



Drake In-Depth

Schedule E: Rentals and Assets for Individuals in
Drake Tax



DrakeTaxTM Webcasts

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— Agenda —

This class occurs at three separate times. Be sure to refer to your applicable class time, and plan accordingly. All classes are listed in Eastern Time (ET).

Class (1): 10:00 AM – 11:50 AM

Time	Topic
10:00 AM – 10:50 AM	Schedule E: Introduction and Overview
10:50 AM – 11:00 AM	Break
11:00 AM – 11:50 AM	Schedule E: Detailed Screens, Sales, and Passive Losses

Class (2): 1:00 PM – 2:50 PM

Time	Topic
1:00 PM – 1:50 PM	Schedule E: Introduction and Overview
1:50 PM – 2:00 PM	Break
2:00 PM – 2:50 PM	Schedule E: Detailed Screens, Sales, and Passive Losses

Class (3): 5:00 PM – 6:50 PM

Time	Topic
5:00 PM – 5:50 PM	Schedule E: Introduction and Overview
5:50 PM – 6:00 PM	Break
6:00 PM – 6:50 PM	Schedule E: Detailed Screens, Sales, and Passive Losses

Drake In-Depth - Schedule E

Course Description: This 2-hour course introduces the basics of preparing an Individual return with a Schedule E for Rental Real Estate. Upon completion of this course, Drake users will understand how to:

- Prepare a Schedule E in Drake Tax.
- Enter assets for depreciation on Schedule E.
- Report sales of Schedule E assets.
- Calculate estimated Payments and Vouchers.
- Review basics of Form 8582, Passive Activity Loss Limitations.

Course Fee: \$45. Register 30 days prior to the date of the course and receive a 5% discount.

How to Register: Sign in to <https://Support.DrakeSoftware.com> and select **Training > Classroom Training** from the menu on the left side of the web page. Refer to the **FAQs** on the web page for detailed instructions and frequently asked questions.

CPE Facts:

Affiliation	Format	CPE/Field of Study	Course ID #	Sponsor ID #
NASBA	Internet-Based	2 — Computer Software Applications	N/A	103137
CTEC**	N/A	0 — N/A	N/A	3038
IRS	Online/Group	2 — Federal Tax Law	FQTGU-T-00510-22-O	FQTGU
TX State Board of Accountancy	20	2 — Computer Software Applications	100386	002921

*Individuals with other professional credentials should check with their state licensing board or accrediting organization to determine if this program meets their continuing education requirements.

**CTEC does not allow credit to be awarded for courses that cover tax/accounting software topics.

Course Level: Basic

Last Revision: Summer 2022

Prerequisites: None

Course Policies: Drake Software will grant a full refund if a refund request is received within at least 72 hours prior to the start of the webcast. Registrants who are “no-shows” for the live webcast will not qualify for a refund. Refund re-quests will *not* be granted by phone and must be sent to Education@DrakeSoftware.com.



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Drake Software has been approved by the California Tax Education Council to offer the 2021 Update School, CTEC #3038-CE-0255, which provides 4 hours of federal tax update credit and 0 hours of state credit, and 3038-CE-0257, which provides 1 hours of federal tax credit and 0 hours towards the annual continuing education requirement imposed by the State of California. A listing of additional requirements to register as a tax preparer may be obtained by contacting CTEC at P.O. Box 2890, Sacramento, CA 95812-2890, toll-free by phone at (877) 850-2832, or on the Internet at www.ctec.org

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Schedule E

For a full, detailed documentation of each subject presented in this class, view the 2021 *Drake Tax User's Manual*, located in the PDF folder on the Drake Software CD and from your User Account (Support.DrakeSoftware.com > **Support** > **Documents**).

Course Objectives

Upon completing this course, you will be able to:

- Identify steps for entering data for Schedule E
- Explain how to enter depreciable assets
- Describe the process for entering sale of business assets
- Generate estimated tax payment vouchers
- Review passive activities and carryovers

Detailed Sections Overview

This course reviews the following in detail:

- Schedule E Tabs
 - **Property Info** Tab
 - **Income/Expenses** Tab
 - **Prior Year Compare** Tab
- Other Schedule E Detail Screens
 - Buildings, Land, and Other Asset Depreciation
 - Bonus Depreciation
 - Capitalization and De Minimis Election
 - Sales of Assets
 - Mortgage Interest
 - Business Use of Home
 - Auto Expenses

- Elections
- Passive Activity Losses
- At-Risk Limitations
- Estimated Taxes and Overpayments
- 2210 Underpayment
- Tax Planner

Drake Tax Schedule E Tabs

Schedule E, Supplemental Income and Loss, can be prepared in Drake Tax. Each Schedule E has three main data entry screens (tabs).

Property Info Tab

Use the **Property Info** tab of screen **E** to enter key information about the rental property, including the address, property type, prior unallowed passive losses, and Qualified Business Income (QBI) deduction information. There are check boxes to indicate if:

- Payments requiring Forms 1099 were made and if the required Forms 1099 will be filed
- The property was placed in service or disposed of during the tax year
- The property is the **taxpayer's main home or second home**
- The property is a **Qualified Joint Venture**. Normally, a married couple who jointly own and operate a rental real estate business can elect to be treated as a qualified joint venture and not as a partnership for federal tax purposes. All of the following must be true in order to be a qualified joint venture:
 - The only members are the spouses.
 - Both spouses materially participate.
 - The spouses file a Married Filing Jointly return.
 - Both spouses elect to have provision apply.
 - The property is not an LLC owned by both spouses.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Property Info | Income/Expenses | Prior Year Compare

Schedule E - Rental

TSJ F ST CA City PAN PPP2 State Information DC HI MA PA

Property description for reporting: 123 BEACH BL DUPLEX

Treat this ENTIRE activity as:

Active rental real estate (default) (A) Other passive (B)
 Real estate professional (C) Nonpassive (D)

A Did taxpayer make any payments in 2021 that would require filing Forms 1099? Yes No
B If "Yes," did or will taxpayer file all required Forms 1099? Yes No

Questions A and B should be answered on the first Schedule E screen ONLY

Address and Type of Property

Street address: 123 BEACH BLVD
City: LONG BEACH
U.S. ONLY State, ZIP: CA 90802
Foreign ONLY Province/State, Country, Postal Code: <Click to Access>

1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
 2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other - Describe...

Some investment is NOT at risk [Form 6198](#)
Operating expenses carryover:
Ownership percent:

To use the Tax Court method to allocate interest and taxes, mark this box and enter the number of days owned if not 365: =

Property placed in service during 2021
 Property was disposed of in 2021
 Carry to 8960 line 4b
 This is taxpayer's main home or second home
 Qualified Joint Venture

Passive/At-Risk carryforwards from 2020

	Regular Tax Total	Regular Tax Pre-2018	AMT
Prior unallowed passive operating	8322		8322
Prior unallowed passive 4797 Part 1			
Prior unallowed passive 4797 Part 2			
Prior unallowed at-risk losses			
Disallowed mortgage interest from 2020 8990			
Disallowed other interest from 2020 8990			

State use ONLY

LLC #:
Employer ID number (EIN):

Electing out of Business Interest Expense Limit [SCH](#)

Qualified Business Income (QBI) Deduction

This activity is a trade or business: Y

Rented to a "specified service business". **Press F1 and read field help**

Business aggregation number (BAN):
W-2 wages paid:

Unadjusted basis of all qualified property immediately after acquisition: =
Override calculated qualified business income (or loss): =

Meets Section 199A rental "safe harbor" (Rev.Proc. 2019-38)

Section 179: =
Section 1231 Gain/Loss: =

Pre-CARES Passive/At-Risk Carryforwards from 2020 for NY and KY

New York and Kentucky decoupled from certain provisions of the CARES Act and require a federal return to be calculated using pre-CARES Act law for state purposes. Use the fields below to show the amount of federal carryovers that would have existed had the CARES Act not been passed. The amounts in this section will be used instead of the values above to compute a federal return under pre-CARES Act law (for New York and Kentucky purposes only).

	Regular Tax Total
Prior unallowed passive operating	8322
Prior unallowed passive 4797 Part 1	
Prior unallowed passive 4797 Part 2	
Prior unallowed at-risk losses	
Disallowed mortgage interest from 2020 8990	
Disallowed other interest from 2020 8990	

Record 1 of 3 Press Ctrl+Tab for Next Tab Press F1 or Right-Click for Help [Screen Help]

The lower portion of screen E contains a section 199A rental "safe harbor" check box to generate QBI deductions, if applicable.

Qualified Business Income (QBI) Deduction

This activity is a trade or business: Y

Rented to a "specified service business". **Press F1 and read field help**

Business aggregation number (BAN):
W-2 wages paid:

Unadjusted basis of all qualified property immediately after acquisition: =
Override calculated qualified business income (or loss): =

Meets Section 199A rental "safe harbor" (Rev.Proc. 2019-38)

Section 179: =
Section 1231 Gain/Loss: =

Pre-CARES Passive/At-Risk Carryforwards from 2020 for NY and KY

New York and Kentucky decoupled from certain provisions of the CARES Act and require a federal return to be calculated using pre-CARES Act law for state purposes. Use the fields below to show the amount of federal carryovers that would have existed had the CARES Act not been passed. The amounts in this section will be used instead of the values above to compute a federal return under pre-CARES Act law (for New York and Kentucky purposes only).

	Regular Tax Total
Prior unallowed passive operating	8322
Prior unallowed passive 4797 Part 1	
Prior unallowed passive 4797 Part 2	
Prior unallowed at-risk losses	
Disallowed mortgage interest from 2020 8990	
Disallowed other interest from 2020 8990	

A - Separate rental enterprise
B - Residential rental enterprise grouping for safe harbor
C - Commercial rental enterprise grouping for safe harbor

Income/Expenses Tab

Use the **Income/Expenses** tab of screen **E** to enter fair rental and personal use days, rents and royalties received, the occupancy percentage, and expenses.

Detail Worksheets can be added for any field by placing the cursor in the field and pressing CTRL+W, double-clicking the field, or right-clicking the field and selecting **Add Worksheet**.

If data is entered for line **19, Other Expenses**, a Federal Supporting Statement is generated automatically. This statement is e-filed with the tax return.

Data entered in fields with a blue +/- sign are either added (or subtracted, if entered as a negative number) to amounts brought in from other screens. Common examples are auto expenses from **AUTO** screens, mortgage interest from **1098** screens, and depreciation expenses from **4562** screens.

Amounts entered in fields with a red = sign override all entries calculated elsewhere for that field. Exercise caution when using overrides in Drake Tax. If an amount on a form is not what you expect, data entered elsewhere in the return may be incorrect.

Expenses can be allocated in columns specifically for the rented portion of the property or for the entire property.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Property Info | **Income/Expenses** | Prior Year Compare

Schedule E - Rental 123 BEACH BL DUPLEX - 123 BEACH BLVD

2 Fair rental days..... **SEE** Personal use days..... 0

Income

3 Rent income..... 40000

4 Royalties from oil, gas, mineral, copyright, or patent.....

Expenses

If the property is a multi-occupancy unit, like a duplex, enter the percentage of the unit occupied by the taxpayer or spouse. Use the first column for expenses related only to the rental portion. Use the second column for expenses related to the entire property. The program limits the expenses based on the occupancy percentage entered for the taxpayer or spouse.

Override fields: Use CAUTION when entering values in these fields. Values cannot exceed the total expenses entered.

Taxpayer or spouse occupancy percentage..... 50

For most rental activities, use ONLY the first column. The program limits the expenses based on the number of personal use days.	Expenses attributable to rental unit	Expenses attributable to entire property	Override program calculation
5 Advertising.....			=
6 Auto and travel..... AUTO +/-			=
7 Cleaning and maintenance.....	1300		=
8 Commissions.....			=
9 Insurance.....	3300		=
10 Legal and other professional fees.....	1200		=
11 Management fees.....			=
12 Interest - mortgage..... Form 1098 +/-		15000	=
13 Interest - other.....			=
14 Repairs.....	1000		=
15 Supplies.....	100		=
16 Taxes..... +/-		5500	=
17 Utilities.....		1400	=
18 Depreciation ONLY..... Form 4562 +/-			=
Depreciation adjustment (AMT)..... +/-			=
Depletion..... DEPL =			=
19 Other expenses: (list)			=
			=
			=
			=
			=
			=
			=
			=

Record 1 of 3 Press Page Down for New Screen, Ctrl+Tab for Next Tab Press F1 or Right-Click for Help (Screen Help)

Prior-Year Compare Tab

Use the **Prior-Year Compare** tab of screen **E** to generate a worksheet that compares the current year results to the prior tax year. If a Schedule E existed in the taxpayer's prior-year return, and the return was prepared with Drake Tax 2020, the **Prior-Year Compare** tab is automatically filled with last year's data when updated to Drake Tax 2021. Entries can be made manually if the return is for a new client.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Property Info | Income/Expenses | **Prior-Year Compare**

Schedule E - Rental 123 BEACH BL DUPLEX - 123 BEACH BLVD

	2020
Income	
Rents received.....	36000
Royalties received.....	
Expenses	
Advertising.....	
Auto and travel.....	
Cleaning and maintenance.....	600
Commissions.....	
Insurance.....	1500
Legal & professional fees.....	1000
Management fees.....	
Mortgage interest.....	6000
Other interest.....	
Repairs.....	2000
Supplies.....	100
Taxes.....	2500
Utilities.....	500
Depreciation expense or depletion.....	35267
Other.....	
Allowed on prior-year return after Form 6198 and Form 8582 limitations.....	-5145

Record 1 of 3 Press Page Down for New Screen; Ctrl+Tab for Next Tab Press F1 or Right-Click for Help (Screen Help)

If data is present on this tab, a Schedule E Comparison is produced ("Comparison Sch E" in View/Print mode). This worksheet is not e-filed with the tax return.

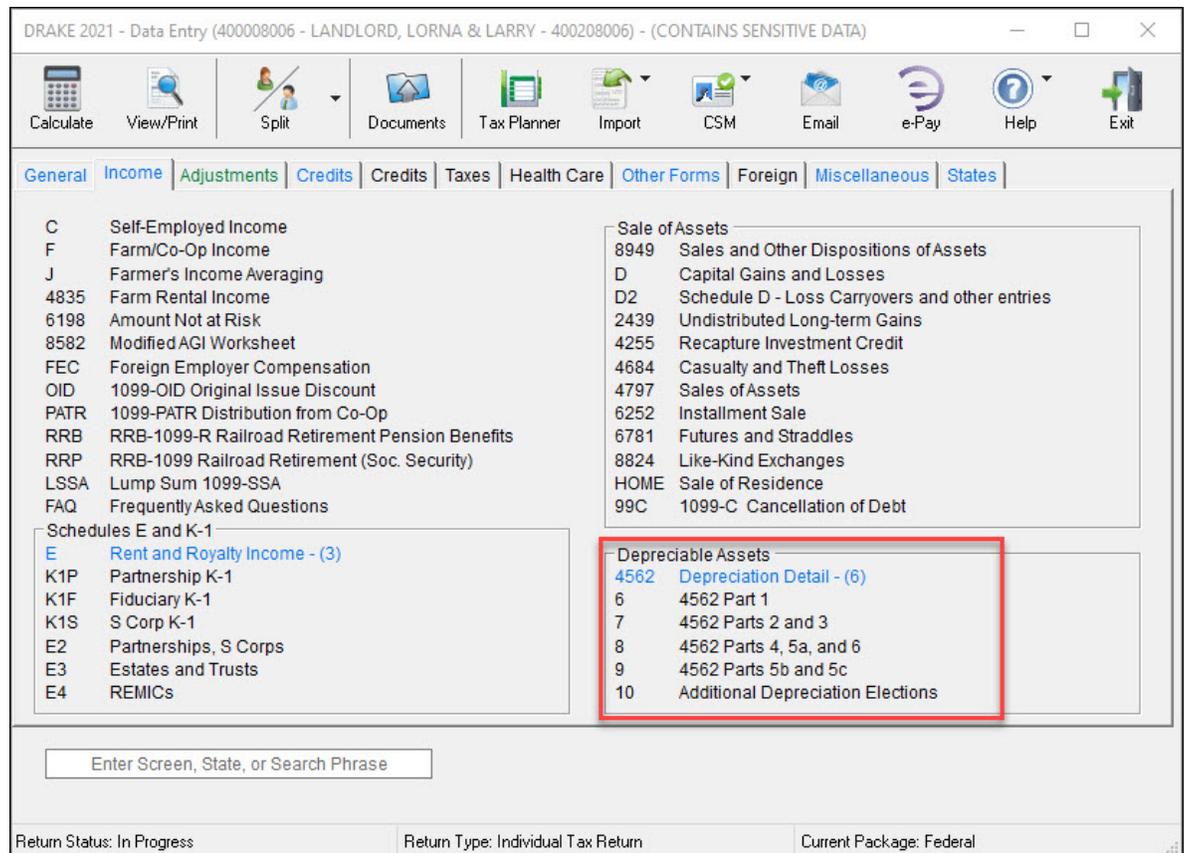
Schedule E Comparison		(This page is not filed with the return. It is for your records only.)		2021
Name(s) as shown on return				TaxID Number
LORNA LANDLORD				400-00-8006
Property description and address				Input order
123 BEACH BL DUPLEX - 123 BEACH BLVD, LONG BEACH, CA 90802				1
	2020	2021	Difference	
Income				
Rents received	36,000	40,000	4,000	
Royalties received				
Expenses				
Advertising				
Auto and travel				
Cleaning and maintenance	600	1,300	700	
Commissions				
Insurance	1,500	3,300	1,800	
Legal & professional fees	1,000	1,200	200	
Management fees				
Mortgage interest	6,000	7,500	1,500	
Other interest				
Repairs	2,000	1,000	(1,000)	
Supplies	100	100		
Taxes	2,500	2,750	250	
Utilities	500	700	200	
Depreciation expense	35,267	37,269	2,002	
Other				
Total expenses	49,467	55,119	5,652	
Net income or (loss)	(13,467)	(15,119)	(1,652)	
Allowed on return after Form 6198 and Form 8582 limitations				
	(5,145)	(4,814)	331	
Property description and address		Input order		

Other Schedule E Detail Screens

There are many screens you can use to enter additional, detailed data that flows to Schedule E.

Buildings, Land, & Other Asset Depreciation

Use screen **4562**, located on the **Income** tab of the **Data Entry Menu**, to enter depreciable assets.



Drake opens screen **4562** using grid data entry unless the option is turned off.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Form	MFC	Description	Date Acq	Cost	% Use	Used	LPT	Method	Life	Prior Depr	Prior 179	Prior Bonus	Prop type	Grp Sale #
1	E	123 BEACH BLVD	01-01-2020	2000000	50			ARR	27.5	34850	0	0	50	
2	E	123 BEACH BLVD DECK	07-01-2020	50000	50			ARR	27.5	417	0	0	50	
3	E	2 450 OCEAN AVE APT BLDG	01-01-2020	3000000				ARR	27.5	104550	0	0	50	
4	E	2 450 OCEAN AVE LOBBY FURNIT...	03-01-2020	20000				M	5	0	0	20000	45	
5	E	2 450 OCEAN AVE HVAC UNIT	04-01-2020	150000				M	10	0	0	150000	45	
6	E	3 45 DESERT DRIVE COMMML BLDG	07-01-2020	200000				ARR	39	2350	0	0	50	
7														

Row: 1 of 7

Buttons: Help, Item Detail, Delete Row(s), Save, Cancel

Grid data entry is active by default. Toggle between grid data entry and detailed data entry by pressing F3.

To turn grid data entry off, go to **Setup > Options**, click the **Data Entry** tab, and clear the option **Use grid data entry format on available screens**.

The **4562** detail screen includes fields to enter additional asset details.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Form 4562 For: (A, C, E, F, 2106, 4835, AUTO, 8829, K1P, K1S) *Use <F3> to switch to grid mode* State Information CA

Video: 4562 Import Multi-form code: 1 (1-999; 1 is assumed if left blank) Video: Group Sales

Description	Date Acquired	Cost	Business % use	Used Prop	Listed Prop Type
123 BEACH BLVD	01-01-2020	2000000	50	<input type="checkbox"/>	

Property type: 12 50

Building qualifies for Section 1.263(a)-3(h) election

Method: ARR

Life: 27.5

Prior depreciation: 34850

Salvage value: []

Override regular depreciation: []

179 expense elected this year

179 expense allowed this year: []

179 expense elected in prior years: 0

179 expense allowed in prior years: 0

Bonus depreciation: Additional Depr Elections

Prior bonus depreciation. Safe Harbor: []

Basis ONLY if different from cost: []

Land cost (Do NOT include in cost above): 500000

Date placed in service (ONLY if different than date acquired): []

Force convention: [] Do not use MACRS % tables: [] Qualified Nonresidential Property: []

Amortization Code section: [] Elect additional first-year deduction

Federally declared disaster area Disaster assistance property GO Zone Extension property

Additional Asset Information

Date taken out of service IF NOT SOLD: []

Do Not Update to next year Abandoned

Recapture because business use dropped to 50% or less

Main home for Form 8829

Investment credit code: []

Fixed Asset Manager

Asset number: 0001

Department number: 01

Asset Category: 406

State-Specific Information

State: CA Asset type: 22 ITC code: []

For FL, IN, KY, and PA only

Occurrence of Schedule (1-99, default is '1' if left blank): []

Schedule form data flow: []

Removal Method: []

Indiana County: []

If sold: F ST

Date sold: []

Sale price: []

Expense of sale: []

Form 4797, line 26d depreciation: []

Form 4797, other Part II depreciation: []

Installment Sale MFC: []

Like-Kind Exchange MFC: []

1099-S Sold to related party

Involuntary conversion Do not carry personal portion to 8949

Include gain/loss on 4797, line 1b or 1c (Partial disposition MACRS)

Qualifying State Only Like-Kind Exchange

Group Sale Information

Group sale number: []

Group sales price: []

Group expense of sale: []

Fair market value of THIS asset: []

Expense of sale for THIS asset: []

Record 1 of 6 Press F1 or Right-Click for Help (Screen Help)

Follow the proceeding steps to complete screen **4562**:

1. Make a selection from the **For** drop list to associate depreciation expenses entered on the **4562** screen - with the proper form or schedule.
2. Enter a **Multi-form code** (MFC) if appropriate. For example, if two Schedule E properties (screens) are present in the return, and this 4562 is for the second property, enter a **Multi-form code** of 2.
3. Enter a **Description** of the asset.
4. Enter the **Date Acquired**.
5. Enter the **Cost** of the asset. If the asset is a building with associated land cost, do NOT include the cost of land in this field. Enter the cost of land in the **Land cost** field, located halfway down the screen. The full cost of the asset is the sum of the building cost (the **Cost** field at the top of screen **4562**) plus the **Land cost**.
6. Enter the **Business % use** (if not 100%).

7. If the property is used property (not applicable for buildings), check the **Used Prop** field.
8. If the property is listed property (not applicable for buildings), select the applicable option from the **Listed Prop Type** field.
9. Select the **Property type** from the drop list. This is especially important when selling an asset later in order to send the gain or loss to the proper schedule.
10. Select the corresponding box if the asset is a building and qualifies for the **Section 1.263(a)-3(h) election**. Qualifying small taxpayers (who have average annual gross receipts of \$10 million or less) may elect to not apply the improvement rules to an eligible building property if the total amount paid for repairs, maintenance, improvements, and similar activities performed on the eligible building does not exceed the lesser of:
 - o \$10,000
 - o 2% of the unadjusted basis of the eligible building
11. In the **Federal** column, select the depreciation **Method**.
12. Enter the **Life** of the asset (in years).
13. If the taxpayer is a new Drake Tax client that has prior depreciation regarding the asset, enter the **Prior depreciation amount**. Be sure to also enter the **Prior bonus depreciation** type and amount, if it applies. If both the client and the asset existed in Drake Tax 2020, this information is filled in automatically when the return is brought forward to Drake Tax 2021.

The **State**, **AMT**, and **Book** depreciation columns allow for specialized entries if desired. Note that Drake Tax automatically calculates state and AMT depreciation based on the federal entries

DRAKE 2021 - Data Entry (400008007 - BAKER, BOBBY) - (CONTAINS SENSITIVE DATA)

Form 4562 For: (A, C, E, F, 2106, 4835, AUTO, 8829, K1P, K1S) *Use <F3> to switch to grid mode* State Information

Multi-form code: (1-999; 1 is assumed if left blank)

Description	Date Acquired	Cost	Business % use	Used Prop	Listed Prop Type
COMMERCIAL OVEN	01-01-2020	50000		<input type="checkbox"/>	
Property type.....12	<input type="text" value="45"/>				
<input type="checkbox"/> Building qualifies for Section 1.263(a)-3(h) election					
Method.....	Federal <input type="text" value="M"/>	State (if different) <input type="text"/>	AMT (if different) <input type="text"/>	Book (if different) <input type="text"/>	
Life.....	<input type="text" value="10"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Prior depreciation.....	<input type="text" value="5000"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Salvage value.....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Override regular depreciation.....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="checkbox"/> 179 expense elected this year.....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
179 expense allowed this year.....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
179 expense elected in prior years.....	<input type="text" value="0"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
179 expense allowed in prior years.....	<input type="text" value="0"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="checkbox"/> Bonus depreciation..... Additional Depr Elections	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Prior bonus depreciation. Safe Harbor.....	<input type="text" value="0"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Basis ONLY if different from cost.....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Land cost (Do NOT include in cost above).....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Date placed in service (ONLY if different than date acquired).....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="checkbox"/> Force convention..... <input type="text" value="HY"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Do not use MACRS % tables.....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="checkbox"/> Qualified Nonresidential Property.....	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	

Bonus Depreciation

Drake Tax follows IRS bonus depreciation guidelines unless the taxpayer opts out. Click the hyperlink **Additional Depr Elections** to open screen **10** and opt out of bonus depreciation for some or all asset types.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Additional Depreciation Elections

To elect out of bonus depreciation for ALL classes of property, mark this box.

To elect out of bonus depreciation for only certain classes of property, use the section below.

	Compute bonus depreciation	Elect out of bonus depreciation
3 - Year Property.....	<input type="checkbox"/>	<input type="checkbox"/>
5 - Year Property.....	<input type="checkbox"/>	<input type="checkbox"/>
7 - Year Property.....	<input type="checkbox"/>	<input type="checkbox"/>
10 - Year Property.....	<input type="checkbox"/>	<input type="checkbox"/>
15 - Year Property.....	<input type="checkbox"/>	<input type="checkbox"/>
20 - Year Property.....	<input type="checkbox"/>	<input type="checkbox"/>

NOTE: These elections apply only to assets placed in service during the current tax year that qualify for bonus depreciation.

NOTE: Alternative Minimum Tax (AMT) depreciation will be the same as regular tax depreciation for any class of property when the election is made to NOT take the special bonus depreciation allowance as stated in the PATH Act.

New Screen Press F1 or Right-Click for Help

Capitalization & De Minimis Election

Use screen **ELEC** to make certain elections for expensing or capitalizing assets.

The **Sec. 1.263(a) -1(f) de minimis election** allows a taxpayer to expense up to \$5,000 per invoice (or per item as substantiated by the invoice) if the taxpayer has an applicable financial statement. A taxpayer without an applicable financial statement—but with accounting procedures in place at the beginning of the tax year specifying how to treat certain expenses for non-tax purposes—is limited a deduction of up to \$2,500 per invoice (or item as substantiated by invoice).

An applicable financial statement is a financial statement required for SEC reporting, an audited financial statement by a CPA, or a financial statement required by certain government agencies.

Be sure to select the check box for *both* the **Taxpayer** and **Spouse** if they own property jointly or own multiple properties individually.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Election Options

Form 1040

- Sch A - Claim decedent medical expenses
- Elect retirement plan contribution sec 1.72-6
- Form 6251 - SLE 904 limitation to figure AMTFTC
- Elective Safe Harbor for oil and gas property
- Nonresident taxed as resident

Form 1040NR

- Elect income treated as from U.S. business

Schedule B

- Value of restricted stock included in W-2
- OID - include market discount in current income

Schedules C, E, F

- Deduct environmental cleanup costs
- Deduct up to \$5000 business startup costs
- Elect to deduct costs for developing a mine
- Elect to capitalize carrying charges
- Real estate taxes ratably accrued

	Taxpayer	Spouse
<input checked="" type="checkbox"/> Sec. 1.263(a)-1(f) de minimis election	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/> Sec. 1.263(a)-3(n) election	<input type="checkbox"/>	<input type="checkbox"/>
Sec. 1.263(a)-3(h) election is made on screen 4562		

Schedule D

- Sales of securities to ESOP, postpone gain
- Postpone gain on QSB stock
- Rollover gain for Empowerment Zone Assets
- Mark-to-market election for traders

Schedule E

- Elective Safe Harbor for oil and gas property
- Sec 469(c)(7)(A) Treat all interests in rental real estate as single rental activity

Schedule F

- Election to deduct preproductive expenses
- Elect not to exclude payments
- Qualifying forest or reforestation costs
- Elect to treat tree cutting as sale or exchange
- Elect to use 2021 crop disaster payments in 2022

(Go to SCH screen to complete a statement for election)

Form 1099

- Tax-free transfers for cash distributions
- 92-44 transfer for sec 403(b) contracts

Form 1116

- Election to use exchange rate on date paid
- Recapture more overall loss than required
- Form 6251 SLE 904 limitation to figure AMTFTC
- Election to claim foreign tax credit without filing Form 1116

Form 4562

- Elect to exclude property from MACRS
- Tax preference items amortized - no AMT

Form 4797

- Recognize gain on disposition of intangibles
- Defer gain on qualifying electric transmission
- Rollover gain for Empowerment Zone 60 days
- Mark-to-market election for traders

Form 6252

- Election to pay interest on tax due from 6252

Other

Description

Description

Description

[PPP Loan - Rev. Proc. 2021-20](#)

[PPP Loan - Rev. Proc. 2021-48](#)

New Screen Press F1 or Right-Click for Help

Sales of Assets

The **4562** screen includes a section for recording the sale of the asset, as well as installment and group sale transactions.

The screenshot displays the Drake Tax Planner interface for Form 4562. The main window title is 'DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)'. The form is for the year 2021 and includes a 'State Information' dropdown set to 'CA'. The asset description is '123 BEACH BLVD', acquired on '01-01-2020' for a cost of '2000000'. The business use is 50%. The 'If sold' section, highlighted with a red border, contains the following fields: 'Date sold' (with a calendar icon), 'Sale price', 'Expense of sale', 'Form 4797, line 26d depreciation', 'Form 4797, other Part III depreciation', 'Installation Sale MFC', 'Like-Kind Exchange MFC', '1099-S', 'Sold to related party', 'Involuntary conversion', 'Do not carry personal portion to 8949', 'Include gain/loss on 4797, line 1b or 1c (Partial disposition MACRS)', 'Qualifying State Only Like-Kind Exchange', 'Group Sale Information' (Group sale number, Group sales price, Group expense of sale), 'Fair market value of THIS asset', and 'Expense of sale for THIS asset'.

The Tax Planner can be used to evaluate future tax consequences if an asset is sold.

Installment Sales

An installment sale is a sale where the taxpayer receives at least one payment after the tax year of the sale. To enter an installment sale, both the **4562** and **6252** screens must be used. To enter an installment sale:

1. On the appropriate **4562** screen, enter the **Date sold**, **Sale price**, and **Expense of sale** for the asset being sold.
2. Enter the **Installment Sale MFC**. Use 1 if there is only one installment sale; otherwise, enter 2 for the second installment sale, 3 for the third, etc.

If sold: F ST

Date sold..... 09-01-2021

Sale price..... 900000

Expense of sale..... 25000

Form 4797, line 26d depreciation.....

Form 4797, other Part III depreciation.....

Installment Sale MFC..... 1

Like-Kind Exchange MFC.....

1099-S Sold to related party

Involuntary conversion Do not carry personal portion to 8949

Include gain/loss on 4797, line 1b or 1c (Partial disposition MACRS)

Qualifying State Only Like-Kind Exchange

Group Sale Information

Group sale number.....

Group sales price.....

Group expense of sale.....

Fair market value of THIS asset..... =

Expense of sale for THIS asset..... =

3. Open the **6252** screen, accessible from the **Income** tab of the **Data Entry Menu**.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Calculate View/Print Split Documents Tax Planner Import CSM Email e-Pay Help Exit

General **Income** Adjustments Credits Credits Taxes Health Care Other Forms Foreign Miscellaneous States

C Self-Employed Income
 F Farm/Co-Op Income
 J Farmer's Income Averaging
 4835 Farm Rental Income
 6198 Amount Not at Risk
 8582 Modified AGI Worksheet
 FEC Foreign Employer Compensation
 OID 1099-OID Original Issue Discount
 PATR 1099-PATR Distribution from Co-Op
 RRB RRB-1099-R Railroad Retirement Pension Benefits
 RRP RRB-1099 Railroad Retirement (Soc. Security)
 LSSA Lump Sum 1099-SSA
 FAQ Frequently Asked Questions

Schedules E and K-1
 E Rent and Royalty Income - (3)
 K1P Partnership K-1
 K1F Fiduciary K-1
 K1S S Corp K-1
 E2 Partnerships, S Corps
 E3 Estates and Trusts
 E4 REMICs

Sale of Assets
 8949 Sales and Other Dispositions of Assets
 D Capital Gains and Losses
 D2 Schedule D - Loss Carryovers and other entries
 2439 Undistributed Long-term Gains
 4255 Recapture Investment Credit
 4684 Casualty and Theft Losses
 4797 Sales of Assets
6252 Installment Sale ←
 6781 Futures and Straddles
 8824 Like-Kind Exchanges
 HOME Sale of Residence
 99C 1099-C Cancellation of Debt

Depreciable Assets
 4562 Depreciation Detail - (6)
 6 4562 Part 1
 7 4562 Parts 2 and 3
 8 4562 Parts 4, 5a, and 6
 9 4562 Parts 5b and 5c
 10 Additional Depreciation Elections

Enter Screen, State, or Search Phrase

Return Status: In Progress Return Type: Individual Tax Return Current Package: Federal

- On screen **6252**, enter the form header information, including the proper **Code**. Most sales are type **4**.

Form 6252 - Installment Sale Income

Video: [Entering Installment Sale](#) State Information: [CA](#) [PA](#)

TSJ: J F ST: CA City: _____ PAN: _____

1 Code: _____ Description of property: 45 DESERT DRIVE COMM L BLDG

3 Was the property sold to a related party after May 14, 1980? Yes No

4 If "Yes," was the property a marketable security? Yes No

Final year of installment sale

Receipt category:

	Current Year	Prior Years
Interest.....		
Principal.....		

Current Year: Drake Software - Data Entry - Help

NOTE: Business Code (direct entry)**

Select a code from the list below that best describes the installment sale:

2a Date of sale	1 - Sale property is timeshare or residential lot.
2b Date of sale	2 - Sale by an individual of personal use property (within the meaning of section 1275(b)(3)).
5 Selling price	3 - Sale of any property used or produced in the trade or business of farming (within the meaning of section 2032A(e)(4) or (5)).
6 Seller's basis	4 - All other installment sales not listed.
8 Cost or other basis	
9 Depreciation	

- Check the applicable boxes if the asset is a related party sale.
- In the **Receipt category** section, enter the interest and principal amounts received in the current tax year.

Video: [Entering Installment Sale](#) State Information: [CA](#) [PA](#)

PAN: _____

5 DESERT DRIVE COMM L BLDG

Yes No

Yes No

Receipt category:

	Current Year	Prior Years
Interest.....	15742	
Principal.....	500000	

Entries are generally not needed for other sections. Data entered on the associated **4562** screen is used to calculate reportable gain for the current tax year.

Any remaining unrecognized gain is carried over to the next tax year. When the return is updated to Drake Tax 2022, the **Prior Years** column is updated automatically.

In the appropriate future tax year, when all sale proceeds have been received, mark the **Final year of installment sale** check box at the top of screen **6252**.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Part I / Part II **Part III**

Form 6252 - Installment Sale Income [Video: Entering Installment Sale](#) State Information: CA PA

TSJ: J F ST: CA City: PAN:

1 Code: 4 Description of property: 45 DESERT DRIVE COMM BLDG

3 Was the property sold to a related party after May 14, 1980? Yes No No

4 If "Yes," was the property a marketable security? Yes No No

Final year of installment sale

Receipt category:

	Current Year	Prior Years
Interest	15742	
Principal	500000	

Current Year Sale Information

NOTE: Business assets being sold in the current year using the installment method should be entered on screens 4562 or 4797 and directed to this Form 6252 by making an entry in the "Installment sale MFC" field on those screens. Complete any of the fields above that are applicable. The following fields (below), with the exception of lines 6 and 15 (if applicable), are not required if you are directing a screen 4562 or 4797 to this screen.

2a Date acquired

2b Date sold

5 Selling price

6 Seller's debts assumed by buyer

8 Cost of property sold

9 Depreciation allowed or allowable

AMT depreciation allowed or allowable (if different)

11 Commissions and expense of sale

12 Depreciation recaptured on Form 4797

AMT depreciation recaptured on Form 4797 (if different)

15 Home sale excluded gain

Force gain to Form 4797

Qualified small business stock
Section 1202 rate

Section 1250 property

U.S. real property sold by a nonresident

Collectible

Noncapital asset (treat as ordinary income)

CAUTION: Use of the check box below is NOT RECOMMENDED. Selecting this box means you are completing your own Form 6252 and ignoring the "Multi-form code" on screens 4562 or 4797 directing data to this screen.

Asset data will NOT flow to this Form 6252

Prior Year Sale Information NOTE: Portions of gross profit percentage (entered below) must equal line 19, if used

	Regular Tax	AMT
19 Gross profit %		
Portion of gross profit % applicable to unrecaptured Section 1250 gains (if multi-asset sale)		
Portion of gross profit % applicable to all other long-term gains NOT included in field above (if multi-asset sale)		
Portion of gross profit % applicable to short-term gains (if multi-asset sale)		
Percentage of total group sales price that relates to the installment-eligible assets (if multi-asset sale)		
25 Part of line 24 (Form 6252) that is ordinary income (if sold prior to 6/07/1984)		
Unrecaptured 1250 gain remaining to be taxed		

If seller financed mortgage, enter payer information for Schedule B:

SSN

Name

Street address

City

U.S. ONLY State, ZIP

Foreign ONLY Province/state, country, postal code

LLC # (State use ONLY)

Record 1 of 1 Press Page Down for New Screen; Ctrl+Tab for Next Tab Press F1 or Right-Click for Help (Screen Help)

Group Sales

A group sale is when more than one asset is sold in a single transaction.

Go to the **4562** screen that belongs to the *first* asset in the group sale. In the **If sold** section (lower-right quadrant of screen **4562**), enter: the

- **Date sold**
- **Group sale number** — Indicate which sales group the asset belongs to. Enter 1 unless there are multiple sales groups in the return, in which case, enter 1 if the asset is part of the first group, 2 for the second group, etc.)
- **Group sales price** — Total sales price of the group

- **Group expense of sale** — Total expenses for the respective group sale
- *(optional)* **Fair market value of THIS asset**
- *(optional)* **Expense of sale for THIS asset**

For the other assets sold in the group, enter the:

- **Date sold**
- **Group sale number**
- *(optional)* **Fair market value of THIS asset**
- *(optional)* **Expense of sale for THIS asset**

If sold: F ST

Date sold..... 09-01-2021

Sale price.....

Expense of sale.....

Form 4797, line 26d depreciation.....

Form 4797, other Part III depreciation.....

Installment Sale MFC.....

Like-Kind Exchange MFC.....

1099-S Sold to related party

Involuntary conversion Do not carry personal portion to 8949

Include gain/loss on 4797, line 1b or 1c (Partial disposition MACRS)

Qualifying State Only Like-Kind Exchange

Group Sale Information

Group sale number..... 1

Group sales price..... 5000000

Group expense of sale..... 100000

Fair market value of THIS asset..... =

Expense of sale for THIS asset..... =

Drake Tax reports the sale as appropriate on Form 4797 and Schedule D. A **Group Sale Summary Report** (“Group Sale Summary” in View/Print) is generated for informational purposes.

Group Sale Summary Report									
(This page is not filed with the return. It is for your records only.)									
Name(s) as shown on return									2021
LORNA & LARRY LANDLORD									Page 1
Tax ID Number									400-00-8006
Group Sale Information:									
DESCRIPTION: GROUP SALE 01			SALE PRICE: 5,000,000						
DATE SOLD: 09-01-2021			E/PENSE OF SALE: 100,000						
TYPE OF SALE: STANDARD									
DESCRIPTION	ACQUIRED	PROP TYPE	SALE PRICE	COST/BASIS	E/PENSE	DEPR.	GAIN/LOSS	RECAPTURE	NET
450 OCEAN AVE APT	01-01-2020	1250	4,768,392	3,500,000	95,368	181,830	1,354,854	0	1,354,854
450 OCEAN AVE LOBB	03-01-2020	1245	27,248	20,000	545	20,000	26,703	20,000	6,703
450 OCEAN AVE RVAC	04-01-2020	1245	204,360	150,000	4,087	150,000	200,273	150,000	50,273
TOTAL			<u>5,000,000</u>	<u>3,670,000</u>	<u>100,000</u>	<u>351,830</u>	<u>1,581,830</u>	<u>170,000</u>	<u>1,411,830</u>

Mortgage Interest

Entries pertaining to mortgage interest can be entered on the **Income/Expenses** tab of screen **E**. Data entered in the **Expenses attributable to entire property** column is split based on the property's business use percentage.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Property Info | **Income/Expenses** | Prior Year Compare

Schedule E - Rental 123 BEACH BL DUPLEX - 123 BEACH BLVD

2 Fair rental days..... 365 Personal use days..... 0

Income

3 Rent income..... 40000

4 Royalties from oil, gas, mineral, copyright, or patent.....

Expenses

If the property is a multi-occupancy unit, like a duplex, enter the percentage of the unit occupied by the taxpayer or spouse. Use the first column for expenses related only to the rental portion. Use the second column for expenses related to the entire property. The program limits the expenses based on the occupancy percentage entered for the taxpayer or spouse.

Override fields: Use CAUTION when entering values in these fields. Values cannot exceed the total expenses entered.

Taxpayer or spouse occupancy percentage..... 50

	Expenses attributable to rental unit	Expenses attributable to entire property	Override program calculation
5 Advertising.....			=
6 Auto and travel..... AUTO +/-			=
7 Cleaning and maintenance.....	1300		=
8 Commissions.....			=
9 Insurance.....	3300		=
10 Legal and other professional fees.....	1200		=
11 Management fees.....			=
12 Interest - mortgage..... Form 1098 +/-		15000	=
13 Interest - other.....			=

Alternatively, use screen **1098**, accessible from the **Other Forms** tab of the **Data Entry Menu**, to record entries for mortgage interest.

From the **For** drop list, select **E** to send the interest to Schedule E.

DRAKE 2021 - Data Entry (400006007 - ANGLE, RIGHT) - (CONTAINS SENSITIVE DATA)

Form 1098 - Mortgage Interest

TSJ ST For: E (A, C, E, F, 4835, 8829) [Splitting Interest Between Schedules](#)

NY Multi-form: (1-99; 1 is assumed if left blank.) [Loan Limit Worksheet](#)

Not issued in taxpayer's name

Recipient's/Lender's Information

Fed ID# 40-0006111
 Name MORTGAGE BANK
 Address 1425 FINANCE ST
 City BIG ROCK
 U.S. ONLY State ZIP
 IL 60511
 Foreign ONLY Province/State Country Postal Code

Payer's/Borrower's Information (if different from screen 1)

Name RIGHT ANGLE
 Address 599 OBTUSE RD
 City CANBRIDGE
 U.S. ONLY State ZIP
 MA 02139
 Foreign ONLY Province/State Country Postal Code

10 Other **11 Mtg acquisition date**

Additional Information

Account number (optional) Real estate taxes paid 5600 Primary Residence Taxes that qualify for state property tax credit

Explain below if the taxpayer paid and is deducting more mortgage interest than shown. This information will be e-filed.

Some home mortgage loans not used to buy, build, or improve taxpayer's home
 * Preparer must determine if the amount in box 4 of Form 1098 is taxable. To enter a taxable amount on Form 1040, use [Schedule 1, line 8](#)

State Use Only
 Federally nondeductible home equity interest

1 Mortgage interest received Deductible amount, if different
 12000

2 Outstanding mortgage principal as of 1/1/2021 **3 Mortgage origination date**
 250000 01-01-2011

4 Refund overpaid interest **5 Mortgage insurance premiums**
 * Qualified premiums to flow to Schedule A

6 Points paid on purchase of principal residence

7 Same address as borrower

8 Address of property securing mortgage
 Description of Property

Record 1 of 1 Press Page Down for New Screen Press F1 or Right-Click for Help (Screen Help)

Multi-Unit Buildings

A taxpayer whose main home is a multi-unit building—and who rents out portions to others—can use a special method in Drake Tax to split the mortgage deduction for his or her portion of the building. This mortgage interest should be entered on screen **E** instead of screen **1098**:

- **Manual Method** — On the **Income/Expenses** tab of screen **E**, in the **Expenses attributable to rental unit** column for the business portion of the building, you must enter where you want the taxpayer’s remaining portion of the interest to flow (for Schedule A).
- **Automatic Method** — If you select **This is taxpayer’s main or second home** on the **Property Info** tab of screen **E** and you enter the **Expenses attributable to rental unit** on the **Income/Expenses** tab, the taxpayer’s portion of the mortgage interest (based on the **Taxpayer or spouse occupancy percentage** and amount of **Interest - mortgage** entered in the **Expenses attributable to entire property** column) flows automatically to Schedule A.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Property Info | [Income/Expenses](#) | [Prior Year Compare](#)

Schedule E - Rental

TSJ T F ST CA City PAN PPP2 [State Information](#) DC HI MA PA

Property description for reporting..... 123 BEACH BL DUPLEX

Treat this ENTIRE activity as:

Active rental real estate (default) (A) Other passive (B)
 Real estate professional (C) Nonpassive (D)

A Did taxpayer make any payments in 2021 that would require filing Forms 1099?..... Yes No
B If "Yes," did or will taxpayer file all required Forms 1099?..... Yes No

Questions A and B should be answered on the first Schedule E screen ONLY

Address and Type of Property

Street address..... 123 BEACH BLVD
City..... LONG BEACH
U.S. ONLY State, ZIP..... CA 90802
Foreign ONLY Province/State, Country, Postal Code..... <Click to Access>

1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
 2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other - Describe.....

Some investment is NOT at risk [Form 6198](#) Property placed in service during 2021
Operating expenses carryover..... Property was disposed of in 2021
Ownership percent..... Carry to 8960 line 4b
 To use the Tax Court method to allocate interest and taxes, mark this box and enter the number of days owned if not 365. = This is taxpayer's main home or second home
 Qualified Joint Venture

Passive/At-Risk carryforwards from 2020

	Regular Tax Total	Regular Tax Pre-2018	AMT
Prior unallowed passive operating.....	8322		8322

State use ONLY

LLC #.....
Employer ID number (EIN).....

Business Use of Home

Use screen **8829** to enter home office expenses.

DRAKE 2021 - Data Entry (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Form 8829 - Office in Home

For: **E** State Information **PA**

Multi-form code: **1** Note: If this 8829 is for a 2106, see Screen Help (press Ctrl+Alt+?) for information on which multi-form code to enter.

Part I

1 Square feet of home used exclusively for business..... **100**

2 Total square feet of home..... **2000**

Use the simplified method

Day Care Facilities Only

1 Area used part-time for business.....

4 Total hours used (day care facilities not used exclusively).....

5 Total hours available (default = 365 days x 24 hours = 8760).....

7 Special computation for certain day care facilities where some of the home was used exclusively for the day care and some of the home was used partially for the day care..... SCH =

Part II

8 Income from business (see help)..... +/-

	DIRECTLY related to the home office	NOT DIRECTLY related to the home office	
9 Casualty losses.....			<input type="checkbox"/> Do not carry personal portion of interest and taxes to Schedule A
10 Deductible mortgage interest..... Form 1098			
11 Real estate taxes.....			
16 Excess mortgage interest.....			
17 Excess real estate taxes.....			
18 Insurance.....			
19 Rent.....			
20 Repairs and maintenance.....			
21 Utilities.....			
22 Other expenses.....			
25 Carryover of operating expenses from 2020.....			
29 Excess casualty losses (see IRS instructions).....			
31 Carryover of casualty & depreciation from 2020.....			

Part III [HOME](#)

37 Smaller of basis or FMV..... Value of land.....

41 Depreciation percentage..... =

or date placed in service (percentage will be automatic).....

Date taken out of service.....

42 Depreciation allowable..... =

Note:
Part III (above) is just for taxpayers who are depreciating ONLY their home. For taxpayers with a home and any other assets to depreciate, all of this information should be entered on screen 4562. Nothing should be entered in this section.

New Screen Press F1 or Right-Click for Help (Screen Help)

Auto Expenses

Line 6 on the **Income/Expenses** tab of screen **E** provides a link to screen **AUTO**.

6 Auto and travel..... [AUTO](#) +/-

When a vehicle is used for business, the taxpayer may qualify to deduct either mileage or actual expenses (including depreciation, if applicable) for a car or truck on his or her tax return. To enter this information in Drake Tax, follow the below steps.

1. Enter the following information about the vehicle on screen **4562** (even if only deducting mileage).
 - **For** — Choose **AUTO**.
 - **Multi-form code** — Enter the number that corresponds to the **AUTO** screen. (For example, enter 2 if you are associating this **4562** screen with the second **AUTO** screen. No entry is needed if only one **AUTO** screen exists.)
 - **Description**
 - **Date Acquired**
 - **Cost**
 - **Business use %** — Leave blank.
 - **Used Prop** — Mark if applicable.
 - **Listed Prop Type** — Choose the appropriate property type (**V**, **E**, **T**, **H**, or **N**).
 - **Property type 12__** — Choose the type of property.
 - **Method**
 - **Life**
2. Navigate to the **AUTO** screen for this vehicle. From the **For** drop list, select to which form or schedule the vehicle belongs, and enter the corresponding **MFC** if there are multiple screens for that form or schedule.
 - The choices are: Schedule C, Schedule E, Schedule F, Form 4835, or Schedule K-1 from a partnership.
3. Enter the same **Description** and **Date placed in service** that appear on the **4562** screen.
4. Answer the four required questions about the business and personal use of the vehicle.
5. Enter the **Current-Year Mileage**.
 - The current-year business mileage is used to calculate the business use of the vehicle. View this calculation on the Auto Expense Worksheet (“Wks Auto” in View/Print mode).
 - Business miles are required whether the taxpayer elects to use mileage or actual expenses for the vehicle.
 - Prior-year mileage data can be entered at the bottom of the **AUTO** screen.
6. Enter any other applicable **Expenses** (optional if taking mileage).
 - Calculated depreciation will flow from the related **4562** screen.
 - If you entered both mileage and actual expenses on the **AUTO** screen, the software will automatically compute and apply the most advantageous deduction *unless* you select **Force mileage** or **Force expenses**.

DRAKE 2021 - Data Entry (400008007 - BAKER, BOBBY) - (CONTAINS SENSITIVE DATA)

Auto Expense Worksheet [Video: Car and Truck Expenses](#)

For 6 MFC 1

Note: Do NOT enter the business use percentage for this auto on the 4562 screen. The business use percentage computed for this auto will be applied automatically.

Description..... DELIVERY VAN

Date placed in service..... 01-01-2021

Was the business vehicle available for personal use during off-duty hours?.....	Yes	No
Did the taxpayer (or spouse) have another vehicle available for personal use?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Does the taxpayer have evidence to support this deduction?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If "Yes," is the evidence written?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Current-Year Mileage

Business	6000	Commuting	0	Other	0
----------	------	-----------	---	-------	---

Force mileage

Expenses

Garage rent.....		Repairs.....	200
Gas.....	3700	Tires.....	
Insurance.....	1500	Tolls.....	
Licenses.....	120	Lease addback.....	
Oil.....		Other expenses	
Parking fees.....	100		
Rental fees.....			
Interest.....			
Property tax.....	500	<input type="checkbox"/> Force expenses.....	

Apply business use %

Prior Years Mileage

Total Business		Total Miles	
----------------	--	-------------	--

Prior Business Mileage by Year

2020		2016		2013	
2019		2015		2012	
2018		2014		pre-2011	
2017					

Record 2 of 2 Press Page Down for New Screen Press F1 or Right-Click for Help (Screen Help)

Elections

To indicate that a return will be taking an “election” described in the IRS code, check the appropriate box on the **ELEC** screen.

For most **ELEC** screen elections, marking a box will cause Drake Tax to automatically produce an explanation for that election on an **Elections** page in View/Print mode (“ELECTION”). After you select an election, View the return (press CTRL+V) and review the **Elections** page. If there is no explanation, or if the explanation is not sufficient, complete a **SCH** screen by selecting **E — Election Explanation** from the **Type of attachment** drop list and entering an explanation. This produces a separate **Elections** page that is printed and transmitted with the return.

DRAKE 2021 - Data Entry (500001001 - SHOEMAKER, OXFORD & LOAFER - 500001000) - (CONTAINS SENSITIVE DATA)

Election Options

Form 1040

- Sch A - Claim decedent medical expenses
- Elect retirement plan contribution sec 1.72-6
- Form 6251 - SLE 904 limitation to figure AMTFTC
- Elective Safe Harbor for oil and gas property
- Nonresident taxed as resident

Form 1040NR

- Elect income treated as from U.S. business

Schedule B

- Value of restricted stock included in W-2
- OID - include market discount in current income

Schedules C, E, F

- Deduct environmental cleanup costs
- Deduct up to \$5000 business startup costs
- Elect to deduct costs for developing a mine
- Elect to capitalize carrying charges
- Real estate taxes ratably accrued
- Sec. 1.263(a)-1(f) de minimis election
- Sec. 1.263(a)-3(n) election
- Sec. 1.263(a)-3(h) election is made on screen 4562

Schedule D

- Sales of securities to ESOP, postpone gain
- Postpone gain on QSB stock
- Rollover gain for Empowerment Zone Assets
- Mark-to-market election for traders

Schedule E

- Elective Safe Harbor for oil and gas property
- Sec 469(c)(7)(A) Treat all interests in rental real estate as single rental activity

Schedule F

- Election to deduct preproductive expenses
- Elect not to exclude payments
- Qualifying forest or reforestation costs
- Elect to treat tree cutting as sale or exchange
- Elect to use 2021 crop disaster payments in 2022

(Go to SCH screen to complete a statement for election)

Form 1099

- Tax-free transfers for cash distributions
- 92-44 transfer for sec 403(b) contracts

Form 1116

- Election to use exchange rate on date paid
- Recapture more overall loss than required
- Form 6251 SLE 904 limitation to figure AMTFTC
- Election to claim foreign tax credit without filing Form 1116

Form 4562

- Elect to exclude property from MACRS
- Tax preference items amortized - no AMT

Form 4797

- Recognize gain on disposition of intangibles
- Defer gain on qualifying electric transmission
- Rollover gain for Empowerment Zone 60 days
- Mark-to-market election for traders

Form 6252

- Election to pay interest on tax due from 6252

Other

Description

Description

Description

[PPP Loan - Rev. Proc. 2021-20](#)

[PPP Loan - Rev. Proc. 2021-48](#)

Record 1 of 1 Press F1 or Right-Click for Help

Passive Activity Losses

Drake Tax automatically calculates passive activity loss limitations and generates a Passive Activity Deduction Worksheet (“Wks PAL” in View/Print), displaying prior-year, current-year, and carryovers of suspended losses.

Form 1040 or 1041		Passive Activity Deduction Worksheet		2021	
<small>Name(s) as shown on return</small>		<small>(This page is not filed with the return. It is for your records only.)</small>		<small>Tax ID Number</small>	
LORNA & LARRY LANDLORD				400-00-8006	
PAN	1	Activity	123 BEACH BL DUPLEX	Form	SCH E
				100% Disposed Of	NO
Regular Tax Loss Calculations					
	Prior Year Suspended Losses	Current Year Income/Loss	Utilized in Current Year	Losses Suspended To Next Year	
Operating	(8,322)	(15,119)	(4,814)	(18,627)	
Form 4797 - Part I					
Form 4797 - Part II					
TOTAL \$	(8,322)	(15,119)	(4,814)	(18,627)	
Alternative Minimum Tax Loss Calculations					
	Prior Year Suspended Losses	Current Year Income/Loss	Utilized in Current Year	Losses Suspended To Next Year	
Operating	(8,322)	(15,119)	(4,814)	(18,627)	
Form 4797 - Part I					
Form 4797 - Part II					
TOTAL \$	(8,322)	(15,119)	(4,814)	(18,627)	

Drake Tax also summarizes the losses suspended to next year on the Carryover Worksheet (“Wks CARRY” in View/Print).

Passive Activity			
123 BEACH BL DUPLEX		18,627	
450 OCEAN AVE APT BL		79,567	
At Risk Limitations			

At-Risk Limitations

Links to Form 6198, At-Risk Limitations, open screen **6198**, allowing you to deduct losses if the activity falls under at-risk limitations.

Some investment is NOT at risk [Form 6198](#)

Estimated Taxes and Overpayments

Drake Tax automatically generates federal estimated tax payment vouchers when they are required—for instance, when the taxpayer has a balance of \$1,000 or more—unless you choose to not generate the vouchers.

- You can opt to *not* generate the vouchers globally (for all returns) by navigating to **Setup > Options > Form & Schedule Options** tab and selecting **Print ES voucher only when screen ES indicates**. If this option is marked, estimates must be generated manually by making entries on the **ES** screen for each return for which estimates are needed.
- You can choose to generate a set of blank vouchers on a per-return basis by opening the **ES** screen and choosing **P** from the **ES Code** drop list.



Blank vouchers are not allowed for all states. See [Knowledge Base article "14868: State Returns — Blank Estimated Vouchers Not Allowed"](#) for the complete list of states.

DRAKE 2021 - Data Entry (400008007 - BAKER, BOBBY) - (CONTAINS SENSITIVE DATA)

Form 1040-ES - Estimated Tax Payments for 2021 and Overrides for 2022

[Video: Using ES Vouchers](#)
[Pay federal ES tax payments with debit card or credit card \(MC, Visa, Discover, AMEX\)](#)
[Estimated Tax Adjustment](#)

T.S.J. If taxpayer filed 1040ES for 2021 with a former spouse, enter that SSN here.....
 If taxpayer filed 1040ES for 2021 jointly with spouse and is filing his or her return as "Married Filing Separately," use screen [SCH](#) to create STM 21 explaining how the estimated payments are being divided.

Federal Section On the 2022 vouchers, print ONLY the person indicated in T.S.J box

2021 ESTIMATED TAXES ALREADY PAID FOR THIS YEAR			2022 ESTIMATED TAXES TO BE PAID FOR NEXT YEAR		
Overpayment applied from 2020.....			Amount of overpayment to apply to 2022.....		
	Date paid	Amount paid		Estimate amt	Overpayment
1st Quarter	=	12650	Voucher 1	=	
2nd Quarter	=	12650	Voucher 2	=	
3rd Quarter	=	12650	Voucher 3	=	
4th Quarter	=	12650	Voucher 4	=	

Increase/Decrease calculated estimates by..... +/-

State and City Section

2021 ESTIMATED TAXES ALREADY PAID FOR THIS YEAR			2022 ESTIMATED TAXES TO BE PAID FOR NEXT YEAR		
St/City:	CA	Type: IN	St/City:	CA	Type: IN
LLC #.....			LLC #.....		
Overpayment applied from 2020.....			Amount of overpayment to apply to 2022.....		
	Date paid	Amount paid		Estimate amt	Overpayment
1st Quarter	=	3750	Voucher 1	=	
2nd Quarter	=	3750	Voucher 2	=	
3rd Quarter	=	3750	Voucher 3	=	
4th Quarter	=	3750	Voucher 4	=	

Increase/Decrease calculated estimates by..... +/-

NOTE: To e-file ES vouchers, select the corresponding "e-file" check boxes above and provide account information below.

Use Account #1 information from the federal Electronic Funds Withdrawal (PMT) screen
OR
 Name of financial institution

RTN Account number Type of account

 Checking Savings

Checking Savings

Record 1 of 1 Press Page Down for New Screen Press F1 or Right-Click for Help (Screen Help)

- You can also choose to *not* generate vouchers on a per-return basis by opening the **ES** screen and choosing **N** from the **ES Code** drop list.

On the 2022 vouchers, print ONLY the person indicated in 'TSJ' box

2022 ESTIMATED TAXES TO BE PAID FOR NEXT YEAR

ES Code OP Code

Amount of overpayment to apply to 2022.....

	Estimate amt	Overpayment
Voucher 1	= <input type="text"/>	= <input type="text"/>
Voucher 2	= <input type="text"/>	= <input type="text"/>
Voucher 3	= <input type="text"/>	= <input type="text"/>
Voucher 4	= <input type="text"/>	= <input type="text"/>

Increase/Decrease calculated estimates by:..... +/-

P	- No dollar amounts are printed, only SSN, Name, Address
D	- Rounds voucher payments to nearest \$1
X	- Rounds voucher payments to nearest \$5
T	- Rounds voucher payments to nearest \$10
F	- Rounds voucher payments to nearest \$25
H	- Rounds voucher payments to nearest \$100
M	- Rounds voucher payments to nearest \$1,000
N	- Prevents vouchers from being printed

Overpayments can be applied by making the desired selection from the **OP Code** drop list. You can designate different options for the federal return and state returns.

2022 ESTIMATED TAXES TO BE PAID FOR NEXT YEAR

ES Code OP Code

Amount of overpayment to apply to 2022.....

	Estimate amt	Overpayment
Voucher 1	= <input type="text"/>	= <input type="text"/>
Voucher 2	= <input type="text"/>	= <input type="text"/>
Voucher 3	= <input type="text"/>	= <input type="text"/>
Voucher 4	= <input type="text"/>	= <input type="text"/>

Increase/Decrease calculated estimates by:..... +/-

A	- Applies overpayment to vouchers in order until used up
R	- Applies overpayment to first voucher and refunds remainder
E	- Makes the estimate equal to the overpayment
O	- Applies overpayment to 2022 estimate, no vouchers printed
4	- Applies overpayment to all four vouchers equally
N	- Applies overpayment to 2022, does not affect estimate amounts

2210 Underpayment

Form 2210, Underpayment of Estimated Tax by Individuals, Estates, and Trusts, is used to calculate a penalty when the taxpayer has underpaid on his or her estimated taxes (quarterly ES vouchers) or under-withheld. This penalty is different from the penalty for paying taxes late.

Form 2210 is not generated unless there is an underpayment and the form is required.



Drake Tax does not calculate any interest that may be charged by the IRS on the underpayment penalty.

By default, Drake Tax calculates the estimated tax penalty and displays it on the “Estimated tax penalty” line of Form 1040. This default setting can be changed on a per-return basis by navigating to screen **1**, and under **2210 Options**, making the appropriate selection from the **2210 Code** drop list.

Form 2210 can also be forced to print by selecting the applicable code from the **2210 Code** drop list. If you choose to force Form 2210 but it is not generated, the amount owed on the return is less than \$1,000; therefore, no penalty is calculated, and Form 2210 is not required.

<input type="checkbox"/> Yes	<input type="checkbox"/> No
2210 Options	
2210 Code..... =	[Dropdown Menu]
2020 Fed tax.....	45991
2020 State tax.....	14918
Code 3.....	
Code 4.....	
Code 5.....	

If the return was updated from Drake Tax 2020, unless you have entered a different amount, the **2020 Fed tax** field on screen **1** contains the total federal tax from the prior year (from line 16 of Form 1040, for example). Similarly, the field **2020 State tax** displays the equivalent tax from the prior year resident state return. Both the **2020 Fed tax** and **2020 State tax** fields on screen **1** are flagged as a green “unverified” field if the return was updated from Drake Tax 2020. If you did not prepare the prior-year return in Drake Tax and update it to Drake Tax 2021, you can manually enter the prior-year tax amount to calculate Form 2210, if needed.

If you want to mark a Part II waiver option on Form 2210, select the most applicable check box in the upper-left corner of screen **2210**.

DRAKE 2021 - Data Entry (400008007 - BAKER, BOBBY) - (CONTAINS SENSITIVE DATA)

Form 2210 - Penalty for Underpayment of Estimated Tax

1 Required to file due to:

a Full waiver

b Partial waiver

c Annualized income

d Actually withheld

e Required installment

Amount actually withheld if box 1d is selected

1st Quarter.....	
2nd Quarter.....	
3rd Quarter.....	
4th Quarter.....	

Amount paid w/extension..... [EXT](#)

Quarterly estimated payments and overpayment applied..... [ES](#)

Date balance paid.....

Prior-year tax..... =

Prior-year AGI..... =

If taxpayer qualifies for a waiver of penalty, AMOUNT to be waived.....

[Explain waiver:](#)

Annualized Income Installment Worksheet

	3 mos	5 mos	8 mos
1 AGI for each period.....			
4 Itemized deductions for each period.....			
9 Deduction for qualified business income.....			
16 Other taxes for each period.....			
18 Allowed credits for each period.....			
Medical & dental, investment interest, casualty & theft losses, & gambling losses.....			
Net long-term capital gains.....			
Qualified dividends.....			
Unrecaptured 1250 Gains.....			
28% Capital Gains.....			
Form 4952 Line e.....			
Form 4952 Line g.....			

Annualized Self-Employment Tax Worksheet

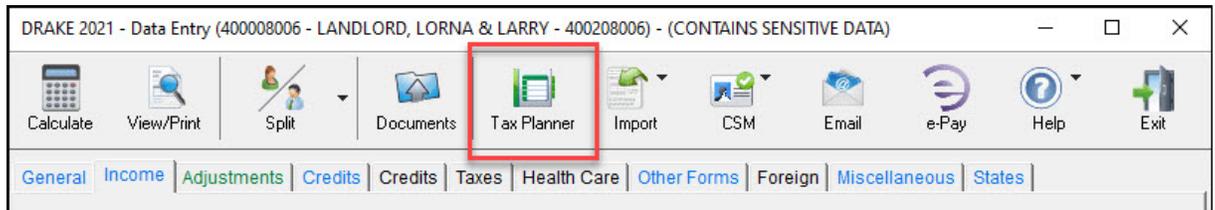
	3 mos	5 mos	8 mos
Taxpayer			
28 Net SE earnings for each period.....			
30 SS wages for each period.....			
Spouse			
28 Net SE earnings for each period.....			
30 SS wages for each period.....			
12 Override tax calculation done by program..... =			
32 Override annualization amounts - Taxpayer..... =			
32 Override annualization amounts - Spouse..... =			

New Screen Press F1 or Right-Click for Help (Screen Help)

Tax Planner

The Drake Tax Planner is designed to help you assist your clients in planning for the future. By comparing a client's current tax situation to different scenarios that could occur—such as buying or selling a rental property, a change in income, etc.—you can see how these changes may affect their finances and tax liability. Because scenarios are set up using the same **Data Entry Menu** and data entry screens that you are already familiar with, building different scenarios is quick and easy.

Open a client's return, and click the **Tax Planner** icon to open the **Tax Planner** dialog box.



The original return is listed, as are any other scenarios you have created.

Toolbar Functions

- **New** — Create a new scenario for 2020 or 2021. (2021 scenarios incorporate known tax changes for the coming year, once available.) Select the tax year, enter a scenario name, and click **OK**. A new scenario containing data from the original return appears in the list, available for you to open to data entry.
- **Open** — Select a scenario, and click **Open**. The scenario is opened to the Tax Planner **Data Entry Menu**.
- **Remove** — Select a scenario from the scenario pane, and click **Remove** to delete the scenario.
- **Compare** — Select up to three scenarios, and click **Compare** to compare them to the client's original return. A Tax Scenario Planning Comparison ("Tax Planning Comparison" in View/Print mode) is opened, displaying the results of the comparison.
- **Help** — Click **Help** to get explanations and direction for using the planner.
- **Exit** — Click **Exit** to close the planner and return to the **Data Entry Menu** of the original return. You can also exit the planner by opening the original return from the scenario list.

The screenshot shows the Drake 2021 Tax Planner dialog box. The title bar reads "Drake 2021 - Tax Planner". The toolbar contains icons for New, Open, Remove, Compare, Help, Video Tutorial, and Exit. Below the toolbar is a table with the following data:

2021 Scenario	Year	Income	AGI	Tax. Income	Total Tax	Refund	BalDue
2022 Scenario	2021	1573436	1573436	1548297	371510	0	367010
Selected Scenario							

Scenarios

Each scenario looks and behaves like a normal return, except:

- The **Data Entry Menu** displays the notice “Tax Planner.”
- Documents in View/Print display a “Tax Planner” watermark (except letters).

DRAKE 2021 - Tax Planner (400008006 - LANDLORD, LORNA & LARRY - 400208006) - (CONTAINS SENSITIVE DATA)

Calculate View/Print Documents Tax Planner Email e-Pay Help Exit

General Income Adjustments Credits Credits Taxes Health Care Other Forms Foreign Miscellaneous States

1 Name and Address
2 Dependents
3 Income
4 Adjustments
5 Taxes, Credits and Payments
ES Estimated Taxes
2441 Child Care Credit

W2 Wages
W2G Gambling Income
1099 1099-R Retirement
DIV 1099-DIV Dividend Income
INT 1099-INT Interest Income
99G 1099-G Government Payments
99M 1099-MISC Miscellaneous Income
99N 1099-NEC Nonemployee Compensation
SSA 1099-SSA Social Security

PAD Preparer Notepad
NOTE Notes about the return
FAQ Frequently Asked Questions

A Itemized Deductions Schedule
STAX Sales Tax Worksheet
2106 Employee Business Expense

Due Diligence
8867 Due Diligence Checklist
DD1 Due Diligence Assistance
DD2 Due Diligence Notes

Electronic Filing and Banking
EPS Product Information
IDS Identification for Taxpayer/Spouse
USE Consent to Use of Tax Return Info
DISC Consent to Disclosure of Tax Return Info
DD Direct Deposit/Form 8888
PMT Electronic Funds Withdrawal
PIN 8879/8878 e-file Signature
EF EF Selections
PDF PDF Attachments

AP Protection Plus Audit Protection
BILL Client Adjustments

Enter Screen, State, or Search Phrase

Tax Planner

Tax Planner: 2022 Sell Comm'l Bldg Current Package: Federal

Drake Tax generates a Tax Scenario Planning Comparison ("Tax Planning Comparison") within the Tax Planner return, comparing the Tax Planner scenario to the original return.

Tax Scenario Planning Comparison			
<small>Name(s) as shown on return</small>			
LORNA & LARRY LANDLORD			
	Org. Return	Cur. Return	
Filing Status	2	2	
Number of Exemptions	2	2	
Income:			
Wages, salaries, tips, etc	45,000	45,000	
Taxable interest and dividends	38,000	38,000	
Business Income (loss)			
Gains (losses)	1,581,830		
Pension and IRA distributions			
Rental & Pass-through Income (loss)	(91,394)	(8,986)	
Farm Income (loss)			
Taxable Social Security Income			
Other Income			
Total Income	1,573,436	74,014	
Adjustments to income:			
Self-Employment Tax Adjustment			
IRA deduction			
Other Adjustments			
Adjusted Gross Income	1,573,436	74,014	
Itemized or Standard Deduction	25,100	25,900	
Personal Exemption or QBI Deduction	39		
Taxable Income	1,548,297	48,114	
Tax and Credits:			
Tax	321,219	2,013	
Credits			
Self-employment tax			
Other taxes	50,291		
Total Tax	371,510	2,013	
Payments:			
Withholdings	4,500	4,500	
Estimated Tax Payments			
Refundable credits & other payments			
Total Payments	4,500	4,500	
Refund		2,487	
Balance Due	367,010		
Marginal Tax Rate	37.00	12.00	
Effective Tax Rate	21	4	
States			
Resident Tax	60,687	479	
Total Tax	60,687	1,700	

To compare more than one scenario to the original return, create several Tax Planner scenarios, and save them in Drake Tax. To do so:

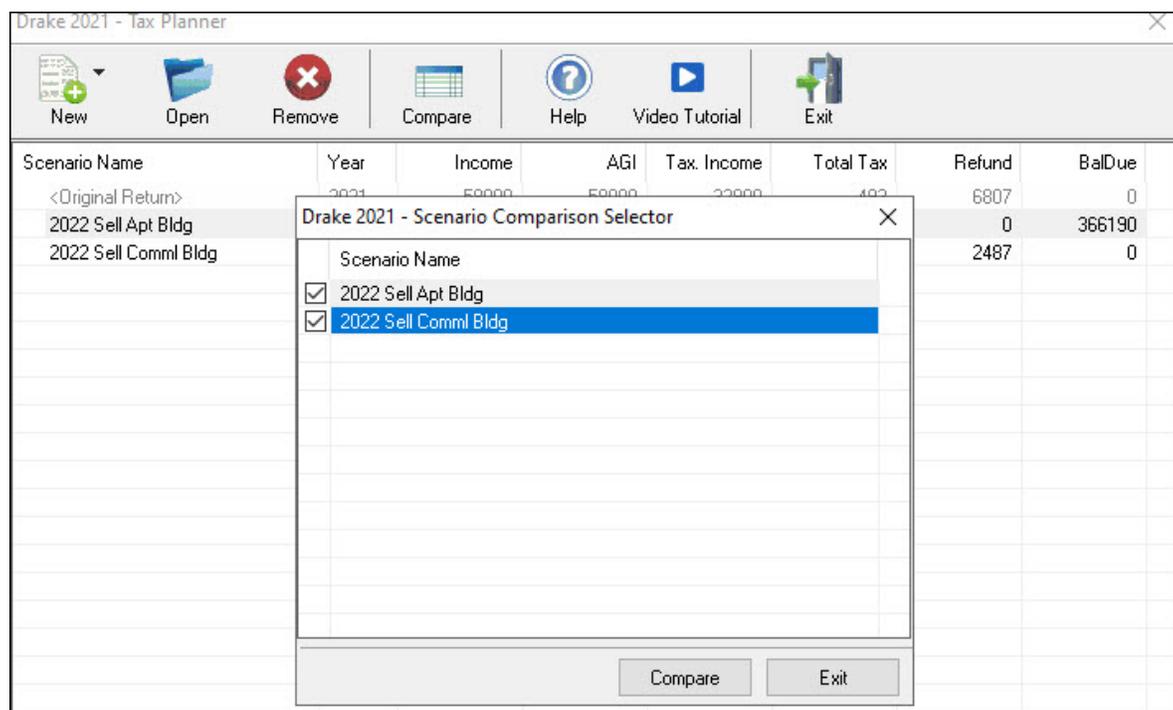
1. From the **Tax Planner** toolbar, choose **Compare**.



Drake 2021 - Tax Planner

Scenario Name	Year	Income	AGI	Tax. Income	Total Tax	Refund	BalDue
<Original Return>	2021	58000	58000	32900	493	6807	0
2022 Sell Apt Bldg	2022	1573436	1573436	1547497	370690	0	366190
2022 Sell Comm Bldg	2022	74014	74014	48114	2013	2487	0

2. Select the scenarios you wish to compare to the original return. Click **Compare**.



Drake 2021 - Tax Planner

Scenario Name	Year	Income	AGI	Tax. Income	Total Tax	Refund	BalDue
<Original Return>	2021	58000	58000	32900	493	6807	0
2022 Sell Apt Bldg						0	366190
2022 Sell Comm Bldg						2487	0

Drake 2021 - Scenario Comparison Selector

Scenario Name

- 2022 Sell Apt Bldg
- 2022 Sell Comm Bldg

Compare Exit

Drake Tax generates a Tax Scenario Planning Comparison (“Tax Planning Comparison”), comparing up to three scenarios with the original return.

Tax Scenario Planning Comparison			
<small>Name(s) as shown on return</small>			
LANDLORD, LORNA			
	<small>Original Return</small>	<small>2022 Sell Apt Bldg</small>	<small>2022 Sell Condo Bldg</small>
Filing Status	<u>2</u>	<u>2</u>	<u>2</u>
Number of Exemptions	<u>2</u>	<u>2</u>	<u>2</u>
Income:			
Wages, salaries, tips, etc	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>
Taxable interest and dividends	<u>38,000</u>	<u>38,000</u>	<u>38,000</u>
Business Income (loss)			
Gains (losses)		<u>1,581,830</u>	
Pension and IRA distributions			
Rental & Pass-through Income (loss)	<u>-25,000</u>	<u>-91,394</u>	<u>-8,986</u>
Farm Income (loss)			
Taxable Social Security Income			
Other Income			
Total Income	<u>58,000</u>	<u>1,573,436</u>	<u>74,014</u>

— Meet the Expert —



Ann Campbell, CPA, CIA
Tax Software Trainer
Drake Software

Ann Campbell, CPA, CIA, joined Drake Software in 2021. She is a Certified Public Accountant licensed to practice in California and North Carolina. She has many years of experience as a tax preparer using Drake Software. Ann has also worked as a CFO and Controller in various industries. She was one of four finalists for Plastic News CFO of the Year 2019 and is a graduate of the Wharton School at the University of Pennsylvania.