the result here and on Form N-11, line 35; Form N-13, line 21d; or Form N-15, line 52. This is your low-income household renter's credit. (Whole dollars only)	9	150 00

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #12 (Based on the modified 2005 IRS Test #9)

Attachments:

Hawaii Form N-15

Taxpayer name: TEST C ACAPPELLA
 Taxpayer SSN: 400-00-7952

Hawaii changes to IRS test:

Taxpayer is a nonresident but has a contract to teach in Hawaii for one year.

All form(s):

Social Security number changed to Hawaii test designation:
 400-00-7952

W-2(1):

Box 15 State changed to Hawaii: HI

Note: The home mortgage interest was paid on property located outside Hawaii.

Note: For purposes of this test, the filing status is still married filing separately, but the spouse does not have income and does not file a separate return. This will allow the spouse to be claimed as an exemption on the Hawaii return and to test the box under line 6b.

State Return Details:

FORM N-15

Status is MFS and spouse qualifies:	yes	
Mark an X in the box under Line 6b:	Spouse meets qualification to be claimed as an exemption on this return	
Line 7 Wages:	Col. A: \$26,000	Col. B: \$26,000
Line 36 Adjusted gross income:	Col. A: \$26,000	Col. B: \$26,000
Line 37 Ratio of Hawaii AGI to total AGI:	1.00	
Line 40a Standard deduction:	\$2,000	
Line 40b Prorated standard deduction:	\$2,000	
Line 42a Exemptions:	\$3,120	
Line 42b Prorated exemptions:	\$3,120	
Line 43 Taxable income:	\$20,880	
Line 44 Tax liability:	\$1,129 (from tax tables)	
Line 47 Tax withheld:	\$800	
Line 64 Balance due:	\$329	
Line 68 Packet of forms:	yes	
Taxpayer's designee information same as federal.		
Hawaii Election Campaign Fund:	yes	

HAWAII TEST CASE #12

TEST #9 - IRS scenario (Taxpayer's SSN has been changed for the IRS test)

FORMS REQUIRED: FORM 1040, SCH A, FORM 2120

INFORMATION RETURNS ATTACHED: FORM W-2 (1)

ENTRIES NOT REQUIRING FORMS:

STATEMENTS:

OTHER: SPOUSE ITEMIZES DEDUCTIONS

THIRD PARTY DESIGNEE: NONE

PREPARED BY: TAXPAYER

TAXPAYER: NAME: TEST C ACAPPELLA	SSN: 400-00-1052
DOB: 03-16-1971	OCCUPATION: TEACHER
DISABLED: NO	PRES ELEC FUND: YES
DAYTIME PHONE: 314-555-1008	BLIND: NO

SPOUSE: NAME: DUET ACAPPELLA	SSN: 400-00-2009
------------------------------	------------------

CHECK DIGITS FROM IRS LABEL: QQ

ADDRESS: 4 QUARTET CTR
SOLO, MO 65564

FILING STATUS: MARRIED FILING SEPARATELY LINE 6d: 2

DEPENDENT INFORMATION:

NAME	AGE	SSN	RELATIONSHIP	#	MO	CHILD TAX CR
FORTISSIMO ARIA	12	400-55-3009	DAUGHTER	00		X

NOTE: CHILD CLAIMED AS DEPENDENT BUT DID NOT LIVE WITH TAXPAYER

SCHEDULE A:

LINE 5: 800
LINE 10: 1300

FORM 2120:

FOR CALENDAR YEAR: 2007

PERSON BEING CLAIMED: FORTISSIMO ARIA

INFORMATION FOR PERSON NOT CLAIMING CHILD: TRIO ARIA, 400-55-4009
3 KINGSTON TRIO STREET
SOLO, MO 65564

NOTE: ORIGINAL SIGNATURE MAINTAINED ON FILE SIGNATURE DATE: 12-31-2007

ETD TRANSMISSION:

FORM 9465:

LINE 3: (LEAVE BLANK)
LINE 4: (314) 555-1008; EXT 1245; 8:00AM
LINE 5: NONE
LINE 6: SOLO CITY ORCHESTRA
SOLO CENTER SUITE 420
SOLO MO 65564
LINE 7: FORM 1040
LINE 8: 2007
LINE 9: 28
LINE 10: 10
LINE 11: 5
LINE 12: 1

TAXPAYER PIN: 19821
PRIOR YEAR AGI: 0
SIGNATURE DATE: 04-15-2008

HAWAII TEST CASE #12

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040, FORM W-2 (1)

FORM 1040

First Name, MI & Last Name: (TEST C ACAPPELLA)
Social Security Number: (400-00-7952)
Spouse's Social Security Number: (400-00-2009)
Home Address: (4 QUARTET CTR)
City, State, and Zip: (SOLO, MO 65564)
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
Filing Status: (MARRIED FILING SEPARATELY)
Spouse's First Name and Last Name: (DUET ACAPPELLA)
Dependent #1 Name: (FORTISSIMO ARIA)
 Social Security Number: (400-55-3009)
 Relationship: (DAUGHTER)
 Qualifying child for child tax credit: (X)
Number of boxes checked on 6a and 6b: (1)
Number of children who did not live with you: (1)
Total number in box 6d: (2)
Line 7 Total wages: (26000)
Line 22 Total income: (26000)
Line 37 Adjusted Gross Income: (26000)
Line 38 Amount from line 37: (26000)
Line 39b If you are married filing separate and your spouse itemizes: (X)
Line 40 Itemized or standard deduction: (2100)
Line 41 Subtract line 40 from line 38: (23900)
Line 42 Multiply \$3400 by the total number of exemptions on line 6d: (6800)
Line 43 Taxable income: (17100)
Line 44 Tax: (2178)
Line 46 Add lines 44 and 45: (2178)
Line 52 Child tax credit: (1000)
Line 56 Total credits: (1000)
Line 57 Subtract line 56 from line 46: (1178)
Line 63 Total tax: (1178)
Line 64 Federal income tax withheld: (1150)
Line 72 Total payments: (1150)
Line 76 Amount you owe: (28)

Third party designee: (NO)
Daytime phone number: (314-555-1008)
Taxpayers occupation: (TEACHER)

This return was prepared by the taxpayer

Form W-2 #1

a. Employee's social security number: (400-00-7952)
b. Employer identification number: (43-7685943)
c. Employer's name address and zip code: (SOLO CITY ORCHESTRA)
(SOLO CENTER SUITE 420)
(SOLO MO 65564)
e. Employee's first name and initial: (TEST C ACAPPELLA)
f. Employee's address and zip code: (4 QUARTET CTR)
(SOLO, MO 65564)
Box 1 Wages, tips, other (26000)
compensation:
Box 2 Federal income tax withheld: (1150)
Box 3 Social security wages: (26000)
Box 4 Social security tax withheld: (1612)
Box 5 Medicare wages and tips: (26000)
Box 6 Medicare tax withheld: (377)
Box 15 State and employer's state ID (HI 43918273)
no:
Box 16 State wages, tips, etc: (26000)
Box 17 State income tax: (800)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Tax Year

thru

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): Part-Year Resident X Nonresident Nonresident Alien or Dual-Status Alien

Form with fields for Name, Spouse's Name, Care Of, Address, City, State, Postal/ZIP code, and Foreign address.

IMPORTANT - Complete this Section. Includes fields for Social Security Number and checkboxes for First Time Filer and Address or Name Change.

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 Single
2 Married filing joint return
3 X Married filing separate return
4 Head of household
5 Qualifying widow(er) with dependent child

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X below line 37.

6a X Yourself Age 65 or over
6b X Spouse Age 65 or over

Table with 4 columns: 1. First and last name, 2. Dependent's social security number, 3. Relationship, 4. Enter number of children/dependents. Row 1: Fortissimo Aria, 400-55-3009, Daughter, 1.

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 3

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7952

Your Spouse's SSN

Name(s) as shown on return
Test C. Acappella

If amount is negative (loss), place an X in the box.

Col. A - Total Income

Col. B - Hawaii Income

	Col. A - Total Income		Col. B - Hawaii Income
7 Wages, salaries, tips, etc. (attach Form(s) W-2)	26000	7	26000
8 Interest income from the worksheet on page 38 of the Instructions		8	
9 Ordinary dividends		9	
10 State income tax refund from the worksheet on page 38 of the Instructions		10	
11 Alimony received		11	
12 Business or farm income or (loss)		12	
13 Capital gain or (loss) from the worksheet on page 38 of the Instructions		13	
14 Supplemental gains or (losses) (attach Schedule D-1)		14	
15 IRA distributions		15	
16 Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)		16	
17 Rents, royalties, partnerships, estates, trusts, etc.		17	
18 Unemployment compensation (insurance).		18	
19 Other income (state nature and source)		19	
20 Add lines 7 through 19..... Total Income >	26000	20	26000
21 Educator expenses.....		21	
22 Certain business expenses of reservists, performing artists, and fee-basis government officials		22	
23 IRA deduction.....		23	
24 Student loan interest deduction from the worksheet on page 42 of the Instructions		24	
25 Health savings account deduction.....		25	
26 Moving expenses (attach Form N-139)		26	
27 One-half of self-employment tax		27	
28 Self-employed health insurance deduction		28	
29 Self-employed SEP, SIMPLE, and qualified plans		29	
30 Penalty on early withdrawal of savings		30	
31 Alimony paid (Enter name and SS No. of recipient)		31	
32 Payments to an individual housing account		32	



Your Social Security Number
400 - 00 - 7952

Your Spouse's SSN

Name(s) as shown on return
Test C. Acappella

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	_____	33	_____
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)	_____	34	_____
35	Add lines 21 through 34..... Total Adjustments >	0	35	0
36	Line 20 minus line 35..... Adjusted Gross Income >	26000	36	26000

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 1.00
CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	38a	_____
38b	Taxes (from Worksheet NR-2 or PY-2).....	38b	_____
38c	Interest expense (from Worksheet NR-3 or PY-3)	38c	_____
38d	Contributions (from Worksheet NR-4 or PY-4)	38d	_____
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	38e	_____
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	38f	_____

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

0

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

	40a	2000
--	-----	------

Prorated Standard Deduction

40b	Multiply line 40a by the ratio on line 37	>	40b	2000
41	Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)		41	24000
42a	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself Spouse and see page 26 of the Instructions		42a	3120

42b Multiply line 42a by the ratio on line 37**Prorated Exemption(s)** > 42b 3120

43	Taxable Income. Line 41 minus line 42b (but not less than zero).....	Taxable Income >	43	20880
44	Tax. Place an X if from: <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..	Tax >	44	1129
	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	44a	_____	

45 Total nonrefundable tax credits (attach Schedule CR)..... 45 0

46 Line 44 minus line 45 (but not less than zero).....**Balance** > 46 1129

47 Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments) 47 800

48 2007 estimated tax payments on Forms N-1 ; N-288A 48 _____

49 Amount of estimated tax applied from 2006 return..... 49 _____

50 Amount paid with extension(s) 50 _____



Your Social Security Number
400 - 00 - 7952

Your Spouse's SSN

Name(s) as shown on return
Test C. Acappella

MT074

- 51 Low-Income Refundable Tax Credit
(attach Schedule X) **DHS, etc.** exemptions51 _____
- 52 Credit for Low-Income Household
Renters (attach Schedule X)52 _____
- 53 Credit for Child and Dependent Care
Expenses (attach Schedule X)53 _____
- 54 Credit for Child Passenger Restraint
System(s) (attach a copy of the invoice)54 _____
- 55 Credit for General Income Tax
(see Instructions) **Federal AGI**55 _____
- 56 Total refundable tax credits from
Schedule CR (attach Schedule CR)56 _____
- 57 Add lines 47 through 56 **Total Payments and Credits** ▶ 57 _____ 800
- 58 If line 57 is larger than line 46, enter the amount **OVERPAID** (line 57 minus line 46) 58 _____
- 59 **Contributions to** (see page 31 of the Instructions): **Yourself** **Spouse**
- 59a Hawaii Schools Repairs and Maintenance Fund \$2 \$2
- 59b Hawaii Public Libraries Fund \$2 \$2
- 59c Domestic Violence / Child Abuse and Neglect Funds \$5 \$5
- 60 Add the amounts of the Xs on lines 59a through 59c and enter the total here 60 _____
- 61 Line 58 minus line 60 61 _____
- 62 Amount of line 61 to be **applied to**
your **2008 ESTIMATED TAX**62 _____
- 63 Amount to be **REFUNDED TO YOU** (line 61 minus line 62) If filing late,
see page 31 of Instructions 63 _____
- 64 **AMOUNT YOU OWE** (line 46 minus line 57). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector" 64 _____ 329
- 65 **Estimated tax penalty.** (See page 31 of Instr.) Do not include this amount
in line 58 or 64. Place an X in this box if Form N-210 is attached ▶ ...65 _____
- 66 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions) 66 _____
- 67 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 67 _____
- 68 If you would like us to mail you a packet of forms for next year's filing, please place an X in this box **X**

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions.

Designee's name ▶ Phone no. ▶ Identification number ▶

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE	Your signature	Date	Your occupation Teacher	Daytime Phone Number (314)555-1008
	Spouse's signature (if filing jointly, BOTH must sign)	Date	Spouse's occupation	

PAID	Paid Preparer's Information	Preparer's Signature ▶	Date	Check if self-employed ▶ <input type="checkbox"/>	Preparer's identification number
		Print Preparer's Name ▶		Federal E.I. No. ▶	
		Firm's name (or yours if self-employed), ▶		Phone No. ▶	

Hawaii Test Case #13 (Based on the modified 2005 IRS Test #13)

Attachments:

Hawaii Form N-15

Taxpayer name: TEST U GRASS
 Taxpayer SSN: 400-00-7953

Hawaii changes to IRS test:

Taxpayer is a part-year resident. Taxpayer was a resident of Hawaii from January 1, 2007 - March 31, 2007.

All form(s) for primary taxpayer:

Taxpayer/recipient Social Security number changed to Hawaii test designation:
400-00-7953

W-2(1): (Wages were earned in Hawaii from January 1, 2007 - March 31, 2007)

Box 15 State changed to Hawaii: **HI**

W-2(2): (Wages were earned outside Hawaii from April 1, 2007 - December 31, 2007)

1099-G: (Unemployment compensation received from January 1, 2007 - March 31, 2007)

Line 9 State income tax withheld: \$1100

State Return Details:

FORM N-15

Line 7	Wages:	Col. A: \$42,000	Col. B: \$24,500
Line 18	Unemployment compensation:	Col. A: \$1,650	Col. B: \$1,650
Line 23	IRA deduction:	Col. A: \$1,200	Col. B: \$700
Line 36	Adjusted gross income:	Col. A: \$42,450	Col. B: \$25,450
Line 37	Ratio of Hawaii AGI to total AGI:	0.60	
Line 38b	Taxes:	\$2,815	
	Taxpayer is disabled?	Yes	
Line 42a	Exemptions:	\$8,040	
Line 42b	Prorated exemptions:	\$4,824	
Line 43	Taxable income:	\$17,811	
Line 44	Tax liability:	\$673 (from tax table)	
Line 47	Hawaii income tax withheld:	\$2,815	
Line 58	Overpaid:	\$2,142	
Line 59a	School repair contribution	yes for both taxpayer and spouse	
Line 59b	Library contribution	yes for both taxpayer and spouse	
Line 59c	Domestic violence contribution	yes for both taxpayer and spouse	
Line 60	Amount:	\$18	
Line 62	Apply to 2008:	\$500	
Line 63	Refund:	\$1,624	
	Taxpayers' designee:		
	Designee	JOHN DOE	
	Phone No.	(888)555-1111	
	ID No.	11112	
	Hawaii election campaign fund	yes for taxpayer and spouse	

HAWAII TEST CASE #13

TEST #13 - IRS scenario (Taxpayer's SSN and the number of dependents have been changed for the IRS test)

FORMS REQUIRED: FORM 1040A, SCH 2, FORM 8812

INFORMATION RETURNS ATTACHED: FORM W-2 (2)

ENTRIES NOT REQUIRING FORMS: FORM 1040A, LINE 13: 1650
FORM 1040A, LINE 17: 1200
(TAXPAYER: 800, SPOUSE: 400)

STATEMENTS: FORM 1040A, LINE 6c, DEPENDENT LISTING
SCH 2, LINE 1, COLUMNS A & B, CHILD CARE PROVIDERS
SCH 2, LINE 1, COLUMNS C & D, CHILD CARE PROVIDERS
SCH 2, LINE 2, QUALIFYING NAME

OTHER: DIRECT DEPOSIT
IRA DISTRIBUTIONS RECEIVED IN 2004: 1800 (TAXPAYER)
1500 (SPOUSE)

THIRD PARTY DESIGNEE: NAME: JOHN DOE
PHONE: 888-555-1111
PIN: 11112

PREPARED BY:

TAXPAYER: NAME: TEST U GRASS SSN: 400-00-1053
DOB: 01-01-1957 OCCUPATION: CONSULTANT
DISABLED: NO PRES ELEC FUND: YES
DAYTIME PHONE: NOT GIVEN BLIND: YES

SPOUSE: NAME: MAY B GRASS SSN: 400-00-2013
DOB: 08-22-1962 OCCUPATION: SALESPERSON
DISABLED: NO PRES ELEC FUND: NO
BLIND: NO

CHECK DIGITS FROM IRS LABEL: XU

ADDRESS: 74131 FESCUE DR
SAINT THOMAS, VI 00802

FILING STATUS: MARRIED FILING JOINTLY LINE 6d: 6

DEPENDENT INFORMATION:

Table with 7 columns: NAME, AGE, SSN, RELATIONSHIP, # MO, CHILD TAX CR. Rows include TIMOTHY GRASS, MARY GRASS, DAVID GRASS, SUSAN GRASS.

HAWAII TEST CASE #13

DIRECT DEPOSIT: **NAME OF INSTITUTION:** SAVINGS CREDIT UNION
RTN: 253174576
ACCT #: 06542153
TYPE OF ACCT: SAVINGS

SCHEDULE 2:

PART I:

LINE 1:

(a)	(b)	(c)	(d)
CHILDREN RUS	55 PLAY ST	SAINT THOMAS VI 00802	02-7777777 400
SUSAN CAREGIVER	FIRST ST NW	SAINT THOMAS VI 00802	02-6789000 800
A CHILDS PLACE	16 LEARNING WAY	SAINT THOMAS VI 00802	02-1245556 1940

PART II:

Line 2:

(a)	(b)	(c)	
TIMOTHY GRASS	400-55-3013	1040	(NOTE: TOTAL PAID 1340)
MARY GRASS	400-55-4013	700	(NOTE: TOTAL PAID 1000)
DAVID GRASS	400-55-5013	500	(NOTE: TOTAL PAID 800)

(NOTE: COLUMN C FOR EACH DEPENDENT IS ADJUSTED BY \$300 EACH OF EXCLUDED BENEFITS)

LINE 3: 2240

PART III:

LINE 14: 1000

LINE 16: 100

ETD TRANSMISSION:

FORM 4868:

LINE 4: 0
LINE 5: 4887
LINE 6: 0

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040A, FORM W-2 (2)

FORM 1040A

First Name, MI & Last Name: (TEST U GRASS)
Social Security Number: **(400-00-7953)**
 Spouse's First Name, MI & Last Name: (MAY B GRASS)
 Spouse's Social Security Number: (400-00-2013)
 Home Address: (74131 FESCUE DR)
 City, State, and Zip: (SAINT THOMAS, VI 00802)
 Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
 If joint return, does your spouse want \$3.00 to go to this fund: (NO)
 Filing Status: (MARRIED FILING JOINTLY)
 Dependent #1 Name: (TIMOTHY GRASS)
 Social Security Number: (400-55-3013)
 Relationship: (SON)
 Qualifying child for child tax credit: (X)
 Dependent #2 Name: (MARY GRASS)
 Social Security Number: (400-55-4013)
 Relationship: (DAUGHTER)
 Qualifying child for child tax credit: (X)
 Dependent #3 Name: (DAVID GRASS)
 Social Security Number: (400-55-5013)
 Relationship: (SON)
 Qualifying child for child tax credit: (X)
 Dependent #4 Name: (SUSAN GRASS)
 Social Security Number: (400-55-6013)
 Relationship: (DAUGHTER)
 Qualifying child for child tax credit: (X)
 Number of boxes on 6a and 6b: (2)
 Number of children who lived with you: (4)
 Total number in box 6d: (6)
 Line 7 Total wages: (42000)
 Line 13 Unemployment compensation: (1650)
 Line 15 Total income: (43650)
 Line 17 IRA deduction: (1200)
 Line 20 Total adjustments: (1200)
 Line 21 Adjusted gross income: (42450)
 Line 22 Amount from line 21: (42450)
 Line 23a Taxpayer is blind: (X)
 Line 23a Number of boxes checked: (1)
 Line 24 Standard deduction: (11750)
 Line 25 Subtract line 24 from line 22: (30700)
 Line 26 Multiply \$3400 by the total number of exemptions on line 6d: (20400)
 Line 27 Taxable income: (10300)
 Line 28 Tax: (1033)
 Line 29 Credit for child care expenses: (470)
 Line 32 Child tax credit: (563)
 Line 34 Total credits: (1033)
 Line 35 Subtract line 34 from line 28: (0)
 Line 37 Total tax: (0)
 Line 38 Federal income tax withheld: (1450)

HAWAII TEST CASE #13

Line 41	Additional child tax credit:	(3437)
Line 42	Total payments:	(4887)
Line 43	Amount overpaid:	(4887)
Line 44a	Amount to be refunded:	(4887)
Line 44b	Routing transit number:	(253174576)
Line 44c	Type of account:	(Savings)
Line 44d	Account number:	(06542153)
	Third party designee:	(YES)
	Designee's name:	(JOHN DOE)
	Phone number:	(888-555-1111)
	PIN:	(11112)
	Taxpayer's occupation:	(CONSULTANT)
	Spouse's occupation:	(SALESPERSON)

TEST #13: continued:

Form W-2 #1

a. Employee's social security number: (400-00-7953)
 b. Employer identification number: (02-9876543)
 c. Employer's name address and zip code: (LAST JOB INC)
 (97 WHEATLEY AVE)
 (SAINT THOMAS VI 00802)
 e. Employee's name (first, mi, last): (TEST U GRASS)
 f. Employee's address and zip code: (74131 FESCUE DR)
 (SAINT THOMAS, VI 00802)

Box 1 Wages, tips, etc.: (24500)
 Box 2 Federal income tax withheld: (900)
 Box 3 Social security wages: (24500)
 Box 4 Social security tax withheld: (1519)
 Box 5 Medicare wages and tips: (24500)
 Box 6 Medicare tax withheld: (355)
 Box 10 Dependent care benefits: (1000)
Box 15 State and state ID number: (**HI** 02888)
 Box 16 State wages: (24500)
 Box 17 State income tax withheld: (1715)

Form W-2 #2

a. Employee's social security number: (400-00-2013)
 b. Employer identification number: (02-5689124)
 c. Employer's name address and zip code: (SNODGRASS FEED AND SEED)
 (1 PLANTATION ST)
 (SAINT THOMAS VI 00802)
 e. Employee's name (first, mi, last): (MAY B GRASS)
 f. Employee's address and zip code: (74131 FESCUE DR)
 (SAINT THOMAS, VI 00802)

Box 1 Wages, tips, etc.: (17500)
 Box 2 Federal income tax withheld: (550)
 Box 3 Social security wages: (17500)
 Box 4 Social security tax withheld: (1085)
 Box 5 Medicare wages and tips: (17500)
 Box 6 Medicare tax withheld: (254)
 Box 15 State and state ID number: (VI 023456)
 Box 16 State wages: (17500)



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007

OR

M M D D Y Y M M D D Y Y

AMENDED Return

Tax Year

01 - 01 - 07

thru

03 - 31 - 07

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): X Part-Year Resident Nonresident Nonresident Alien or Dual-Status Alien

Form with fields for Name, Spouse's Name, Address, City, State, ZIP, and Country.

IMPORTANT - Complete this Section. Fields for Social Security Number and Spouse's Social Security Number.

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 Single, 2 Married filing joint return, 3 Married filing separate return, 4 Head of household, 5 Qualifying widow(er) with dependent child.

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X below line 37.

6a X Yourself, 6b X Spouse. Enter the number of Xs on 6a and 6b. 2

Table with 4 columns: 1. First and last name, 2. Dependent's social security number, 3. Relationship, 4. Enter number of children/dependents.

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 6

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7953

Your Spouse's SSN
400 - 00 - 2013

Name(s) as shown on return

Test U. Grass

May B. Grass

If amount is negative (loss), place an X in the box.

Col. A - Total Income

Col. B - Hawaii Income

	Col. A - Total Income		Col. B - Hawaii Income
7 Wages, salaries, tips, etc. (attach Form(s) W-2)	42000	7	24500
8 Interest income from the worksheet on page 38 of the Instructions		8	
9 Ordinary dividends		9	
10 State income tax refund from the worksheet on page 38 of the Instructions		10	
11 Alimony received		11	
12 Business or farm income or (loss)		12	
13 Capital gain or (loss) from the worksheet on page 38 of the Instructions		13	
14 Supplemental gains or (losses) (attach Schedule D-1)		14	
15 IRA distributions		15	
16 Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)		16	
17 Rents, royalties, partnerships, estates, trusts, etc.		17	
18 Unemployment compensation (insurance).	1650	18	1650
19 Other income (state nature and source)		19	
20 Add lines 7 through 19..... Total Income >	43650	20	26150
21 Educator expenses.....		21	
22 Certain business expenses of reservists, performing artists, and fee-basis government officials		22	
23 IRA deduction.....	1200	23	700
24 Student loan interest deduction from the worksheet on page 42 of the Instructions		24	
25 Health savings account deduction.....		25	
26 Moving expenses (attach Form N-139)		26	
27 One-half of self-employment tax		27	
28 Self-employed health insurance deduction		28	
29 Self-employed SEP, SIMPLE, and qualified plans		29	
30 Penalty on early withdrawal of savings		30	
31 Alimony paid (Enter name and SS No. of recipient)		31	
32 Payments to an individual housing account		32	



Your Social Security Number
400 - 00 - 7953

Your Spouse's SSN
400 - 00 - 2013

Name(s) as shown on return

Test U. Grass

May B. Grass

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	_____	33	_____
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)	_____	34	_____
35	Add lines 21 through 34..... Total Adjustments >	1200	35	700
36	Line 20 minus line 35..... Adjusted Gross Income >	42450	36	25450

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 0.60

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	_____	38a	_____
38b	Taxes (from Worksheet NR-2 or PY-2).....	2815	38b	_____
38c	Interest expense (from Worksheet NR-3 or PY-3)	_____	38c	_____
38d	Contributions (from Worksheet NR-4 or PY-4)	_____	38d	_____
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	_____	38e	_____
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	_____	38f	_____

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

2815

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

Prorated Standard Deduction

40b	Multiply line 40a by the ratio on line 37	>	40b	_____
41	Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)	41	_____	22635
42a	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) <input checked="" type="checkbox"/> Yourself <input type="checkbox"/> Spouse and see page 26 of the Instructions	42a	_____	8040

42b Multiply line 42a by the ratio on line 37**Prorated Exemption(s)** > 42b 4824

43 **Taxable Income.** Line 41 minus line 42b (but not less than zero).....**Taxable Income** > 43 17811

44 **Tax.** Place an X if from: Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions.
 (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..**Tax** > 44 673
 If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....44a _____

45 Total nonrefundable tax credits (attach Schedule CR)..... 45 0

46 Line 44 minus line 45 (but not less than zero).....**Balance** > 46 673

47 Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments)47 2815

48 2007 estimated tax payments on Forms N-1 ; N-288A48 _____

49 Amount of estimated tax applied from 2006 return.....49 _____

50 Amount paid with extension(s)50 _____



Your Social Security Number
400 - 00 - 7953

Your Spouse's SSN
400 - 00 - 2013

Name(s) as shown on return

Test U. Grass

May B. Grass

MT074

51 Low-Income Refundable Tax Credit
(attach Schedule X) **DHS, etc.** exemptions51 _____

52 Credit for Low-Income Household
Renters (attach Schedule X)52 _____

53 Credit for Child and Dependent Care
Expenses (attach Schedule X)53 _____

54 Credit for Child Passenger Restraint
System(s) (attach a copy of the invoice)54 _____

55 Credit for General Income Tax
(see Instructions) **Federal AGI**55 _____

56 Total refundable tax credits from
Schedule CR (attach Schedule CR)56 _____

57 Add lines 47 through 56 **Total Payments and Credits** > 57 _____ 2815

58 If line 57 is larger than line 46, enter the amount **OVERPAID** (line 57 minus line 46) 58 _____ 2142

59 **Contributions to** (see page 31 of the Instructions): **Yourself** **Spouse**

59a Hawaii Schools Repairs and Maintenance Fund **X** \$2 **X** \$2

59b Hawaii Public Libraries Fund **X** \$2 **X** \$2

59c Domestic Violence / Child Abuse and Neglect Funds **X** \$5 **X** \$5

60 Add the amounts of the Xs on lines 59a through 59c and enter the total here 60 _____ 18

61 Line 58 minus line 60 61 _____ 2124

62 Amount of line 61 to be **applied to**
your **2008 ESTIMATED TAX**62 _____ 500

63 Amount to be **REFUNDED TO YOU** (line 61 minus line 62) If filing late,
see page 31 of Instructions 63 _____ 1624

64 **AMOUNT YOU OWE** (line 46 minus line 57). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector" 64 _____

65 **Estimated tax penalty.** (See page 31 of Instr.) Do not include this amount
in line 58 or 64. Place an X in this box if Form N-210 is attached > ...65 _____

66 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions) 66 _____

67 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 67 _____

68 If you would like us to mail you a packet of forms for next year's filing, please place an X in this box

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions. 888-555-1111

Designee's name > John Doe Phone no. > Identification number > 11112

HAWAII ELECTION CAMPAIGN FUND Do you want \$2 to go to the Hawaii Election Campaign Fund? **X** Yes No

If joint return, does your spouse want \$2 to go to the fund? **X** Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

PLEASE SIGN HERE

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature	Date	Your occupation	Daytime Phone Number
>		Consultant	()
Spouse's signature (if filing jointly, BOTH must sign)	Date	Spouse's occupation	
>		Salesperson	

Paid Preparer's Information

Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
Print Preparer's Name >	Federal E.I. No. >		
Firm's name (or yours if self-employed), >	Phone No. >		

Hawaii Test Case #14 (Based on the modified 2005 IRS Test #14)

Attachments:

Hawaii Form N-15
 Hawaii Form N-615

Taxpayer name: TEST D RICHARD
 Taxpayer SSN: 400-00-7954

Hawaii changes to IRS test:

Taxpayer is a part-year resident. Taxpayer was a resident of Hawaii from January 1, 2007 - November 30, 2007.

All form(s):

Social Security number changed to Hawaii test designation:
400-00-7954

Address changed to foreign address:
**3-4-2 HAMAMATSU-CHO
 MINATO-KU, TOKYO, JAPAN 261-3254**

Note: Interest, dividend, and Schedule E income allocated to Hawaii during period of residency (January 1, 2007 - November 30, 2007).

State Return Details:

FORM N-15

Line 8	Interest income:	Col. A: \$1,514	Col. B: \$1,388
Line 9	Ordinary dividends:	Col. A: \$582	Col. B: \$534
Line 13	Capital gain or (loss):	Col. A: -\$800	Col. B: -\$800
		(Mark an X in the box for minus sign)	
Line 17	Rents, royalties, partnerships:	Col. A: \$5,200	Col. B: \$4,767
Line 36	Adjusted gross income:	Col. A: \$6,496	Col. B: \$5,889
Line 37	Ratio of Hawaii AGI to total AGI:	0.91	
	Taxpayer is a dependent of another?	yes	
Line 40a	Standard deduction:	\$500	
Line 40b	Prorated standard deduction:	\$455	
Line 42a	Exemptions:	\$0	
Line 42b	Prorated exemptions:	\$0	
Line 43	Taxable income:	\$5,434	
Line 44	Tax liability:	\$358 (from Form N-615)	
	Taxpayer DOES NOT qualify for any tax credits.		
Line 64	Balance due:	\$358	
	Taxpayer's designee:		
	Preparer		
	Hawaii Election Campaign Fund:	no	
	Return was prepared by:		
	Preparer's Name:	ROBERT R ROBERTS	
	Preparer's ID:	400-55-4014	
	Preparer's FEIN:	88-6868686	
	Preparer's Firm's Name:	ROBERTS ENTERPRISES	
	Preparer's Firm's Address:	645 SALEM ST NIXON, NV 89424	
	Preparer's Phone No.:	775-555-1313	
	Preparer self-employed:	yes	

HAWAII TEST CASE #14

Date:

April 10, 2008

Form N-615

Line A:		RICHARD D RICHARD
Line B:		400-55-3014
Line C:		Married filing joint
Line D:		4
Line 6	Parent's taxable income:	\$40,100
Line 7	Investment income of other children:	\$1,620
Line 9	Tax on amount in line 8:	\$2,608 (from tax table)
Line 10	Parent's tax:	\$2,140 (from tax table)
Line 15	Tax on amount in line 14:	\$7 (from tax table)
Line 17	Tax on amount in line 4:	\$144 (from tax table)

HAWAII TEST CASE #14

TEST #14 - IRS scenario (Taxpayer's SSN has been changed for the IRS test)

FORMS REQUIRED: FORM 1040, SCH B, SCH D, SCH E PG 2, FORM 8615

INFORMATION RETURNS ATTACHED:

ENTRIES NOT REQUIRING FORMS: FORM 1040, LINE 65: 600
FORM 1040, LINE 69: 109

STATEMENTS:

OTHER: DEPENDENT OF ANOTHER

THIRD PARTY DESIGNEE: PREPARER

PREPARED BY: ROBERT R ROBERTS (SELF-EMPLOYED) SSN: 400-55-4014
ROBERTS ENTERPRISES EIN: 88-6868686
645 SALEM ST PHONE: 775-555-1313
NIXON, NV 89424

TAXPAYER: NAME: TEST D RICHARD SSN: 400-00-1054
DOB: 03-13-1994 OCCUPATION: STUDENT
DISABLED: NO PRES ELEC FUND: NO
DAYTIME PHONE: NOT GIVEN BLIND: NO

CHECK DIGITS FROM IRS LABEL: BT

ADDRESS: 94022 PATRICIA CT
HAPPY JACK, AZ 86024

FILING STATUS: SINGLE LINE 6d: 0

SCHEDULE B:

PART I:

LINE 1:

PAYER NAME	AMOUNT
FOREFATHERS BANK	1514

PART II:

LINE 5:

PAYER NAME	AMOUNT
WIZE INVESTMENT	582 (NON-QUALIFIED)

PART III:

LINE 7a: NO

LINE 8: NO

SCHEDULE D:

PART I:

LINE 1:	(a)	(b)	(c)	(d)	(e)
100 SHS WIZE		03-24-2007	06-02-2007	1000	1800

SCHEDULE E, PG 2:

PART III:

LINE 33A(a): LONG TIME GONE
LINE 33A(b): 04-5763211
LINE 33A(d): 5200

FORM 8615:

LINE A: RICHARD D RICHARD
LINE B: 400-55-3014
LINE C: MARRIED FILING JOINTLY

PART II:

LINE 6: 40100
LINE 7: 1620
LINE 10: 5236

ETD TRANSMISSION:

FORM 56:

PART I:

NAME OF PERSON FOR WHOM YOU ARE ACTING: TEST D RICHARD
IDENTIFYING NUMBER: 400-00-1054
ADDRESS OF PERSON FOR WHOM YOU ARE ACTING: 94022 PATRICIA CT
CITY, STATE, ZIP: HAPPY JACK, AZ 86024
FIDUCIARY'S NAME: RICHARD D RICHARD
ADDRESS OF FIDUCIARY: 94022 PATRICIA CT
CITY, STATE, ZIP: HAPPY JACK, AZ 86024
TELEPHONE NUMBER: 987-654-3210

PART II:

LINE 1(b)1: X
LINE 1(b)2: 05-15-2007

PART III:

LINE 2: ESTATE/TRUST
LINE 3: 1041
LINE 4: 2005 2006 2007
LINE 5: X

PART V:

NAME OF COURT: US DISTRICT COURT, NINTH DISTRICT
ADDRESS OF COURT: 123 N SAN FRANCISCO ST, SUITE 200
CITY, STATE, ZIP: FLAGSTAFF, AZ 86001
DATE PROCEEDING INITIATED: 04-20-2007
DOCKET NUMBER OF PROCEEDING: 123AX
DATE: 05-15-2007
TIME: 10:00 A.M.

PIN: 74125

SIGNATURE DATE: 04-15-2008

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040

FORM 1040

First Name, MI & Last Name: (TEST D RICHARD)
Social Security Number: **(400-00-7954)**
Home Address: (94022 PATRICIA CT)
City, State, and Zip Code: (HAPPY JACK, AZ 86024)
Do you want \$3.00 to go to the (NO)
Presidential Campaign Fund:
Filing Status: (SINGLE)
Number of boxes checked on 6a and 6b: (0)
Total number in box 6d: (0)
Line 8a Taxable interest: (1514)
Line 9a Ordinary dividend income: (582)
Line 13 Capital gain or (loss): (-800)
Line 17 Schedule E income or (loss): (5200)
Line 22 Total income: (6496)
Line 37 Adjusted gross income: (6496)
Line 38 Amount from line 37: (6496)
Line 40 Itemized or standard deduction: (850)
Line 41 Subtract line 40 from line 38: (5646)
Line 42 Multiply \$3400 by the total (0)
number of exemptions on line
6d:
Line 43 Taxable income: (5646)
Line 44 Tax: (804)
Line 46 Add lines 44 and 45: (804)
Line 57 Subtract line 56 from line 46: (804)
Line 63 Total tax: (804)
Line 65 2007 estimated tax payments: (600)
Line 69 Amount paid with Form 4868: (109)
Line 72 Total payments: (709)
Line 76 Amount you owe: (95)

Third party designee: (YES)
Designee's name: (PREPARER)
Taxpayer's occupation: (STUDENT)

Paid Preparer Information:
Self-employed: (X)
Preparer's SSN: (400-55-4014)
Firm Name: (ROBERTS ENTERPRISES)
EIN: (88-6868686)
Firm Address: (645 SALEM ST)
(NIXON NV 89424)
Phone no: (775-555-1313)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007

OR

AMENDED Return

Tax Year

01 - 01 - 07

thru

11 - 30 - 07

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): X Part-Year Resident Nonresident Nonresident Alien or Dual-Status Alien

Form fields for personal information: Your First Name (Test), Spouse's First Name, Care Of, Present mailing or home address (3-4-2 Hamamatsu-Cho), City (Minato-Ku), Postal/ZIP code (261-3254), and Country (Japan).

Important section for Social Security Numbers: RICH, 400-00-7954, and Spouse's Social Security Number. Includes checkboxes for First Time Filer and Address or Name Change.

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 X Single
2 Married filing joint return
3 Married filing separate return
4 Head of household
5 Qualifying widow(er) with dependent child

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X below line 37.

6a Yourself Age 65 or over
6b Spouse Age 65 or over
Enter the number of Xs on 6a and 6b

Table with 4 columns: 1. First and last name, 2. Dependent's social security number, 3. Relationship, and 4. Enter number of children/dependents listed.

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 0

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7954

Your Spouse's SSN

Name(s) as shown on return
Test D. Richard

If amount is negative (loss), place an X in the box.

Col. A - Total Income

Col. B - Hawaii Income

	Col. A - Total Income		Col. B - Hawaii Income
7 Wages, salaries, tips, etc. (attach Form(s) W-2)	_____	7	_____
8 Interest income from the worksheet on page 38 of the Instructions	1514	8	1388
9 Ordinary dividends	582	9	534
10 State income tax refund from the worksheet on page 38 of the Instructions	_____	10	_____
11 Alimony received	_____	11	_____
12 Business or farm income or (loss)	_____	12	_____
13 Capital gain or (loss) from the worksheet on page 38 of the Instructions	X 800	13	X 800
14 Supplemental gains or (losses) (attach Schedule D-1)	_____	14	_____
15 IRA distributions	_____	15	_____
16 Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)	_____	16	_____
17 Rents, royalties, partnerships, estates, trusts, etc.	5200	17	4767
18 Unemployment compensation (insurance).	_____	18	_____
19 Other income (state nature and source)	_____	19	_____
20 Add lines 7 through 19..... Total Income >	6496	20	5889
21 Educator expenses.....	_____	21	_____
22 Certain business expenses of reservists, performing artists, and fee-basis government officials	_____	22	_____
23 IRA deduction.....	_____	23	_____
24 Student loan interest deduction from the worksheet on page 42 of the Instructions	_____	24	_____
25 Health savings account deduction.....	_____	25	_____
26 Moving expenses (attach Form N-139)	_____	26	_____
27 One-half of self-employment tax	_____	27	_____
28 Self-employed health insurance deduction	_____	28	_____
29 Self-employed SEP, SIMPLE, and qualified plans	_____	29	_____
30 Penalty on early withdrawal of savings	_____	30	_____
31 Alimony paid (Enter name and SS No. of recipient)	_____	31	_____
32 Payments to an individual housing account	_____	32	_____



Your Social Security Number
400 - 00 - 7954

Your Spouse's SSN

Name(s) as shown on return
Test D. Richard

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	_____	33	_____
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)	_____	34	_____
35	Add lines 21 through 34..... Total Adjustments >	0	35	0
36	Line 20 minus line 35..... Adjusted Gross Income >	6496	36	5889

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 0.91
CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here **X**

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	38a	_____
38b	Taxes (from Worksheet NR-2 or PY-2).....	38b	_____
38c	Interest expense (from Worksheet NR-3 or PY-3)	38c	_____
38d	Contributions (from Worksheet NR-4 or PY-4)	38d	_____
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	38e	_____
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	38f	_____

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

0

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

40a _____ 500

Prorated Standard Deduction

40b	Multiply line 40a by the ratio on line 37	>	40b	_____ 455
41	Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)	41	_____ 5434	
42a	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself Spouse and see page 26 of the Instructions	42a	_____ 0	

42b Multiply line 42a by the ratio on line 37**Prorated Exemption(s)** > **42b** _____ 0

43	Taxable Income. Line 41 minus line 42b (but not less than zero).....	Taxable Income >	43	_____ 5434
44	Tax. Place an X if from: Tax Table; Tax Rate Schedule; Form N-168; <input checked="" type="checkbox"/> Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..	Tax >	44	_____ 358
	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	44a	_____	

45 Total nonrefundable tax credits (attach Schedule CR)..... **45** _____ 0

46 Line 44 minus line 45 (but not less than zero).....**Balance** > **46** _____ 358

47	Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments)	47	_____
48	2007 estimated tax payments on Forms N-1 ; N-288A	48	_____

49 Amount of estimated tax applied from 2006 return..... **49** _____

50 Amount paid with extension(s)

50 _____



Your Social Security Number
400 - 00 - 7954

Your Spouse's SSN

Name(s) as shown on return
Test D. Richard

MT074

51 Low-Income Refundable Tax Credit (attach Schedule X) **DHS, etc.** exemptions51 _____

52 Credit for Low-Income Household Renters (attach Schedule X)52 _____

53 Credit for Child and Dependent Care Expenses (attach Schedule X)53 _____

54 Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)54 _____

55 Credit for General Income Tax (see Instructions) **Federal AGI**55 _____

56 Total refundable tax credits from Schedule CR (attach Schedule CR)56 _____

57 Add lines 47 through 56 **Total Payments and Credits** ▶ 57 _____ 0

58 If line 57 is larger than line 46, enter the amount **OVERPAID** (line 57 minus line 46) 58 _____

59 **Contributions to** (see page 31 of the Instructions): **Yourself** **Spouse**

59a Hawaii Schools Repairs and Maintenance Fund \$2 \$2

59b Hawaii Public Libraries Fund \$2 \$2

59c Domestic Violence / Child Abuse and Neglect Funds \$5 \$5

60 Add the amounts of the Xs on lines 59a through 59c and enter the total here 60 _____

61 Line 58 minus line 60 61 _____

62 Amount of line 61 to be **applied to** your **2008 ESTIMATED TAX**62 _____

63 Amount to be **REFUNDED TO YOU** (line 61 minus line 62) If filing late, see page 31 of Instructions 63 _____

64 **AMOUNT YOU OWE** (line 46 minus line 57). Send Form N-200V with your payment. Make check or money order payable to the "Hawaii State Tax Collector" 64 _____ 358

65 **Estimated tax penalty.** (See page 31 of Instr.) Do not include this amount in line 58 or 64. Place an X in this box if Form N-210 is attached ▶ ...65 _____

66 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions) 66 _____

67 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 67 _____

68 If you would like us to mail you a packet of forms for next year's filing, please place an X in this box

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions. 775-555-1313

Designee's name ▶ Robert R. Roberts Phone no. ▶ Identification number ▶ 400554014

HAWAII ELECTION CAMPAIGN FUND Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No

If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE

Your signature _____ Date _____ Your occupation **Student** Daytime Phone Number ()

Spouse's signature (if filing jointly, BOTH must sign) _____ Date _____ Spouse's occupation _____

Preparer's Information

Paid Preparer's Signature ▶ _____ Date 4/10/08 Check if self-employed ▶ Preparer's identification number 400554014

Print Preparer's Name ▶ Robert R. Roberts Federal E.I. No. ▶ 88-6868686

Firm's name (or yours if self-employed), ▶ Roberts Enterprises Phone No. ▶ 775-555-1313

645 Salem St, Nixon, NV 89424

STATE OF HAWAII — DEPARTMENT OF TAXATION
**Computation of Tax for Children Under Age 14 Who
Have Investment Income of More than \$1,000**

2007

➤ See Separate Instructions

➤ Attach ONLY to the Child's Form N-11, Form N-13, or Form N-15

Child's name shown on return Test D. Richard	Child's social security number 400-00-7954
A Parent's name (first, initial, last) (Caution: See Instructions before completing) Richard D. Richard	B Parent's social security number 400-55-3014
C Parent's filing status (check one): <input type="checkbox"/> Single, <input checked="" type="checkbox"/> Married filing jointly, <input type="checkbox"/> Married filing separately, <input type="checkbox"/> Head of household or <input type="checkbox"/> Qualifying widow(er)	
D Enter number of exemptions claimed on parent's return. (If the parent's filing status is married filing separately, see Instructions.) ➤	4

Step 1 Figure child's net investment income

1 Enter the child's investment income. (See Instructions. If this amount is \$1,000 or less, stop here; do not file this form.)	1	5,889.00
2 If the child DID NOT itemize deductions on Form N-11 or Form N-15, enter \$1,000. If the child ITEMIZED deductions, see Instructions.	2	1,000.00
3 Line 1 minus line 2. Enter the result. (If zero or less, stop here; do not complete the rest of this form but ATTACH it to the child's return.)	3	4,889.00
4 Enter the child's taxable income (from Form N-11, line 25; Form N-13, line 15; or Form N-15, line 43).	4	5,434.00
5 Enter the smaller of line 3 or line 4. (If zero, stop here; do not complete the rest of this form but ATTACH it to the child's return.) ➤	5	4,889.00

Step 2 Figure tentative tax based on the parent's tax rate

6 Enter the parent's taxable income (from Form N-11, line 25; Form N-13, line 15; or Form N-15, line 43). If less than zero, enter zero.	6	40,100.00
7 Enter the total, if any, from Forms N-615, line 5, of ALL OTHER children of the parent listed above. (Do NOT include the amount on line 5 above.)	7	1,620.00
8 Add the amounts on lines 5, 6, and 7. Enter the total.	8	46,609.00
9 Tax on the amount on line 8 based on the parent's filing status. See Instructions. Check if from <input checked="" type="checkbox"/> Tax Table, <input type="checkbox"/> Tax Rate Schedule, <input type="checkbox"/> Capital Gains Tax Worksheet in the Instructions for Form N-11 or Form N-15, <input type="checkbox"/> Form N-168.	9	2,608.00
10 Enter the parent's tax (from Form N-11, line 26; Form N-13, line 16; or Form N-15, line 44). Do not include any tax from Form N-152 or Form N-814. Check if from <input checked="" type="checkbox"/> Tax Table, <input type="checkbox"/> Tax Rate Schedule, <input type="checkbox"/> Capital Gains Tax Worksheet in the Instructions for Form N-11 or Form N-15, <input type="checkbox"/> Form N-168.	10	2,140.00
11 Line 9 minus line 10. Enter the result. (If no amount is entered on line 7, enter the amount from line 11 on line 13 and go to Step 3 .)	11	468.00
12a Add the amounts on lines 5 and 7. Enter the total.	12a	6,509.00
b Divide the amount on line 5 by the amount on line 12a. Enter the decimal (rounded to at least three places).	12b	0.751
13 Multiply the amount on line 11 by the amount on line 12b. Enter the result. ➤	13	351.00

Step 3 Figure child's tax — If the amounts on lines 4 and 5 are the same, enter -0- on line 15 and go to line 16.

14 Line 4 minus line 5. Enter the result.	14	545.00
15 Tax on the amount on line 14 based on the child's filing status. See Instructions. Check if from <input checked="" type="checkbox"/> Tax Table, <input type="checkbox"/> Tax Rate Schedule, <input type="checkbox"/> Capital Gains Tax Worksheet in the Instructions for Form N-11 or Form N-15, <input type="checkbox"/> Form N-168.	15	7.00
16 Add the amounts on lines 13 and 15. Enter the total.	16	358.00
17 Tax on the amount on line 4 based on the child's filing status. See Instructions. Check if from <input checked="" type="checkbox"/> Tax Table, <input type="checkbox"/> Tax Rate Schedule, <input type="checkbox"/> Capital Gains Tax Worksheet in the Instructions for Form N-11 or Form N-15, <input type="checkbox"/> Form N-168.	17	144.00
18 Enter the larger of line 16 or line 17 here and on the child's Form N-11, line 26; Form N-13, line 16; or Form N-15, line 44. (Whole dollars only) Be sure to check the box for Form N-615. ➤	18	358 00

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #15 (Based on the modified 2005 IRS Test #16)

Attachments:

- Hawaii Form N-15
- Hawaii Form N-334
- Hawaii Form N-334A
- Hawaii Schedule CR

Taxpayer name: TEST T ISLANDER
 Taxpayer SSN: 400-00-7955

Hawaii changes to IRS test:

Taxpayer is a nonresident. Income from the S-corporation (Sandy Shores, Inc.) is Hawaii source income.

All form(s)

Social Security number changed to Hawaii test designation:
 400-00-7955

State Return Details:

FORM N-15

Line 12	Business or farm income:	Col. A: \$15,075	Col. B: \$0
Line 16	Pensions and annuities:	Col. A: \$3,000	Col. B: \$0
Line 17	Rents, royalties, partnerships:	Col. A: \$24,400	Col. B: \$24,400
Line 19	Other income (blackjack):	Col. A: \$5,000	Col. B: \$0
Line 36	Adjusted gross income:	Col. A: \$47,475	Col. B: \$24,400
Line 37	Ratio of Hawaii AGI to total AGI:	0.51	
Line 40a	Standard deduction:	\$2,920	
Line 40b	Prorated standard deduction:	\$1,489	
Line 42a	Exemptions:	\$1,040	
Line 42b	Prorated exemptions:	\$530	
Line 43	Taxable income:	\$22,381	
Line 44	Tax liability:	\$1,075 (from tax tables)	
Line 45	Nonrefundable tax credits:	\$200	
Line 48	Estimated tax payments:	\$400 (Form N-1)	
Line 64	Balance due:	\$475	
No designee			
Hawaii Election Campaign Fund:		yes	

FORM N-334

Line 46	\$200
Line 48	\$200
Line 49	\$1,075
Line 51	\$1,075
Line 52	\$200
Line 53	\$0

FORM N-334A

Entity's name and address

SANDY SHORES, INC.
1234 SANDY SHORES STREET
HONOLULU, HI 96813
56-8523699
S CORPORATION
TEST T ISLANDER
2/1/07

Entity's identification number

Type of entity

Name of individual for this statement

Photovoltaic Energy System - Date system installed and placed in service:

Line 35	\$500
Line 37	\$500
Line 38	\$175
Line 39	10
Line 40	\$1,750
Line 45	\$1,750
Line 46	\$1,750
Line 47	\$200

Hawaii Schedule CR:

Part I:

Line 12

\$200 (Mark an X in the box for Photovoltaic)

Line 14

\$200

HAWAII TEST CASE #15

TEST #16 - IRS scenario (Taxpayer's SSN has been changed for the IRS test)

FORMS REQUIRED: FORM 1040, SCH C, SCH E PG 2, FORM 8901

INFORMATION RETURNS ATTACHED: FORM W-2 (1), FORM W-2G (1), FORM 1099-R (1)

ENTRIES NOT REQUIRING FORMS: FORM 1040, LINE 52: 1000
FORM 1040, LINE 65: 3000

STATEMENTS:

OTHER: NOTE: STATUTORY EMPLOYEE

THIRD PARTY DESIGNEE: NONE

PREPARED BY:

TAXPAYER: NAME: TEST T ISLANDER	SSN: 400-00-1055
DOB: 08-22-1971	OCCUPATION: INSURANCE BROKER
DISABLED: NO	PRES ELEC FUND: YES
DAYTIME PHONE: NOT GIVEN	BLIND: NO

CHECK DIGITS FROM IRS LABEL: JU

ADDRESS: 123 PLAY HERE ST
WASHINGTON, DC 20011

FILING STATUS: HEAD OF HOUSEHOLD	LINE 6d: 1
QUALIFYING NAME: MICHAEL ISLANDER	SSN: 400-55-3016
	AGE: 16

SCHEDULE C:

NAME OF PROPRIETOR: TEST T ISLANDER	SSN: 400-00-1055
LINE A: INSURANCE SALES	
LINE B: 524290	
LINE D: 65-7044337	
LINE F: CASH	
LINE G: YES	

PART I:

LINE 1: 28900 STATUTORY EMPLOYEE BOX = X

PART II:

LINE 18: 640
LINE 22: 4065
LINE 23: 820
LINE 26: 8300

SCHEDULE E, PAGE 2:

PART II:

LINE 27: NO

LINE 28A(a): SANDY SHORES, INC

LINE 28A(b): S

LINE 28A(d): 56-8523699

LINE 28A(j): 24400

FORM 8901:

	First Name	Last Name	SSN	Relationship
CHILD 1:	MICHAEL	ISLANDER	400-55-3016	SON

ETD TRANSMISSION:

FORM 4868:

LINE 4: 3874

LINE 5: 3500

LINE 6: 374

HAWAII TEST CASE #15

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040, FORM W-2 (1), FORM W-2G (1), FORM 1099-R (1)

FORM 1040:

First Name, MI and Last Name: (TEST T ISLANDER)
Social Security Number: **(400-00-7955)**
Home Address: (123 PLAY HERE ST)
City, State, and Zip: (WASHINGTON, DC 20011)
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
Filing Status: (HEAD OF HOUSEHOLD)
Qualifying person's name: (MICHAEL ISLANDER)
Qualifying person's SSN: (400-55-3016)
Number of boxes checked on 6a and 6b: (1)
Total number in box 6d: (1)
Line 12 Schedule C income or (loss): (15075)
Line 16b Taxable pensions & annuities: (3000)
Line 17 Schedule E income: (24400)
Line 21 Other income - LITERAL: (BLACKJACK 5000)
Line 21 Total other income: (5000)
Line 22 Total income: (47475)
Line 37 Adjusted gross income: (47475)
Line 38 Amount from line 37: (47475)
Line 40 Itemized or standard deduction: (7850)
Line 41 Subtract line 40 from line 38: (39625)
Line 42 Multiply \$3400 by the total number of exemptions on line 6d: (3400)
Line 43 Taxable income: (36225)
Line 44 Tax: (4874)
Line 46 Add lines 44 and 45: (4874)
Line 52 Child tax credit (1000)
Line 56 Total credits: (1000)
Line 57 Subtract line 56 from line 46: (3874)
Line 63 Total tax: (3874)
Line 64 Federal income tax withheld: (500)
Line 65 2007 estimated tax payments: (3000)
Line 72 Total payments: (3500)
Line 76 Amount you owe: (374)
Taxpayers Occupation: (INSURANCE BROKER)

Third party designee: (NO)

HAWAII TEST CASE #15

TEST #16: continued:

Form W-2 #1:

a. Employees social security number: (400-00-7955)
b. Employers identification number: (58-2346821)
c. Employers name address and Zip Code: (OUT OF STATE INSURANCE SERVICES)
(7000 SIX FLAGS DR)
(ATLANTA GA 30301)
e. Employees name (First, MI, Last): (TEST T ISLANDER)
f. Employees address and Zip code: (123 PLAY HERE ST)
(WASHINGTON, DC 20011)
Box 1 Wages, tips, etc.: (28900)
Box 2 Federal Income Tax Withheld: (0)
Box 3 Social Security wages: (28900)
Box 4 Social Security tax withheld: (1792)
Box 5 Medicare wages and tips: (28900)
Box 6 Medicare tax withheld: (419)
Box 13 Statutory employee: (X)
Box 15 State and State ID Number: (DC 5822768)
Box 16 State Wages: (28900)
Box 17 State Income tax withheld: (2023)

Form W-2G #1:

Payer's name, address and Zip codes: (GULF CRUISE LINES)
(DOCK 106 HARBOR ROW)
(DESTIN FL 32540)
Payer's identification number: (65-7294862)
Winner's name address and Zip code: (TEST T ISLANDER)
(123 PLAY HERE ST)
(WASHINGTON, DC 20011)
Box 1 Gross winnings: (5000)
Box 2 Federal Income tax withheld: (500)
Box 3 Type of wager: (BLACKJACK)
Box 4 Date won: (02-14-2007)
Box 9 Winner's taxpayer ID No.: (400-00-7955)
Box 13 State/Payer's state ID No.: (DC 5822768)

Form 1099-R #1:

Payer's name address and Zip Code: (VACATION INSURANCE SERVICES)
(93 BAY ST)
(DESTIN FL 32540)
Payer's identification number: (65-9687321)
Recipient's social security number: (400-00-7955)
Recipient's name (First, MI, Last): (TEST T ISLANDER)
Recipient's street address: (123 PLAY HERE ST)
Recipient's city state and Zip code: (WASHINGTON, DC 20011)
Box 1 Gross distribution: (3000)
Box 2a Taxable amount: (3000)
Box 2b Total distribution: (X)
Box 7 Distribution code: (2)



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Tax Year

thru

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): Part-Year Resident X Nonresident Nonresident Alien or Dual-Status Alien

Form with fields for Name, Spouse's Name, Care Of, Address, City, State, Postal/ZIP code, and Foreign address.

IMPORTANT — Complete this Section. Includes fields for last name (ISLA), Social Security Number (400 - 00 - 7955), and checkboxes for First Time Filer and Address or Name Change.

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 Single
2 Married filing joint return
3 Married filing separate return
4 X Head of household
5 Qualifying widow(er)

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X below line 37.

6a X Yourself Age 65 or over
6b Spouse Age 65 or over
Enter the number of Xs on 6a and 6b 1

Table with 4 columns: Dependents (1. First and last name, 2. Social security number, 3. Relationship), 6c (Enter number of children listed), 6d (Enter number of other dependents).

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 6e 1

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7955

Your Spouse's SSN

Name(s) as shown on return
Test T. Islander

If amount is negative (loss), place an X in the box.

Col. A - Total Income

Col. B - Hawaii Income

	Col. A - Total Income		Col. B - Hawaii Income
7 Wages, salaries, tips, etc. (attach Form(s) W-2)	_____	7	_____
8 Interest income from the worksheet on page 38 of the Instructions	_____	8	_____
9 Ordinary dividends	_____	9	_____
10 State income tax refund from the worksheet on page 38 of the Instructions	_____	10	_____
11 Alimony received	_____	11	_____
12 Business or farm income or (loss)	15075	12	_____
13 Capital gain or (loss) from the worksheet on page 38 of the Instructions	_____	13	_____
14 Supplemental gains or (losses) (attach Schedule D-1)	_____	14	_____
15 IRA distributions	_____	15	_____
16 Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)	3000	16	_____
17 Rents, royalties, partnerships, estates, trusts, etc.	24400	17	24400
18 Unemployment compensation (insurance).	_____	18	_____
19 Other income (state nature and source) Blackjack	5000	19	_____
20 Add lines 7 through 19..... Total Income >	47475	20	24400
21 Educator expenses.....	_____	21	_____
22 Certain business expenses of reservists, performing artists, and fee-basis government officials	_____	22	_____
23 IRA deduction.....	_____	23	_____
24 Student loan interest deduction from the worksheet on page 42 of the Instructions	_____	24	_____
25 Health savings account deduction.....	_____	25	_____
26 Moving expenses (attach Form N-139)	_____	26	_____
27 One-half of self-employment tax	_____	27	_____
28 Self-employed health insurance deduction	_____	28	_____
29 Self-employed SEP, SIMPLE, and qualified plans	_____	29	_____
30 Penalty on early withdrawal of savings	_____	30	_____
31 Alimony paid (Enter name and SS No. of recipient)	_____	31	_____
32 Payments to an individual housing account	_____	32	_____



Your Social Security Number
400 - 00 - 7955

Your Spouse's SSN

Name(s) as shown on return
Test T. Islander

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	_____	33	_____
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)	_____	34	_____
35	Add lines 21 through 34..... Total Adjustments >	0	35	0
36	Line 20 minus line 35..... Adjusted Gross Income >	47475	36	24400

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 0.51
CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	38a	_____
38b	Taxes (from Worksheet NR-2 or PY-2).....	38b	_____
38c	Interest expense (from Worksheet NR-3 or PY-3)	38c	_____
38d	Contributions (from Worksheet NR-4 or PY-4)	38d	_____
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	38e	_____
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	38f	_____

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

0

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

	40a	2920
--	-----	------

Prorated Standard Deduction

40b	Multiply line 40a by the ratio on line 37	>	40b	1489
41	Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)		41	22911
42a	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself Spouse and see page 26 of the Instructions		42a	1040

42b Multiply line 42a by the ratio on line 37**Prorated Exemption(s)** > 42b 530

43	Taxable Income. Line 41 minus line 42b (but not less than zero).....	Taxable Income >	43	22381
44	Tax. Place an X if from: <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..	Tax >	44	1075
	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	44a	_____	

45 Total nonrefundable tax credits (attach Schedule CR)..... 45 200

46 Line 44 minus line 45 (but not less than zero).....**Balance** > 46 875

47	Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments)	47	_____
48	2007 estimated tax payments on Forms N-1 400 ; N-288A	48	400

49 Amount of estimated tax applied from 2006 return..... 49 _____

50 Amount paid with extension(s) 50 _____



Your Social Security Number
400 - 00 - 7955

Your Spouse's SSN

Name(s) as shown on return
Test T. Islander

MT074

51 Low-Income Refundable Tax Credit
(attach Schedule X) **DHS, etc.** exemptions51 _____

52 Credit for Low-Income Household
Renters (attach Schedule X)52 _____

53 Credit for Child and Dependent Care
Expenses (attach Schedule X)53 _____

54 Credit for Child Passenger Restraint
System(s) (attach a copy of the invoice)54 _____

55 Credit for General Income Tax
(see Instructions) **Federal AGI**55 _____

56 Total refundable tax credits from
Schedule CR (attach Schedule CR)56 _____

57 Add lines 47 through 56 **Total Payments and Credits** ▶ 57 _____ 400

58 If line 57 is larger than line 46, enter the amount **OVERPAID** (line 57 minus line 46) 58 _____

59 **Contributions to** (see page 31 of the Instructions): **Yourself** **Spouse**

59a Hawaii Schools Repairs and Maintenance Fund \$2 \$2

59b Hawaii Public Libraries Fund \$2 \$2

59c Domestic Violence / Child Abuse and Neglect Funds \$5 \$5

60 Add the amounts of the Xs on lines 59a through 59c and enter the total here 60 _____

61 Line 58 minus line 60 61 _____

62 Amount of line 61 to be **applied to**
your **2008 ESTIMATED TAX**62 _____

63 Amount to be **REFUNDED TO YOU** (line 61 minus line 62) If filing late,
see page 31 of Instructions 63 _____

64 **AMOUNT YOU OWE** (line 46 minus line 57). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector" 64 _____ 475

65 **Estimated tax penalty.** (See page 31 of Instr.) Do not include this amount
in line 58 or 64. Place an X in this box if Form N-210 is attached ▶ ...65 _____

66 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions) 66 _____

67 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 67 _____

68 If you would like us to mail you a packet of forms for next year's filing, please place an X in this box

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions.

Designee's name ▶ Phone no. ▶ Identification number ▶

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No

If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE

Your signature _____ Date _____ Your occupation **Insurance Broker** Daytime Phone Number ()

Spouse's signature (if filing jointly, BOTH must sign) _____ Date _____ Spouse's occupation _____

Paid Preparer's Information

Preparer's Signature _____ Date _____ Check if self-employed Preparer's identification number _____

Print Preparer's Name _____ Federal E.I. No. _____

Firm's name (or yours if self-employed), _____ Phone No. _____

**STATE OF HAWAII — DEPARTMENT OF TAXATION
RENEWABLE ENERGY TECHNOLOGIES
INCOME TAX CREDIT**

Or fiscal year beginning _____, 2007, and ending _____, 20_____

ATTACH THIS SCHEDULE TO YOUR FORM F-1, N-11, N-13, N-15, N-30, N-40, OR N-70NP

Name Test T. Islander	SSN or FEIN 400-00-7955
--------------------------	----------------------------

Note: For taxable years beginning after December 31, 2006, this credit can be claimed only for renewable energy technology systems installed and placed in service in Hawaii and nonresident taxpayers can now claim the credit.

Note: Multiple owners of a single system are entitled to a single tax credit. (See separate instructions)

COMPUTATION OF TAX CREDIT

NOTE: If you are claiming the Ethanol Facility Tax Credit, no other credit can be claimed. Skip lines 1 through 46 and begin on line 47

NOTE: If you are only claiming your distributive share of a tax credit distributed from an S corporation, a partnership, an estate, or a trust (Form N-334A), skip lines 1 through 45 and begin on line 46. If you are only claiming a tax credit carried over from a previous year, begin on line 47.

SOLAR THERMAL ENERGY SYSTEM Enter date system was installed and placed in service > ____/____/____

1. Cost of qualified solar thermal energy system installed and placed in service in Hawaii on single-family residential property.....	1		
2. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	2		
3. Actual cost of solar thermal energy system. (Subtract line 2 from line 1 and enter result).....	3		
4. Enter 35% of line 3 or \$2,250, whichever is less.....		4	
5. Per unit cost of qualified solar thermal energy system installed and placed in service in Hawaii on multi-family residential property.....	5		
6. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	6		
7. Actual per unit cost of solar thermal energy system. (Subtract line 6 from line 5 and enter result).....	7		
8. Enter 35% of line 7 or \$350, whichever is less	8		
9. Number of units you own to which the allocated unit cost on line 7 is applicable.....	9		
10. Multiply line 8 by line 9 and enter result		10	
11. Cost of qualified solar thermal energy system installed and placed in service in Hawaii on commercial property.....	11		
12. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	12		
13. Actual cost of solar thermal energy system. (Subtract line 12 from line 11 and enter result) ..	13		
14. Enter 35% of line 13 or \$250,000, whichever is less.....		14	
15. Add lines 4, 10, and 14, and enter result (but not less than zero).....		15	

WIND-POWERED ENERGY SYSTEM Enter date system was installed and placed in service > ____/____/____

16. Cost of qualified wind powered energy system installed and placed in service in Hawaii on single-family residential property.....	16		
17. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	17		
18. Actual cost of wind powered energy system. (Subtract line 17 from line 16 and enter result) .	18		
19. Enter 20% of line 18 or \$1,500, whichever is less.....		19	
20. Per unit cost of qualified wind powered energy system installed and placed in service in Hawaii on multi-family residential property.....	20		
21. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	21		
22. Actual per unit cost of wind powered energy system. (Subtract line 21 from line 20 and enter result).....	22		
23. Enter 20% of line 22 or \$200, whichever is less	23		
24. Number of units you own to which the allocated unit cost on line 23 is applicable.....	24		
25. Multiply line 23 by line 24 and enter result		25	
26. Cost of qualified wind powered energy system installed and placed in service in Hawaii on commercial property.....	26		

(Continued on back)

27. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	27		
28. Actual cost of wind powered energy system. (Subtract line 27 from line 26 and enter result) .	28		
29 Enter 20% of line 28 or \$500,000, whichever is less.....			29
30. Add lines 19, 25, and 29, and enter result. (but not less than zero).....			30

PHOTOVOLTAIC ENERGY SYSTEM Enter date system was installed and placed in service ► ___/___/___

31. Cost of qualified photovoltaic energy system installed and placed in service in Hawaii on single-family residential property.....	31		
32. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	32		
33. Actual cost of photovoltaic energy system. (Subtract line 32 from line 31 and enter result)	33		
34. Enter 35% of line 33 or \$5,000, whichever is less.....			34

35. Per unit cost of qualified photovoltaic energy system installed and placed in service in Hawaii on multi-family residential property.....	35		
36. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	36		
37. Subtract line 36 from line 35 and enter result.....	37		
38. Enter 35% of line 37 or \$350, whichever is less	38		
39. Number of building units you own to which the allocated unit cost on line 38 is applicable	39		
40. Multiply line 38 by line 39 and enter result			40

41. Cost of qualified photovoltaic energy system installed and placed in service in Hawaii on commercial property.....	41		
42. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system.....	42		
43. Actual cost of photovoltaic energy system. (Subtract line 42 from line 41 and enter result)	43		
44. Enter 35% of line 43 or \$500,000, whichever is less.....			44
45. Add lines 34, 40, and 44, and enter result. (but not less than zero).....			45

TOTAL CREDIT FOR RENEWABLE ENERGY TECHNOLOGIES

46. Distributive share of tax credit from attached Form(s) N-334A	46		200.00
47. Carryover of unused renewable energy technologies income tax credit from prior year.....	47		
48. Add lines 15, 30, 45, 46, and 47 and enter result here. This represents your tentative current year renewable energy technologies income tax credit.....	48		200.00

Tax Liability Limitations

49. a. Individuals — Enter tax liability amount from Form N-11, Form N-13, or Form N-15.....			
b. Corporations — Enter tax liability from Form N-30			
c. Other filers — Enter your tax liability, before credits, from the applicable form.....	49		1,075.00
50. If you are claiming other credits, complete the credit worksheet in the instructions and enter the total here	50		
51. Line 49 minus line 50. This represents your tax liability, as adjusted. If the result is zero or less than zero, enter zero on line 51.....	51		1,075.00
52. Total credit allowed — Enter the smaller of line 48 or line 51. This is your renewable energy technologies income tax credit allowable for the year. Enter this amount also, rounded to the nearest dollar for individual taxpayers, on the appropriate line on Schedule CR; Form N-13; Form N-40, Schedule E; or Form F-1, Schedule H; whichever is applicable. ...	52		200.00
53. Line 48 minus line 52. This represents your carryover of unused credit. The amount of any unused tax credit may be carried over and used as a credit against your tax liability in subsequent years until exhausted	53		0.00

FORM N-334A
(REV. 2007)

STATE OF HAWAII—DEPARTMENT OF TAXATION
INFORMATION STATEMENT
CONCERNING RENEWABLE ENERGY TECHNOLOGIES INCOME TAX CREDIT
 (TO BE CLAIMED BY INDIVIDUAL OR CORPORATE SHAREHOLDERS OF S CORPORATIONS, MEMBERS OF PARTNERSHIPS,
 BENEFICIARIES OF ESTATES OR TRUSTS, OR CONDOMINIUM APARTMENT ASSOCIATIONS)

TAXABLE
YEAR
2007

Or fiscal year beginning _____, 2007, and ending _____, 20____.

ATTACH THIS STATEMENT TO FORM N-334

Name (S Corporation, Partnership, Estate, or Trust, or Condominium Apartment Association) Sandy Shores, Inc.	Social Security Number or Fed. Employer I.D. Number 56-8523699
Number and Street 1234 Sandy Shores Street	<input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Estate or Trust <input type="checkbox"/> Condominium Apartment Association
City or Town, State and Zip Code Honolulu, HI 96813	
Name of individual or corporation for whom this statement is being prepared Test T. Islander	

NOTE: Every Hawaii S corporation, partnership, estate, or trust, or condominium apartment association, is required to prepare this statement for each individual or corporate shareholder, member, or beneficiary, respectively, in order that the prorated amount of such entity's tax credit may be claimed by the individual or corporate taxpayer. **Also attach a copy of this form as issued to each member to the return of the S corporation, partnership, estate, or trust, condominium apartment association.**

MEMBERS: USE THE INFORMATION PROVIDED ON THIS STATEMENT TO COMPLETE THE FORM N-334 USED TO CLAIM YOUR SHARE OF THIS TAX CREDIT. ATTACH BOTH THE FORM N-334 AND A COPY OF THIS FORM TO THE RETURN YOU FILE.

COMPUTATION OF TAX CREDIT

SOLAR THERMAL ENERGY SYSTEM		Enter date system was installed and placed in service ➤	____/____/____
1. Cost of qualified solar thermal energy system installed and placed in service in Hawaii on single-family residential property	1		
2. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	2		
3. Actual cost of solar thermal energy system. (Subtract line 2 from line 1 and enter result).....	3		
4. Enter 35% of line 3 or \$2,250, whichever is less		4	
5. Per unit cost of qualified solar thermal energy system installed and placed in service in Hawaii on multi-family residential property	5		
6. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	6		
7. Actual per unit cost of solar thermal energy system. (Subtract line 6 from line 5 and enter result)	7		
8. Enter 35% of line 7 or \$350, whichever is less.....	8		
9. Number of units you own to which the allocated unit cost on line 7 is applicable	9		
10. Multiply line 8 by line 9 and enter result.....		10	
11. Cost of qualified solar thermal energy system installed and placed in service in Hawaii on commercial property	11		
12. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	12		
13. Actual cost of solar thermal energy system. (Subtract line 12 from line 11 and enter result).....	13		
14. Enter 35% of line 13 or \$250,000, whichever is less		14	
15. Add lines 4, 10, and 14, and enter result (but not less than zero)		15	
WIND-POWERED ENERGY SYSTEM		Enter date system was installed and placed in service ➤	____/____/____
16. Cost of qualified wind powered energy system installed and placed in service in Hawaii on single-family residential property	16		
17. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	17		
18. Actual cost of wind powered energy system. (Subtract line 17 from line 16 and enter result)	18		
19. Enter 20% of line 18 or \$1,500, whichever is less		19	
20. Per unit cost of qualified wind powered energy system installed and placed in service in Hawaii on multi-family residential property	20		
21. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	21		
22. Actual per unit cost of wind powered energy system. (Subtract line 21 from line 20 and enter result)	22		

(Continued on back)

23. Enter 20% of line 22 or \$200, whichever is less.....	23		
24. Number of units you own to which the allocated unit cost on line 23 is applicable	24		
25. Multiply line 23 by line 24 and enter result.....			25
26. Cost of qualified wind powered energy system installed and placed in service in Hawaii on commercial property	26		
27. Enter the amount of consumer incentive premiums, costs used for other credits, utility rebate, and federal credit, if any, received for the qualifying system.....	27		
28. Actual cost of wind powered energy system. (Subtract line 27 from line 26 and enter result)	28		
29. Enter 20% of line 28 or \$500,000, whichever is less			29
30. Add lines 19, 25, and 29, and enter result. (but not less than zero)			30
PHOTOVOLTAIC ENERGY SYSTEM Enter date system was installed and placed in service ➤ <u>2/ 1 / 07</u>			
31. Cost of qualified photovoltaic energy system installed and placed in service in Hawaii on single-family residential property	31		
32. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	32		
33. Actual cost of photovoltaic energy system. (Subtract line 32 from line 31 and enter result)	33		
34. Enter 35% of line 33 or \$5,000, whichever is less			34
35. Per unit cost of qualified photovoltaic energy system installed and placed in service in Hawaii on multi-family residential property	35	500.00	
36. Enter the per unit amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	36		
37. Subtract line 36 from line 35 and enter result.....	37	500.00	
38. Enter 35% of line 37 or \$350, whichever is less.....	38	175.00	
39. Number of building units you own to which the allocated unit cost on line 38 is applicable.....	39	10	
40. Multiply line 38 by line 39 and enter result.....			40 1,750.00
41. Cost of qualified photovoltaic energy system installed and placed in service in Hawaii on commercial property	41		
42. Enter the amount of consumer incentive premiums, costs used for other credits, and utility rebate, if any, received for the qualifying system	42		
43. Actual cost of photovoltaic energy system. (Subtract line 42 from line 41 and enter result)	43		
44. Enter 35% of line 43 or \$500,000, whichever is less			44
45. Add lines 34, 40, and 44, and enter result. (but not less than zero)			45 1,750.00
TOTAL AND DISTRIBUTIVE SHARE OF RENEWABLE ENERGY TECHNOLOGIES INCOME TAX CREDIT			
46. Total tax credit claimed. Add lines 15, 30, and 45, and enter the total here.	46		1,750.00
47. Distributive share of tax credit. Each shareholder, partner, member, or beneficiary, shall enter this amount on Form N-334, line 46.	47		200.00

GENERAL INSTRUCTIONS

For requirements for claiming the renewable energy technologies income tax credit and definitions see the Instructions for Form N-334.

SPECIFIC INSTRUCTIONS

Complete one Form N-334A for each individual and corporate shareholder, partner, member, or beneficiary, receiving a distributive share of the renewable energy technologies income tax credit. Attach a copy of the Forms N-334A as issued to each partner, member, beneficiary, or shareholder to the return of the S corporation, partnership, estate, trust, or condominium apartment association.

For each type of system, enter the date the system was purchased and placed in service.

Lines 1 through 46 — Fill in the lines as they apply to your claim.

Line 47 — **Distributive share of tax credit:**

Each individual and corporate shareholder, partner, member, or beneficiary, of an S corporation, partnership, estate, trust, or condominium apartment association, receiving a Form N-334A must enter this amount on Form N-334, line 46. Both the Form N-334 and a copy of the Form N-334A must be attached to the individual or corporate income tax return on which the credit is claimed.



SCHEDULE OF TAX CREDITS

CT071

or other tax year beginning _____ and ending _____

Name(s) as shown on return Test T. Islander	SSN(s) or Federal Employer I.D. No. 400-00-7955
--	--

Attach this schedule directly behind Form N-11, N-15, N-30, or N-70NP

Part I Nonrefundable Tax Credits

- 1 Income tax paid to another state or foreign country (N-11, N-15, & N-70NP filers) (Attach required documents. See tax return instruction booklet for more information.)..... 1● _____
- 2 Carryover of the Energy Conservation Tax Credit (attach Form N-157) 2● _____
- 3 Enterprise Zone Tax Credit (attach Form N-756) 3● _____
- 4 Low-Income Housing Tax Credit (attach Form N-586) 4● _____
- 5 Credit for Employment of Vocational Rehabilitation Referrals (attach Form N-884) 5● _____
- 6 High Technology Business Investment Tax Credit (attach Form N-318) 6● _____
- 7 Carryover of the Individual Development Account Contribution Tax Credit (attach Form N-320) 7● _____
- 8 Technology Infrastructure Renovation Tax Credit (attach Form N-326)..... 8● _____
- 9 Credit for School Repair and Maintenance (attach Form N-330) 9● _____
- 10 Carryover of the Hotel Construction and Remodeling Tax Credit (attach Form N-314) 10● _____
- 11 Carryover of the Residential Construction and Remodeling Tax Credit (attach Form N-332) 11● _____
- 12 Renewable Energy Technologies Income Tax Credit (attach Form N-334)
Place an X in the appropriate box to indicate the type of energy system installed and placed in service:
● Solar ● Wind ● **X** Photovoltaic 12● _____ 200
- 13 Ko Olina Resort and Marina Attractions and Educational Facilities Tax Credit (attach Form N-336) 13 _____
- 14 **Total Nonrefundable Credits.** Add Lines 1 through 13. Enter here and on Form N-11, Line 28; N-15, Line 45; N-30, Line 12; or N-70NP, Line 16.
Attach this schedule directly behind your Form N-11, N-15, N-30, or N-70NP. 14● _____ 200

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #16 (Based on the modified 2005 IRS Test #23)

Attachments:

- Hawaii Form N-15
- Hawaii Form N-312 (2)
- Hawaii Schedule CR
- Federal Form 4562 (4)

Taxpayer name: TEST J CADEN
 Taxpayer SSN: 400-00-7923

Hawaii changes to IRS test:

Taxpayer is a nonresident. Taxpayer has a business, The Rug Doctor, that is located in Hawaii. Taxpayer has a farming business that is located in Hawaii. Taxpayer also derives rental income from 4 mobile homes that are located in Hawaii.

All forms

Social Security number changed to Hawaii test designation:
400-00-7923

The Rug Doctor address changed to Hawaii address:
**1559 HOOHULU STREET
 PEARL CITY, HI 96782**

The 4 mobile homes address changed to Hawaii address:
**1420 KAMEHAMEHA IV ROAD, HONOLULU, HI
 1422 KAMEHAMEHA IV ROAD, HONOLULU, HI
 1424 KAMEHAMEHA IV ROAD, HONOLULU, HI
 1426 KAMEHAMEHA IV ROAD, HONOLULU, HI**

State Return Details:

FORM N-15

Line 7	Wages:	Col. A: \$26,600	Col. B: \$0
Line 8	Interest income:	Col. A: \$1,025	Col. B: \$0
Line 9	Ordinary dividends:	Col. A: \$120	Col. B: \$0
Line 10	State income tax refund:	Col. A: \$200	Col. B: \$200
Line 11	Alimony received:	Col. A: \$12,000	Col. B: \$0
Line 12	Business or farm income:	Col. A: -\$1,473	Col. B: \$5
		(Mark an X in the box for minus sign)	
Line 13	Capital gain or (loss):	Col. A: \$25	Col. B: \$0
Line 17	Rents, royalties, partnerships:	Col. A: \$554	Col. B: \$254
Line 24	Student loan interest deduction:	Col. A: \$422	Col. B: \$4
Line 26	Moving expense:	Col. A: \$807	Col. B: \$0
Line 30	Penalty on early withdrawal of savings:	Col. A: \$35	Col. B: \$0
Line 36	Adjusted gross income:	Col. A: \$37,787	Col. B: \$455
Line 37	Ratio of Hawaii AGI to total AGI:	0.01	
Line 40a	Standard deduction:	\$2,920	
Line 40b	Prorated standard deduction:	\$29	
Line 42a	Exemptions:	\$2,080	
Line 42b	Prorated exemptions:	\$21	
Line 43	Taxable income:	\$405	

HAWAII TEST CASE #16

Line 44 Tax liability: \$6 (from tax tables)
 Line 56 Refundable tax credits: \$180
 Line 58 Overpaid: \$174
 Line 59a School repair contribution: no
 Line 59b Library contribution: no
 Line 59c Domestic violence contribution: no
 Line 63 Refund: \$174
 Taxpayer's designee information:
 Designee's Name: JOHN DOE
 Phone No.: 888-555-1111
 ID Number: 11122
 Hawaii Election Campaign Fund: yes

State Tax Refund Worksheet

Line 1: \$200
 Line 4: \$200
 Line 5: \$7,080
 Line 6: \$1,650
 Line 7: 1
 Line 9: \$5,430
 Line 10: \$200

Student Loan Interest Deduction Worksheet

Line 1: \$422
 Line 2: \$38,209
 Line 3: \$50,000
 Line 7: \$422
 Line 8: 0.01 (459/38,209)
 Line 9: \$4

Hawaii Form N-312 #1:

Hawaii Tax Identification Number W99999999-01

Part I:

Line 1 Hawaii purchases:

(a)	(b)	(c)
Equipment	04-16-07	\$1,000
Line 3		\$1,000
Line 5		\$40
Line 6		\$0
Line 7		\$40
Line A		no
Line B		no
Line C		no
Line D		no
Line E		no

Hawaii Form N-312 #2:

Hawaii Tax Identification Number W99999999-02

Part I:

Line 2a Purchases from out-of-state:

(a)	(b)	(c)
Incubator	02-25-07	\$3,500
Line 2b		yes
Line 3		\$3,500

HAWAII TEST CASE #16

Line 5	\$140
Line 6	\$0
Line 7	\$140
Line A	no
Line B	no
Line C	no
Line D	no
Line E	no

Hawaii Schedule CR:

Part II:
 Line 15 \$180
 Line 22 \$180

FEDERAL FORM 4562 #1

ACTIVITY: SCHEDULE C - THE RUG DOCTOR

PART III:

LINE 19b:

(c)	(d)	(e)	(f)	
1000	5	HY	200 DB	(NOTE: EQUIPMENT 04-16-2007)

FEDERAL FORM 4562 #2

ACTIVITY: SCHEDULE E - 1

PART III:

LINE 19h:

(b)	(c)	
06-2007	18000	(NOTE: PROPERTY A MOBILE HOME)

FEDERAL FORM 4562 #3

ACTIVITY: SCHEDULE E - 2

PART III:

LINE 19h:

(b)	(c)	
04-2007	22000	(NOTE: PROPERTY A MOBILE HOME)

FORM 4562 #4:

ACTIVITY: SCHEDULE F - 1

PART III:

LINE 19b:

(c)	(d)	(e)	(f)	
3500	5	HY	150 DB	(NOTE: INCUBATOR 02-25-2007)

TEST #23 - IRS scenario

FORMS REQUIRED: FORM 1040, SCH B, SCH C(5), SCH E(2), SCH E PG 2, SCH F, FORM 3903(2), FORM 4562(8), FORM 6198(5), FORM 8815

INFORMATION RETURNS ATTACHED: FORM W-2 (2)

ENTRIES NOT REQUIRING FORMS: FORM 1040, LINE 10:** 180
FORM 1040, LINE 11: 12000
FORM 1040, LINE 13: (X) 25
FORM 1040, LINE 30: 35
FORM 1040, LINE 33: 422

** Although line 10 does not need a form, the following information is provided because it affects the Hawaii return:

Line 1: 1099G refund from last year: \$200
Line 2: Itemized deductions from last year: \$7080
Line 3: Last year's filing status was HOH
Line 4: Not over 65 and not blind

STATEMENTS:

THIRD PARTY DESIGNEE: NAME: JOHN DOE
PHONE: 888-555-1111
PIN: 11122

TAXPAYER: NAME: TEST J CADEN SSN: 400-00-1023
DOB: 04-15-1968 OCCUPATION: SAILOR
DISABLED: NO PRES ELEC FUND: YES
DAYTIME PHONE: NOT GIVEN BLIND: NO

CHECK DIGITS FROM IRS LABEL: TA

ADDRESS: USS ROBERT E LEE
FPO, AP 96222

FILING STATUS: HEAD OF HOUSEHOLD LINE 6d: 2

DEPENDENT INFORMATION:

Table with 6 columns: NAME, AGE, SSN, RELATIONSHIP, # MO, CHILD TAX CR. Row 1: JASMINE CADEN, 19, 400-55-3023, DAUGHTER, 12

SCHEDULE B:

PART I:

LINE 1:

Table with 2 columns: PAYER NAME, AMOUNT. Rows include SAMUEL LIVINGSTON (415), RIDGECREST SAVINGS BANK (610), US SAVINGS BOND (180), US S & L (80)

HAWAII TEST CASE #16

OFFSPRING BANK 39 (NOMINEE DIST)
FIRST ISSUE 47 (OID ADJUSTMENT)
A TO Z BROKERS 67 (ACCRUED INTEREST)
LINE 3: 180

PART II:

LINE 5:

PAYER NAME	AMOUNT
A & B CORP	120 (NON-QUALIFIED)
ABC CORP	44 (NOMINEE)

SCHEDULE C - #1:

NAME OF PROPRIETOR: TEST J CADEN SSN: 400-00-1023
LINE A: PAINTING
LINE B: 235210
LINE C: QUALITY HOUSE PAINTING
LINE E: 16 MAIN ST
WILMINGTON NC 28403
LINE F: CASH
LINE G: YES
LINE H: X (NOTE: BUSINESS WAS ACQUIRED DURING 2007)

PART I:

LINE 1: 1980

PART II:

LINE 13: 1300
LINE 22: 760
LINE 32b: X (NOTE: SOME NOT AT RISK)

SCHEDULE C - #2:

NAME OF PROPRIETOR: TEST J CADEN SSN: 400-00-1023
LINE A: VENDING MACHINES
LINE B: 454210
LINE C: CADENS SNACKS
LINE E: 16 MAIN ST
WILMINGTON NC 28403
LINE F: CASH
LINE G: YES

PART I:

LINE 1: 2955

PART II:

LINE 9: 525
LINE 13: 968
LINE 15: 118
LINE 22: 26
LINE 23: 120
LINE 32b: X (NOTE: SOME NOT AT RISK)

PART III:
LINE 33a: X
LINE 34: NO
LINE 35: 415
LINE 36: 1623
LINE 41: 659

SCHEDULE C - #3:

NAME OF PROPRIETOR: TEST J CADEN SSN: 400-00-1023
LINE A: FLEA MARKET
LINE B: 454390
LINE C: CADENS BARGAINS
LINE E: 22 MAIN ST
WILMINGTON NC 28403
LINE F: CASH
LINE G: YES
LINE H: X (NOTE: BUSINESS WAS ACQUIRED DURING 2007)

PART I:
LINE 1: 420

PART II:
LINE 13: 80
LINE 22: 206
LINE 32b: X (NOTE: SOME NOT AT RISK)

PART III:
LINE 33a: X
LINE 34: NO
LINE 36: 300
LINE 38: 120
LINE 41: 0

SCHEDULE C - #4:

NAME OF PROPRIETOR: TEST J CADEN SSN: 400-00-1023
LINE A: BAKERY
LINE B: 311800
LINE C: CADENS COOKIES
LINE E: 22 MAIN ST
WILMINGTON NC 28403
LINE F: CASH
LINE G: YES

PART I:
LINE 1: 1946

PART II:
LINE 8: 120
LINE 9: 283
LINE 13: 623
LINE 18: 76
LINE 22: 196
LINE 23: 100
LINE 25: 400
LINE 32b: X (NOTE: SOME NOT AT RISK)

PART III:
LINE 33a: X
LINE 34: NO
LINE 38: 1165
LINE 41: 0

SCHEDULE C - #5:

NAME OF PROPRIETOR: TEST J CADEN SSN: 400-00-1023
LINE A: TOUPEES
LINE B: 339900
LINE C: THE RUG DOCTOR
LINE E: 16 MAIN ST
WILMINGTON NC 28403
LINE F: CASH
LINE G: YES
LINE H: X (NOTE: BUSINESS WAS ACQUIRED DURING 2007)

PART I:
LINE 1: 400

PART II:
LINE 13: 200
LINE 22: 180
LINE 23: 50
LINE 32b: X (NOTE: SOME NOT AT RISK)

PART V:
OTHER EXPENSES:

DESCRIPTION	AMOUNT
MISCELLANEOUS	60

NOTE FOR SCHEDULE E PROPERTIES: ALL AMOUNTS AT RISK, TAXPAYER DID MATERIALLY PARTICIPATE IN THE RENTAL ACTIVITIES, TAXPAYER IS NOT A REAL ESTATE PROFESSIONAL

SCHEDULE E #1:

PART I:
LINE 1A: MOBILE HOME
1800 S MAPLE ST WILMINGTON NC
LINE 2A: NO
LINE 3A: 1200
LINE 9A: 320
LINE 12A: 480
LINE 16A: 100
LINE 17A: 60
LINE 20A: 355

LINE 1B: MOBILE HOME
1802 S MAPLE ST WILMINGTON NC
LINE 2B: NO
LINE 3B: 800
LINE 5B: 25
LINE 7B: 44
LINE 9B: 200
LINE 16B: 122

LINE 1C: MOBILE HOME
1804 S MAPLE ST WILMINGTON NC
LINE 2C: NO
LINE 3C: 1300
LINE 9C: 342
LINE 12C: 480
LINE 16C: 209

SCHEDULE E #2:

PART I:

LINE 1A: MOBILE HOME
1806 S MAPLE ST WILMINGTON NC
LINE 2A: NO
LINE 3A: 850
LINE 5A: 50
LINE 9A: 360
LINE 14A: 15
LINE 16A: 167
LINE 20A: 567

SCHEDULE E PG 2:

LINE 27: NO
LINE 28A(a): MANUFACTURING, INC
LINE 28A(b): S
LINE 28A(d): 04-1234567
LINE 28A(j): 300

SCHEDULE F:

NAME OF PROPRIETOR: TEST J CADEN SSN: 400-00-1023
LINE A: EMU
LINE B: 112900
LINE C: CASH
LINE E: YES

PART I:

LINE 4: 4200

PART II:

LINE 16: 525
LINE 18: 600
LINE 22: 180
LINE 24: 1500
LINE 26b: 1200
LINE 33: 100

FORM 3903 #1:

MILEAGE FROM OLD HOME TO NEW WORKPLACE: 1200
MILEAGE FROM OLD HOME TO OLD WORKPLACE: 15
LINE 1: 160
LINE 2: 309

FORM 3903 #2:

LITERAL: MILITARY MOVE
MILEAGE FROM OLD HOME TO NEW WORKPLACE: 600
MILEAGE FROM OLD HOME TO OLD WORKPLACE: 22
LINE 1: 605
LINE 2: 233
LINE 4: 500 (NOTE: FROM FORM W-2)

FORM 4562 #1:

ACTIVITY: SCHEDULE C - 1

PART III:

LINE 19b:

(c)	(d)	(e)	(f)	
1200	5	HY	200 DB	(NOTE: TOOLS 03-15-2007)

PART V:

LINE 24a: YES

LINE 24b: YES

LINE 26:

(a)	(b)	(c)	(d)	(e)	(f)	(g)
VAN	06-15-2007	100%	5300	5300	5	200 DB HY

(a) VEHICLE 1

LINE 30: 2000
LINE 31: 0
LINE 32: 0
LINE 34: NO
LINE 35: YES
LINE 36: YES

NOTE: DO NOT TAKE STANDARD MILEAGE EXPENSE

FORM 4562 #2:

ACTIVITY: SCHEDULE C - 2

PART III:

LINE 17: 768

BACKGROUND INFORMATION: PROPERTY: VENDING MACHINES

PLACED IN SERVICE: 01-01-2005
BASIS: 4000
RECOVERY PERIOD: 5
CONVENTION: HY
METHOD: 200 DB

LINE 19b:

(c)	(d)	(e)	(f)	
1000	5	HY	200 DB	(NOTE: VENDING MACHINE 03-16-2007)

PART V:

LINE 24a: YES

LINE 24b: YES

LINE 26:

(a)	(b)	(c)
TRUCK	01-01-2003	100%

(a) VEHICLE 1

LINE 30: 1296
 LINE 31: 0
 LINE 32: 0
 LINE 34: NO
 LINE 35: YES
 LINE 36: YES

NOTE: TAKE STANDARD MILEAGE EXPENSE

FORM 4562 #3:

ACTIVITY: SCHEDULE C - 3

PART III:

LINE 19b:

(c)	(d)	(e)	(f)	
400	5	HY	200 DB	(NOTE: CASH REGISTER 03-12-2007)

FORM 4562 #4:

ACTIVITY: SCHEDULE C - 4

PART III:

LINE 17: 553

BACKGROUND INFORMATION: PROPERTY: COMMERCIAL OVEN
 PLACED IN SERVICE: 01-12-2003
 BASIS: 4800
 RECOVERY PERIOD: 5
 CONVENTION: HY
 METHOD: 200 DB

LINE 19b:

(c)	(d)	(e)	(f)	
350	5	HY	200 DB	(NOTE: MIXER 03-24-2007)

PART V:

LINE 24a: YES

LINE 24b: YES

LINE 27:

(a)	(b)	(c)
AUTO	01-24-2002	6%

(a) VEHICLE 1

LINE 30: 699
 LINE 31: 250
 LINE 32: 10175
 LINE 34: YES
 LINE 35: YES
 LINE 36: YES

NOTE: TAKE STANDARD MILEAGE EXPENSE

FORM 4562 #5:

ACTIVITY: SCHEDULE C - 5

PART III:

LINE 19b:

(c)	(d)	(e)	(f)	
1000	5	HY	200 DB	(NOTE: EQUIPMENT 04-16-2007)

FORM 4562 #6:
ACTIVITY: SCHEDULE E - 1
PART III:
LINE 19h:
(b) (c)
06-2007 18000 (NOTE: PROPERTY A MOBILE HOME)

FORM 4562 #7:
ACTIVITY: SCHEDULE E - 2
PART III:
LINE 19h:
(b) (c)
04-2007 22000 (NOTE: PROPERTY A MOBILE HOME)

FORM 4562 #8:
ACTIVITY: SCHEDULE F - 1
PART III:
LINE 19b:
(c) (d) (e) (f)
3500 5 HY 150 DB (NOTE: INCUBATOR 02-25-2007)

FORM 6198 #1:
DESCRIPTION: PAINTING
PART II:
LINE 6: 0
LINE 7: 1000
LINE 9: 500

FORM 6198 #2:
DESCRIPTION: VENDING MACHINES
PART II:
LINE 6: 4000
LINE 9: 300

FORM 6198 #3:
DESCRIPTION: FLEA MARKET
PART II:
LINE 6: 0
LINE 7: 200

FORM 6198 #4:
DESCRIPTION: BAKERY
PART II:
LINE 6: 4600
LINE 9: 2000

FORM 6198 #5:
DESCRIPTION: TOUPEES
PART II:
LINE 6: 0
LINE 7: 500

FORM 8815:
LINE 1(a): JASMINE CADEN
LINE 1(b): SMALLTOWN JUNIOR COLLEGE
1800 LEARNING WAY
SMALLTOWN NC 28455
LINE 2: 8960
LINE 3: 1000
LINE 5: 1180
LINE 6: 180
LINE 9: 38369

ETD TRANSMISSION:
FORM 9465:
LINE 3: (503)555-1023; 11:00AM
LINE 4: (LEAVE BLANK)
LINE 5: NONE
LINE 6: US NAVY
1100 MILITARY AVE
WASHINGTON DC 20222-1643
LINE 7: FORM 1040
LINE 8: 2007
LINE 9: 492
LINE 10: 92
LINE 11: 25
LINE 12: 5

TAXPAYER PIN: 19821
PRIOR YEAR AGI: 0
SIGNATURE DATE: 04-16-2008

HAWAII TEST CASE #16

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040, FORM W-2 (2)

FORM 1040:

First Name, MI and Last Name: (TEST J CADEN)
Social Security Number: **(400-00-7923)**
Home Address: (USS ROBERT E LEE)
City, State, and Zip: (FPO AP 96222)
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
Filing Status: (HEAD OF HOUSEHOLD)
Dependent #1 Name: (JASMINE CADEN)
 Social Security Number: (400-55-3023)
 Relationship: (DAUGHTER)
Number of boxes checked on 6a and 6b: (1)
Number of children who lived with you: (1)
Total number in box 6d: (2)
Line 7 Total wages: (26600)
Line 8a Taxable interest: (1025)
Line 8b Tax-exempt interest: (80)
Line 9a Ordinary dividend income: (120)
Line 10 Taxable refunds, credits, etc: (180)
Line 11 Alimony received: (12000)
Line 12 Schedule C income or (loss): (-1568)
Line 13 Capital gain or loss: (25)
Line 13 If not required, check here: (X)
Line 17 Schedule E income or (loss): (554)
Line 18 Schedule F income or (loss): (95)
Line 22 Total income: (39031)
Line 26 Moving expenses: (807)
Line 30 Penalty on early withdrawal: (35)
Line 33 Student loan interest deduction: (422)
Line 36 Total adjustments: (1264)
Line 37 Adjusted gross income: (37767)
Line 38 Amount from line 37: (37767)
Line 40 Itemized or standard deduction: (7850)
Line 41 Subtract line 40 from line 38: (29917)
Line 42 Multiply \$3400 by the total number of exemptions on line 6d: (6800)
Line 43 Taxable income: (23117)
Line 44 Tax: (2902)
Line 46 Add lines 44 and 45: (2902)
Line 57 Subtract line 56 from line 46: (2902)
Line 63 Total tax: (2902)
Line 64 Federal income tax withheld: (1410)
Line 65 2007 estimated taxes paid: (1000)
Line 72 Total payments: (2410)
Line 76 Amount you owe: (492)

Third party designee: (YES)
Designee's name: (John Doe)
Phone number: (888-555-1111)
PIN: (11122)
Taxpayer's occupation: (SAILOR)

HAWAII TEST CASE #16

Form W-2 #1:

a. **Employee's social security number:** (400-00-7923)
b. Employer identification number: (99-1236541)
c. Employer's name address and zip code: (US NAVY)
(1100 MILITARY AVE)
(WASHINGTON DC 20222-1643)
e. Employee's name (first, mi, last): (TEST J CADEN)
f. Employee's address and zip code: (USS ROBERT E LEE)
(FPO AP 96222)

Box 1 Wages, tips, etc.: (24800)
Box 2 Federal income tax withheld: (1200)
Box 3 Social security wages: (24800)
Box 4 Social security tax withheld: (1538)
Box 5 Medicare wages and tips: (24800)
Box 6 Medicare tax withheld: (360)
Box 12a See instructions: (P 2007 500)
Box 15 State and state ID number: (NC 56124022)
Box 16 State wages: (24800)
Box 17 State income tax withheld: (1600)

Form W-2 #2:

a. **Employee's social security number:** (400-00-7923)
b. Employer identification number: (56-1242342)
c. Employer's name address and zip code: (WILSONS SUPERMARKET)
(91 FISH HAWK CT)
(WILMINGTON NC 28403)
e. Employee's name (first, mi, last): (TEST J CADEN)
f. Employee's address and zip code: (USS ROBERT E LEE)
(FPO AP 96222)

Box 1 Wages, tips, etc.: (1800)
Box 2 Federal income tax withheld: (210)
Box 3 Social security wages: (1800)
Box 4 Social security tax withheld: (112)
Box 5 Medicare wages and tips: (1800)
Box 6 Medicare tax withheld: (26)
Box 15 State and state ID number: (NC 56420214)
Box 16 State wages: (1800)
Box 17 State income tax withheld: (20)



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007 OR

M M D D Y Y M M D D Y Y

AMENDED Return

Tax Year

thru

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): Part-Year Resident X Nonresident Nonresident Alien or Dual-Status Alien

Form with fields for Name, Spouse's Name, Care Of, Address, City, State, Postal/ZIP code, and Country.

IMPORTANT — Complete this Section

Enter the first four letters of your last name. Use ALL CAPITAL letters CADE

Your Social Security Number 400 - 00 - 7923

Enter the first four letters of your Spouse's last name. Use ALL CAPITAL letters

Spouse's Social Security Number

Place an X in applicable box, if appropriate

First Time Filer Address or Name Change

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 Single
2 Married filing joint return
3 Married filing separate return
4 X Head of household
5 Qualifying widow(er) with dependent child

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X below line 37.

6a X Yourself Age 65 or over
6b Spouse Age 65 or over
Enter the number of Xs on 6a and 6b 1

Table with 3 columns: 1. First and last name, 2. Dependent's social security number, 3. Relationship. Row 1: Jasmine Caden, 400-55-3023, Daughter. Enter number of your children listed.. 6c 1

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 6e 2

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7923

Your Spouse's SSN

Name(s) as shown on return
Test J. Caden

If amount is negative (loss), place an X in the box.

	Col. A - Total Income		Col. B - Hawaii Income
7 Wages, salaries, tips, etc. (attach Form(s) W-2)	26600	7	
8 Interest income from the worksheet on page 38 of the Instructions	1025	8	
9 Ordinary dividends	120	9	
10 State income tax refund from the worksheet on page 38 of the Instructions	200	10	200
11 Alimony received	12000	11	
12 Business or farm income or (loss)	X 1473	12	5
13 Capital gain or (loss) from the worksheet on page 38 of the Instructions	25	13	
14 Supplemental gains or (losses) (attach Schedule D-1)		14	
15 IRA distributions		15	
16 Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)		16	
17 Rents, royalties, partnerships, estates, trusts, etc.	554	17	254
18 Unemployment compensation (insurance).		18	
19 Other income (state nature and source)		19	
20 Add lines 7 through 19..... Total Income >	39051	20	459
21 Educator expenses.....		21	
22 Certain business expenses of reservists, performing artists, and fee-basis government officials		22	
23 IRA deduction.....		23	
24 Student loan interest deduction from the worksheet on page 42 of the Instructions	422	24	4
25 Health savings account deduction.....		25	
26 Moving expenses (attach Form N-139)	807	26	
27 One-half of self-employment tax		27	
28 Self-employed health insurance deduction		28	
29 Self-employed SEP, SIMPLE, and qualified plans		29	
30 Penalty on early withdrawal of savings	35	30	
31 Alimony paid (Enter name and SS No. of recipient)		31	
32 Payments to an individual housing account		32	



Your Social Security Number
400 - 00 - 7923

Your Spouse's SSN

Name(s) as shown on return
Test J. Caden

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	_____	33	_____
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)	_____	34	_____
35	Add lines 21 through 34..... Total Adjustments >	1264	35	4
36	Line 20 minus line 35..... Adjusted Gross Income >	37787	36	455

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 0.01
CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	38a	_____
38b	Taxes (from Worksheet NR-2 or PY-2).....	38b	_____
38c	Interest expense (from Worksheet NR-3 or PY-3)	38c	_____
38d	Contributions (from Worksheet NR-4 or PY-4)	38d	_____
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	38e	_____
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	38f	_____

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

0

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

	40a	2920
--	-----	------

Prorated Standard Deduction

40b	Multiply line 40a by the ratio on line 37	>	40b	29
41	Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)		41	426
42a	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself Spouse and see page 26 of the Instructions		42a	2080

42b Multiply line 42a by the ratio on line 37**Prorated Exemption(s)** > **42b** 21

43	Taxable Income. Line 41 minus line 42b (but not less than zero).....	Taxable Income >	43	405
44	Tax. Place an X if from: <input checked="" type="checkbox"/> Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..	Tax >	44	6
	If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....	44a	_____	

45 Total nonrefundable tax credits (attach Schedule CR)..... **45** 0

46 Line 44 minus line 45 (but not less than zero).....**Balance** > **46** 6

47	Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments)	47	_____
48	2007 estimated tax payments on Forms N-1 ; N-288A	48	_____

49 Amount of estimated tax applied from 2006 return..... **49** _____

50 Amount paid with extension(s)

50 _____



Your Social Security Number
400 - 00 - 7923

Your Spouse's SSN

Name(s) as shown on return

Test J. Caden

MT074

51 Low-Income Refundable Tax Credit
(attach Schedule X) **DHS, etc.** exemptions51 _____

52 Credit for Low-Income Household
Renters (attach Schedule X)52 _____

53 Credit for Child and Dependent Care
Expenses (attach Schedule X)53 _____

54 Credit for Child Passenger Restraint
System(s) (attach a copy of the invoice)54 _____

55 Credit for General Income Tax
(see Instructions) **Federal AGI**55 _____

56 Total refundable tax credits from
Schedule CR (attach Schedule CR)56 _____ 180

57 Add lines 47 through 56 **Total Payments and Credits** > 57 _____ 180

58 If line 57 is larger than line 46, enter the amount **OVERPAID** (line 57 minus line 46) 58 _____ 174

59 **Contributions to** (see page 31 of the Instructions): **Yourself** **Spouse**

59a Hawaii Schools Repairs and Maintenance Fund \$2 \$2

59b Hawaii Public Libraries Fund \$2 \$2

59c Domestic Violence / Child Abuse and Neglect Funds \$5 \$5

60 Add the amounts of the Xs on lines 59a through 59c and enter the total here 60 _____ 0

61 Line 58 minus line 60 61 _____ 174

62 Amount of line 61 to be **applied to**
your **2008 ESTIMATED TAX** 62 _____ 0

63 Amount to be **REFUNDED TO YOU** (line 61 minus line 62) If filing late,
see page 31 of Instructions 63 _____ 174

64 **AMOUNT YOU OWE** (line 46 minus line 57). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector" 64 _____

65 **Estimated tax penalty.** (See page 31 of Instr.) Do not include this amount
in line 58 or 64. Place an X in this box if Form N-210 is attached > ...65 _____

66 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions) 66 _____

67 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 67 _____

68 If you would like us to mail you a packet of forms for next year's filing, please place an X in this box

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions. 888-555-1111

Designee's name > John Doe Phone no. > Identification number > 11122

HAWAII ELECTION CAMPAIGN FUND Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

PLEASE SIGN HERE

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature >	Date	Your occupation Sailor	Daytime Phone Number ()
Spouse's signature (if filing jointly, BOTH must sign) >	Date	Spouse's occupation	

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >	Federal E.I. No. >		
	Firm's name (or yours if self-employed), >	Phone No. >		

CAPITAL GOODS EXCISE TAX CREDIT

**FORM
N-312
(REV. 2007)**

SEE SEPARATE INSTRUCTIONS BEFORE COMPLETING THIS FORM.

2007

Note: If you are claiming the Ethanol Facility Tax Credit, no other credit can be claimed for the taxable year.
Or fiscal year beginning _____, 20____, and ending _____, 20____

ATTACH THIS SCHEDULE TO FORM F-1, N-11, N-15, N-20, N-30, N-35, N-40, OR N-70NP

SSN OR FEIN
400-00-7923

Name
Test J. Caden

Hawaii Tax Identification Number
W 99999999 _____ . 01

CAUTION: A claim for this credit, including an amended claim, must be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. An extension of time for filing a return does not extend the time for claiming the credit. The taxpayer shall treat the amount of the credit allowable and claimed as a taxable income item for the taxable year in which it is properly recognized under the method of accounting used to compute taxable income. Alternatively, the basis of eligible property for depreciation purposes for State income taxes shall be reduced by the amount of the credit allowable and claimed. **No credit may be claimed for property for which the Motion Picture, Digital Media, and Film Production Income Tax Credit or the Technology Infrastructure Renovation Tax Credit is claimed.**

PART I COMPUTATION OF TAX CREDIT

(a) Description of Property — Attach a separate sheet if more space is needed	(b) Date property was placed in service	(c) Cost of qualifying property
1. Hawaii purchases		
Equipment	4/16/07	1,000.00
2a. Purchases from out-of-state sellers		
2b. Was 4% Use Tax paid on these purchases? Yes <input type="checkbox"/> No <input type="checkbox"/> Some <input type="checkbox"/>		
3. Total qualifying cost of eligible property. Add amounts in column (c), lines 1 and 2. (Estates, trusts, and cooperatives, see Instructions)	3	1,000.00
4. Tax credit percentage.	4	4%
5. Multiply line 3 by line 4 and enter result here	5	40.00
6. Amount of sales or use taxes paid to another state or jurisdiction for which a credit was claimed under section 238-3(i), Hawaii Revised Statutes. (see Instructions)	6	0.00
7. Capital Goods Excise Tax Credit — Line 5 minus line 6. Enter difference (> zero) rounded to the nearest dollar for individual taxpayers and enter on Form F-1, line 74 or Schedule CR, line 15	7	40.00

- A. Was a deduction taken under Internal Revenue Code Section 179 (regarding an election to expense certain depreciable business assets) on any property listed on lines 1 or 2a?
- B. Was any property listed on lines 1 or 2a acquired from a related company or person?
- C. Is any property listed on lines 1 or 2a subject to the limitation on capital goods excise tax credit and the depreciation deduction under Internal Revenue Code Section 280F?
- D. Is any property listed on lines 1 or 2a an integral part of a building or structure?
- E. Does any of the property listed on lines 1 or 2a have a useful life of less than 3 years?

Yes	No
	✓
	✓
	✓
	✓
	✓

If you answered "Yes" to any question above, please attach an explanation as to how the qualifying basis was determined and identify the property involved on lines 1 or 2a, Part I using the applicable letter(s) for the description above.

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

CAPITAL GOODS EXCISE TAX CREDIT

**FORM
N-312
(REV. 2007)**

SEE SEPARATE INSTRUCTIONS BEFORE COMPLETING THIS FORM.

2007

Note: If you are claiming the Ethanol Facility Tax Credit, no other credit can be claimed for the taxable year. Or fiscal year beginning _____, 20____, and ending _____, 20____

ATTACH THIS SCHEDULE TO FORM F-1, N-11, N-15, N-20, N-30, N-35, N-40, OR N-70NP

SSN OR FEIN
400-00-7923

Name
Test J. Caden

Hawaii Tax Identification Number
W 99999999 _____ . 02

CAUTION: A claim for this credit, including an amended claim, must be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. An extension of time for filing a return does not extend the time for claiming the credit. The taxpayer shall treat the amount of the credit allowable and claimed as a taxable income item for the taxable year in which it is properly recognized under the method of accounting used to compute taxable income. Alternatively, the basis of eligible property for depreciation purposes for State income taxes shall be reduced by the amount of the credit allowable and claimed. **No credit may be claimed for property for which the Motion Picture, Digital Media, and Film Production Income Tax Credit or the Technology Infrastructure Renovation Tax Credit is claimed.**

PART I COMPUTATION OF TAX CREDIT

(a) Description of Property — Attach a separate sheet if more space is needed	(b) Date property was placed in service	(c) Cost of qualifying property
1. Hawaii purchases		
2a. Purchases from out-of-state sellers		
Incubator	2/25/07	3,500.00
2b. Was 4% Use Tax paid on these purchases? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Some <input type="checkbox"/>		
3. Total qualifying cost of eligible property. Add amounts in column (c), lines 1 and 2. (Estates, trusts, and cooperatives, see Instructions)	3	3,500.00
4. Tax credit percentage.	4	4%
5. Multiply line 3 by line 4 and enter result here	5	140.00
6. Amount of sales or use taxes paid to another state or jurisdiction for which a credit was claimed under section 238-3(i), Hawaii Revised Statutes. (see Instructions)	6	0.00
7. Capital Goods Excise Tax Credit — Line 5 minus line 6. Enter difference (> zero) rounded to the nearest dollar for individual taxpayers and enter on Form F-1, line 74 or Schedule CR, line 15	7	140.00

- A. Was a deduction taken under Internal Revenue Code Section 179 (regarding an election to expense certain depreciable business assets) on any property listed on lines 1 or 2a?
- B. Was any property listed on lines 1 or 2a acquired from a related company or person?
- C. Is any property listed on lines 1 or 2a subject to the limitation on capital goods excise tax credit and the depreciation deduction under Internal Revenue Code Section 280F?
- D. Is any property listed on lines 1 or 2a an integral part of a building or structure?
- E. Does any of the property listed on lines 1 or 2a have a useful life of less than 3 years?

Yes	No
	✓
	✓
	✓
	✓
	✓

If you answered "Yes" to any question above, please attach an explanation as to how the qualifying basis was determined and identify the property involved on lines 1 or 2a, Part I using the applicable letter(s) for the description above.

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



CT071

or other tax year beginning _____ and ending _____

Name(s) as shown on return Test J. Caden	SSN(s) or Federal Employer I.D. No. 400-00-7923
---	--

Attach this schedule directly behind Form N-11, N-15, N-30, or N-70NP

Part I Nonrefundable Tax Credits

- 1 Income tax paid to another state or foreign country (N-11, N-15, & N-70NP filers) (Attach required documents. See tax return instruction booklet for more information.)..... 1● _____
- 2 Carryover of the Energy Conservation Tax Credit (attach Form N-157) 2● _____
- 3 Enterprise Zone Tax Credit (attach Form N-756) 3● _____
- 4 Low-Income Housing Tax Credit (attach Form N-586) 4● _____
- 5 Credit for Employment of Vocational Rehabilitation Referrals (attach Form N-884) 5● _____
- 6 High Technology Business Investment Tax Credit (attach Form N-318) 6● _____
- 7 Carryover of the Individual Development Account Contribution Tax Credit (attach Form N-320) 7● _____
- 8 Technology Infrastructure Renovation Tax Credit (attach Form N-326)..... 8● _____
- 9 Credit for School Repair and Maintenance (attach Form N-330) 9● _____
- 10 Carryover of the Hotel Construction and Remodeling Tax Credit (attach Form N-314) 10● _____
- 11 Carryover of the Residential Construction and Remodeling Tax Credit (attach Form N-332) 11● _____
- 12 Renewable Energy Technologies Income Tax Credit (attach Form N-334)
Place an X in the appropriate box to indicate the type of energy system installed and placed in service:
● Solar ● Wind ● Photovoltaic 12● _____
- 13 Ko Olina Resort and Marina Attractions and Educational Facilities Tax Credit (attach Form N-336) 13 _____
- 14 **Total Nonrefundable Credits.** Add Lines 1 through 13. Enter here and on Form N-11, Line 28; N-15, Line 45; N-30, Line 12; or N-70NP, Line 16.
Attach this schedule directly behind your Form N-11, N-15, N-30, or N-70NP. 14● _____



CT072

Schedule CR (Rev. 2007)

Name(s) as shown on return Test J. Caden	SSN(s) or Federal Employer I.D. No. 400-00-7923
---	--

Part II Refundable Tax Credits

15 Capital Goods Excise Tax Credit (attach Form N-312)	15●	180
16 Fuel Tax Credit for Commercial Fishers (attach Form N-163).....	16●	
17 Motion Picture and Film Production Income Tax Credit (attach Form N-316)...	17●	
18 Tax Credit for Research Activities (attach Form N-319)	18●	
19 Ethanol Facility Tax Credit (attach Form N-324).....	19●	
20 Motion Picture, Digital Media, and Film Production Income Tax Credit (attach Form N-340)	20●	
21 Other refundable credits		
a. Pro rata share of taxes withheld and paid by a partnership, estate, trust, or S corporation on the sale of Hawaii real property interests	21a	
b. Credit From a Regulated Investment Company	21b	
c. Add lines 21a and 21b	21c●	
22 Total Refundable Credits. Add Lines 15 through 20 and Line 21c. Enter here and on Form N-11, Line 39; N-15, Line 56; N-30, Line 14(d); or N-70NP, Line 18(d). Attach this schedule directly behind your Form N-11, N-15, N-30, or N-70NP.	22	180

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return Test J. Caden	Business or activity to which this form relates Schedule C - The Rug Doctor	Identifying number 400-00-7923
---	---	--

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	\$125,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$500,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
(a) Description of property (b) Cost (business use only) (c) Elected cost		
6		
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10 Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13 Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) and cellulosic biomass ethanol plant property placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2007	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B—Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		1000	5	HY	200 DB	200
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

20a Class life					
b 12-year			12 yrs.		S/L
c 40-year			40 yrs.	MM	S/L

Part IV Summary (see instructions)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr.	22	200
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return Test J. Caden	Business or activity to which this form relates Schedule E-1	Identifying number 400-00-7923
---	--	--

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	\$125,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$500,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
(a) Description of property (b) Cost (business use only) (c) Elected cost		
6		
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10 Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13 Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) and cellulosic biomass ethanol plant property placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2007	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B—Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	6/2007	18000	27.5 yrs.	MM	S/L	355
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (see instructions)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr.	22	355
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return Test J. Caden	Business or activity to which this form relates Schedule E-2	Identifying number 400-00-7923
---	--	--

Part I Election To Expense Certain Property Under Section 179
Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	\$125,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$500,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
(a) Description of property (b) Cost (business use only) (c) Elected cost		
6		
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10 Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13 Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) and cellulosic biomass ethanol plant property placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2007	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B—Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	4/2007	22000	27.5 yrs.	MM	S/L	567
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (see instructions)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr.	22	567
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return Test J. Caden	Business or activity to which this form relates Schedule F-1	Identifying number 400-00-7923
---	--	--

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	\$125,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$500,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
(a) Description of property (b) Cost (business use only) (c) Elected cost		
6		
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10 Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13 Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) and cellulosic biomass ethanol plant property placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2007	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B—Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		3500	5	HY	150 DB	525
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

20a Class life						
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (see instructions)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr.	22	525
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

Hawaii Test Case #17 (Based on the modified 2005 IRS Test #25)

Attachments:

Hawaii Form N-15

Taxpayer name: TEST O OLYMPICS
 Taxpayer SSN: 400-00-7925

Hawaii changes to IRS test:

Taxpayer is a part-year resident. Taxpayer became a resident of Hawaii on April 1, 2007.

All form(s) for primary taxpayer:

Social Security number changed to Hawaii test designation:
 400-00-7925

Address changed to Hawaii address:
 1221 KAPIOLANI BLVD
 HONOLULU, HI 96814

Telephone Number changed to Hawaii telephone number:
 808-555-1020

Scholarship income received while taxpayer was a nonresident.

Interest and dividend income allocated to Hawaii during period of residency (April 1, 2007 - December 31, 2007).

Fifty shares of Wergone became worthless while taxpayer was a resident.

Capital gain distribution was received while taxpayer was a nonresident.

Estimated tax payments made to Hawaii.

Real property taxes were paid on property located in Hawaii.

Personal property taxes were paid on property located outside Hawaii while taxpayer was a nonresident.

Home mortgage interest and points were paid on property located in Hawaii.

Tax preparation fee is directly associated with activities or properties producing income which is not taxable to Hawaii.

Safe deposit box and investment expenses are directly associated with activities or properties producing income which is taxable to Hawaii.

State Return Details:

FORM N-15:

Line 7	Wages:	Col. A: \$7,000	Col. B: \$0
Line 8	Interest income:	Col. A: \$22,482	Col. B: \$16,862
Line 9	Ordinary dividends:	Col. A: \$16,166	Col. B: \$12,124
Line 13	Capital gain or (loss):	Col. A: \$33,265	Col. B: \$24,350
Line 36	Adjusted gross income:	Col. A: \$78,913	Col. B: \$53,336
Line 37	Ratio of Hawaii AGI to total AGI:	0.68	
Line 38a	Medical and dental expenses:	\$8,240	

HAWAII TEST CASE #17

Line 38b	Taxes:	\$3,250
Line 38c	Interest expense:	\$11,800
Line 38d	Contributions:	\$3,536
Line 38f	Miscellaneous deductions:	\$233
Line 39	Total itemized deductions:	\$27,059
Line 42a	Exemptions:	\$2,080
Line 42b	Prorated exemptions:	\$1,414
Line 43	Taxable income:	\$24,863
Line 44	Tax liability:	\$1,112 (from tax table)
Line 48	Estimated tax payments:	\$1,500 (Form N-1)
Line 58	Overpaid:	\$388
Line 59a	School repair contribution:	no
Line 59b	Library contribution:	no
Line 59c	Domestic violence contribution:	no
Line 63	Refund:	\$388
No designee		
Hawaii Election Campaign Fund:		yes

Itemized Deductions Worksheet - For Part-Year Residents

Line 1:	\$53,336
Line 2:	\$78,913
Line 3:	0.68
Line 4:	\$18,000
Line 5:	\$12,240
Line 6:	\$4,000
Line 7:	\$8,240
Line 8:	\$1,500
Line 9:	\$1,750
Line 10:	\$500
Line 12:	\$3,750
Line 13:	\$500
Line 14:	\$3,250
Line 15:	\$3,750
Line 16:	\$0
Line 17:	\$0
Line 18:	\$3,250
Line 19:	\$9,300
Line 21:	\$2,500
Line 24:	\$11,800
Line 26:	\$11,800
Line 27:	\$11,800
Line 28:	\$0
Line 29:	\$0
Line 30:	\$11,800
Line 31:	\$5,200
Line 34:	\$5,200
Line 35:	\$3,536
Line 46:	\$825
Line 47:	\$1,300
Line 48:	\$2,125
Line 49:	\$825
Line 50:	\$1,300
Line 51:	\$2,125
Line 52:	\$0
Line 53:	\$0
Line 54:	\$1,300

Line 55: \$1,067
Line 56: \$233
Line 65: \$233

TEST #25 - IRS scenario

FORMS REQUIRED: FORM 1040, SCH A, SCH B, SCH D, FORM 6251

INFORMATION RETURNS ATTACHED:

ENTRIES NOT REQUIRING FORMS: FORM 1040, LINE 7: 7000 TAXABLE SCHOLARSHIP
LINE 65 2000

STATEMENTS: SCH B, LINE 1
SCH B, LINE 5
SCH D, LINE 1

OTHER:

THIRD PARTY DESIGNEE: NONE

PREPARED BY:

TAXPAYER: NAME: TEST O OLYMPICS SSN: 400-00-1025
DOB: 04-21-1959 OCCUPATION: INVESTMENT SPEC
DISABLED: NO PRES ELEC FUND: YES
DAYTIME PHONE: 404-555-1020 BLIND: NO

CHECK DIGITS FROM IRS LABEL: OT

ADDRESS: 121 TORCH ST
ATLANTA, GA 30301

FILING STATUS: QUALIFYING WIDOW(ER) LINE 6d: 2
YEAR SPOUSE DIED: 2006

DEPENDENT INFORMATION:

NAME	AGE	SSN	RELATIONSHIP	# MO	CHILD TAX CR
WENDY OLYMPICS	9	400-55-3025	DAUGHTER	12	X

SCHEDULE A:

LINE 1: 18000
LINE 5: 1500 (STATE ESTIMATED TAXES PAID)
LINE 6: 1750
LINE 7: 500
LINE 10: 9300
LINE 12: 2500
LINE 16: 5200
LINE 22: 825
LINE 23: 100 (SAFE DEPOSIT BOX)
1200 (INVESTMENT EXPENSE)

SCHEDULE B:

PART I:

LINE 1:

PAYER NAME	AMOUNT
LAST CITIZENS	950 (ACCRUED)
CBA BANK	3200 (NOMINEE)
MYPLACE	1255 (TAX-EXEMPT)
AMERICAN FINANCE	1770 (OID ADJUSTMENT)
MUNICIPAL INT	2444 (TAX-EXEMPT)
PAB (AFTER 8/7/1986)	12000 (TAX-EXEMPT)
MIDDLE UNION	2575
NOWBANK	7800
FIRST BANK	1200
SECOND BANK	2600
THIRD BANK	3650
SIXTH BANK	4160
SEVENTH BANK	63
EIGHTH BANK	44
NINTH BANK	129
TENTH BANK	261

PART II:

LINE 5:

PAYER NAME	AMOUNT
ABC CORP	1450 (QUALIFIED)
DEF CORP	1475 (QUALIFIED)
GHI CORP	1260 (QUALIFIED)
JKL CORP	1850 (QUALIFIED)
MNO CORP	2500 (QUALIFIED)
PQR CORP	550 (QUALIFIED)
STU CORP	425 (QUALIFIED)
VWX CORP	350 (QUALIFIED)
YZZ CORP	575 (QUALIFIED)
1 ST CO	555 (QUALIFIED)
2 ND CO	933 (QUALIFIED)
3 RD CO	975 (QUALIFIED)
4 TH CO	125 (QUALIFIED)
5 TH CO	28 (QUALIFIED)
6 TH CO	290 (QUALIFIED)
7 TH CO	390 (QUALIFIED)
8 TH CO	599 (QUALIFIED)
9 TH CO	47 (QUALIFIED)
KIDDIE INVESTMENTS	430 (NOMINEE)
MULTI INVESTORS	1789 (NON-QUALIFIED)

PART III:

LINE 7a: NO

LINE 8: NO

SCHEDULE D:

PART I:

LINE 1:	(a)	(b)	(c)	(d)	(e)
	ABC	01-25-2007	01-31-2007	5000	2000
	DEF	03-24-2006	02-05-2007	10000	3000
	GHI	02-28-2007	05-06-2007	10000	9000
	JKL	04-29-2007	11-17-2007	7000	4000
	MNO	05-23-2006	05-05-2007	15000	13000
	STOCK OPTION	12-15-2006	10-31-2007	EXPIRED	1325

PART II:

LINE 8:	(a)	(b)	(c)	(d)	(e)
	PQR	12-02-2004	03-16-2007	15000	16600
	STU	08-14-2003	06-17-2007	2575	2000
	50 SH WERGONE	VARIOUS	WORTHLESS	0	2500
	VWX	INHERIT	06-27-2007	8100	8500
	RUG	03-27-1989	08-15-2007	25000	3000

NOTE: THE RUG IS CONSIDERED A COLLECTIBLE AND THEREFORE SHOULD BE TAXED AT THE 28% RATE GAIN.

LINE 13(f): 515 (FROM MULTI INVESTORS)

LINE 18: 22016 (NOTE: 22000 GAIN ON RUG, 16 LINE 13 CAPITAL GAIN DIST FROM MULTI INVESTORS)

LINE 19: 99 (FROM MULTI INVESTORS)

FORM 6251:

PART I:

LINE 2:	1973
LINE 3:	3750
LINE 5:	547
LINE 11:	12000

ETD TRANSMISSION:

FORM 4868:

LINE 4:	2593
LINE 5:	2000
LINE 6:	593
LINE 7:	593

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040

FORM 1040

First Name, MI & Last Name: (TEST O OLYMPICS)
Social Security Number: (400-00-7925)
Home Address: (1221 KAPIOLANI BLVD)
City, State, and Zip: (HONOLULU, HI 96814)
Do you want \$3.00 to go to the Presidential Campaign Fund: (YES)
Filing Status: (QUALIFYING WIDOWER)
YEAR SPOUSE DIED 2006
Dependent #1 Name: (WENDY OLYMPICS)
 Social Security Number: (400-55-3025)
 Relationship: (DAUGHTER)
 Qualifying child for child tax credit: (X)
Number of boxes checked on 6a and 6b: (1)
Number of children who live with you: (1)
Total number in box 6d: (2)
Line 7 Total wages: (7000)
Line 8a Taxable interest: (22482)
Line 8b Tax-exempt interest: (15699)
Line 9a Ordinary dividends: (16166)
Line 9b Qualifying dividends: (14377)
Line 13 Capital gain or (loss): (33265)
Line 22 Total income: (78913)
Line 37 Adjusted Gross Income: (78913)
Line 38 Amount from line 37: (78913)
Line 40 Itemized or standard deduction: (33379)
Line 41 Subtract line 40 from line 38: (45534)
Line 42 Multiply \$3400 by the total number of exemptions on line 6d: (6800)
Line 43 Taxable income: (38734)
Line 44 Tax: (3593)
Line 46 Add lines 44 and 45: (3593)
Line 52 Child tax credit: (1000)
Line 56 Total credits: (1000)
Line 57 Subtract line 56 from line 46: (2593)
Line 63 Total tax: (2593)
Line 65 Estimated tax payments and overpayment applied: (2000)
Line 72 Total payments: (2000)
Line 76 Amount you owe: (593)
Third party designee: (NO)
Daytime phone number: (808-555-1020)
Taxpayers occupation: (INVESTMENT SPEC)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007

OR

M M D D Y Y M M D D Y Y

AMENDED Return

Tax Year

04 - 01 - 07

thru

12 - 31 - 07

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): X Part-Year Resident Nonresident Nonresident Alien or Dual-Status Alien

Form fields for personal information: Your First Name (Test), Spouse's First Name, Care Of, Present mailing or home address (1221 Kapiolani Blvd), City (Honolulu), State (HI), Postal/ZIP code (96814).

IMPORTANT - Complete this Section. Enter the first four letters of your last name (OLYM), Your Social Security Number (400 - 00 - 7925), Spouse's Social Security Number, and checkboxes for First Time Filer and Address or Name Change.

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 Single
2 Married filing joint return (even if only one had income).
3 Married filing separate return. Enter spouse's SSN and the first four letters of last name above. Enter spouse's full name here.
4 Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter the child's full name.
5 X Qualifying widow(er) with dependent child. Enter the year your spouse died 2006

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X below line 37.

6a X Yourself... Age 65 or over... 6b Spouse... Age 65 or over... Enter the number of Xs on 6a and 6b... 1

Table with 3 columns: 1. First and last name, 2. Dependent's social security number, 3. Relationship. Row 1: Wendy Olympics, 400-55-3025, Daughter. Enter number of your children listed... 6c 1. Enter number of other dependents... 6d

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above. 6e 2

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7925

Your Spouse's SSN

Name(s) as shown on return
Test O. Olympics

If amount is negative (loss), place an X in the box.

Col. A - Total Income

Col. B - Hawaii Income

	Col. A - Total Income		Col. B - Hawaii Income
7 Wages, salaries, tips, etc. (attach Form(s) W-2)	7000	7	
8 Interest income from the worksheet on page 38 of the Instructions	22482	8	16862
9 Ordinary dividends	16166	9	12124
10 State income tax refund from the worksheet on page 38 of the Instructions		10	
11 Alimony received		11	
12 Business or farm income or (loss)		12	
13 Capital gain or (loss) from the worksheet on page 38 of the Instructions	33265	13	24350
14 Supplemental gains or (losses) (attach Schedule D-1)		14	
15 IRA distributions		15	
16 Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)		16	
17 Rents, royalties, partnerships, estates, trusts, etc.		17	
18 Unemployment compensation (insurance).		18	
19 Other income (state nature and source)		19	
20 Add lines 7 through 19..... Total Income >	78913	20	53336
21 Educator expenses.....		21	
22 Certain business expenses of reservists, performing artists, and fee-basis government officials		22	
23 IRA deduction.....		23	
24 Student loan interest deduction from the worksheet on page 42 of the Instructions		24	
25 Health savings account deduction.....		25	
26 Moving expenses (attach Form N-139)		26	
27 One-half of self-employment tax		27	
28 Self-employed health insurance deduction		28	
29 Self-employed SEP, SIMPLE, and qualified plans		29	
30 Penalty on early withdrawal of savings		30	
31 Alimony paid (Enter name and SS No. of recipient)		31	
32 Payments to an individual housing account		32	



Your Social Security Number
400 - 00 - 7925

Your Spouse's SSN

Name(s) as shown on return
Test O. Olympics

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	_____	33	_____
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)	_____	34	_____
35	Add lines 21 through 34..... Total Adjustments >	0	35	0
36	Line 20 minus line 35..... Adjusted Gross Income >	78913	36	53336

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 0.68

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	8240	38a	_____
38b	Taxes (from Worksheet NR-2 or PY-2).....	3250	38b	_____
38c	Interest expense (from Worksheet NR-3 or PY-3)	11800	38c	_____
38d	Contributions (from Worksheet NR-4 or PY-4)	3536	38d	_____
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	_____	38e	_____
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	233	38f	_____

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

27059

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

Prorated Standard Deduction

40b	Multiply line 40a by the ratio on line 37	>	40b	_____
41	Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)	41	_____	26277
42a	Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself Spouse and see page 26 of the Instructions	42a	_____	2080

42b Multiply line 42a by the ratio on line 37**Prorated Exemption(s)** > **42b** 1414

43 **Taxable Income.** Line 41 minus line 42b (but not less than zero).....**Taxable Income** > **43** 24863

44 **Tax.** Place an X if from: Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..**Tax** > **44** 1112
If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet.....**44a** _____

45 Total nonrefundable tax credits (attach Schedule CR)..... **45** 0

46 Line 44 minus line 45 (but not less than zero).....**Balance** > **46** 1112

47 Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments)

48 2007 estimated tax payments on Forms N-1 1500 ; N-288A**48** 1500

49 Amount of estimated tax applied from 2006 return.....**49** _____

50 Amount paid with extension(s)**50** _____



Your Social Security Number
400 - 00 - 7925

Your Spouse's SSN

Name(s) as shown on return
Test O. Olympics

MT074

51 Low-Income Refundable Tax Credit
(attach Schedule X) **DHS, etc.** exemptions51 _____

52 Credit for Low-Income Household
Renters (attach Schedule X)52 _____

53 Credit for Child and Dependent Care
Expenses (attach Schedule X)53 _____

54 Credit for Child Passenger Restraint
System(s) (attach a copy of the invoice)54 _____

55 Credit for General Income Tax
(see Instructions) **Federal AGI**55 _____

56 Total refundable tax credits from
Schedule CR (attach Schedule CR)56 _____

57 Add lines 47 through 56 **Total Payments and Credits** > 57 _____ 1500

58 If line 57 is larger than line 46, enter the amount **OVERPAID** (line 57 minus line 46) 58 _____ 388

59 **Contributions to** (see page 31 of the Instructions): **Yourself** **Spouse**

59a Hawaii Schools Repairs and Maintenance Fund \$2 \$2

59b Hawaii Public Libraries Fund \$2 \$2

59c Domestic Violence / Child Abuse and Neglect Funds \$5 \$5

60 Add the amounts of the Xs on lines 59a through 59c and enter the total here 60 _____ 0

61 Line 58 minus line 60 61 _____ 388

62 Amount of line 61 to be **applied to**
your **2008 ESTIMATED TAX** 62 _____ 0

63 Amount to be **REFUNDED TO YOU** (line 61 minus line 62) If filing late,
see page 31 of Instructions 63 _____ 388

64 **AMOUNT YOU OWE** (line 46 minus line 57). Send Form N-200V with your payment.
Make check or money order payable to the "Hawaii State Tax Collector" 64 _____

65 **Estimated tax penalty.** (See page 31 of Instr.) Do not include this amount
in line 58 or 64. Place an X in this box if Form N-210 is attached > ...65 _____

66 **AMENDED RETURN ONLY** - Amount paid (overpaid) on original return. (See Instructions) 66 _____

67 **AMENDED RETURN ONLY** - Balance due (refund) with amended return. (See Instructions) 67 _____

68 If you would like us to mail you a packet of forms for next year's filing, please place an X in this box

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions.

Designee's name > Phone no. > Identification number >

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No

If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

PLEASE SIGN HERE

Your signature >	Date	Your occupation Investment Spec	Daytime Phone Number (808)555-1020
Spouse's signature (if filing jointly, BOTH must sign) >	Date	Spouse's occupation	

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >	Federal E.I. No. >		
	Firm's name (or yours if self-employed), >	Phone No. >		

Hawaii Test Case #18 (Based on the modified 2005 IRS Test #36)

Attachments:

Hawaii Form N-15

Taxpayer name: TEST Y INSIGHTFUL
 Taxpayer SSN: 400-00-7956

Hawaii changes to IRS test:

Taxpayer is a part-year resident. Taxpayer became a resident of Hawaii on July 1, 2007.

All form(s) for primary taxpayer:

Social Security number changed to Hawaii test designation:
 400-00-7956

Address changed to Hawaii address:
 47-578 PUAPOO PL
 KANEOHE, HI 96744

1099R(1), 1099R(2)

Line 11 State changed to Hawaii: HI

1099R(1)

Add Box 10 State tax withheld: \$100

Line 12 State distribution changed to: \$8,000

Interest and pension income allocated to Hawaii during period of residency (July 1, 2007 - December 31, 2007). IRA distribution taken on June 29, 2007.

State Return Details:

FORM N-15:

Line 8	Interest income:	Col. A: \$12,000	Col. B: \$6,000
Line 15	IRA distribution:	Col. A: \$100	Col. B: \$0
Line 16	Pensions and annuities:	Col. A: \$8,000	Col. B: \$4,000
Line 36	Adjusted gross income:	Col. A: \$20,100	Col. B: \$10,000
Line 37	Ratio of Hawaii AGI to total AGI:	0.50	
Line 40a	Standard deduction:	\$4,000	
Line 40b	Prorated standard deduction:	\$2,000	
Line 42a	Exemptions:	\$8,040	
Line 42a	Disability:	spouse disabled	
Line 42b	Prorated exemptions:	\$4,020	
Line 43	Taxable income:	\$3,980	
Line 44	Tax liability:	\$56 (from tax table)	
Line 47	Taxes:	\$100	
Line 58	Overpaid:	\$44	
Line 59a	School repair contribution:	No	
Line 59b	Library contribution:	No	
Line 59c	Domestic violence contribution:	No	
Line 63	Refund:	\$44	
No designee			
Hawaii Election Campaign Fund:		no	

HAWAII TEST CASE #18

**TEST #36- TO BE USED ONLY FOR ON-LINE FILING TESTING - IRS scenario
(Taxpayer's SSN has been changed for the IRS test)**

FORMS REQUIRED: FORM 1040A, SCH 1

INFORMATION RETURNS ATTACHED: FORM 1099R (2)

ENTRIES NOT REQUIRING FORMS: FORM 1040A, LINE 14a: 23000
(TAXPAYER 12000, SPOUSE 11000)

STATEMENTS:

OTHER:

THIRD PARTY DESIGNEE: NONE

TAXPAYER: NAME: TEST Y INSIGHTFUL	SSN: 400-00-1056
DOB: 03-15-1943	OCCUPATION: RETIRED
DISABLED: NO	PRES ELEC FUND: NO
DAYTIME PHONE: NOT GIVEN	BLIND: NO

SPOUSE: NAME: IRENE K INSIGHTFUL	SSN: 400-00-2036
DOB: 05-12-1940	OCCUPATION: RETIRED
DISABLED: NO	PRES ELEC FUND: NO
	BLIND: YES

CHECK DIGITS FROM IRS LABEL: CI

ADDRESS: 512 HOWARD DR
WINTER PARK, FL 32789

FILING STATUS: MARRIED FILING JOINT **LINE 6d:** 2

SCHEDULE 1:
PART 1:
LINE 1: CORPORATE BONDS 12000

ETD TRANSMISSION:
FORM 4868:
LINE 4: 633
LINE 5: 0
LINE 6: 633
LINE 7: 633

ON-LINE SELF-SELECT PIN INFORMATION:

JURAT/DISCLOSURE VERSION INDICATOR: A
PRIMARY TAXPAYER SIGNATURE: 19360
SPOUSE SIGNATURE: 19340

AUTHENTICATION RECORD:

PRIMARY PRIOR YEAR AGI: 26500
PRIMARY DATE OF BIRTH: 03-15-1943
SPOUSE PRIOR YEAR AGI: 26500
SPOUSE DATE OF BIRTH: 05-12-1940
TAXPAYER SIGNATURE DATE: 02-12-2008
PIN TYPE CODE: 0

TRANA DATA: SEQ 0170: TRANSMISSION TYPE CODE: 0

PATS.PATS.PATS.PATS.PATS.PATS.PATS.PATS

SUMMARY RECORD DATA: SEQ 0190: IP ADDRESS:

SEQ 0200: IP DATE: 20080212
SEQ 0210: IP TIME: 110700
SEQ 0220: E-MAIL INDICATOR: N

IRS FEDERAL RETURN DETAILS: (CHANGES FOR HAWAII ARE BOLDED)

FORMS INCLUDED: FORM 1040A, FORM 1099-R (2)

FORM 1040A:

First Name, MI and Last Name:	(TEST Y INSIGHTFUL)
Social Security Number:	(400-00-7956)
Spouse's First Name, MI, and Last Name:	(IRENE K INSIGHTFUL)
Spouse's Social Security Number:	(400-00-2036)
Home Address:	(47-578 PUAPOO PL)
City, State, and Zip:	(KANEHOHE, HI 96744)
Do you want \$3.00 to go to the Presidential Campaign Fund:	(NO)
If filing joint, does Taxpayer's spouse want \$3.00 to go to this fund:	(NO)
Filing Status:	(MARRIED FILING JOINTLY)
Number of boxes checked on 6a and 6b:	(2)
Total number in box 6d:	(2)
Line 8a Taxable interest:	(12000)
Line 11a Total IRA distributions:	(700)
Line 11b Taxable amount:	(100)
Line 12a Total pensions and annuities:	(15000)
Line 12b Taxable amount:	(12000)
Line 14a Social security benefits:	(23000)
Line 14b Taxable amount:	(1800)
Line 15 Total income:	(25900)
Line 21 Adjusted gross income:	(25900)
Line 22 Amount from line 21:	(25900)
Line 23a Spouse born before 1/2/1943:	(X)
Spouse is blind:	(X)
Total number of boxes checked:	(2)
Line 24 Standard deduction:	(12800)
Line 25 Subtract line 24 from line 22:	(13100)
Line 26 Multiply \$3400 by the total number of exemptions on line 6d:	(6800)
Line 27 Taxable income:	(6300)
Line 28 Tax:	(633)
Line 35 Subtract line 34 from line 28:	(633)
Line 37 Total tax:	(633)
Line 42 Total payments:	(0)
Line 46 Amount you owe:	(633)
Third party designee:	(NO)
Taxpayer's occupation:	(RETIRED)
Spouse's occupation:	(RETIRED)
Taxpayer PIN:	(19360)
Taxpayer signature date:	(02-12-2008)
Spouse PIN:	(19340)

Form 1099-R #1:

Payer's name address and zip code: (THEME PARK PENSION PLAN)
(1 BUENA VISTA WAY)
(ANAHEIM CA 92812)
Payer's identification number: (33-4234444)
Recipient's social security number: (400-00-2036)
Recipient's name (first, mi, last): (IRENE K INSIGHTFUL)
Recipient's street address: **(47-578 PUAPOO PL)**
Recipient's city state and zip code: **(KANEHOHE, HI 96744)**

Box 1 Gross distribution: (15000)
Box 2a Taxable amount: (12000)
Box 7 Distribution code: (7)
Box 10 State tax withheld: **(100)**
Box 11 State/Payers state no: **(HI 330011)**
Box 12 State distribution: **(8000)**

Form 1099-R #2:

Payer's name address and zip code: (BIG BROKERS)
(12 WALL STREET)
(NEW YORK CITY NY 10005)
Payer's identification number: (13-4433221)
Recipient's social security number: (400-00-2036)
Recipient's name (first, mi, last): (IRENE K INSIGHTFUL)
Recipient's street address: **(47-578 PUAPOO PL)**
Recipient's city state and zip code: **(KANEHOHE, HI 96744)**

Box 1 Gross distribution: (700)
Box 2a Taxable amount: (100)
Box 7 Distribution code: (7)
Box 7 IRA/SEP/SIMPLE: (X)
Box 11 State/Payers state no: **(HI 132143)**
Box 12 State distribution: (100)

[THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]



MT071

FORM N-15 (Rev. 2007)

STATE OF HAWAII — DEPARTMENT OF TAXATION Individual Income Tax Return NONRESIDENT and PART-YEAR RESIDENT Calendar Year 2007

OR

M M D D Y Y M M D D Y Y

AMENDED Return

Tax Year

07 - 01 - 07

thru

12 - 31 - 07

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in the applicable box(es): X Part-Year Resident Nonresident Nonresident Alien or Dual-Status Alien

Form with fields for Name, Spouse's Name, Address, City, State, ZIP, and Foreign Address.

IMPORTANT - Complete this Section. Includes fields for Social Security Number and checkboxes for First Time Filer and Address or Name Change.

ATTACH A COPY OF YOUR 2007 FEDERAL INCOME TAX RETURN

(Place an X in only ONE box)

- 1 Single
2 X Married filing joint return
3 Married filing separate return
4 Head of household
5 Qualifying widow(er)

CAUTION: If you can be claimed as a dependent on another person's tax return...

6a X Yourself Age 65 or over
6b X Spouse X Age 65 or over

Table with 4 columns: 1. First and last name, 2. Dependent's social security number, 3. Relationship, 4. Enter number of children/dependents.

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above.

ATTACH COPY 2 OF FORM W-2 HERE

ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE



MT072

Form N-15 (Rev. 2007)

Your Social Security Number
400 - 00 - 7956

Your Spouse's SSN
400 - 00 - 2036

Name(s) as shown on return

Test Y. Insightful

Irene K. Insightful

If amount is negative (loss), place an X in the box.

Col. A - Total Income

Col. B - Hawaii Income

7	Wages, salaries, tips, etc. (attach Form(s) W-2)	_____	7	_____
8	Interest income from the worksheet on page 38 of the Instructions	12000	8	6000
9	Ordinary dividends	_____	9	_____
10	State income tax refund from the worksheet on page 38 of the Instructions	_____	10	_____
11	Alimony received	_____	11	_____
12	Business or farm income or (loss)	_____	12	_____
13	Capital gain or (loss) from the worksheet on page 38 of the Instructions	_____	13	_____
14	Supplemental gains or (losses) (attach Schedule D-1)	_____	14	_____
15	IRA distributions	100	15	_____
16	Pensions and annuities (see Instructions and attach Schedule J, Form N-11/N-15/N-40)	8000	16	4000
17	Rents, royalties, partnerships, estates, trusts, etc.	_____	17	_____
18	Unemployment compensation (insurance).	_____	18	_____
19	Other income (state nature and source)	_____	19	_____
20	Add lines 7 through 19..... Total Income >	20100	20	10000
21	Educator expenses.....	_____	21	_____
22	Certain business expenses of reservists, performing artists, and fee-basis government officials	_____	22	_____
23	IRA deduction.....	_____	23	_____
24	Student loan interest deduction from the worksheet on page 42 of the Instructions	_____	24	_____
25	Health savings account deduction.....	_____	25	_____
26	Moving expenses (attach Form N-139)	_____	26	_____
27	One-half of self-employment tax	_____	27	_____
28	Self-employed health insurance deduction	_____	28	_____
29	Self-employed SEP, SIMPLE, and qualified plans	_____	29	_____
30	Penalty on early withdrawal of savings	_____	30	_____
31	Alimony paid (Enter name and SS No. of recipient)	_____	31	_____
32	Payments to an individual housing account	_____	32	_____



Your Social Security Number
400 - 00 - 7956

Your Spouse's SSN
400 - 00 - 2036

Name(s) as shown on return

Test Y. Insightful

Irene K. Insightful

MT073

33	First \$3,631 of military reserve or Hawaii national guard duty pay	_____	33	_____
34	Exceptional trees deduction (attach affidavit) (see page 19 of the Instructions)	_____	34	_____
35	Add lines 21 through 34..... Total Adjustments >	0	35	0
36	Line 20 minus line 35..... Adjusted Gross Income >	20100	36	10000

37 **Ratio of Hawaii AGI to Total AGI.** Divide line 36, Column B, by line 36, Column A (Compute to 3 decimal places and round to 2 decimal places) **37** 0.50

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 20, and place an X here

38 If you do not itemize deductions, enter zero on line 39 and go to line 40a. Otherwise go to page 20 of the Instructions and enter your Hawaii itemized deductions here.

38a	Medical and dental expenses (from Worksheet NR-1 or PY-1)	38a	_____
38b	Taxes (from Worksheet NR-2 or PY-2).....	38b	_____
38c	Interest expense (from Worksheet NR-3 or PY-3)	38c	_____
38d	Contributions (from Worksheet NR-4 or PY-4)	38d	_____
38e	Casualty and theft losses (from Worksheet NR-5 or PY-5)	38e	_____
38f	Miscellaneous deductions (from Worksheet NR-6 or PY-6)	38f	_____

TOTAL ITEMIZED DEDUCTIONS

39 If line 36, Column B is more than \$100,000 (\$50,000 for married filing separately), see the worksheet on page 41 of the Instructions. If not, add lines 38a through 38f. Enter total here and go to line 41.

0

40a If you checked filing status box: 1 or 3 enter \$2,000; 2 or 5 enter \$4,000; 4 enter \$2,920

40b Multiply line 40a by the ratio on line 37

41 Line 36, Column B minus line 39 or 40b, whichever applies. (This line MUST be filled in)

42a Multiply \$1,040 by the total number of exemptions claimed on line 6e. If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es) Yourself Spouse and see page 26 of the Instructions

42b Multiply line 42a by the ratio on line 37

43 **Taxable Income.** Line 41 minus line 42b (but not less than zero).....

44 **Tax.** Place an X if from: Tax Table; Tax Rate Schedule; Form N-168; Form N-615; or Capital Gains Tax Worksheet on page 41 of the Instructions. (Place an X if tax from Forms N-2, N-103, N-152, N-312, N-318, N-338, N-405, N-586, or N-814 is included.) ..

45 Total nonrefundable tax credits (attach Schedule CR).....

46 Line 44 minus line 45 (but not less than zero).....

47 Hawaii State Income tax withheld (attach W-2s) (see page 29 of the Instructions for other attachments)

48 2007 estimated tax payments on Forms N-1 ; N-288A

49 Amount of estimated tax applied from 2006 return.....

50 Amount paid with extension(s)

Prorated Standard Deduction



Your Social Security Number
400 - 00 - 7956

Your Spouse's SSN
400 - 00 - 2036

Name(s) as shown on return

Test Y. Insightful

Irene K. Insightful

MT074

51	Low-Income Refundable Tax Credit (attach Schedule X) DHS, etc. exemptions	51	_____
52	Credit for Low-Income Household Renters (attach Schedule X)	52	_____
53	Credit for Child and Dependent Care Expenses (attach Schedule X)	53	_____
54	Credit for Child Passenger Restraint System(s) (attach a copy of the invoice)	54	_____
55	Credit for General Income Tax (see Instructions) Federal AGI	55	_____
56	Total refundable tax credits from Schedule CR (attach Schedule CR)	56	_____
57	Add lines 47 through 56.....	Total Payments and Credits > 57	100
58	If line 57 is larger than line 46, enter the amount OVERPAID (line 57 minus line 46)	58	44
59	Contributions to (see page 31 of the Instructions):.....	Yourself	Spouse
59a	Hawaii Schools Repairs and Maintenance Fund.....	\$2	\$2
59b	Hawaii Public Libraries Fund.....	\$2	\$2
59c	Domestic Violence / Child Abuse and Neglect Funds	\$5	\$5
60	Add the amounts of the Xs on lines 59a through 59c and enter the total here.....	60	0
61	Line 58 minus line 60	61	44
62	Amount of line 61 to be applied to your 2008 ESTIMATED TAX	62	0
63	Amount to be REFUNDED TO YOU (line 61 minus line 62) If filing late, see page 31 of Instructions	63	44
64	AMOUNT YOU OWE (line 46 minus line 57). Send Form N-200V with your payment. Make check or money order payable to the "Hawaii State Tax Collector".....	64	_____
65	Estimated tax penalty. (See page 31 of Instr.) Do not include this amount in line 58 or 64. Place an X in this box if Form N-210 is attached >	65	_____
66	AMENDED RETURN ONLY - Amount paid (overpaid) on original return. (See Instructions).....	66	_____
67	AMENDED RETURN ONLY - Balance due (refund) with amended return. (See Instructions)....	67	_____
68	If you would like us to mail you a packet of forms for next year's filing, please place an X in this box	68	_____

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions.

Designee's name > Phone no. > Identification number >

HAWAII ELECTION CAMPAIGN FUND

Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes No
If joint return, does your spouse want \$2 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund.

PLEASE SIGN HERE **DECLARATION** — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature	Date	Your occupation	Daytime Phone Number
>		Retired	()
Spouse's signature (if filing jointly, BOTH must sign)	Date	Spouse's occupation	
>		Retired	

Paid Preparer's Information	Preparer's Signature >	Date	Check if self-employed > <input type="checkbox"/>	Preparer's identification number
	Print Preparer's Name >	Federal E.I. No. >		
	Firm's name (or yours if self-employed), >	Phone No. >		