

TAXABLE YEAR

2022

California Resident Income Tax Return

FORM

540

APE

ATTACH FEDERAL RETURN

SHER J SHERMAN K SHERMAN

22

SHERMAN OAKS CA 91403

Enter your county at time of filing (see instructions)

Principal Residence

LOS ANGELES

If your address above is the same as your principal/physical residence address at the time of filing, check this box X

If not, enter below your principal/physical residence address at the time of filing.

Street address (number and street) (if foreign address, see instructions)

Apt. no./ste. no.

City State ZIP code

If your California filing status is different from your federal filing status, check the box here

Filing Status

- 1 Single 2 X Married/RDP filing jointly. See instr. 3 Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here. 4 Head of household (with qualifying person). See instructions. 5 Qualifying surviving spouse/RDP. Enter year spouse/RDP died. See instructions. 6 If someone can claim you (or your spouse/RDP) as a dependent, check the box here. See instr.

Exemptions

- 7 Personal: If you checked box 1, 3, or 4 above, enter 1 in the box. If you checked box 2 or 5, enter 2 in the box. If you checked the box on line 6, see instructions. 8 Blind: If you (or your spouse/RDP) are visually impaired, enter 1; if both are visually impaired, enter 2. 9 Senior: If you (or your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2. See instructions. Whole dollars only: 280, 140

Your name: **BRAD J SHERMAN** Your SSN or ITIN: [REDACTED]

**10 Dependents: Do not include yourself or your spouse/RDP.**

	Dependent 1	Dependent 2	Dependent 3
First Name	<input checked="" type="radio"/> MOLLY	<input checked="" type="radio"/> NAOMI	<input checked="" type="radio"/> LUCY
Last Name	<input checked="" type="radio"/> SHERMAN	<input checked="" type="radio"/> SHERMAN	<input checked="" type="radio"/> SHERMAN
SSN. See inst.	<span style="background-color: black; color: black;">[REDACTED]</span>	<span style="background-color: black; color: black;">[REDACTED]</span>	<span style="background-color: black; color: black;">[REDACTED]</span>
Dependent's relationship to you	<input checked="" type="radio"/> DAUGHTER	<input checked="" type="radio"/> DAUGHTER	<input checked="" type="radio"/> DAUGHTER

Total dependent exemptions ..... • 10  X \$433 = • \$

**11 Exemption amount:** Add line 7 through line 10. Transfer this amount to line 32 ..... • 11 \$

**12** State wages from your federal Form(s) W-2, box 16 ..... • 12

**13** Enter federal adjusted gross income from federal Form 1040 or 1040-SR, line 11 ..... • 13

**14** California adjustments - subtractions. Enter the amount from Schedule CA (540), Part I, line 27, column B ..... • 14

**15** Subtract line 14 from line 13. If less than zero, enter the result in parentheses. See instructions ..... • 15

**16** California adjustments - additions. Enter the amount from Schedule CA (540), Part I, line 27, column C ..... • 16

**17** California adjusted gross income. Combine line 15 and line 16 ..... • 17

**18** Enter the larger of   
 { Your California **itemized deductions** from Schedule CA (540), Part II, line 30; OR   
 Your California **standard deduction** shown below for your filing status:   
 • Single or Married/RDP filing separately ..... \$ 5,202   
 • Married/RDP filing jointly, Head of household, or Qualifying surviving spouse/RDP ..... \$10,404   
 If Married/RDP filing separately or the box on line 6 is checked, **STOP**. See instructions ..... • 18

**19** Subtract line 18 from line 17. This is your **taxable income**. If less than zero, enter -0- ..... • 19

**31** Tax. Check the box if from:   
 Tax Table  Tax Rate Schedule   
 FTB 3800  FTB 3803 ..... • 31

**32** Exemption credits. Enter the amount from line 11. If your federal AGI is more than \$229,908, see instructions ..... • 32

**33** Subtract line 32 from line 31. If less than zero, enter -0- ..... • 33

**34** Tax. See instructions. Check the box if from:   
 Schedule G-1  FTB 5870A ..... • 34

**35** Add line 33 and line 34 ..... • 35

**40** Nonrefundable Child and Dependent Care Expenses Credit. See instructions ..... • 40

**43** Enter credit name  code •  and amount ..... • 43

**44** Enter credit name  code •  and amount ..... • 44

Your name: **BRAD J SHERMAN** Your SSN or ITIN: XXXXXXXXXX

<b>Special Credits</b>	45 To claim more than two credits. See instructions. Attach Schedule P (540) ..... • 45		
	46 Nonrefundable Renter's Credit. See instructions ..... • 46		
	47 Add line 40 through line 46. These are your total credits ..... • 47	6,445	
	48 Subtract line 47 from line 35. If less than zero, enter -0- ..... • 48	10,499	

<b>Other Taxes</b>	61 Alternative Minimum Tax. Attach Schedule P (540) ..... • 61		
	62 Mental Health Services Tax. See instructions ..... • 62		
	63 Other taxes and credit recapture. See instructions ..... • 63		
	64 Add line 48, line 61, line 62, and line 63. This is your total tax ..... • 64	10,499	

<b>Payments</b>	71 California income tax withheld. See instructions ..... • 71	19,069	
	72 2022 California estimated tax and other payments. See instructions ..... • 72	6,422	
	73 Withholding (Form 592-B and/or Form 593). See instructions ..... • 73		
	74 Excess SDI (or VPD) withheld. See instructions ..... • 74		
	75 Earned Income Tax Credit (EITC). See instructions ..... • 75		
	76 Young Child Tax Credit (YCTC). See instructions ..... • 76		
	77 Foster Youth Tax Credit (FYTC). See instructions ..... • 77		
	78 Add line 71 through line 77. These are your total payments. See instructions ..... • 78	25,491	

**Use Tax** 91 Use Tax. Do not leave blank. See instructions ..... • 91 0 .00

If line 91 is zero, check if:  X No use tax is owed.   You paid your use tax obligation directly to CDTFA.

**ISR Penalty** 92 If you and your household had full-year health care coverage, check the box. See instructions. Medicare Part A or C coverage is qualifying health care coverage. If you did not check the box, see instructions. Individual Shared Responsibility (ISR) Penalty. See instructions ..... • 92 X  .00

<b>Overpaid Tax/Tax Due</b>	93 Payments balance. If line 78 is more than line 91, subtract line 91 from line 78 ..... • 93	25,491	
	94 Use Tax balance. If line 91 is more than line 78, subtract line 78 from line 91 ..... • 94		
	95 Payments after Individual Shared Responsibility Penalty. If line 93 is more than line 92, subtract line 92 from line 93 ..... • 95	25,491	
	96 Individual Shared Responsibility Penalty Balance. If line 92 is more than line 93, subtract line 93 from line 92 ..... • 96		
	97 Overpaid tax. If line 95 is more than line 64, subtract line 64 from line 95 ..... • 97	14,992	

Your name: **BRAD J SHERMAN** Your SSN or ITIN: [REDACTED]

Overpaid Tax/Tax Due	98	Amount of line 97 you want applied to your 2023 estimated tax	• 98	14,992	.00
	99	Overpaid tax available this year. Subtract line 98 from line 97	• 99		.00
	100	Tax due. If line 95 is less than line 64, subtract line 95 from line 64	• 100		.00

		Code	Amount	
Contributions	California Seniors Special Fund. See instructions	• 400		.00
	Alzheimer's Disease and Related Dementia Voluntary Tax Contribution Fund	• 401		.00
	Rare and Endangered Species Preservation Voluntary Tax Contribution Program	• 403		.00
	California Breast Cancer Research Voluntary Tax Contribution Fund	• 405		.00
	California Firefighters' Memorial Voluntary Tax Contribution Fund	• 406		.00
	Emergency Food for Families Voluntary Tax Contribution Fund	• 407		.00
	California Peace Officer Memorial Foundation Voluntary Tax Contribution Fund	• 408		.00
	California Sea Otter Voluntary Tax Contribution Fund	• 410		.00
	California Cancer Research Voluntary Tax Contribution Fund	• 413		.00
	School Supplies for Homeless Children Voluntary Tax Contribution Fund	• 422		.00
	State Parks Protection Fund/Parks Pass Purchase	• 423		.00
	Protect Our Coast and Oceans Voluntary Tax Contribution Fund	• 424		.00
	Keep Arts in Schools Voluntary Tax Contribution Fund	• 425		.00
	Prevention of Animal Homelessness and Cruelty Voluntary Tax Contribution Fund	• 431		.00
	California Senior Citizen Advocacy Voluntary Tax Contribution Fund	• 438		.00
	Native California Wildlife Rehabilitation Voluntary Tax Contribution Fund	• 439		.00
	Rape Kit Backlog Voluntary Tax Contribution Fund	• 440		.00
	Suicide Prevention Voluntary Tax Contribution Fund	• 444		.00
	Mental Health Crisis Prevention Voluntary Tax Contribution Fund	• 445		.00
	California Community and Neighborhood Tree Voluntary Tax Contribution Fund	• 446		.00
110	Add amounts in code 400 through code 446. This is your total contribution	• 110		.00

Amount You Owe	111	<b>AMOUNT YOU OWE.</b> If you do not have an amount on line 99, add line 94, line 96, line 100, and line 110. See instructions. <b>Do not send cash.</b>	• 111		.00
		Mail to: <b>FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001</b> Pay Online - Go to <a href="http://ftb.ca.gov/pay">ftb.ca.gov/pay</a> for more information.	• 111		.00

Your name: **BRAD J SHERMAN** Your SSN or ITIN: [REDACTED]

**Interest and Penalties**

112 Interest, late return penalties, and late payment penalties ..... 112 [REDACTED] .00

113 Underpayment of estimated tax.

Check the box:  FTB 5805 attached •  FTB 5805F attached ..... • 113 [REDACTED] 0 .00

114 Total amount due. See instructions. Enclose, but do not staple, any payment ..... 114 [REDACTED] 0 .00

115 REFUND OR NO AMOUNT DUE. Subtract the sum of line 110, line 112, and line 113 from line 99. See instructions.

Mail to: **FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0001** ... • 115 [REDACTED] 0 .00

**Refund and Direct Deposit**

Fill in the information to authorize direct deposit of your refund into one or two accounts. Do not attach a voided check or a deposit slip. See instructions. Have you verified the routing and account numbers? Use whole dollars only.

All or the following amount of my refund (line 115) is authorized for direct deposit into the account shown below:

• Routing number [REDACTED] • Type  Checking  Savings • Account number [REDACTED] • 116 Direct deposit amount [REDACTED] .00

The remaining amount of my refund (line 115) is authorized for direct deposit into the account shown below:

• Routing number [REDACTED] • Type  Checking  Savings • Account number [REDACTED] • 117 Direct deposit amount [REDACTED] .00

**Voter Info.**

For voter registration information, check the box and go to [sos.ca.gov/elections](http://sos.ca.gov/elections). See instructions .....

**IMPORTANT:** See the instructions to find out if you should attach a copy of your complete federal tax return.

Our privacy notice can be found in annual tax booklets or online. Go to [ftb.ca.gov/privacy](http://ftb.ca.gov/privacy) to learn about our privacy policy statement, or go to [ftb.ca.gov/forms](http://ftb.ca.gov/forms) and search for 1131 to locate FTB 1131 EN-SP, Franchise Tax Board Privacy Notice on Collection. To request this notice by mail, call 800.338.0505 and enter form code 948 when instructed.

Under penalties of perjury, I declare that I have examined this tax return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Your signature [REDACTED] Date [REDACTED] Spouse's/RDP's signature (if a joint tax return, both must sign) [REDACTED]

Your email address. Enter only one email address. [REDACTED]  Preferred phone number [REDACTED]

**Sign Here**

Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge) [REDACTED]

It is unlawful to forge a spouse's/ RDP's signature.

Joint tax return? See instructions.

Firm's name (or yours, if self-employed) [REDACTED] • PTIN [REDACTED]

Firm's address [REDACTED] • Firm's FEIN [REDACTED]

Do you want to allow another person to discuss this tax return with us? See instructions .....  Yes  No

Print Third Party Designee's Name [REDACTED] Telephone Number [REDACTED]

Important: Attach this schedule to the back of your original or amended Form 540, Form 540 2EZ, or Form 540NR.

Caution: If this schedule is filled out, do not send your federal Form(s) W-2 to the Franchise Tax Board. If your federal Form(s) W-2 are from multiple states, attach copies showing California tax withheld to this schedule. If this schedule is blank, attach your federal Form(s) W-2 to the lower front of your tax return. DO NOT ATTACH PAYMENT TO THIS SCHEDULE.

\*Employee's social security number, name, and address must be the same as the information on federal Form(s) W-2.

W-2 Information

a. Employee's social security number \*  [REDACTED]

b. Employer identification number (EIN)  [REDACTED]

c. Employer's name  HOUSE OF REP-MEMBERS SERVICES

Employer's address  139A CANNON HOUSE OFFICE BLD

City  WASHINGTON State  DC ZIP code  20515

e. Employee's first name \*  BRAD Initial \*  J Last name \*  SHERMAN Suffix \*

f. Employee's address \*  [REDACTED]

City \*  SHERMAN OAKS State \*  CA ZIP code \*  91403

1. <input type="radio"/> Wages, tips, other compensation <input type="radio"/> 142,394	4. <input type="radio"/> Social security tax withheld <input type="radio"/> 9,114	8. <input type="radio"/> Allocated tips (not included in box 1) <input type="radio"/>
2. <input type="radio"/> Federal income tax withheld <input type="radio"/> 59,123	6. <input type="radio"/> Medicare tax withheld <input type="radio"/> 2,456	10. <input type="radio"/> Dependent care benefits <input type="radio"/>
3. <input type="radio"/> Social security wages <input type="radio"/> 147,000	7. <input type="radio"/> Social security tips <input type="radio"/>	11. <input type="radio"/> Nonqualified plans <input type="radio"/>

12. Codes and amounts

12a. <input type="radio"/> Code <input type="radio"/> D Amount <input type="radio"/> 27,000	12c. <input type="radio"/> Code <input type="radio"/> Amount <input type="radio"/>
12b. <input type="radio"/> Code <input type="radio"/> Amount <input type="radio"/>	12d. <input type="radio"/> Code <input type="radio"/> Amount <input type="radio"/>

13. Check the appropriate box for: Statutory employee, Retirement plan, or Third-party sick pay

Statutory employee  Retirement plan  Third-party sick pay

14. SDI, VPOI, or CA SDI (from federal Form W-2, box 14 or 19)

Type  Amount

15. State wages, tips, etc.  142,394

15. State and employer's state ID number

State  CA Employer's state ID number  [REDACTED]

17. State income tax  14,869

Franchise Tax Board Privacy Notice on Collection

Our privacy notice can be found in annual tax booklets or online. Go to [ftb.ca.gov/privacy](http://ftb.ca.gov/privacy) to learn about our privacy policy statement, or go to [ftb.ca.gov/forms](http://ftb.ca.gov/forms) and search for 1131 to locate FTB 1131 EN-SP, Franchise Tax Board Privacy Notice on Collection - Aviso de Privacidad del Franchise Tax Board sobre la Recaudación. To request this notice by mail, call 800.338.0505 and enter form code 948 when instructed.

2022

Wage and Tax Statement

W-2

Important: Attach this schedule to the back of your original or amended Form 540, Form 540 2EZ, or Form 540NR.

Caution: If this schedule is filled out, do not send your federal Form(s) W-2 to the Franchise Tax Board. If your federal Form(s) W-2 are from multiple states, attach copies showing California tax withheld to this schedule. If this schedule is blank, attach your federal Form(s) W-2 to the lower front of your tax return. DO NOT ATTACH PAYMENT TO THIS SCHEDULE.

\*Employee's social security number, name, and address must be the same as the information on federal Form(s) W-2.

W-2 Information

a. Employee's social security number \*  [REDACTED]

b. Employer identification number (EIN)  [REDACTED]

c. Employer's name  US DEPT OF STATE

Employer's address  PO BOX 150008

City  CHARLESTON State  SC ZIP code  29415

e. Employee's first name \*  LISA Initial \*  K Last name \*  SHERMAN Suffix \*

f. Employee's address \*  [REDACTED]

City \*  SHERMAN OAKS State \*  CA ZIP code \*  91403

1. <input type="radio"/> Wages, tips, other compensation <input type="radio"/> 126,083	4. <input type="radio"/> Social security tax withheld <input type="radio"/> 9,114	8. <input type="radio"/> Allocated tips (not included in box 1) <input type="radio"/>
2. <input type="radio"/> Federal income tax withheld <input type="radio"/> 21,346	6. <input type="radio"/> Medicare tax withheld <input type="radio"/> 2,209	10. <input type="radio"/> Dependent care benefits <input type="radio"/>
3. <input type="radio"/> Social security wages <input type="radio"/> 147,000	7. <input type="radio"/> Social security tips <input type="radio"/>	11. <input type="radio"/> Nonqualified plans <input type="radio"/>

12. Codes and amounts

12a. <input type="radio"/> Code <input type="radio"/> D Amount <input type="radio"/> 26,280	12c. <input type="radio"/> Code <input type="radio"/> Amount <input type="radio"/>
12b. <input type="radio"/> Code <input type="radio"/> DD Amount <input type="radio"/> 23,068	12d. <input type="radio"/> Code <input type="radio"/> Amount <input type="radio"/>

13. Check the appropriate box for: Statutory employee, Retirement plan, or Third-party sick pay

Statutory employee  Retirement plan  Third-party sick pay

14. SDI, VPOI, or CA SDI (from federal Form W-2, box 14 or 19)

Type  Amount

16. State wages, tips, etc.  
 126,083

15. State and employer's state ID number

State  DC Employer's state ID number  [REDACTED]

17. State income tax  
 7,706

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Important: Attach this schedule behind Form 540, Side 5 as a supporting California schedule.

Name(s) as shown on tax return

BRAD J SHERMAN AND LISA N K SHERMAN

SSN or ITIN

[REDACTED]

**Part I Income Adjustment Schedule**

**Section A - Income** from federal Form 1040 or 1040-SR

	<b>A Federal Amounts</b> (taxable amounts from your federal tax return)	<b>B Subtractions</b> See instructions.	<b>C Additions</b> See instructions.
<b>1</b> <sup>Total amount from federal</sup> a Form(s) W-2, box 1. See instructions ..... 1a	268,477		
b Household employee wages not reported on federal Form(s) W-2 ..... 1b			
c Tip income not reported on line 1a ..... 1c			
d Medicaid waiver payments not reported on federal Form(s) W-2. See instructions ..... 1d			
e Taxable dependent care benefits from federal Form 2441, line 26 ..... 1e			
f Employer-provided adoption benefits from federal Form 8839, line 29 ..... 1f			
g Wages from federal Form 8919, line 6 ..... 1g			
h Other earned income. See instructions ..... 1h			
i Nontaxable combat pay election. See instructions ..... 1i			
z Add line 1a through line 1i ..... 1z	268,477		
2 Taxable interest. a 7,614 2b	91,794	90,636	
3 Ordinary dividends. See instructions. a 15,155 3b	19,400	1,958	
4 IRA distributions. See instructions. a 4b			
5 Pensions and annuities. See instructions. a 33,594 5b	33,545		
6 Social security benefits. a 6b			
7 Capital gain or (loss). See instr. 7	10,821		

**Section B - Additional Income** from federal Schedule 1 (Form 1040)

1 Taxable refunds, credits, or offsets of state and local income taxes ..... 1			
2 a Alimony received. See instructions ..... 2a			
3 Business income or (loss). See instructions ..... 3			
4 Other gains or (losses) ..... 4			
5 Rental real estate, royalties, partnerships, S corporations, trusts, etc. .... 5			
6 Farm income or (loss) ..... 6			
7 Unemployment compensation ..... 7			

Section B - Additional Income Continued	A Federal Amounts (taxable amounts from your federal tax return)	B Subtractions See instructions	C Additions See instructions
<b>B</b> Other income:			
a Federal net operating loss ..... 8a	⊙ ( )		⊙
b Gambling ..... 8b	⊙	⊙	
c Cancellation of debt ..... 8c	⊙	⊙	⊙
d Foreign earned income exclusion from federal Form 2555 ..... 8d	⊙ ( )		⊙
e Income from federal Form 8853 ..... 8e	⊙		⊙
f Income from federal Form 8889 ..... 8f	⊙	⊙	
g Alaska Permanent Fund dividends ..... 8g	⊙		
h Jury duty pay ..... 8h	⊙		
i Prizes and awards ..... 8i	⊙		
j Activity not engaged in for profit income ..... 8j	⊙		
k Stock options ..... 8k	⊙		⊙
l Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property ..... 8l	⊙		
m Olympic and Paralympic medals and USOC prize money ..... 8m	⊙		
n IRC Section 951(a) inclusion ..... 8n	⊙	⊙	
o IRC Section 951A(a) inclusion ..... 8o	⊙	⊙	
p IRC Section 461(f) excess business loss adjustment ..... 8p	⊙	⊙	⊙
q Taxable distributions from an ABLÉ account ..... 8q	⊙		
r Scholarship and fellowship grants not reported on federal Form(s) W-2 ..... 8r	⊙		
s Nontaxable amount of Medicaid waiver payments included on federal Form 1040, line 1a or line 1d ..... 8s	⊙ ( )		
t Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental IRC Section 457 plan ..... 8t	⊙		
u Wages earned while incarcerated ..... 8u	⊙		
z Other income. List type and amount. ⊙ ..... 8z	⊙	⊙	⊙

Section B - Additional Income Continued	A Federal Amounts (taxable amounts from your federal tax return)	B Subtractions See instructions	C Additions See instructions
<b>9 a</b> Total other income. Add lines 6a through 8z <b>9a</b>	⊙	⊙	⊙
<b>b1</b> Disaster loss deduction from form FTB 3805V <b>9b1</b>	⊙	⊙	⊙
<b>b2</b> NOL deduction from form FTB 3805V <b>9b2</b>	⊙	⊙	⊙
<b>b3</b> NOL from form FTB 3805Z, 3807, or 3809 <b>9b3</b>	⊙	⊙	⊙
<b>10 Total.</b> Combine Section A, line 1z through line 7, and Section B, line 1 through line 7, and line 9a in column A and column C. Add Section A, line 1z through line 7, and Section B, line 1 through line 7, line 9a, and line 9b1 through line 9b3 in column B (as applicable). See instructions <b>10</b>	⊙ <b>424,037</b>	⊙ <b>92,594</b>	⊙

**Section C - Adjustments to Income**  
from federal Schedule 1 (Form 1040)

<b>11</b> Educator expenses <b>11</b>	⊙	⊙	⊙
<b>12</b> Certain business expenses of reservists, performing artists, and fee-basis government officials <b>12</b>	⊙	⊙	⊙
<b>13</b> Health savings account deduction <b>13</b>	⊙	⊙	⊙
<b>14</b> Moving expenses. Attach form FTB 3913. See instructions <b>14</b>	⊙	⊙	⊙
<b>15</b> Deductible part of self-employment tax. See instructions <b>15</b>	⊙	⊙	⊙
<b>16</b> Self-employed SEP, SIMPLE, and qualified plans <b>16</b>	⊙	⊙	⊙
<b>17</b> Self-employed health insurance deduction. See instructions <b>17</b>	⊙	⊙	⊙
<b>18</b> Penalty on early withdrawal of savings <b>18</b>	⊙	⊙	⊙
<b>19 a</b> Alimony paid <b>19a</b>	⊙	⊙	⊙
<b>b</b> Recipient's SSN ⊙ Last Name ⊙	⊙	⊙	⊙
<b>20</b> IRA deduction <b>20</b>	⊙	⊙	⊙
<b>21</b> Student loan interest deduction <b>21</b>	⊙	⊙	⊙
<b>22</b> Reserved for future use <b>22</b>	⊙	⊙	⊙
<b>23</b> Archer MSA deduction <b>23</b>	⊙	⊙	⊙

Section C - Adjustments to Income Continued	A Federal Amounts (taxable amounts from your federal tax return)	B Subtractions See instructions	C Additions See instructions
<b>24</b> Other adjustments:			
<b>a</b> Jury duty pay ..... <b>24a</b>	⊙		
<b>b</b> Deductible expenses related to income reported on line 8l from the rental of personal property engaged in for profit ..... <b>24b</b>	⊙	⊙	⊙
<b>c</b> Nontaxable amount of the value of Olympic and Paralympic medals and USOC prize money reported on line 8m ..... <b>24c</b>	⊙	⊙	
<b>d</b> Reforestation amortization and expenses ..... <b>24d</b>	⊙	⊙	
<b>e</b> Repayment of supplemental unemployment benefits under the federal Trade Act of 1974 ..... <b>24e</b>	⊙		
<b>f</b> Contributions to IRC Section 501(c)(18)(D) pension plans ..... <b>24f</b>	⊙	⊙	⊙
<b>g</b> Contributions by certain chaplains to IRC Section 403(b) plans ..... <b>24g</b>	⊙	⊙	⊙
<b>h</b> Attorney fees and court costs for actions involving certain unlawful discrimination claims ..... <b>24h</b>	⊙		
<b>i</b> Attorney fees and court costs you paid in connection with an award from the IRS for information you provided that helped the IRS detect tax law violations ..... <b>24i</b>	⊙	⊙	
<b>j</b> Housing deduction from federal Form 2555 ..... <b>24j</b>	⊙	⊙	
<b>k</b> Excess deductions of IRC Section 67(e) expenses from federal Schedule K-1 (Form 1041) ..... <b>24k</b>	⊙		
<b>z</b> Other adjustments. List type and amount. ⊙ ..... <b>24z</b>	⊙	⊙	⊙
<b>25</b> Total other adjustments. Add line 24a through line 24z ..... <b>25</b>	⊙	⊙	⊙
<b>26</b> Add line 11 through line 23 and line 25 in columns A, B, and C. See instructions ..... <b>26</b>	⊙	⊙	⊙
<b>27</b> Total. Subtract line 26 from line 10 in columns A, B, and C. See instructions ..... <b>27</b>	⊙ 424,037	⊙ 92,594	⊙

**Part II Adjustments to Federal Itemized Deductions**

Check the box if you did NOT itemize for federal but will itemize for California

	<b>A Federal Amounts</b> (from federal Schedule A (Form 1040))	<b>B Subtractions</b> See instructions	<b>C Additions</b> See instructions
<b>Medical and Dental Expenses</b> See instructions.			
<b>1</b> Medical and dental expenses <input checked="" type="radio"/> <u>46,269</u> <b>1</b>			
<b>2</b> Enter amount from federal Form 1040 or 1040-SR, line 11 <input checked="" type="radio"/> <u>424,037</u> <b>2</b>			
<b>3</b> Multiply line 2 by 7.5% (0.075) <input checked="" type="radio"/> <u>31,803</u> <b>3</b>			
<b>4</b> Subtract line 3 from line 1. If line 3 is more than line 1, enter 0 <input checked="" type="radio"/> <u>14,466</u> <b>4</b>			<input checked="" type="radio"/>
<b>Taxes You Paid</b>			
<b>5 a</b> State and local income tax or general sales taxes <b>5a</b> <input checked="" type="radio"/> <u>33,197</u> <input checked="" type="radio"/> <u>33,197</u>			
<b>b</b> State and local real estate taxes <b>5b</b> <input checked="" type="radio"/> <u>16,623</u>			
<b>c</b> State and local personal property taxes <b>5c</b> <input checked="" type="radio"/> <u>203</u>			
<b>d</b> Add line 5a through line 5c <b>5d</b> <input checked="" type="radio"/> <u>50,023</u>			
<b>e</b> Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately) in column A. Enter the amount from line 5a, column B in line 5e, column B. Enter the difference from line 5d and line 5e, column A in line 5e, column C <b>5e</b> <input checked="" type="radio"/> <u>10,000</u> <input checked="" type="radio"/> <u>33,197</u> <input checked="" type="radio"/> <u>40,023</u>			
<b>6</b> Other taxes. List type <input checked="" type="radio"/> <b>6</b> <input checked="" type="radio"/>			
<b>7</b> Add line 5e and line 6 <b>7</b> <input checked="" type="radio"/> <u>10,000</u> <input checked="" type="radio"/> <u>33,197</u> <input checked="" type="radio"/> <u>40,023</u>			
<b>Interest You Paid</b>			
<b>8 a</b> Home mortgage interest and points reported to you on federal Form 1098 <b>8a</b> <input checked="" type="radio"/> <u>12,126</u>			<input checked="" type="radio"/>
<b>b</b> Home mortgage interest not reported to you on federal Form 1098 <b>8b</b> <input checked="" type="radio"/>			<input checked="" type="radio"/>
<b>c</b> Points not reported to you on federal Form 1098 <b>8c</b> <input checked="" type="radio"/>			<input checked="" type="radio"/>
<b>d</b> Reserved for future use <b>8d</b>			
<b>e</b> Add line 8a through line 8c <b>8e</b> <input checked="" type="radio"/> <u>12,126</u> <input checked="" type="radio"/>			<input checked="" type="radio"/>
<b>9</b> Investment interest <b>9</b> <input checked="" type="radio"/>			<input checked="" type="radio"/>
<b>10</b> Add line 8e and line 9 <b>10</b> <input checked="" type="radio"/> <u>12,126</u> <input checked="" type="radio"/>			<input checked="" type="radio"/>

Part II Adjustments to Federal Itemized Deductions Continued		A Federal Amounts (from federal Schedule A (Form 1040))	B Subtractions See instructions	C Additions See instructions
<b>Gifts to Charity</b>				
11	Gifts by cash or check .....	11	13,876	
12	Other than by cash or check .....	12	3,650	
13	Carryover from prior year .....	13		
14	Add line 11 through line 13 .....	14	17,526	
<b>Casualty and Theft Losses</b>				
15	Casualty or theft loss(es) (other than net qualified disaster losses). Attach federal Form 4684. See instructions .....	15		
<b>Other Itemized Deductions</b>				
16	Other - from list in federal instructions .....	16		
17	Add lines 4, 7, 10, 14, 15, and 16 in columns A, B, and C .....	17	54,118	40,023
18	<b>Total.</b> Combine line 17 column A less column B plus column C .....	18		60,944
<b>Job Expenses and Certain Miscellaneous Deductions</b>				
19	Unreimbursed employee expenses: job travel, union dues, job education, etc. Attach federal Form 2106 if required. See instructions .....	19		
20	Tax preparation fees .....	20	3,100	
21	Other expenses: investment, safe deposit box, etc. List type <b>STMT 4</b> .....	21	125	
22	Add line 19 through line 21 .....	22	3,225	
23	Enter amount from federal Form 1040 or 1040-SR, line 11 .....	23	424,037	
24	Multiply line 23 by 2% (0.02). If less than zero, enter 0 .....	24	8,481	
25	Subtract line 24 from line 22. If line 24 is more than line 22, enter 0 .....	25		0
26	<b>Total Itemized Deductions.</b> Add line 18 and line 25 .....	26		60,944
27	Other adjustments. See instructions. Specify. .....	27		
28	Combine line 26 and line 27 .....	28		60,944
29	<b>Is your federal AGI (Form 540, line 13) more than the amount shown below for your filing status?</b>			
	Single or married/RDP filing separately .....		\$229,908	
	Head of household .....		\$344,867	
	Married/RDP filing jointly or qualifying surviving spouse/RDP .....		\$459,821	
	<b>No.</b> Transfer the amount on line 28 to line 29.			
	<b>Yes.</b> Complete the Itemized Deductions Worksheet in the instructions for Schedule CA (540), line 29 .....	29		60,944
30	<b>Enter the larger of the amount on line 29 or your standard deduction listed below:</b>			
	Single or married/RDP filing separately. See instructions .....		\$5,202	
	Married/RDP filing jointly, head of household, or qualifying surviving spouse/RDP .....		\$10,404	
	Transfer the amount on line 30 to Form 540, line 18 .....	30		60,944

# Alternative Minimum Tax and Credit Limitations - Residents

Attach this schedule to Form 540.

Name(s) as shown on Form 540

Your SSN or ITIN

**BRAD J. & LISA N K. SHERMAN**

**Part I Alternative Minimum Taxable Income (AMTI)** **Important:** See instructions for information regarding California/federal differences.

1	If you itemized deductions, go to line 2. If you did not itemize deductions, enter your standard deduction from Form 540, line 18, and go to line 6	1		00
2	Medical and dental expenses. Enter the smaller of federal Schedule A (Form 1040), line 4, or 2 1/2% (.025) of federal Form 1040 or 1040-SR, line 11. See instructions	2	10,601	00
3	Personal property taxes and real property taxes. See instructions	3	16,826	00
4	Certain interest on a home mortgage <b>not</b> used to buy, build, or improve your home. See instructions	4		00
5	Miscellaneous itemized deductions. See instructions	5		00
6	Refund of personal property taxes and real property taxes. See instructions <b>Do not</b> include your state income tax refund on this line.	6		00
7	Investment interest expense adjustment. See instructions	7		00
8	Post-1986 depreciation. See instructions	8		00
9	Adjusted gain or loss. See instructions	9		00
10	Incentive stock options (ISOs) and California qualified stock options (CQSOs). See instructions	10		00
11	Passive activities adjustment. See instructions	11		00
12	Beneficiaries of estates and trusts. Enter the amount from Schedule K-1 (541), line 12a	12	19	00
13	Other adjustments and preferences. Enter the amount, if any, for each item, a through l. See instructions.			
	a Circulation expenditures			00
	b Depletion			00
	c Installment sales			00
	d Intangible drilling costs			00
	e Long-term contracts			00
	f Loss limitations			00
	g Mining costs			00
	h Patron's adjustment			00
	i Pollution control facilities			00
	j Research and experimental			00
	k Tax shelter farm activities			00
	l Related adjustments			00
	Add amounts on line a through line l, and enter total here	13		00
14	Total Adjustments and Preferences. Combine line 1 through line 13	14	27,446	00
15	Enter taxable income from Form 540, line 19. See instructions	15	270,499	00
16	Net operating loss (NOL) deductions from Schedule CA (540), Part I, Section B, line 9b1, line 9b2, and line 9b3, column B. Enter as a positive amount	16		00
17	AMTI exclusion. See instructions	17		00
18	If your federal adjusted gross income (AGI) is less than the amount for your filing status (listed below), skip this line and go to line 19. If you itemized deductions and your federal AGI is more than the amount for your filing status, see instructions	18		00
	Single or married/RDP filing separately		\$229,908	
	Married/RDP filing jointly or qualifying surviving spouse/RDP		\$459,821	
	Head of household		\$344,867	
19	Combine line 14 through line 18	19	297,945	00
20	Alternative minimum tax NOL deduction. See instructions	20		00
21	<b>Alternative Minimum Taxable Income.</b> Subtract line 20 from line 19 (if married/RDP filing separately and line 21 is more than \$436,827, see instructions)	21	297,945	00

**Part II Alternative Minimum Tax (AMT)**

22	<b>Exemption Amount.</b> (If this schedule is for a certain child under age 24, see instructions.) If your filing status is: Single or head of household Married/RDP filing jointly or qualifying surviving spouse/RDP Married/RDP filing separately If Part I, line 21 is more than the amount shown above for your filing status, see instructions.	And line 21 is not over: \$317,062 \$422,750 \$211,371	Enter on line 22: \$84,550 \$112,734 \$56,384	22	112,734	00
23	Subtract line 22 from line 21. If zero or less, enter -0-. See instructions	23	185,211	00		
24	Tentative Minimum Tax. Multiply line 23 by 7.0% (.07)	24	12,965	00		
25	Regular tax before credits from Form 540, line 31	25	18,663	00		
26	<b>Alternative Minimum Tax.</b> Subtract line 25 from line 24. If zero or less, enter -0- here and on Form 540, line 61. If more than zero, enter here and on Form 540, line 61. If you make estimated tax payments for taxable year 2023, enter amount from line 26 on the 2023 Form 540-ES, California Estimated Tax Worksheet, line 16. (Exception: If you have carryover credit for solar energy or commercial solar energy, first enter the result on Side 2, Part III, Section C, line 23 or 24)	26	0	00		

**Part III Credits that Reduce Tax** Note: Be sure to attach your credit forms to Form 540.

1	Enter the amount from Form 540, line 35	<input checked="" type="radio"/> 1	16,944	00
2	Enter the tentative minimum tax from Side 1, Part II, line 24	<input checked="" type="radio"/> 2	12,965	00

	(a) Credit amount	(b) Credit used this year	(c) Tax balance that may be offset by credits	(d) Credit carryover
<b>Section A - Credits that reduce excess tax.</b>				
3	Subtract line 2 from line 1. If zero or less enter -0- and see instr. This is your excess tax which may be offset by credits		<input checked="" type="radio"/> 3,979	
<b>A1 Credits that reduce excess tax and have no carryover provisions.</b>				
4	Code: 162 Prison inmate labor credit (FTB 3507)	<input type="radio"/>		
5	Code: 232 Child and dependent care expenses credit (FTB 3506)	<input type="radio"/>		
<b>A2 Credits that reduce excess tax and have carryover provisions.</b>				
6	Code: <input type="radio"/> Credit Name:	<input type="radio"/>		<input type="radio"/>
7	Code: <input type="radio"/> Credit Name:	<input type="radio"/>		<input type="radio"/>
8	Code: <input type="radio"/> Credit Name:	<input type="radio"/>		<input type="radio"/>
9	Code: <input type="radio"/> Credit Name:	<input type="radio"/>		<input type="radio"/>
10	Code: 188 Credit for prior year alternative minimum tax	<input checked="" type="radio"/>		<input type="radio"/>
<b>Section B - Credits that may reduce tax below tentative minimum tax.</b>				
11	If Part III, line 3 is zero, enter the amount from line 1. If line 3 is more than zero, enter the total of line 2 and the last entry in column (c)		<input checked="" type="radio"/> 16,944	
<b>B1 Credits that reduce net tax and have no carryover provisions.</b>				
12	Code: 170 Credit for joint custody head of household	<input type="radio"/>		
13	Code: 173 Credit for dependent parent	<input type="radio"/>		
14	Code: 163 Credit for senior head of household	<input type="radio"/>		
15	Nonrefundable renter's credit	<input type="radio"/>		
<b>B2 Credits that reduce net tax and have carryover provisions.</b>				
16	Code: <input type="radio"/> Credit Name:	<input type="radio"/>		<input type="radio"/>
17	Code: <input type="radio"/> Credit Name:	<input type="radio"/>		<input type="radio"/>
18	Code: <input type="radio"/> Credit Name:	<input type="radio"/>		<input type="radio"/>
19	Code: <input type="radio"/> Credit Name:	<input type="radio"/>		<input type="radio"/>
<b>B3 Other state tax credit.</b>				
20	Code: 187 Other state tax credit	<input checked="" type="radio"/> 6,445	<input checked="" type="radio"/> 6,445	<input checked="" type="radio"/> 10,499
<b>B4 Pass-through entity elective tax credit. See instructions.</b>				
21	Code: 242 Pass-through entity elective tax credit	<input type="radio"/>		<input type="radio"/>
<b>Section C - Credits that may reduce alternative minimum tax.</b>				
22	Enter your alternative minimum tax from Side 1, Part II, line 26		<input type="radio"/>	
23	Code: 180 Solar energy credit carryover from Section B2, column (d)	<input type="radio"/>		<input type="radio"/>
24	Code: 181 Commercial solar energy credit carryover from Section B2, column (d)	<input type="radio"/>		<input type="radio"/>
25	Adjusted AMT. Enter the balance from line 24, column (c) here and on Form 540, line 61		<input type="radio"/>	



2022

Other State Tax Credit

S

Attach to Form 540, Form 540NR, or Form 541.

Name(s) as shown on your California tax return

SSN, ITIN, or FEIN

BRAD J. & LISA N K. SHERMAN

Part I Double-Taxed Income (Read specific line instructions for Part I before completing.)

(a) Income item(s) description	(b) Double-taxed income taxable by California	(c) Double-taxed income taxable by other state
<input checked="" type="radio"/> US DEPARTMENT OF STATE	<input checked="" type="radio"/> 126,083	<input checked="" type="radio"/> 126,083
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>1 Total double-taxed income</b>	<input checked="" type="radio"/> <b>126,083</b>	<input checked="" type="radio"/> <b>126,083</b>

Part II Figure Your Other State Tax Credit (Read specific line instructions for Part II before completing.)

<b>2</b> California tax liability	<input checked="" type="radio"/> <b>2</b>	<b>16,944</b>	<b>00</b>
<b>3</b> Double-taxed income taxable by California. Enter the amount from Part I, line 1, column (b)	<input checked="" type="radio"/> <b>3</b>	<b>126,083</b>	<b>00</b>
<b>4</b> California adjusted gross income	<input checked="" type="radio"/> <b>4</b>	<b>331,443</b>	<b>00</b>
<b>5</b> Divide line 3 by line 4. Do not enter more than 1.0000	<input checked="" type="radio"/> <b>5</b>	<b>.3804</b>	
<b>6</b> Multiply line 2 by line 5	<input checked="" type="radio"/> <b>6</b>	<b>6,445</b>	<b>00</b>
<b>7</b> Income tax liability paid to other state (use state's abbreviation) <input checked="" type="radio"/> DC	<input checked="" type="radio"/> <b>7</b>	<b>7,706</b>	<b>00</b>
<b>8</b> Double-taxed income taxable by other state. Enter the amount from Part I, line 1, column (c)	<input checked="" type="radio"/> <b>8</b>	<b>126,083</b>	<b>00</b>
<b>9</b> Adjusted gross income taxable by other state	<input checked="" type="radio"/> <b>9</b>	<b>126,083</b>	<b>00</b>
<b>10</b> Divide line 8 by line 9. Do not enter more than 1.0000	<input checked="" type="radio"/> <b>10</b>	<b>1.0000</b>	
<b>11</b> Multiply line 7 by line 10	<input checked="" type="radio"/> <b>11</b>	<b>7,706</b>	<b>00</b>
<b>12</b> Other state tax credit. Enter the smaller of line 6 or line 11. Use credit code <b>187</b>	<input checked="" type="radio"/> <b>12</b>	<b>6,445</b>	<b>00</b>

Attach to your California tax return. Use a separate form for each sale or other disposition of property on the installment method.

Name(s) as shown on tax return

SSN, ITIN, FEIN, CA S08 file no., or CA corporation no.

BRAD J SHERMAN AND LISA N K SHERMAN

1 Description of property

PORTER RANCH, CA 91326

2a Date acquired (mm/dd/yyyy)

2b Date sold (mm/dd/yyyy)

12/04/2013

08/22/2022

3 Was the property sold to a related party after December 31, 1980? If "Yes," complete Part III for the year of sale and 2 years after the year of the sale unless you received the final payment during the tax year.

Yes

No

4 Reserved for future use

Yes

No

**Part I Gross Profit and Contract Price.** Complete this part for the year of sale only.

5 Selling price including mortgages and other debts (do not include stated or unstated interest)

1,470,000.00

6 Mortgages and other debts the buyer assumed or took the property subject to, but not new mortgages the buyer got from a bank or other source

0.00

7 Subtract line 6 from line 5

1,470,000.00

8 Cost or other basis of property sold

789,501.00

9 Depreciation allowed or allowable. Use California amounts

0.00

10 Adjusted basis. Subtract line 9 from line 8

789,501.00

11 Commissions and other expenses of sale

108,464.00

12 Income recapture from Schedule D-1, Part III and Part IV. See instructions

0.00

13 Add line 10, line 11, and line 12

897,965.00

14 Subtract line 13 from line 5. If zero or less, stop here. Do not complete the rest of this form

572,035.00

15 If the above property was your main home, using California amounts, enter your excluded gain. Otherwise, enter -0-

250,000.00

16 Gross profit. Subtract line 15 from line 14

322,035.00

17 Subtract line 13 from line 6. If zero or less, enter -0-

0.00

18 Contract price. Add line 7 and line 17

1,470,000.00

**Part II Installment Sale Income.** Complete this part for the year of sale and any year you receive a payment or have certain debts you must treat as payments on installment obligations.

19 Gross profit percentage (expressed as a decimal amount, see instructions). Divide line 16 by line 18. For years after the sale, see instructions

.21907

20 For year of sale only - Enter amount from line 17 above. Otherwise, enter -0-

0.00

21 Payments received during the year (do not include stated or unstated interest)

812,677.00

22 Add line 20 and line 21

812,677.00

23 Payments received in prior years (do not include stated or unstated interest) ..... 23  .00

24 **Installment sale income.** Multiply line 22 by line 19 ..... 24  .00

25 Enter the part of line 24 that is ordinary income under recapture rules. See instructions ..... 25  .00

26 Subtract line 25 from line 24. Enter the result here and on Schedule D (540, 540NR, 541, 565, 568, or 100S) or Schedule D-1 ..... 26  .00

**Part III Related Party Installment Sale Income.** Do not complete this part if you received the final installment payment this taxable year.

27 Name, address, and taxpayer identification number of related party

28 Did the related party, during this taxable year, resell or dispose of the property ("second disposition")? .....   Yes  No

29 If you checked "Yes," on line 28, complete lines 30 through 37 below unless one of the following conditions is met. Check only the box that applies.

- a  The second disposition was more than two years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of the disposition (mm/dd/yyyy) .....
- b  The first disposition was a sale or exchange of stock to the issuing corporation.
- c  The second disposition was an involuntary conversion where the threat of conversion occurred after the first disposition.
- d  The second disposition occurred after the death of the original seller or buyer.
- e  It can be established to the satisfaction of the Franchise Tax Board that tax avoidance was not a principal purpose for either of the dispositions. If you check this box, attach an explanation.

30 Selling price of property sold by related party ..... 30  .00

31 Enter contract price from line 18 for year of first sale ..... 31  .00

32 Enter the **smaller** of line 30 or line 31 ..... 32  .00

33 Total payments received by the end of your 2022 taxable year. Add line 22 and line 23 ..... 33  .00

34 Subtract line 33 from line 32. If zero or less, enter-0- ..... 34  .00

35 Multiply line 34 by the gross profit percentage on line 19 for year of first sale ..... 35  .00

36 Enter the part of line 35 that is ordinary income under recapture rules. See instructions ..... 36  .00

37 Subtract line 36 from line 35. Enter the result here and on Schedule D (540, 540NR, 541, 565, 568, or 100S) or Schedule D-1 ..... 37  .00





LISA SHERMAN IS A DUAL RESIDENT OF BOTH CALIFORNIA AND THE DISTRICT OF COLUMBIA. SHE WORKS IN DC. SHE IS THE WIFE OF A US CONGRESSMAN FROM CALIFORNIA.

PROPERTY KNOWN AS [REDACTED] WAS PRINCIPAL RESIDENCE OF CONGRESSMAN BRAD SHERMAN. HE MET RESIDENCY REQUIREMENTS DURING THE FIVE YEARS PRIOR TO SALE. HIS WIFE, LISA, MAY NOT QUALIFY FOR FULL RESIDENCY DURING THIS PERIOD, SO THIS RETURN ONLY TAKES A \$250,000 EXCLUSION.

[REDACTED] WAS CONGRESSMAN SHERMAN'S PRIMARY RESIDENCE FROM JULY 15, 2013, TO APRIL 17, 2022. DURING THIS TIME, THE PROPERTY WAS HIS PRIMARY ADDRESS FOR TAX AND VOTING PURPOSES. THROUGHOUT THIS PERIOD, HE HAD A CALIFORNIA DRIVER'S LICENSE, WAS REGISTERED TO VOTE IN CALIFORNIA, AND PAID CA INCOME TAX. UNDER US CONSTITUTION, ART. 1, SECT. 1, CL. 2, HE IS A CALIFORNIA RESIDENT. PER SECTION 162(A), CONGRESSMEMBER'S HOME IS IN HIS OR HER DISTRICT. HE SPENDS A LOT OF TIME IN D.C. TO FULFILL HIS CONGRESSIONAL DUTIES AND WORK WITH STAFF. ALL CARS OWNED BY THE TAXPAYER ARE REGISTERED IN CALIFORNIA, INCLUDING THOSE USED IN DC. DUE TO SECURITY CONCERNS, CONGRESSMAN SHERMAN SEEKS TO LIMIT THOSE WHO KNOW HIS PERSONAL ADDRESS, SO HE RECIEVES MAIL THROUGH A PRIVATE POSTAL BOX CLOSE TO HIS HOME. THE PROPERTY IS CLOSE TO HIS DISTRICT OFFICE, HIS BANK, AND WAS CLOSE TO THE HOME OF HIS MOTHER UNTIL HER DEATH IN 2020. IT IS CLOSE TO THE SYNAGOGUE HE HAS BEEN A MEMBER OF SINCE 1995.

CA SCHEDULE CA	TAXABLE INTEREST INCOME - SUBTRACTION		STATEMENT 2
DESCRIPTION	CALIFORNIA AMOUNT	FEDERAL AMOUNT	ADJUSTMENT
MERRILL LYNCH	0.	90,632.	-90,632.
LANE M SHERMAN FAMILY TRUST	13.	17.	-4.
CONGRESSIONAL FEDERAL CREDIT UNION	481.	481.	0.
MERRILL LYNCH	7,154.	7,154.	0.
WESCOM CREDIT UNION	175.	175.	0.
TO SCH CA (540), PART IA, LINE 2BB			-90,636.

CA SCHEDULE CA	ORDINARY DIVIDENDS - SUBTRACTION		STATEMENT 3
DESCRIPTION	CALIFORNIA AMOUNT	FEDERAL AMOUNT	ADJUSTMENT
LANE M SHERMAN FAMILY TRUST	51.	66.	-15.
MERRILL LYNCH	10,731.	10,731.	0.
VANGUARD INFLATION PROTECT SEC ADM	0.	1,299.	-1,299.
VANGUARD FED MONEY MKT FUND	0.	644.	-644.
VANGUARD 500 INDEX FUND ADM	3,897.	3,897.	0.
VANGUARD TOTAL STOCK MKT IDX ADM	2,763.	2,763.	0.
TO SCH CA (540), PART IA, LINE 3BB			-1,958.

SCHEDULE CA	OTHER EXPENSES	STATEMENT 4
DESCRIPTION		AMOUNT
INVESTMENT FEES		125.
TOTAL TO SCHEDULE CA, PART II, LINE 21		125.

**Filing Status**  Single  Married filing jointly  Married filing separately (MFS)  Head of household (HOH)  Qualifying surviving spouse (QSS)  
 Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent.

Your first name and middle initial <b>BRAD J.</b>		Last name <b>SHERMAN</b>	Your social security number [REDACTED]
If joint return, spouse's first name and middle initial <b>LISA N K.</b>		Last name <b>SHERMAN</b>	Spouse's social security number [REDACTED]
Home address (number and street). If you have a P.O. box, see instructions. [REDACTED]			Apt. no. [REDACTED]
City, town, or post office. If you have a foreign address, also complete spaces below. <b>SHERMAN OAKS</b>			
State <b>CA</b>		ZIP code <b>91403</b>	<b>Presidential Election Campaign</b> Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input checked="" type="checkbox"/> You <input checked="" type="checkbox"/> Spouse
Foreign country name		Foreign province/state/county	

**Digital Assets** At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.)  Yes  No

**Standard Deduction** **Someone can claim:**  You as a dependent  Your spouse as a dependent  
 Spouse itemizes on a separate return or you were a dual-status alien

**Age/Blindness** You:  Were born before January 2, 1958  Are blind Spouse:  Was born before January 2, 1958  Is blind

**Dependents** (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instr.):	
				Child tax credit	Credit for other dependents
MOLLY H	SHERMAN	[REDACTED]	DAUGHTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
NAOMI C	SHERMAN	[REDACTED]	DAUGHTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LUCY R	SHERMAN	[REDACTED]	DAUGHTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<b>Income</b> Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions. Attach Sch. B if required. <b>Standard Deduction for -</b> • Single or Married filing separately, \$12,950 • Married filing jointly or Qualifying surviving spouse, \$25,900 • Head of household, \$19,400 • If you checked any box under Standard Deduction, see instructions.	1a	Total amount from Form(s) W-2, box 1 (see instructions)	STMT 2	1a	268,477.			
	b	Household employee wages not reported on Form(s) W-2		1b				
	c	Tip income not reported on line 1a (see instructions)		1c				
	d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d				
	e	Taxable dependent care benefits from Form 2441, line 26		1e				
	f	Employer-provided adoption benefits from Form 8839, line 29		1f				
	g	Wages from Form 8919, line 6		1g				
	h	Other earned income (see instructions)		1h				
	i	Nontaxable combat pay election (see instructions)	1i					
	z	Add lines 1a through 1h		1z	268,477.			
	2a	Tax-exempt interest	2a	7,614.	b	Taxable interest	2b	91,794.
	3a	Qualified dividends	3a	15,155.	b	Ordinary dividends	3b	19,400.
	4a	IRA distributions	4a		b	Taxable amount	4b	
	5a	Pensions and annuities	5a	33,594.	b	Taxable amount	5b	33,545.
	6a	Social security benefits	6a		b	Taxable amount	6b	
c	If you elect to use the lump-sum election method, check here (see instructions)							
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here			7	10,821.			
8	Other income from Schedule 1, line 10			8	0.			
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your <b>total income</b>			9	424,037.			
10	Adjustments to income from Schedule 1, line 26			10				
11	Subtract line 10 from line 9. This is your <b>adjusted gross income</b>			11	424,037.			
12	<b>Standard deduction or itemized deductions</b> (from Schedule A)			12	54,118.			
13	Qualified business income deduction from Form 8995 or Form 8995-A			13	67.			
14	Add lines 12 and 13			14	54,185.			
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your <b>taxable income</b>			15	369,852.			

LHA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Tax and Credits

Table with 4 columns: Line number, Description, Amount, Total. Rows 16-24 including Tax, Credits, and Total Tax.

Payments

Table with 4 columns: Line number, Description, Amount, Total. Rows 25-33 including Federal income tax withheld, 2022 estimated tax payments, and total payments.

Refund

Table with 4 columns: Line number, Description, Amount, Total. Rows 34-36 including overpaid amount and amount applied to 2023 estimated tax.

Amount You Owe

Table with 4 columns: Line number, Description, Amount, Total. Rows 37-38 including amount owed and estimated tax penalty.

Third Party Designee

Form section for Third Party Designee with fields for name, phone, and personal identification number.

Sign Here

Signature area with fields for preparer and spouse signatures, dates, and occupations.

Paid Preparer Use Only

Form section for Paid Preparer Use Only with fields for name, signature, date, and PTIN.

Form section for Firm's name and address with fields for name, address, and EIN.

Go to www.irs.gov/Form1040 for instructions and the latest information.

**SCHEDULE 1**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Additional Income and Adjustments to Income**

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.

OMB No. 1545-0074

**2022**

Attachment  
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

**BRAD J. & LISA N K. SHERMAN**

Your social security number

[REDACTED]

**Part I Additional Income**

	STMT 10	STMT 11		
<b>1</b> Taxable refunds, credits, or offsets of state and local income taxes			<b>1</b>	0.
<b>2a</b> Alimony received			<b>2a</b>	
<b>b</b> Date of original divorce or separation agreement (see instructions)				
<b>3</b> Business income or (loss). Attach Schedule C			<b>3</b>	
<b>4</b> Other gains or (losses). Attach Form 4797			<b>4</b>	
<b>5</b> Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E			<b>5</b>	0.
<b>6</b> Farm income or (loss). Attach Schedule F			<b>6</b>	
<b>7</b> Unemployment compensation			<b>7</b>	
<b>8</b> Other income:				
<b>a</b> Net operating loss	<b>8a</b>	( )		
<b>b</b> Gambling	<b>8b</b>			
<b>c</b> Cancellation of debt	<b>8c</b>			
<b>d</b> Foreign earned income exclusion from Form 2555	<b>8d</b>	( )		
<b>e</b> Income from Form 8853	<b>8e</b>			
<b>f</b> Income from Form 8889	<b>8f</b>			
<b>g</b> Alaska Permanent Fund dividends	<b>8g</b>			
<b>h</b> Jury duty pay	<b>8h</b>			
<b>i</b> Prizes and awards	<b>8i</b>			
<b>j</b> Activity not engaged in for profit income	<b>8j</b>			
<b>k</b> Stock options	<b>8k</b>			
<b>l</b> Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property	<b>8l</b>			
<b>m</b> Olympic and Paralympic medals and USOC prize money (see instructions)	<b>8m</b>			
<b>n</b> Section 951(a) inclusion (see instructions)	<b>8n</b>			
<b>o</b> Section 951A(a) inclusion (see instructions)	<b>8o</b>			
<b>p</b> Section 461(l) excess business loss adjustment	<b>8p</b>			
<b>q</b> Taxable distributions from an ABL account (see instructions)	<b>8q</b>			
<b>r</b> Scholarship and fellowship grants not reported on Form W-2	<b>8r</b>			
<b>s</b> Nontaxable amount of Medicaid waiver payments included on Form 1040, line 1a or 1d	<b>8s</b>	( )		
<b>t</b> Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan	<b>8t</b>			
<b>u</b> Wages earned while incarcerated	<b>8u</b>			
<b>z</b> Other income. List type and amount:	<b>8z</b>			
<b>9</b> Total other income. Add lines 8a through 8z			<b>9</b>	
<b>10</b> Combine lines 1 through 7 and 9. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8			<b>10</b>	0.

LHA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 1 (Form 1040) 2022

**Part II Adjustments to Income**

<b>11</b>	Educator expenses .....		<b>11</b>	
<b>12</b>	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 .....		<b>12</b>	
<b>13</b>	Health savings account deduction. Attach Form 8889 .....		<b>13</b>	
<b>14</b>	Moving expenses for members of the Armed Forces. Attach Form 3903 .....		<b>14</b>	
<b>15</b>	Deductible part of self-employment tax. Attach Schedule SE .....		<b>15</b>	
<b>16</b>	Self-employed SEP, SIMPLE, and qualified plans .....		<b>16</b>	
<b>17</b>	Self-employed health insurance deduction .....		<b>17</b>	
<b>18</b>	Penalty on early withdrawal of savings .....		<b>18</b>	
<b>19a</b>	Alimony paid .....		<b>19a</b>	
<b>b</b>	Recipient's SSN .....			
<b>c</b>	Date of original divorce or separation agreement (see instructions): .....			
<b>20</b>	IRA deduction .....		<b>20</b>	
<b>21</b>	Student loan interest deduction .....		<b>21</b>	
<b>22</b>	Reserved for future use .....		<b>22</b>	
<b>23</b>	Archer MSA deduction .....		<b>23</b>	
<b>24</b>	Other adjustments:			
<b>a</b>	Jury duty pay (see instructions) .....	<b>24a</b>		
<b>b</b>	Deductible expenses related to income reported on line 8l from the rental of personal property engaged in for profit .....	<b>24b</b>		
<b>c</b>	Nontaxable amount of the value of Olympic and Paralympic medals and USOC prize money reported on line 8m .....	<b>24c</b>		
<b>d</b>	Reforestation amortization and expenses .....	<b>24d</b>		
<b>e</b>	Repayment of supplemental unemployment benefits under the Trade Act of 1974 .....	<b>24e</b>		
<b>f</b>	Contributions to section 501(c)(18)(D) pension plans .....	<b>24f</b>		
<b>g</b>	Contributions by certain chaplains to section 403(b) plans .....	<b>24g</b>		
<b>h</b>	Attorney fees and court costs for actions involving certain unlawful discrimination claims (see instructions) .....	<b>24h</b>		
<b>i</b>	Attorney fees and court costs you paid in connection with an award from the IRS for information you provided that helped the IRS detect tax law violations .....	<b>24i</b>		
<b>j</b>	Housing deduction from Form 2555 .....	<b>24j</b>		
<b>k</b>	Excess deductions of section 67(e) expenses from Schedule K-1 (Form 1041) .....	<b>24k</b>		
<b>z</b>	Other adjustments. List type and amount: .....			
	.....	<b>24z</b>		
<b>25</b>	Total other adjustments. Add lines 24a through 24z .....		<b>25</b>	
<b>26</b>	Add lines 11 through 23 and 25. These are your <b>adjustments to income</b> . Enter here and on Form 1040 or 1040-SR, line 10, or Form 1040-NR, line 10a .....		<b>26</b>	

**SCHEDULE 2  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Additional Taxes**

Attach to Form 1040, 1040-SR, or 1040-NR.  
Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.

OMB No. 1545-0074

**2022**  
Attachment  
Sequence No. **02**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

**BRAD J. & LISA N K. SHERMAN**

Your social security number

[REDACTED]

**Part I Tax**

<b>1</b>	Alternative minimum tax. Attach Form 6251 .....	<b>1</b>	0.
<b>2</b>	Excess advance premium tax credit repayment. Attach Form 8962 .....	<b>2</b>	
<b>3</b>	Add lines 1 and 2. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 17 .....	<b>3</b>	0.

**Part II Other Taxes**

<b>4</b>	Self-employment tax. Attach Schedule SE .....	<b>4</b>	
<b>5</b>	Social security and Medicare tax on unreported tip income. Attach Form 4137 .....	<b>5</b>	
<b>6</b>	Uncollected social security and Medicare tax on wages. Attach Form 8919 .....	<b>6</b>	
<b>7</b>	Total additional social security and Medicare tax. Add lines 5 and 6 .....	<b>7</b>	
<b>8</b>	Additional tax on IRAs or other tax-favored accounts. Attach Form 5329 if required If not required, check here <input type="checkbox"/> .....	<b>8</b>	
<b>9</b>	Household employment taxes. Attach Schedule H .....	<b>9</b>	3,187.
<b>10</b>	Repayment of first-time homebuyer credit. Attach Form 5405 if required .....	<b>10</b>	
<b>11</b>	Additional Medicare Tax. Attach Form 8959 .....	<b>11</b>	646.
<b>12</b>	Net investment income tax. Attach Form 8960 .....	<b>12</b>	4,563.
<b>13</b>	Uncollected social security and Medicare or RRTA tax on tips or group-term life insurance from Form W-2, box 12 .....	<b>13</b>	
<b>14</b>	Interest on tax due on installment income from the sale of certain residential lots and timeshares .....	<b>14</b>	
<b>15</b>	Interest on the deferred tax on gain from certain installment sales with a sales price over \$150,000 .....	<b>15</b>	
<b>16</b>	Recapture of low-income housing credit. Attach Form 8611 .....	<b>16</b>	

(continued on page 2)

LHA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 2 (Form 1040) 2022

**Part II Other Taxes** (continued)

<b>17</b>	Other additional taxes:		
<b>a</b>	Recapture of other credits. List type, form number, and amount	<b>17a</b>	
<b>b</b>	Recapture of federal mortgage subsidy, if you sold your home see instructions	<b>17b</b>	
<b>c</b>	Additional tax on HSA distributions. Attach Form 8889	<b>17c</b>	
<b>d</b>	Additional tax on an HSA because you didn't remain an eligible individual. Attach Form 8889	<b>17d</b>	
<b>e</b>	Additional tax on Archer MSA distributions. Attach Form 8853	<b>17e</b>	
<b>f</b>	Additional tax on Medicare Advantage MSA distributions. Attach Form 8853	<b>17f</b>	
<b>g</b>	Recapture of a charitable contribution deduction related to a fractional interest in tangible personal property	<b>17g</b>	
<b>h</b>	Income you received from a nonqualified deferred compensation plan that fails to meet the requirements of section 409A	<b>17h</b>	
<b>i</b>	Compensation you received from a nonqualified deferred compensation plan described in section 457A	<b>17i</b>	
<b>j</b>	Section 72(m)(5) excess benefits tax	<b>17j</b>	
<b>k</b>	Golden parachute payments	<b>17k</b>	
<b>l</b>	Tax on accumulation distribution of trusts	<b>17l</b>	
<b>m</b>	Excise tax on insider stock compensation from an expatriated corporation	<b>17m</b>	
<b>n</b>	Look-back interest under section 167(g) or 460(b) from Form 8697 or 8866	<b>17n</b>	
<b>o</b>	Tax on non-effectively connected income for any part of the year you were a nonresident alien from Form 1040-NR	<b>17o</b>	
<b>p</b>	Any interest from Form 8621, line 16f, relating to distributions from, and dispositions of, stock of a section 1291 fund	<b>17p</b>	
<b>q</b>	Any interest from Form 8621, line 24	<b>17q</b>	
<b>z</b>	Any other taxes. List type and amount:	<b>17z</b>	
<b>18</b>	Total additional taxes. Add lines 17a through 17z	<b>18</b>	
<b>19</b>	Reserved for future use	<b>19</b>	
<b>20</b>	Section 965 net tax liability installment from Form 965-A	<b>20</b>	
<b>21</b>	Add lines 4, 7 through 16, and 18. These are your <b>total other taxes</b> . Enter here and on Form 1040 or 1040-SR, line 23, or Form 1040-NR, line 23b	<b>21</b>	<b>8,396.</b>



**SCHEDULE B**  
(Form 1040)

Department of the Treasury  
Internal Revenue Service  
Name(s) shown on return

**Interest and Ordinary Dividends**

Go to [www.irs.gov/ScheduleB](http://www.irs.gov/ScheduleB) for instructions and the latest information.

Attach to Form 1040 or 1040-SR.

OMB No. 1545-0074

**2022**  
Attachment  
Sequence No. **08**

**BRAD J. & LISA N K. SHERMAN**

Your social security number

**Part I**

**Interest**

**1** List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address

CONGRESSIONAL FEDERAL CREDIT UNION

MERRILL LYNCH

WESCOM CREDIT UNION

FROM K-1 - LANE M SHERMAN FAMILY TRUST

**Amount**

481.

97,786.

175.

17.

**1**

**Note:** If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

**SUBTOTAL FOR LINE 1**

98,459.

**ABP ADJUSTMENT**

**SEE STATEMENT 14**

-6,665.

**2** Add the amounts on line 1

**2**

91,794.

**3** Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815

**3**

**4** Subtract line 3 from line 2. Enter the result here and on Form 1040 or 1040-SR, line 2b

**4**

91,794.

**Note:** If line 4 is over \$1,500, you must complete Part III.

**Amount**

**Part II**

**Ordinary Dividends**

**5** List name of payer

MERRILL LYNCH

VANGUARD INFLATION PROTECT SEC ADM

VANGUARD FED MONEY MKT FUND

VANGUARD 500 INDEX FUND ADM

VANGUARD TOTAL STOCK MKT IDX ADM

FROM K-1 - LANE M SHERMAN FAMILY TRUST

10,731.

1,299.

644.

3,897.

2,763.

66.

**5**

**Note:** If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

**6** Add the amounts on line 5. Enter the total here and on Form 1040 or 1040-SR, line 3b

**6**

19,400.

**Note:** If line 6 is over \$1,500, you must complete Part III.

**Part III**

**Foreign Accounts and Trusts**

**Caution:** If required, failure to file Fin CEN Form 114 may result in substantial penalties. Additionally, you may be required to file Form 8938, Statement of Specified Foreign Financial Assets. See instr. 227501 12-07-22

You must complete this part if you **(a)** had over \$1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

**Yes No**

**7a** At any time during 2022, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions

**X**

**b** If you are required to file FinCEN Form 114, list the name(s) of the foreign country(-ies) where the financial account(s) are located

**8** During 2022, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust?

If "Yes," you may have to file Form 3520. See instructions

**X**

# Interest and Dividend Summary

Name: BRAD J. & LISA N K. SHERMAN

FEIN/SSN: [REDACTED]

	Payer	Interest	Interest on U.S. Savings Bonds	Tax-Exempt Interest	Private Activity Interest	Market Discount	Original Issue Discount (OID)	Ordinary Dividends	Qualified Dividends
A	CONGRESSIONAL FEDERAL CREDIT UNION	481.							
B	MERRILL LYNCH	3,605.	94,181.						
C	WESCOM CREDIT UNION	175.							
D	MERRILL LYNCH			5,910.	756.			10,731.	8,618.
E	VANGUARD CA IT TAX-EXEMPT ADMIRAL			1,573.					
F	VANGUARD INFLATION PROTECT SEC ADM							1,299.	
G	VANGUARD FED MONEY MKT FUND							644.	0.
H	VANGUARD 500 INDEX FUND ADM							3,897.	3,897.
I	VANGUARD TOTAL STOCK MKT IDX ADM							2,763.	2,592.
J	FROM K-1 - LANE M SHERMAN FAMILY TRUST	17.						66.	48.
K	FROM K-1 - LANE M SHERMAN FAMILY TRUST			131.					
Totals		4,278.	94,181.	7,614.	756.			19,400.	15,155.

	Capital Gain Distributions	Unrecaptured Section 1250 Gain	Section 1202 Gain	Collectibles	Section 199A Dividends	Investment Expenses	Federal Tax Withheld	State Tax Withheld	Foreign Tax Paid
A									
B									
C									
D	1,478.				212.				
E									
F									
G									
H									
I					123.				
J									
K									
Totals	1,478.				335.				

**SCHEDULE D**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to [www.irs.gov/ScheduleD](http://www.irs.gov/ScheduleD) for instructions and the latest information.  
Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074

**2022**

Attachment  
Sequence No. **12**

Name(s) shown on return

**BRAD J. & LISA N K. SHERMAN**

Your social security number

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year?  Yes  No  
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

**Part I Short-Term Capital Gains and Losses - Generally Assets Held One Year or Less** (see instructions)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
<b>1a</b> Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked	2,078,123.	2,126,065.		<47,942.>
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked				
<b>4</b> Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				<b>4</b>
<b>5</b> Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				<b>5</b>
<b>6</b> Short-term capital loss carryover. Enter the amount, if any, from line 8 of your <b>Capital Loss Carryover Worksheet</b> in the instructions				<b>6</b> ( )
<b>7</b> <b>Net short-term capital gain or (loss)</b> . Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on page 2				<b>7</b> <47,942.>

**Part II Long-Term Capital Gains and Losses - Generally Assets Held More Than One Year** (see instructions)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
<b>8a</b> Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked	1,729,331.	1,809,079.		<79,748.>
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked	291,940.	332,940.		<41,000.>
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked				
<b>11</b> Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				<b>11</b> 178,033.
<b>12</b> Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				<b>12</b>
<b>13</b> Capital gain distributions. See the instructions				<b>13</b> 1,478.
<b>14</b> Long-term capital loss carryover. Enter the amount, if any, from line 13 of your <b>Capital Loss Carryover Worksheet</b> in the instructions				<b>14</b> ( )
<b>15</b> <b>Net long-term capital gain or (loss)</b> . Combine lines 8a through 14 in column (h). Then, go to Part III on page 2				<b>15</b> 58,763.

LHA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule D (Form 1040) 2022

Part III Summary

<p><b>16</b> Combine lines 7 and 15 and enter the result .....</p>	<b>16</b>	10,821.
<ul style="list-style-type: none"> <li>• If line 16 is a <b>gain</b>, enter the amount from line 16 on Form 1040, 1040-SR, or 1040-NR, line 7. Then, go to line 17 below.</li> <li>• If line 16 is a <b>loss</b>, skip lines 17 through 20 below. Then, go to line 21. Also be sure to complete line 22.</li> <li>• If line 16 is <b>zero</b>, skip lines 17 through 21 below and enter -0- on Form 1040, 1040-SR, or 1040-NR, line 7. Then, go to line 22.</li> </ul>		
<p><b>17</b> Are lines 15 and 16 <b>both</b> gains?</p> <p><input checked="" type="checkbox"/> <b>Yes.</b> Go to line 18.</p> <p><input type="checkbox"/> <b>No.</b> Skip lines 18 through 21, and go to line 22.</p>		
<p><b>18</b> If you are required to complete the <b>28% Rate Gain Worksheet</b>(see instructions), enter the amount, if any, from line 7 of that worksheet .....</p>	<b>18</b>	
<p><b>19</b> If you are required to complete the <b>Unrecaptured Section 1250 Gain Worksheet</b> (see instructions), enter the amount, if any, from line 18 of that worksheet .....</p>	<b>19</b>	
<p><b>20</b> Are lines 18 and 19 both zero or blank and you are not filing Form 4952?</p> <p><input checked="" type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 16. <b>Don't</b> complete lines 21 and 22 below.</p> <p><input type="checkbox"/> <b>No.</b> Complete the <b>Schedule D Tax Worksheet</b> in the instructions. <b>Don't</b> complete lines 21 and 22 below.</p>		
<p><b>21</b> If line 16 is a loss, enter here and on Form 1040, 1040-SR, or 1040-NR, line 7, the <b>smaller</b> of:</p> <ul style="list-style-type: none"> <li>• The loss on line 16; or</li> <li>• (\$3,000), or if married filing separately, (\$1,500) } .....</li> </ul> <p><b>Note:</b> When figuring which amount is smaller, treat both amounts as positive numbers.</p>	<b>21</b>	( )
<p><b>22</b> Do you have qualified dividends on Form 1040, 1040-SR, or 1040-NR, line 3a?</p> <p><input type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 16.</p> <p><input type="checkbox"/> <b>No.</b> Complete the rest of Form 1040, 1040-SR, or 1040-NR.</p>		





Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on page 1

Social security number or taxpayer identification no.

**BRAD J. & LISA N K. SHERMAN**

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

**Part II Long-Term.** Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.  
**Note:** You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

**You must check Box D, E, or F below. Check only one box.** If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (E) Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (F) Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price)	(e) Cost or other basis. See the <b>Note</b> below and see <i>Column (e)</i> in the instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See instructions.		(h) <b>Gain or (loss).</b> Subtract column (e) from column (d) & combine the result with column (g)
						(f) Code(s)	(g) Amount of adjustment	
	15780.110 SH - BLACKROCK MUNIHDS CA QLT	VARIOUS	04/14/22	188,674.	213,631.			<24,957.>
	1000.000 SH - BLACKROCK TAXABLE MUNICIPAL	08/26/10	11/03/22	16,635.	19,669.			<3,034.>
	1000.000 SH - GUGGENHEIM TAXABLE MUNICIPAL	10/26/10	11/03/22	15,525.	19,627.			<4,102.>
	7241.469 SH - AB MUNI INCOME FUND CA	VARIOUS	11/03/22	71,106.	80,013.			<8,907.>
<b>2 Totals.</b> Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, <b>line 8b</b> (if <b>Box D</b> above is checked), <b>line 9</b> (if <b>Box E</b> above is checked), or <b>line 10</b> (if <b>Box F</b> above is checked) .....				291,940.	332,940.			<41,000.>

**Note:** If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

**Qualified Dividends and Capital Gain Tax Worksheet - Line 16**

Keep for Your Records

Name(s) shown on return <b>BRAD J. &amp; LISA N K. SHERMAN</b>	Your SSN [REDACTED]
---	------------------------

**Before you begin:**

- ✓ See the earlier instructions for line 16 to see if you can use this worksheet to figure your tax.
- ✓ Before completing this worksheet, complete Form 1040 or 1040-SR through line 15.
- ✓ If you don't have to file Schedule D and you received capital gain distributions, be sure you checked the box on Form 1040 or 1040-SR, line 7.

1. Enter the amount from Form 1040 or 1040-SR, line 15. However, if you are filing Form 2555 (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet .....	1.	<u>369,852.</u>	
2. Enter the amount from Form 1040 or 1040-SR, line 3a* .....	2.	<u>15,155.</u>	
3. Are you filing Schedule D?*			
<input checked="" type="checkbox"/> <b>Yes.</b> Enter the <b>smaller</b> of line 15 or 16 of Schedule D. If either line 15 or 16 is blank or a loss, enter -0-.	}	3. <u>10,821.</u>	
<input type="checkbox"/> <b>No.</b> Enter the amount from Form 1040 or 1040-SR, line 7.			
4. Add lines 2 and 3 .....	4.	<u>25,976.</u>	
5. Subtract line 4 from line 1. If zero or less, enter -0- .....	5.	<u>343,876.</u>	
6. Enter: \$ 41,675 if single or married filing separately, \$ 83,350 if married filing jointly or qualifying surviving spouse, \$ 55,800 if head of household.	}	6. <u>83,350.</u>	
7. Enter the smaller of line 1 or line 6 .....	7.	<u>83,350.</u>	
8. Enter the smaller of line 5 or line 7 .....	8.	<u>83,350.</u>	
9. Subtract line 8 from line 7. This amount is taxed at 0% .....	9.	<u>0.</u>	
10. Enter the smaller of line 1 or line 4 .....	10.	<u>25,976.</u>	
11. Enter the amount from line 9 .....	11.	<u>0.</u>	
12. Subtract line 11 from line 10 .....	12.	<u>25,976.</u>	
13. Enter: \$ 459,750 if single, \$ 258,600 if married filing separately, \$ 517,200 if married filing jointly or qualifying surviving spouse, \$ 488,500 if head of household.	}	13. <u>517,200.</u>	
14. Enter the smaller of line 1 or line 13 .....	14.	<u>369,852.</u>	
15. Add lines 5 and 9 .....	15.	<u>343,876.</u>	
16. Subtract line 15 from line 14. If zero or less, enter -0- .....	16.	<u>25,976.</u>	
17. Enter the smaller of line 12 or line 16 .....	17.	<u>25,976.</u>	
18. Multiply line 17 by 15% (0.15) .....	18.	<u>3,896.</u>	
19. Add lines 9 and 17 .....	19.	<u>25,976.</u>	
20. Subtract line 19 from line 10 .....	20.	<u>0.</u>	
21. Multiply line 20 by 20% (0.20) .....	21.	<u>0.</u>	
22. Figure the tax on the amount on line 5. If the amount on line 5 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 5 is \$100,000 or more, use the Tax Computation Worksheet .....	22.	<u>70,503.</u>	
23. Add lines 18, 21, and 22 .....	23.	<u>74,399.</u>	
24. Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet .....	24.	<u>78,816.</u>	
25. <b>Tax on all taxable income.</b> Enter the <b>smaller</b> of line 23 or 24. Also include this amount on the entry space on Form 1040 or 1040-SR, line 16. If you are filing Form 2555, don't enter this amount on the entry space on Form 1040 or 1040-SR, line 16. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet .....	25.	<u>74,399.</u>	

\* If you are filing Form 2555, see the footnote in the Foreign Earned Income Tax Worksheet before completing this line.

Name(s) shown on return. Do not enter name and social security number if shown on page 1.

Your social security number

BRAD J. & LISA N K. SHERMAN

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note: If you report a loss, receive a distribution, dispose of stock, or receive a loan repayment from an S corporation, you must check the box in column (e) on line 28 and attach the required basis computation. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (f) on line 28 and attach Form 6198. See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see instructions before completing this section

Table with 6 columns: (a) Name, (b) Enter P for partnership, S for S corporation, (c) Check if foreign partnership, (d) Employer identification number, (e) Check if basis computation is required, (f) Check if any amount is not at risk. Rows A, B, C, D.

Table with 5 columns: (g) Passive loss allowed, (h) Passive income from Schedule K-1, (i) Nonpassive loss allowed, (j) Section 179 expense deduction, (k) Nonpassive income from Schedule K-1. Rows A, B, C, D, 29a Totals, 29b Totals, 30, 31, 32.

Part III Income or Loss From Estates and Trusts

Table with 2 columns: (a) Name, (b) Employer identification number. Rows A, B.

Table with 4 columns: (c) Passive deduction or loss allowed, (d) Passive income from Schedule K-1, (e) Deduction or loss from Schedule K-1, (f) Other income from Schedule K-1. Rows A, B, 34a Totals, 34b Totals, 35, 36, 37.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

Table with 5 columns: (a) Name, (b) Employer identification number, (c) Excess inclusion from Schedules Q, line 2c, (d) Taxable income (net loss) from Schedules Q, line 1b, (e) Income from Schedules Q, line 3b. Row 39.

Part V Summary \* ENTIRE DISPOSITION OF PASSIVE ACTIVITY

Table with 3 columns: Description, Amount, and another column. Rows 40, 41, 42, 43.

**INCOME FROM PASSTHROUGH STATEMENT, PAGE 1**

2022

**SCHEDULE E**

Name BRAD J. SHERMAN

SSN/EIN                     

Passthrough SARAH SCHARF LIVING TRUST -- BRAD SHERMAN

ID                     

TAXPAYER                     

ESTATE OR TRUST

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
<b>SCHEDULE E, PAGE 2</b>								
Ordinary business income (loss) .....								
Rental real estate income (loss) .....								
Other net rental income (loss) .....								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments .....								
Section 179 and carryover .....								
Disallowed section 179 expense .....								
Excess farm loss .....								
Net income (loss) .....								
First passive other .....								
Second passive other .....								
Cost depletion .....								
Percentage depletion .....								
Depletion carryover .....								
Disallowed due to 65% limitation .....								
Unreimbursed expenses (nonpassive)								
Nonpassive other .....								
Total Schedule E (page 2) .....								
<b>FORM 4797</b>								
Section 1231 gain (loss) .....								
Section 179 recapture on disposition								
<b>SCHEDULE D</b>								
Net short-term cap. gain (loss) .....								
Net long-term cap. gain (loss) .....								
Section 1256 contracts & straddles ...								
<b>FORM 4952</b>								
Investment interest expense - Sch. A								
Other net investment income .....								
<b>ITEMIZED DEDUCTIONS</b>								
Charitable contributions .....								
Deductions related to portfolio income								
Other .....								

**INCOME FROM PASSTHROUGH STATEMENT, PAGE 2**

2022

**SCHEDULE E**

Name BRAD J. SHERMAN

SSN/EIN                     

Passthrough SARAH SCHARF LIVING TRUST -- BRAD SHERMAN

ID                     

TAXPAYER                     

ESTATE OR TRUST

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
<b>INTEREST AND DIVIDENDS</b>								
Interest income .....								
Interest from U.S. bonds .....								
Ordinary dividends .....								
Qualified dividends .....								
Tax-exempt interest income .....								
<b>FORM 6251</b>								
Depreciation adjustment after 12/31/86								
Adjusted gain or loss .....								
Beneficiary's AMT adjustment .....								
Depletion (other than oil) .....								
Other .....								
<b>MISCELLANEOUS</b>								
Self-employment earnings (loss)/Wages								
Gross farming & fishing inc .....								
Royalties .....								
Royalty expenses/depletion .....								
Undistributed capital gains credit .....								
Backup withholding .....								
Credit for estimated tax .....								
Cancellation of debt .....								
Medical insurance - 1040 .....								
Dependent care benefits .....								
Retirement plans .....								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL .....								
Other taxes/recapture of credits .....								
Credits .....								
Casualty and theft loss .....								
<b>FORM 8995</b>								
Qualified business income .....								
Qualified service income .....								
Section 199A W-2 wages .....								
Section 199A unadjusted basis .....								

**INCOME FROM PASSTHROUGH STATEMENT, PAGE 1**

2022

**SCHEDULE E**

Name BRAD J. SHERMAN

SSN/EIN                     

Passthrough MAURICE H SHERMAN TRUST - BRAD SHERMAN ID                     

TAXPAYER

ESTATE OR TRUST

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
<b>SCHEDULE E, PAGE 2</b>								
Ordinary business income (loss) .....								
Rental real estate income (loss) .....								
Other net rental income (loss) .....								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments .....								
Section 179 and carryover .....								
Disallowed section 179 expense .....								
Excess farm loss .....								
Net income (loss) .....								
First passive other .....								
Second passive other .....								
Cost depletion .....								
Percentage depletion .....								
Depletion carryover .....								
Disallowed due to 65% limitation .....								
Unreimbursed expenses (nonpassive)								
Nonpassive other .....								
Total Schedule E (page 2) .....								
<b>FORM 4797</b>								
Section 1231 gain (loss) .....								
Section 179 recapture on disposition								
<b>SCHEDULE D</b>								
Net short-term cap. gain (loss) .....								
Net long-term cap. gain (loss) .....								
Section 1256 contracts & straddles ...								
<b>FORM 4952</b>								
Investment interest expense - Sch. A								
Other net investment income .....								
<b>ITEMIZED DEDUCTIONS</b>								
Charitable contributions .....								
Deductions related to portfolio income								
Other .....								

**INCOME FROM PASSTHROUGH STATEMENT, PAGE 2**

2022

**SCHEDULE E**

Name BRAD J. SHERMAN

SSN/EIN                     

Passthrough MAURICE H SHERMAN TRUST - BRAD SHERMAN ID                     

TAXPAYER

ESTATE OR TRUST

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
<b>INTEREST AND DIVIDENDS</b>								
Interest income .....								
Interest from U.S. bonds .....								
Ordinary dividends .....								
Qualified dividends .....								
Tax-exempt interest income .....								
<b>FORM 6251</b>								
Depreciation adjustment after 12/31/86								
Adjusted gain or loss .....								
Beneficiary's AMT adjustment .....								
Depletion (other than oil) .....								
Other .....								
<b>MISCELLANEOUS</b>								
Self-employment earnings (loss)/Wages								
Gross farming & fishing inc .....								
Royalties .....								
Royalty expenses/depletion .....								
Undistributed capital gains credit .....								
Backup withholding .....								
Credit for estimated tax .....								
Cancellation of debt .....								
Medical insurance - 1040 .....								
Dependent care benefits .....								
Retirement plans .....								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL .....								
Other taxes/recapture of credits .....								
Credits .....								
Casualty and theft loss .....								
<b>FORM 8995</b>								
Qualified business income .....								
Qualified service income .....								
Section 199A W-2 wages .....								
Section 199A unadjusted basis .....								

**INCOME FROM PASSTHROUGH STATEMENT, PAGE 1**

2022

**SCHEDULE E**

Name BRAD J. SHERMAN

SSN/EIN                     

Passthrough MARGARET S MOSS IRREV TR 021897 - BRAD SHERMAN ID                     

TAXPAYER

ESTATE OR TRUST

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
<b>SCHEDULE E, PAGE 2</b>								
Ordinary business income (loss) .....								
Rental real estate income (loss) .....								
Other net rental income (loss) .....								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments .....								
Section 179 and carryover .....								
Disallowed section 179 expense .....								
Excess farm loss .....								
Net income (loss) .....								
First passive other .....								
Second passive other .....								
Cost depletion .....								
Percentage depletion .....								
Depletion carryover .....								
Disallowed due to 65% limitation .....								
Unreimbursed expenses (nonpassive)								
Nonpassive other .....								
Total Schedule E (page 2) .....								
<b>FORM 4797</b>								
Section 1231 gain (loss) .....								
Section 179 recapture on disposition								
<b>SCHEDULE D</b>								
Net short-term cap. gain (loss) .....								
Net long-term cap. gain (loss) .....								
Section 1256 contracts & straddles ...								
<b>FORM 4952</b>								
Investment interest expense - Sch. A								
Other net investment income .....								
<b>ITEMIZED DEDUCTIONS</b>								
Charitable contributions .....								
Deductions related to portfolio income								
Other .....								

**INCOME FROM PASSTHROUGH STATEMENT, PAGE 2**

2022

**SCHEDULE E**

Name BRAD J. SHERMAN

SSN/EIN                     

Passthrough MARGARET S MOSS IRREV TR 021897 - BRAD SHERMAN ID                     

TAXPAYER

ESTATE OR TRUST

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
<b>INTEREST AND DIVIDENDS</b>								
Interest income .....								
Interest from U.S. bonds .....								
Ordinary dividends .....								
Qualified dividends .....								
Tax-exempt interest income .....								
<b>FORM 6251</b>								
Depreciation adjustment after 12/31/86								
Adjusted gain or loss .....								
Beneficiary's AMT adjustment .....								
Depletion (other than oil) .....								
Other .....								
<b>MISCELLANEOUS</b>								
Self-employment earnings (loss)/Wages								
Gross farming & fishing inc .....								
Royalties .....								
Royalty expenses/depletion .....								
Undistributed capital gains credit .....								
Backup withholding .....								
Credit for estimated tax .....								
Cancellation of debt .....								
Medical insurance - 1040 .....								
Dependent care benefits .....								
Retirement plans .....								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL .....								
Other taxes/recapture of credits .....								
Credits .....								
Casualty and theft loss .....								
<b>FORM 8995</b>								
Qualified business income .....								
Qualified service income .....								
Section 199A W-2 wages .....								
Section 199A unadjusted basis .....								

**INCOME FROM PASSTHROUGH STATEMENT, PAGE 1**

2022

**SCHEDULE E**

Name BRAD J. SHERMAN

SSN/EIN                     

Passthrough LANE M SHERMAN FAMILY TRUST - BRAD SHERMAN

ID                     

TAXPAYER                     

ESTATE OR TRUST

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
<b>SCHEDULE E, PAGE 2</b>								
Ordinary business income (loss) .....								
Rental real estate income (loss) .....								
Other net rental income (loss) .....								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments .....								
Section 179 and carryover .....								
Disallowed section 179 expense .....								
Excess farm loss .....								
Net income (loss) .....								
First passive other .....								
Second passive other .....								
Cost depletion .....								
Percentage depletion .....								
Depletion carryover .....								
Disallowed due to 65% limitation .....								
Unreimbursed expenses (nonpassive)								
Nonpassive other .....								
Total Schedule E (page 2) .....								
<b>FORM 4797</b>								
Section 1231 gain (loss) .....								
Section 179 recapture on disposition								
<b>SCHEDULE D</b>								
Net short-term cap. gain (loss) .....								
Net long-term cap. gain (loss) .....								
Section 1256 contracts & straddles ...								
<b>FORM 4952</b>								
Investment interest expense - Sch. A								
Other net investment income .....								
<b>ITEMIZED DEDUCTIONS</b>								
Charitable contributions .....								
Deductions related to portfolio income								
Other .....								

**INCOME FROM PASSTHROUGH STATEMENT, PAGE 2**

2022

**SCHEDULE E**

Name BRAD J. SHERMAN

SSN/EIN                     

Passthrough LANE M SHERMAN FAMILY TRUST - BRAD SHERMAN ID                     

TAXPAYER

ESTATE OR TRUST

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
<b>INTEREST AND DIVIDENDS</b>								
Interest income .....	17.							17.
Interest from U.S. bonds .....								
Ordinary dividends .....	66.							66.
Qualified dividends .....	48.							48.
Tax-exempt interest income .....	131.							131.
<b>FORM 6251</b>								
Depreciation adjustment after 12/31/86								
Adjusted gain or loss .....								
Beneficiary's AMT adjustment .....								
Depletion (other than oil) .....								
Other .....								
<b>MISCELLANEOUS</b>								
Self-employment earnings (loss)/Wages								
Gross farming & fishing inc .....								
Royalties .....								
Royalty expenses/depletion .....								
Undistributed capital gains credit .....								
Backup withholding .....								
Credit for estimated tax .....								
Cancellation of debt .....								
Medical insurance - 1040 .....								
Dependent care benefits .....								
Retirement plans .....								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL .....								
Other taxes/recapture of credits .....								
Credits .....								
Casualty and theft loss .....								
<b>FORM 8995</b>								
Qualified business income .....								
Qualified service income .....								
Section 199A W-2 wages .....								
Section 199A unadjusted basis .....								

# Child and Dependent Care Expenses

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to [www.irs.gov/Form2441](http://www.irs.gov/Form2441) for instructions and the latest information.

Name(s) shown on return

Your social security number

**BRAD J. & LISA N K. SHERMAN**



**A** You can't claim a credit for child and dependent care expenses if your filing status is married filing separately unless you meet the requirements listed in the instructions under *Married Persons Filing Separately*. If you meet these requirements, check this box

**B** If you or your spouse was a student or was disabled during 2022 and you're entering deemed income of \$250 or \$500 a month on Form 2441 based on the income rules listed in the instructions under *If You or Your Spouse Was a Student or Disabled*, check this box

**Part I** **Persons or Organizations Who Provided the Care** - You must complete this part.

If you have more than three care providers, see the instructions and check this box

1 (a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Was the care provider your household employee in 2022? For example, this generally includes nannies but not daycare centers.	(e) Amount paid
NONE			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	

Did you receive dependent care benefits?  **No** Complete only Part II below.  
 **Yes** Complete Part III on page 2 next.

**Caution:** If the care provider is your household employee, you may owe employment taxes. For details, see the Instructions for Schedule H (Form 1040). If you incurred care expenses in 2022 but didn't pay them until 2023, or if you prepaid in 2022 for care to be provided in 2023, don't include these expenses in column (d) of line 2 for 2022. See the instructions.

**Part II** **Credit for Child and Dependent Care Expenses**

**2** Information about your **qualifying person(s)**. If you have more than three qualifying persons, see the instructions and check this box

(a) Qualifying person's name		(b) Qualifying person's social security number	(c) Check here if the qualifying person was over age 12 and was disabled. (see instructions)	(d) Qualified expenses you incurred and paid in 2022 for the person listed in column (a)
First	Last			
			<input type="checkbox"/>	
			<input type="checkbox"/>	
			<input type="checkbox"/>	

<b>3</b> Add the amounts in column (d) of line 2. <b>Don't</b> enter more than \$3,000 if you had one qualifying person or \$6,000 if you had two or more persons. If you completed Part III, enter the amount from line 31	<b>3</b>																																																																									
<b>4</b> Enter your <b>earned income</b> . See instructions	<b>4</b>																																																																									
<b>5</b> If married filing jointly, enter your spouse's earned income (if you or your spouse was a student or was disabled, see the instructions); <b>all others</b> , enter the amount from line 4	<b>5</b>																																																																									
<b>6</b> Enter the <b>smallest</b> of line 3, 4, or 5	<b>6</b>																																																																									
<b>7</b> Enter the amount from Form 1040, 1040-SR, or 1040-NR, line 11	<b>7</b>																																																																									
<b>8</b> Enter on line 8 the decimal amount shown below that applies to the amount on line 7.	<b>8</b>	<b>X</b>																																																																								
<table border="1"> <thead> <tr> <th colspan="3">If line 7 is:</th> <th colspan="3">If line 7 is:</th> <th colspan="3">If line 7 is:</th> </tr> <tr> <th>Over</th> <th>But not over</th> <th>Decimal amount is</th> <th>Over</th> <th>But not over</th> <th>Decimal amount is</th> <th>Over</th> <th>But not over</th> <th>Decimal amount is</th> </tr> </thead> <tbody> <tr> <td>\$0</td> <td>- 15,000</td> <td>.35</td> <td>\$25,000</td> <td>- 27,000</td> <td>.29</td> <td>\$37,000</td> <td>- 39,000</td> <td>.23</td> </tr> <tr> <td>15,000</td> <td>- 17,000</td> <td>.34</td> <td>27,000</td> <td>- 29,000</td> <td>.28</td> <td>39,000</td> <td>- 41,000</td> <td>.22</td> </tr> <tr> <td>17,000</td> <td>- 19,000</td> <td>.33</td> <td>29,000</td> <td>- 31,000</td> <td>.27</td> <td>41,000</td> <td>- 43,000</td> <td>.21</td> </tr> <tr> <td>19,000</td> <td>- 21,000</td> <td>.32</td> <td>31,000</td> <td>- 33,000</td> <td>.26</td> <td>43,000</td> <td>- No limit</td> <td>.20</td> </tr> <tr> <td>21,000</td> <td>- 23,000</td> <td>.31</td> <td>33,000</td> <td>- 35,000</td> <td>.25</td> <td></td> <td></td> <td></td> </tr> <tr> <td>23,000</td> <td>- 25,000</td> <td>.30</td> <td>35,000</td> <td>- 37,000</td> <td>.24</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	If line 7 is:			If line 7 is:			If line 7 is:			Over	But not over	Decimal amount is	Over	But not over	Decimal amount is	Over	But not over	Decimal amount is	\$0	- 15,000	.35	\$25,000	- 27,000	.29	\$37,000	- 39,000	.23	15,000	- 17,000	.34	27,000	- 29,000	.28	39,000	- 41,000	.22	17,000	- 19,000	.33	29,000	- 31,000	.27	41,000	- 43,000	.21	19,000	- 21,000	.32	31,000	- 33,000	.26	43,000	- No limit	.20	21,000	- 23,000	.31	33,000	- 35,000	.25				23,000	- 25,000	.30	35,000	- 37,000	.24					
If line 7 is:			If line 7 is:			If line 7 is:																																																																				
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19,000	- 21,000	.32	31,000	- 33,000	.26	43,000	- No limit	.20																																																																		
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23,000	- 25,000	.30	35,000	- 37,000	.24																																																																					
<b>9a</b> Multiply line 6 by the decimal amount on line 8	<b>9a</b>																																																																									
<b>b</b> If you paid 2021 expenses in 2022, complete Worksheet A in the instructions. Enter the amount from line 13 of the worksheet here. Otherwise, enter -0- on line 9b and go to line 9c	<b>9b</b>	<b>0.</b>																																																																								
<b>c</b> Add lines 9a and 9b and enter the result	<b>9c</b>																																																																									
<b>10</b> Tax liability limit. Enter the amount from the Credit Limit Worksheet in the instructions	<b>10</b>																																																																									
<b>11</b> <b>Credit for child and dependent care expenses.</b> Enter the <b>smaller</b> of line 9c or line 10 here and on Schedule 3 (Form 1040), line 2	<b>11</b>																																																																									

**Part III Dependent Care Benefits**

<b>12</b> Enter the total amount of <b>dependent care benefits</b> you received in 2022. Amounts you received as an employee should be shown in box 10 of your Form(s) W-2. <b>Don't</b> include amounts reported as wages in box 1 of Form(s) W-2. If you were self-employed or a partner, include amounts you received under a dependent care assistance program from your sole proprietorship or partnership .....	<b>12</b>	
<b>13</b> Enter the amount, if any, you carried over from 2020 and/or 2021 and used in 2022. See instructions .....	<b>13</b>	
<b>14</b> If you forfeited or carried over to 2023 any of the amounts reported on line 12 or 13, enter the amount. See instructions .....	<b>14</b>	( )
<b>15</b> Combine lines 12 through 14. See instructions .....	<b>15</b>	
<b>16</b> Enter the total amount of <b>qualified expenses</b> incurred in 2022 for the care of the <b>qualifying person(s)</b> .....	<b>16</b>	
<b>17</b> Enter the <b>smaller</b> of line 15 or 16 .....	<b>17</b>	
<b>18</b> Enter your <b>earned income</b> . See instructions .....	<b>18</b>	
<b>19</b> Enter the amount shown below that applies to you. <ul style="list-style-type: none"> <li>• If married filing jointly, enter your spouse's earned income (if you or your spouse was a student or was disabled, see the instructions for line 5).</li> <li>• If married filing separately, see instructions.</li> <li>• All others, enter the amount from line 18.</li> </ul>	<b>19</b>	
<b>20</b> Enter the <b>smallest</b> of line 17, 18, or 19 .....	<b>20</b>	
<b>21</b> Enter \$5,000 (\$2,500 if married filing separately <b>and</b> you were required to enter your spouse's earned income on line 19). If you entered an amount on line 13, add it to the \$5,000 or \$2,500 amount you enter on line 21. However, don't enter more than the maximum amount allowed under your dependent care plan. If your dependent care plan uses a non-calendar plan year, see instructions .....	<b>21</b>	
<b>22</b> Is any amount on line 12 or 13 from your sole proprietorship or partnership? <input type="checkbox"/> <b>No.</b> Enter -0-. <input type="checkbox"/> <b>Yes.</b> Enter the amount here .....	<b>22</b>	
<b>23</b> Subtract line 22 from line 15 .....	<b>23</b>	
<b>24</b> <b>Deductible benefits.</b> Enter the <b>smallest</b> of line 20, 21, or 22. Also, include this amount on the appropriate line(s) of your return. See instructions .....	<b>24</b>	
<b>25</b> <b>Excluded benefits.</b> If you checked "No" on line 22, enter the smaller of line 20 or 21. Otherwise, subtract line 24 from the smaller of line 20 or line 21. If zero or less, enter -0- .....	<b>25</b>	
<b>26</b> <b>Taxable benefits.</b> Subtract line 25 from line 23. If zero or less, enter -0-. Also, enter this amount on Form 1040, 1040-SR, or 1040-NR, line 1e .....	<b>26</b>	

To claim the child and dependent care credit, complete lines 27 through 31 below.

<b>27</b> Enter \$3,000 (\$6,000 if two or more qualifying persons) .....	<b>27</b>	
<b>28</b> Add lines 24 and 25 .....	<b>28</b>	
<b>29</b> Subtract line 28 from line 27. If zero or less, <b>stop</b> . You can't take the credit. <b>Exception.</b> If you paid 2021 expenses in 2022, see the instructions for line 9b .....	<b>29</b>	
<b>30</b> Complete line 2 on page 1 of this form. <b>Don't</b> include in column (d) any benefits shown on line 28 above. Then, add the amounts in column (d) and enter the total here .....	<b>30</b>	
<b>31</b> Enter the <b>smaller</b> of line 29 or 30. Also, enter this amount on line 3 on page 1 of this form and complete lines 4 through 11 .....	<b>31</b>	

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

**BRAD J. & LISA N K. SHERMAN**

<b>Part I Alternative Minimum Taxable Income</b>	
<b>1</b> Enter the amount from Form 1040 or 1040-SR, line 15, if more than zero. If Form 1040 or 1040-SR, line 15, is zero, subtract line 14 of Form 1040 or 1040-SR from line 11 of Form 1040 or 1040-SR and enter the result here. (If less than zero, enter as a negative amount.)	<b>1</b> 369,852.
<b>2a</b> If filing Schedule A (Form 1040), enter the taxes from Schedule A, line 7; otherwise, enter the amount from Form 1040 or 1040-SR, line 12	<b>2a</b> 10,000.
<b>b</b> Tax refund from Schedule 1 (Form 1040), line 1 or line 8z	<b>2b</b>
<b>c</b> Investment interest expense (difference between regular tax and AMT)	<b>2c</b>
<b>d</b> Depletion (difference between regular tax and AMT)	<b>2d</b>
<b>e</b> Net operating loss deduction from Schedule 1 (Form 1040), line 8a. Enter as a positive amount	<b>2e</b>
<b>f</b> Alternative tax net operating loss deduction	<b>2f</b>
<b>g</b> Interest from specified private activity bonds exempt from the regular tax <b>SEE STATEMENT 18</b>	<b>2g</b> 756.
<b>h</b> Qualified small business stock, see instructions	<b>2h</b>
<b>i</b> Exercise of incentive stock options (excess of AMT income over regular tax income)	<b>2i</b>
<b>j</b> Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	<b>2j</b>
<b>k</b> Disposition of property (difference between AMT and regular tax gain or loss)	<b>2k</b>
<b>l</b> Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	<b>2l</b>
<b>m</b> Passive activities (difference between AMT and regular tax income or loss)	<b>2m</b>
<b>n</b> Loss limitations (difference between AMT and regular tax income or loss)	<b>2n</b>
<b>o</b> Circulation costs (difference between regular tax and AMT)	<b>2o</b>
<b>p</b> Long-term contracts (difference between AMT and regular tax income)	<b>2p</b>
<b>q</b> Mining costs (difference between regular tax and AMT)	<b>2q</b>
<b>r</b> Research and experimental costs (difference between regular tax and AMT)	<b>2r</b>
<b>s</b> Income from certain installment sales before January 1, 1987	<b>2s</b>
<b>t</b> Intangible drilling costs preference	<b>2t</b>
<b>3</b> Other adjustments, including income-based related adjustments	<b>3</b>
<b>4 Alternative minimum taxable income.</b> Combine lines 1 through 3. (If married filing separately and line 4 is more than \$776,100, see instructions.)	<b>4</b> 380,608.

<b>Part II Alternative Minimum Tax (AMT)</b>															
<b>5</b> Exemption. <table border="0"> <tr> <td><b>IF your filing status is ...</b></td> <td><b>AND line 4 is not over ...</b></td> <td><b>THEN enter on line 5 ...</b></td> <td></td> </tr> <tr> <td>Single or head of household</td> <td>\$539,900</td> <td>\$75,900</td> <td rowspan="3">} ...</td> </tr> <tr> <td>Married filing jointly or qualifying widow(er)</td> <td>1,079,800</td> <td>118,100</td> </tr> <tr> <td>Married filing separately</td> <td>539,900</td> <td>59,050</td> </tr> </table> If line 4 is <b>over</b> the amount shown above for your filing status, see instructions.	<b>IF your filing status is ...</b>	<b>AND line 4 is not over ...</b>	<b>THEN enter on line 5 ...</b>		Single or head of household	\$539,900	\$75,900	} ...	Married filing jointly or qualifying widow(er)	1,079,800	118,100	Married filing separately	539,900	59,050	<b>5</b> 118,100.
<b>IF your filing status is ...</b>	<b>AND line 4 is not over ...</b>	<b>THEN enter on line 5 ...</b>													
Single or head of household	\$539,900	\$75,900	} ...												
Married filing jointly or qualifying widow(er)	1,079,800	118,100													
Married filing separately	539,900	59,050													
<b>6</b> Subtract line 5 from line 4. If more than zero, go to line 7. If zero or less, enter -0- here and on lines 7, 9, and 11, and go to line 10	<b>6</b> 262,508.														
<b>7</b> <ul style="list-style-type: none"> <li>• If you are filing Form 2555, see instructions for the amount to enter.</li> <li>• If you reported capital gain distributions directly on Form 1040 or 1040-SR, line 7; you reported qualified dividends on Form 1040 or 1040-SR, line 3a; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 40 here.</li> <li>• <b>All others:</b> If line 6 is \$206,100 or less (if married filing separately), multiply line 6 by 26% (0.26). Otherwise, multiply line 6 by 28% (0.28) and subtract \$4,122 (\$2,061 if married filing separately) from the result.</li> </ul>	<b>7</b> 66,003.														
<b>8</b> Alternative minimum tax foreign tax credit (see instructions)	<b>8</b>														
<b>9</b> Tentative minimum tax. Subtract line 8 from line 7	<b>9</b> 66,003.														
<b>10</b> Add Form 1040 or 1040-SR, line 16 (minus any tax from Form 4972), and Schedule 2 (Form 1040), line 2. Subtract from the result Schedule 3 (Form 1040), line 1 and any negative amount reported on Form 8978, line 14 (treated as a positive number). If zero or less, enter -0-. If you used Schedule J to figure your tax on Form 1040 or 1040-SR, line 16, refigure that tax without using Schedule J before completing this line. See instructions	<b>10</b> 74,399.														
<b>11</b> <b>AMT.</b> Subtract line 10 from line 9. If zero or less, enter -0-. Enter here and on Schedule 2 (Form 1040), line 1	<b>11</b> 0.														

**Part III Tax Computation Using Maximum Capital Gains Rates**

Complete Part III only if you are required to do so by line 7 or by the Foreign Earned Income Tax Worksheet in the instructions.

12	Enter the amount from Form 6251, line 6. If you are filing Form 2555, enter the amount from line 3 of the worksheet in the instructions for line 7	12	262,508.
13	Enter the amount from line 4 of the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040 or the amount from line 13 of the Schedule D Tax Worksheet in the Instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, necessary). See instructions. If you are filing Form 2555, see instructions for the amount to enter	13	25,976.
14	Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary). See instructions. If you are filing Form 2555, see instructions for the amount to enter	14	
15	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 13. Otherwise, add lines 13 and 14, and enter the <b>smaller</b> of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555, see instructions for the amount to enter	15	25,976.
16	Enter the <b>smaller</b> of line 12 or line 15	16	25,976.
17	Subtract line 16 from line 12	17	236,532.
18	If line 17 is \$206,100 or less (\$103,050 or less if married filing separately), multiply line 17 by 26% (0.26). Otherwise, multiply line 17 by 28% (0.28) and subtract \$4,122 (\$2,061 if married filing separately) from the result	18	62,107.
19	Enter: <ul style="list-style-type: none"> <li>• \$83,350 if married filing jointly or qualifying widow(er),</li> <li>• \$41,675 if single or married filing separately, or</li> <li>• \$55,800 if head of household.</li> </ul>	19	83,350.
20	Enter the amount from line 5 of the Qualified Dividends and Capital Gain Tax Worksheet or the amount from line 14 of the Schedule D Tax Worksheet, whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040 or 1040-SR, line 15; if zero or less, enter -0-. If you are filing Form 2555, see instructions for the amount to enter	20	343,876.
21	Subtract line 20 from line 19. If zero or less, enter -0-	21	0.
22	Enter the <b>smaller</b> of line 12 or line 13	22	25,976.
23	Enter the <b>smaller</b> of line 21 or line 22. This amount is taxed at 0%	23	0.
24	Subtract line 23 from line 22	24	25,976.
25	Enter: <ul style="list-style-type: none"> <li>• \$459,750 if single,</li> <li>• \$258,600 if married filing separately,</li> <li>• \$517,200 if married filing jointly or qualifying widow(er), or</li> <li>• \$488,500 if head of household.</li> </ul>	25	517,200.
26	Enter the amount from line 21	26	0.
27	Enter the amount from line 5 of the Qualified Dividends and Capital Gain Tax Worksheet or the amount from line 21 of the Schedule D Tax Worksheet, whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040 or 1040-SR, line 15; if zero or less, enter -0-. If you are filing Form 2555, see instructions for the amount to enter	27	343,876.
28	Add line 26 and line 27	28	343,876.
29	Subtract line 28 from line 25. If zero or less, enter -0-	29	173,324.
30	Enter the smaller of line 24 or line 29	30	25,976.
31	Multiply line 30 by 15% (0.15)	31	3,896.
32	Add lines 23 and 30	32	25,976.
<b>If lines 32 and 12 are the same, skip lines 33 through 37 and go to line 38. Otherwise, go to line 33.</b>			
33	Subtract line 32 from line 22	33	0.
34	Multiply line 33 by 20% (0.20)	34	
<b>If line 14 is zero or blank, skip lines 35 through 37 and go to line 38. Otherwise, go to line 35.</b>			
35	Add lines 17, 32, and 33	35	
36	Subtract line 35 from line 12	36	
37	Multiply line 36 by 25% (0.25)	37	
38	Add lines 18, 31, 34, and 37	38	66,003.
39	If line 12 is \$206,100 or less (\$103,050 or less if married filing separately), multiply line 12 by 26% (0.26). Otherwise, multiply line 12 by 28% (0.28) and subtract \$4,122 (\$2,061 if married filing separately) from the result	39	69,380.
40	Enter the <b>smaller</b> of line 38 or line 39 here and on line 7. If you are filing Form 2555, do not enter this amount on line 7. Instead, enter it on line 4 of the worksheet in the instructions for line 7	40	66,003.

**SCHEDULE H**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Household Employment Taxes**

(For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes)

**Attach to Form 1040, 1040-SR, 1040-NR, 1040-SS, or 1041.**

**Go to [www.irs.gov/ScheduleH](http://www.irs.gov/ScheduleH) for instructions and the latest information.**

OMB No. 1545-0074

**2022**  
Attachment  
Sequence No. **44**

Name of employer

Social security number

Employer identification number

**BRAD J. SHERMAN**

Calendar year taxpayers having no household employees in 2022 don't have to complete this form for 2022.

**A** Did you pay **any one** household employee cash wages of \$2,400 or more in 2022? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions before you answer this question.)

- Yes.** Skip lines B and C and go to line 1a.  
 **No.** Go to line B.

**B** Did you withhold federal income tax during 2022 for any household employee?

- Yes.** Skip line C and go to line 7.  
 **No.** Go to line C.

**C** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2021 or 2022 to **all** household employees?

(**Don't** count cash wages paid in 2021 or 2022 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Don't file this schedule.  
 **Yes.** Skip lines 1a-9 and go to line 10.

**Part I Social Security, Medicare, and Federal Income Taxes**

<b>1 a</b>	Total cash wages subject to social security tax	<b>1a</b>	20,560.	
<b>b</b>	Qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, included on line 1a	<b>1b</b>		
<b>2 a</b>	Social security tax. Multiply line 1a by 12.4% (0.124)	<b>2a</b>		2,549.
<b>b</b>	Employer share of social security tax on qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021. Multiply line 1b by 6.2% (0.062)	<b>2b</b>		
<b>c</b>	Total social security tax. Subtract line 2b from line 2a	<b>2c</b>		2,549.
<b>3</b>	Total cash wages subject to Medicare tax	<b>3</b>	20,560.	
<b>4</b>	Medicare tax. Multiply line 3 by 2.9% (0.029)	<b>4</b>		596.
<b>5</b>	Total cash wages subject to Additional Medicare Tax withholding	<b>5</b>		
<b>6</b>	Additional Medicare Tax withholding. Multiply line 5 by 0.9% (0.009)	<b>6</b>		
<b>7</b>	Federal income tax withheld, if any	<b>7</b>		
<b>8 a</b>	Total social security, Medicare, and federal income taxes. Add lines 2c, 4, 6, and 7	<b>8a</b>		3,145.
<b>b</b>	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021	<b>8b</b>		
<b>c</b>	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021	<b>8c</b>		
<b>d</b>	Total social security, Medicare, and federal income taxes after nonrefundable credits. Add lines 8b and 8c and then subtract that total from line 8a	<b>8d</b>		3,145.
<b>e</b>	Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021	<b>8e</b>		
<b>f</b>	Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021	<b>8f</b>		
<b>g</b>	Qualified sick leave wages for leave taken before April 1, 2021	<b>8g</b>		
<b>h</b>	Qualified health plan expenses allocable to qualified sick leave wages reported on line 8g	<b>8h</b>		
<b>i</b>	Qualified family leave wages for leave taken before April 1, 2021	<b>8i</b>		
<b>j</b>	Qualified health plan expenses allocable to qualified family leave wages reported on line 8i	<b>8j</b>		
<b>k</b>	Qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021	<b>8k</b>		
<b>l</b>	Qualified health plan expenses allocable to qualified sick leave wages reported on line 8k	<b>8l</b>		
<b>m</b>	Qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021	<b>8m</b>		
<b>n</b>	Qualified health plan expenses allocable to qualified family leave wages reported on line 8m	<b>8n</b>		

**9** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2021 or 2022 to **all** household employees?

(**Don't** count cash wages paid in 2021 or 2022 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Include the amount from line 8d above on Schedule 2 (Form 1040), line 9. Include the amounts, if any, from line 8e on Schedule 3 (Form 1040), line 13b, and line 8f on Schedule 3 (Form 1040), line 13h. If you're not required to file Form 1040, see the line 9 instructions.

**Yes.** Go to line 10.

**Part II Federal Unemployment (FUTA) Tax**

	Yes	No
10 Did you pay unemployment contributions to only one state? If you paid contributions to a credit reduction state, see instructions and check "No."	X	
11 Did you pay all state unemployment contributions for 2022 by April 18, 2023? Fiscal year filers, see instructions	X	
12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?	X	

**Next:** If you checked the "Yes" box on all the lines above, complete Section A.  
If you checked the "No" box on any of the lines above, skip Section A and complete Section B.

**Section A**

13 Name of the state where you paid unemployment contributions	DC	
14 Contributions paid to your state unemployment fund	14	171.
15 Total cash wages subject to FUTA tax	15	7,000.
16 FUTA tax. Multiply line 15 by 0.6% (0.006). Enter the result here, skip Section B, and go to line 25	16	42.

**Section B**

17 Complete all columns below that apply (if you need more space, see instructions):

(a) Name of state	(b) Taxable wages (as defined in state act)	(c) State experience rate period		(d) State experience rate	(e) Multiply col. (b) by 0.054	(f) Multiply col. (b) by col. (d)	(g) Subtract col. (f) from col. (e). If zero or less, enter -0-	(h) Contributions paid to state unemployment fund
		From	To					

18 Totals	18	
19 Add columns (g) and (h) of line 18	19	
20 Total cash wages subject to FUTA tax (see the line 15 instructions)	20	
21 Multiply line 20 by 6.0% (0.06)	21	
22 Multiply line 20 by 5.4% (0.054)	22	
23 Enter the smaller of line 19 or line 22. (If you paid state unemployment contributions late or you're in a credit reduction state, see instructions and check here)	23	<input type="checkbox"/>
24 FUTA tax. Subtract line 23 from line 21. Enter the result here and go to line 25	24	

**Part III Total Household Employment Taxes**

25 Enter the amount from line 8d. If you checked the "Yes" box on line C of page 1, enter -0-	25	3,145.
26 Add line 16 (or line 24) and line 25	26	3,187.

27 Are you required to file Form 1040?  
 **Yes. Stop.** Include the amount from line 26 above on Schedule 2 (Form 1040), line 9. Include the amounts, if any, from line 8e, on Schedule 3 (Form 1040), line 13b, and line 8f on Schedule 3 (Form 1040), line 13h. **Don't** complete Part IV below.  
 **No.** You may have to complete Part IV. See instructions for details.

**Part IV Address and Signature - Complete this part only if required. See the line 27 instructions.**

Address (number and street) or P.O. box if mail isn't delivered to street address \_\_\_\_\_ Apt., room, or suite no. \_\_\_\_\_  
 City, town or post office, state, and ZIP code \_\_\_\_\_

Under penalties of perjury, I declare that I have examined this schedule, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete. No part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments to employees. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Employer's signature _____	Date _____				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name _____	Preparer's signature _____	Date _____	Check <input type="checkbox"/> if self-employed	PTIN _____
	Firm's name _____			Firm's EIN _____	
	Firm's address _____			Phone no. _____	

**SCHEDULE 8812**  
**(Form 1040)**

**Credits for Qualifying Children  
and Other Dependents**

OMB No. 1545-0074

**2022**

Department of the Treasury  
Internal Revenue Service

Attach to Form 1040, 1040-SR, or 1040-NR.

Attachment  
Sequence No. **47**

Go to [www.irs.gov/Schedule8812](http://www.irs.gov/Schedule8812) for instructions and the latest information.

Name(s) shown on return

**BRAD J. & LISA N K. SHERMAN**

Your social security number

[REDACTED]

**Part I Child Tax Credit and Credit for Other Dependents**

<b>1</b>	Enter the amount from line 11 of your Form 1040, 1040-SR, or 1040-NR .....	<b>1</b>	<b>424,037.</b>
<b>2a</b>	Enter income from Puerto Rico that you excluded .....	<b>2a</b>	
<b>b</b>	Enter the amounts from lines 45 and 50 of your Form 2555 .....	<b>2b</b>	
<b>c</b>	Enter the amount from line 15 of your Form 4563 .....	<b>2c</b>	
<b>d</b>	Add lines 2a through 2c .....	<b>2d</b>	
<b>3</b>	Add lines 1 and 2d .....	<b>3</b>	<b>424,037.</b>
<b>4</b>	Number of qualifying children under age 17 with the required social security number ...	<b>4</b>	<b>3</b>
<b>5</b>	Multiply line 4 by \$2,000 .....	<b>5</b>	<b>6,000.</b>
<b>6</b>	Number of other dependents, including any qualifying children who are not under age 17 or who do not have the required social security number .....	<b>6</b>	
<b>Caution:</b> Do not include yourself, your spouse, or anyone who is not a U.S. citizen, U.S. national, or U.S. resident alien. Also, do not include anyone you included on line 4.			
<b>7</b>	Multiply line 6 by \$500 .....	<b>7</b>	
<b>8</b>	Add lines 5 and 7 .....	<b>8</b>	<b>6,000.</b>
<b>9</b>	Enter the amount shown below for your filing status. <ul style="list-style-type: none"> <li>• Married filing jointly - \$400,000</li> <li>• All other filing statuses - \$200,000</li> </ul>	<b>9</b>	<b>400,000.</b>
<b>10</b>	Subtract line 9 from line 3. <ul style="list-style-type: none"> <li>• If zero or less, enter -0-.</li> <li>• If more than zero and not a multiple of \$1,000, enter the next multiple of \$1,000. For example, if the result is \$425, enter \$1,000; if the result is \$1,025, enter \$2,000, etc.</li> </ul>	<b>10</b>	<b>25,000.</b>
<b>11</b>	Multiply line 10 by 5% (0.05) .....	<b>11</b>	<b>1,250.</b>
<b>12</b>	Is the amount on line 8 more than the amount on line 11? .....	<b>12</b>	<b>4,750.</b>
<input type="checkbox"/> <b>No. STOP.</b> You cannot take the child tax credit, credit for other dependents, or additional child tax credit. Skip Parts II-A and II-B. Enter -0- on lines 14 and 27.			
<input checked="" type="checkbox"/> <b>Yes.</b> Subtract line 11 from line 8. Enter the result.			
<b>13</b>	Enter the amount from the <b>Credit Limit Worksheet A</b> .....	<b>13</b>	<b>74,399.</b>
<b>14</b>	Enter the smaller of line 12 or 13. <b>This is your child tax credit and credit for other dependents</b> .....	<b>14</b>	<b>4,750.</b>

**Enter this amount on Form 1040, 1040-SR, or 1040-NR, line 19.**

If the amount on line 12 is more than the amount on line 14, you may be able to take the **additional child tax credit** on Form 1040, 1040-SR, or 1040-NR, line 28. Complete your Form 1040, 1040-SR, or 1040-NR through line 27 (also complete Schedule 3, line 11) before completing Part II-A.

LHA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 8812 (Form 1040) 2022

**Part II-A Additional Child Tax Credit for All Filers**

**Caution:** If you file Form 2555, you cannot claim the additional child tax credit.

<b>15</b> Check this box if you <b>do not</b> want to claim the additional child tax credit. Skip Parts II-A and II-B. Enter -0- on line 27 <input type="checkbox"/>			
<b>16a</b> Subtract line 14 from line 12. If zero, <b>stop here</b> ; you cannot take the additional child tax credit. Skip Parts II-A and II-B. Enter -0- on line 27	<b>16a</b>	0.	
<b>b</b> Number of qualifying children under 17 with the required social security number: _____ x \$1,500. Enter the result. If zero, <b>stop here</b> ; you cannot claim the additional child tax credit. Skip Parts II-A and II-B. Enter -0- on line 27	<b>16b</b>		
<b>TIP:</b> The number of children you use for this line is the same as the number of children you used for line 4.			
<b>17</b> Enter the <b>smaller</b> of line 16a or line 16b	<b>17</b>		
<b>18a</b> Earned income (see instructions)	<b>18a</b>		
<b>b</b> Nontaxable combat pay (see instructions)	<b>18b</b>		
<b>19</b> Is the amount on line 18a more than \$2,500? <input type="checkbox"/> <b>No.</b> Leave line 19 blank and enter -0- on line 20. <input type="checkbox"/> <b>Yes.</b> Subtract \$2,500 from the amount on line 18a. Enter the result	<b>19</b>		
<b>20</b> Multiply the amount on line 19 by 15% (0.15) and enter the result <b>Next.</b> On line 16b, is the amount \$4,500 or more? <input type="checkbox"/> <b>No.</b> If you are a bona fide resident of Puerto Rico, go to line 21. Otherwise, skip Part II-B and enter the <b>smaller</b> of line 17 or line 20 on line 27. <input type="checkbox"/> <b>Yes.</b> If line 20 is equal to or more than line 17, skip Part II-B and enter the amount from line 17 on line 27. Otherwise, go to line 21.	<b>20</b>		

**Part II-B Certain Filers Who Have Three or More Qualifying Children and Bona Fide Residents of Puerto Rico**

<b>21</b> Withheld social security, Medicare, and Additional Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If your employer withheld or you paid Additional Medicare Tax or tier 1 RRTA taxes, see instructions			
<b>22</b> Enter the total of the amounts from Schedule 1 (Form 1040), line 15; Schedule 2 (Form 1040), line 5; Schedule 2 (Form 1040), line 6; and Schedule 2 (Form 1040), line 13	<b>22</b>		
<b>23</b> Add lines 21 and 22	<b>23</b>		
<b>24</b> <b>1040 and 1040-SR filers:</b> Enter the total of the amounts from Form 1040 or 1040-SR, line 27, and Schedule 3 (Form 1040), line 11. <b>1040-NR filers:</b> Enter the amount from Schedule 3 (Form 1040), line 11.	<b>24</b>		
<b>25</b> Subtract line 24 from line 23. If zero or less, enter -0-	<b>25</b>		
<b>26</b> Enter the <b>larger</b> of line 20 or line 25 <b>Next,</b> enter the <b>smaller</b> of line 17 or line 26 on line 27.	<b>26</b>		

**Part II-C Additional Child Tax Credit**

<b>27</b> This is your additional child tax credit. Enter this amount on Form 1040, 1040-SR, or 1040-NR, line 28			0.
--	--	--	----

Name(s) shown on return

Your taxpayer identification number

**BRAD J. & LISA N K. SHERMAN**

Note: You can claim the qualified business income deduction only if you have qualified business income from a qualified trade or business, real estate investment trust dividends, publicly traded partnership income, or a domestic production activities deduction passed through from an agricultural or horticultural cooperative. See instructions.

Use this form if your taxable income, before your qualified business income deduction, is above \$170,050 (\$340,100 if married filing jointly), or you're a patron of an agricultural or horticultural cooperative.

**Part I Trade, Business, or Aggregation Information**

Complete Schedules A, B, and/or C (Form 8995-A), as applicable, before starting Part I. Attach additional worksheets when needed. See instructions.

1	(a) Trade, business, or aggregation name	(b) Check if specified service	(c) Check if aggregation	(d) Taxpayer identification number	(e) Check if patron
A		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
B		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
C		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>

**Part II Determine Your Adjusted Qualified Business Income**

	A	B	C
2 Qualified business income from the trade, business, or aggregation. See instructions	2		
3 Multiply line 2 by 20% (0.20). If your taxable income is \$170,500 or less (\$340,100 if married filing jointly), skip lines 4 through 12 and enter the amount from line 3 on line 13	3		
4 Allocable share of W-2 wages from the trade, business, or aggregation	4		
5 Multiply line 4 by 50% (0.50)	5		
6 Multiply line 4 by 25% (0.25)	6		
7 Allocable share of the unadjusted basis immediately after acquisition (UBIA) of all qualified property	7		
8 Multiply line 7 by 2.5% (0.025)	8		
9 Add lines 6 and 8	9		
10 Enter the greater of line 5 or line 9	10		
11 W-2 wage and UBIA of qualified property limitation. Enter the smaller of line 3 or line 10	11		
12 Phased-in reduction. Enter the amount from line 26, if any	12		
13 Qualified business income deduction before patron reduction. Enter the greater of line 11 or line 12	13		
14 Patron reduction. Enter the amount from Schedule D (Form 8995-A), line 6, if any. See instructions	14		
15 Qualified business income component. Subtract line 14 from line 13	15		
16 Total qualified business income component. Add all amounts reported on line 15	16		

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

**Part III Phased-in Reduction**

Complete Part III only if your taxable income is more than \$170,050 but not \$220,050 (\$340,100 and \$440,100 if married filing jointly) and line 10 is less than line 3. Otherwise, skip Part III.

		A	B	C
17	Enter the amounts from line 3 .....	17		
18	Enter the amounts from line 10 .....	18		
19	Subtract line 18 from line 17 .....	19		
20	Taxable income before qualified business income deduction .....	20		
21	Threshold. Enter \$170,050 (\$340,100 if married filing jointly) .....	21		
22	Subtract line 21 from line 20 .....	22		
23	Phase-in range. Enter \$50,000 (\$100,000 if married filing jointly) .....	23		
24	Phase-in percentage. Divide line 22 by line 23 ...	24	%	
25	Total phase-in reduction. Multiply line 19 by line 24 .....	25		
26	Qualified business income after phase-in reduction. Subtract line 25 from line 17. Enter this amount here and on line 12, for the corresponding trade or business .....	26		

**Part IV Determine Your Qualified Business Income Deduction**

27	Total qualified business income component from all qualified trades, businesses, or aggregations. Enter the amount from line 16 .....	27			
28	Qualified REIT dividends and publicly traded partnership (PTP) income or (loss). See instructions .....	28	SEE STATEMENT 20	335.	
29	Qualified REIT dividends and PTP (loss) carryforward from prior years .....	29	( )		
30	Total qualified REIT dividends and PTP income. Combine lines 28 and 29. If less than zero, enter -0- .....	30		335.	
31	REIT and PTP component. Multiply line 30 by 20% (0.20) .....	31		67.	
32	Qualified business income deduction before the income limitation. Add lines 27 and 31 .....	32			67.
33	Taxable income before qualified business income deduction .....	33		369,919.	
34	Net capital gain. See instructions .....	34		25,976.	
35	Subtract line 34 from line 33. If zero or less, enter -0- .....	35			343,943.
36	Income limitation. Multiply line 35 by 20% (0.20) .....	36			68,789.
37	Qualified business income deduction before the domestic production activities deduction (DPAD) under section 199A(g). Enter the smaller of line 32 or line 36 .....	37			67.
38	DPAD under section 199A(g) allocated from an agricultural or horticultural cooperative. Don't enter more than line 33 minus line 37 .....	38			
39	Total qualified business income deduction. Add lines 37 and 38 .....	39			67.
40	Total qualified REIT dividends and PTP (loss) carryforward. Combine lines 28 and 29. If zero or greater, enter -0- .....	40		( )	

Form **6252**

**Installment Sale Income**

OMB No. 1545-0228

**2022**

Department of the Treasury  
Internal Revenue Service

Attach to your tax return.  
Use a separate form for each sale or other disposition of property on the installment method.  
Go to [www.irs.gov/Form6252](http://www.irs.gov/Form6252) for the latest information.

Attachment  
Sequence No. **67**

Name(s) shown on return

Identifying number

**BRAD J. & LISA N K. SHERMAN**

[REDACTED]

1 Description of property [REDACTED], **PORTER RANCH, CA 91326**

2a Date acquired (mm/dd/yyyy) **12/04/13** b Date sold (mm/dd/yyyy) **08/22/22**

3 Was the property sold to a related party? See instructions. If "Yes," complete Part III for the year of sale and 2 years after the year of the sale unless you received the final payment during the tax year.  Yes  No

4 Reserved for future use  Yes  No

**Part I Gross Profit and Contract Price.** Complete this part for all years of the installment agreement.

5	Selling price including mortgages and other debts. Don't include interest, whether stated or unstated	5	1,470,000.
6	Mortgages, debts, and other liabilities the buyer assumed or took the property subject to	6	
7	Subtract line 6 from line 5	7	1,470,000.
8	Cost or other basis of property sold	8	789,501.
9	Depreciation allowed or allowable	9	
10	Adjusted basis. Subtract line 9 from line 8	10	789,501.
11	Commissions and other expenses of sale	11	108,464.
12	Income recapture from Form 4797, Part III	12	
13	Add lines 10, 11, and 12	13	897,965.
14	Subtract line 13 from line 5. If zero or less, don't complete the rest of this form	14	572,035.
15	If the property described on line 1 above was your main home, enter the amount of your excluded gain. Otherwise, enter -0-	15	250,000.
16	<b>Gross profit.</b> Subtract line 15 from line 14	16	322,035.
17	Subtract line 13 from line 6. If zero or less, enter -0-	17	0.
18	<b>Contract price.</b> Add line 7 and line 17	18	1,470,000.

**Part II Installment Sale Income.** Complete this part for all years of the installment agreement.

19	Gross profit percentage (expressed as a decimal amount). Divide line 16 by line 18. (For years after the year of sale, see instructions.)	19	.21907
20	If this is the year of sale, enter the amount from line 17. Otherwise, enter -0-	20	0.
21	Payments received during year. Don't include interest, whether stated or unstated	21	812,677.
22	Add lines 20 and 21	22	812,677.
23	Payments received in prior years. Don't include interest, whether stated or unstated	23	
24	<b>Installment sale income.</b> Multiply line 22 by line 19	24	178,033.
25	Enter the part of line 24 that is ordinary income under the recapture rules	25	
26	Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797	26	178,033.

**Part III Related Party Installment Sale Income.** Don't complete if you received the final payment this tax year.

27 Name, address, and taxpayer identifying number of related party

28 Did the related party resell or dispose of the property ("second disposition") during this tax year?  Yes  No

29 If the answer to question 28 is "Yes," complete lines 30 through 37 below unless one of the following conditions is met.

Check the box that applies.

- a  The second disposition was more than 2 years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of disposition (mm/dd/yyyy)
- b  The first disposition was a sale or exchange of stock to the issuing corporation.
- c  The second disposition was an involuntary conversion and the threat of conversion occurred after the first disposition.
- d  The second disposition occurred after the death of the original seller or buyer.
- e  It can be established to the satisfaction of the IRS that tax avoidance wasn't a principal purpose for either of the dispositions. If this box is checked, attach an explanation.

30	Selling price of property sold by related party	30	
31	Enter contract price from line 18 for year of first sale	31	
32	Enter the smaller of line 30 or line 31	32	
33	Total payments received by the end of your 2022 tax year	33	
34	Subtract line 33 from line 32. If zero or less, enter -0-	34	
35	Multiply line 34 by the gross profit percentage on line 19 for year of first sale	35	
36	Enter the part of line 35 that is ordinary income under the recapture rules	36	
37	Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797	37	



## Paid Preparer's Due Diligence Checklist

Earned Income Credit (EIC), American Opportunity Tax Credit (AOTC), Child Tax Credit (CTC) (including the Additional Child Tax Credit (ACTC)) and Credit for Other Dependents (ODC), and Head of Household (HOH) Filing Status

**To be completed by preparer and filed with Form 1040, 1040-SR, 1040-NR, 1040-PR, or 1040-SS.**  
 Go to [www.irs.gov/Form8867](http://www.irs.gov/Form8867) for instructions and the latest information.

2022

Attachment  
 Sequence No. **70**

Taxpayer name(s) shown on return <b>BRAD J. &amp; LISA N K. SHERMAN</b>	Taxpayer identification number [REDACTED]
Preparer's name [REDACTED]	Preparer tax identification number [REDACTED]

**Part I Due Diligence Requirements**

Please check the appropriate box for the credit(s) and/or HOH filing status claimed on the return and complete the related Parts I-V for the benefit(s) claimed (check all that apply).  EIC  CTC/ACTC/ODC  AOTC  HOH

	Yes	No	N/A
<b>1</b> Did you complete the return based on information for the applicable tax year provided by the taxpayer or reasonably obtained by you? (See instructions if relying on prior year earned income.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2</b> If credits are claimed on the return, did you complete the applicable EIC and/or CTC/ACTC/ODC worksheets found in the Form 1040, 1040-SR, 1040-NR, 1040-PR, or 1040-SS or Schedule 8812 (Form 1040) instructions, and/or the AOTC worksheet found in the Form 8863 instructions, or your own worksheet(s) that provides the same information, and all related forms and schedules for each credit claimed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3</b> Did you satisfy the knowledge requirement? To meet the knowledge requirement, you must do both of the following. <ul style="list-style-type: none"> <li>• Interview the taxpayer, ask questions, and contemporaneously document the taxpayer's responses to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status.</li> <li>• Review information to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status and to figure the amount(s) of any credit(s)</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4</b> Did any information provided by the taxpayer or a third party for use in preparing the return, or information reasonably known to you, appear to be incorrect, incomplete, or inconsistent? (If "Yes," answer questions 4a and 4b. If "No," go to question 5.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>a</b> Did you make reasonable inquiries to determine the correct, complete, and consistent information?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Did you contemporaneously document your inquiries? (Documentation should include the questions you asked, whom you asked, when you asked, the information that was provided, and the impact the information had on your preparation of the return.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>5</b> Did you satisfy the record retention requirement? To meet the record retention requirement, you must keep a copy of your documentation referenced in question 4b, a copy of this Form 8867, a copy of any applicable worksheet(s), a record of how, when, and from whom the information used to prepare Form 8867 and any applicable worksheet(s) was obtained, and a copy of any document(s) provided by the taxpayer that you relied on to determine eligibility for the credit(s) and/or HOH filing status or to figure the amount(s) of the credit(s) List those documents provided by the taxpayer, if any, that you relied on: _____ _____ _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>6</b> Did you ask the taxpayer whether he/she could provide documentation to substantiate eligibility for the credit(s) and/or HOH filing status and the amount(s) of any credit(s) claimed on the return if his/her return is selected for audit?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>7</b> Did you ask the taxpayer if any of these credits were disallowed or reduced in a previous year? <b>(If credits were disallowed or reduced, go to question 7a; if not, go to question 8.)</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>a</b> Did you complete the required recertification Form 8862?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>8</b> If the taxpayer is reporting self-employment income, did you ask questions to prepare a complete and correct Schedule C (Form 1040)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<b>Part II Due Diligence Questions for Returns Claiming EIC</b> (If the return does not claim EIC, go to Part III.)			
	Yes	No	N/A
<b>9a</b> Have you determined that the taxpayer is eligible to claim the EIC for the number of qualifying children claimed, or is eligible to claim the EIC without a qualifying child? <b>(If the taxpayer is claiming the EIC and does not have a qualifying child, go to question 10.)</b> .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Did you ask the taxpayer if the child lived with the taxpayer for over half of the year, even if the taxpayer has supported the child the entire year? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>c</b> Did you explain to the taxpayer the rules about claiming the EIC when a child is the qualifying child of more than one person (tiebreaker rules)? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Part III Due Diligence Questions for Returns Claiming CTC/ACTC/ODC</b> (If the return does not claim CTC, ACTC, or ODC, go to Part IV.)			
	Yes	No	N/A
<b>10</b> Have you determined that each qualifying person for the CTC/ACTC/ODC is the taxpayer's dependent who is a citizen, national, or resident of the United States? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>11</b> Did you explain to the taxpayer that he/she may not claim the CTC/ACTC if the child has not lived with the taxpayer for over half of the year, even if the taxpayer has supported the child, unless the child's custodial parent has released a claim to exemption for the child? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>12</b> Did you explain to the taxpayer the rules about claiming the CTC/ACTC/ODC for a child of divorced or separated parents (or parents who live apart), including any requirement to attach a Form 8332 or similar statement to the return? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<b>Part IV Due Diligence Questions for Returns Claiming AOTC</b> (If the return does not claim AOTC, go to Part V.)		
	Yes	No
<b>13</b> Did the taxpayer provide substantiation for the credit, such as a Form 1098-T and/or receipts for the qualified tuition and related expenses for the claimed AOTC? .....	<input type="checkbox"/>	<input type="checkbox"/>

<b>Part V Due Diligence Questions for Claiming HOH</b> (If the return does not claim HOH filing status, go to Part VI.)		
	Yes	No
<b>14</b> Have you determined that the taxpayer was unmarried or considered unmarried on the last day of the tax year and provided more than half of the cost of keeping up a home for the year for a qualifying person? .....	<input type="checkbox"/>	<input type="checkbox"/>

**Part VI Eligibility Certification**

**You will have complied with all due diligence requirements for claiming the applicable credit(s) and/or HOH filing status on the return of the taxpayer identified above if you:**

- A. Interview the taxpayer, ask adequate questions, contemporaneously document the taxpayer's responses on the return or in your notes, review adequate information to determine if the taxpayer is eligible to claim the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s);
- B. Complete this Form 8867 truthfully and accurately and complete the actions described in this checklist for any applicable credit(s) claimed and HOH filing status, if claimed;
- C. Submit Form 8867 in the manner required; **and**
- D. Keep all five of the following records for 3 years from the latest of the dates specified in the Form 8867 instructions under *Document Retention*.
  1. A copy of this Form 8867.
  2. The applicable worksheet(s) or your own worksheet(s) for any credit(s) claimed.
  3. Copies of any documents provided by the taxpayer on which you relied to determine the taxpayer's eligibility for the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s).
  4. A record of how, when, and from whom the information used to prepare this form and the applicable worksheet(s) was obtained.
  5. A record of any additional information you relied upon, including questions you asked and the taxpayer's responses, to determine the taxpayer's eligibility for the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s).

**If you have not complied with all due diligence requirements, you may have to pay a penalty for each failure to comply related to a claim of an applicable credit or HOH filing status (see instructions for more information).**

<b>15</b> Do you certify that all of the answers on this Form 8867 are, to the best of your knowledge, true, correct, and complete? .....	Yes	No
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Additional Medicare Tax

If any line does not apply to you, leave it blank. See separate instructions.  
**Attach to Form 1040, 1040-SR, 1040-NR, 1040-PR, or 1040-SS.**  
 Go to [www.irs.gov/Form8959](http://www.irs.gov/Form8959) for instructions and the latest information.

Name(s) shown on return <b>BRAD J. &amp; LISA N K. SHERMAN</b>	Your social security number <div style="background-color: black; width: 100px; height: 15px;"></div>
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### Part I Additional Medicare Tax on Medicare Wages

1 Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5 .....	1	321,757.		
2 Unreported tips from Form 4137, line 6 .....	2			
3 Wages from Form 8919, line 6 .....	3			
4 Add lines 1 through 3 .....	4	321,757.		
5 Enter the following amount for your filing status:				
Married filing jointly ..... \$250,000				
Married filing separately ..... \$125,000				
Single, Head of household, or Qualifying surviving spouse ..... \$200,000	5	250,000.		
6 Subtract line 5 from line 4. If zero or less, enter -0- .....	6			71,757.
7 Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II .....	7			646.

### Part II Additional Medicare Tax on Self-Employment Income

8 Self-employment income from Schedule SE (Form 1040), Part I, line 6. If you had a loss, enter -0- (Form 1040-PR or 1040-SS filers, see instructions.) .....	8			
9 Enter the following amount for your filing status:				
Married filing jointly ..... \$250,000				
Married filing separately ..... \$125,000				
Single, Head of household, or Qualifying surviving spouse ..... \$200,000	9			
10 Enter the amount from line 4 .....	10			
11 Subtract line 10 from line 9. If zero or less, enter -0- .....	11			
12 Subtract line 11 from line 8. If zero or less, enter -0- .....	12			
13 Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III .....	13			

### Part III Additional Medicare Tax on Railroad Retirement Tax Act (RRTA) Compensation

14 Railroad retirement (RRTA) compensation and tips from Form(s) W-2, box 14 (see instructions) .....	14			
15 Enter the following amount for your filing status:				
Married filing jointly ..... \$250,000				
Married filing separately ..... \$125,000				
Single, Head of household, or Qualifying surviving spouse ..... \$200,000	15			
16 Subtract line 15 from line 14. If zero or less, enter -0- .....	16			
17 Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV .....	17			

### Part IV Total Additional Medicare Tax

18 Add lines 7, 13, and 17. Also include this amount on Schedule 2 (Form 1040), line 11 (Form 1040-PR or 1040-SS filers, see instructions), and go to Part V .....	18			646.
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### Part V Withholding Reconciliation

19 Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6 .....	19	4,665.		
20 Enter the amount from line 1 .....	20	321,757.		
21 Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages .....	21	4,665.		
22 Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages .....	22			0.
23 Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions) .....	23			
24 <b>Total Additional Medicare Tax withholding.</b> Add lines 22 and 23. Also include this amount with federal income tax withholding on Form 1040, 1040-SR, or 1040-NR, line 25c (Form 1040-PR or 1040-SS filers, see instructions) .....	24			

# Net Investment Income Tax - Individuals, Estates, and Trusts

## 2022

Department of the Treasury  
Internal Revenue Service

Attach to your tax return.

Go to [www.irs.gov/Form8960](http://www.irs.gov/Form8960) for instructions and the latest information.

Attachment  
Sequence No. **72**

Name(s) shown on your tax return: **BRAD J. & LISA N K. SHERMAN**      Your social security number or EIN: XXXXXXXXXX

- Part I Investment Income**
- Section 6013(g) election (see instructions)
- Section 6013(h) election (see instructions)
- Regulations section 1.1411-10(g) election (see instructions)

<b>1</b> Taxable interest (see instructions) .....		<b>1</b>	91,794.
<b>2</b> Ordinary dividends (see instructions) .....		<b>2</b>	19,400.
<b>3</b> Annuities (see instructions) .....		<b>3</b>	
<b>4a</b> Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions) .....	<b>4a</b>		
<b>b</b> Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions) .....	<b>4b</b>		
<b>c</b> Combine lines 4a and 4b .....		<b>4c</b>	
<b>5a</b> Net gain or loss from disposition of property (see instructions) .....	<b>5a</b>		10,821.
<b>b</b> Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions) .....	<b>5b</b>		
<b>c</b> Adjustment from disposition of partnership interest or S corporation stock (see instructions) .....	<b>5c</b>		
<b>d</b> Combine lines 5a through 5c .....		<b>5d</b>	10,821.
<b>6</b> Adjustments to investment income for certain CFCs and PFICs (see instructions) .....		<b>6</b>	
<b>7</b> Other modifications to investment income (see instructions) <b>SEE STATEMENT 21</b> .....		<b>7</b>	326.
<b>8</b> Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7 .....		<b>8</b>	122,341.

**Part II Investment Expenses Allocable to Investment Income and Modifications**

<b>9a</b> Investment interest expenses (see instructions) .....	<b>9a</b>		
<b>b</b> State, local, and foreign income tax (see instructions) .....	<b>9b</b>		2,263.
<b>c</b> Miscellaneous investment expenses (see instructions) .....	<b>9c</b>		
<b>d</b> Add lines 9a, 9b, and 9c .....		<b>9d</b>	2,263.
<b>10</b> Additional modifications (see instructions) .....		<b>10</b>	
<b>11</b> Total deductions and modifications. Add lines 9d and 10 .....		<b>11</b>	2,263.

**Part III Tax Computation**

<b>12</b> Net investment income. Subtract Part II, line 11, from Part I, line 8. Individuals, complete lines 13-17. Estates and trusts, complete lines 18a-21. If zero or less, enter -0- .....		<b>12</b>	120,078.
<b>Individuals:</b>			
<b>13</b> Modified adjusted gross income (see instructions) .....	<b>13</b>		424,037.
<b>14</b> Threshold based on filing status (see instructions) .....	<b>14</b>		250,000.
<b>15</b> Subtract line 14 from line 13. If zero or less, enter -0- .....	<b>15</b>		174,037.
<b>16</b> Enter the smaller of line 12 or line 15 .....		<b>16</b>	120,078.
<b>17</b> Net investment income tax for individuals. Multiply line 16 by 3.8% (0.038). <b>Enter here and include on your tax return</b> (see instructions) .....		<b>17</b>	4,563.
<b>Estates and Trusts:</b>			
<b>18a</b> Net investment income (line 12 above) .....	<b>18a</b>		
<b>b</b> Deductions for distributions of net investment income and deductions under section 642(c) (see instructions) .....	<b>18b</b>		
<b>c</b> Undistributed net investment income. Subtract line 18b from line 18a (see instructions). If zero or less, enter -0- .....	<b>18c</b>		
<b>19a</b> Adjusted gross income (see instructions) .....	<b>19a</b>		
<b>b</b> Highest tax bracket for estates and trusts for the year (see instructions) .....	<b>19b</b>		
<b>c</b> Subtract line 19b from line 19a. If zero or less, enter -0- .....	<b>19c</b>		
<b>20</b> Enter the smaller of line 18c or line 19c .....		<b>20</b>	
<b>21</b> Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (0.038). <b>Enter here and include on your tax return</b> (see instructions) .....		<b>21</b>	

LHA **For Paperwork Reduction Act Notice, see your tax return instructions.**

**Net Investment Income Tax -  
Individuals, Estates, and Trusts**

CALIFORNIA

Name(s) **BRAD J. & LISA N K. SHERMAN** Your social security number or EIN XXXXXXXXXX

**Part I Investment Income**  Section 6013(g) election  
 Regulations section 1.1411-10(g) election

<b>1</b> Taxable interest .....		<b>1</b>	1,158.
<b>2</b> Ordinary dividends .....		<b>2</b>	17,442.
<b>3</b> Annuities from nonqualified plans .....		<b>3</b>	
<b>4a</b> Rental real estate, royalties, partnerships, S corporations, trusts, etc. ....	<b>4a</b>		
<b>b</b> Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business .....	<b>4b</b>		
<b>c</b> Combine lines 4a and 4b .....		<b>4c</b>	
<b>5a</b> Net gain or loss from disposition of property .....	<b>5a</b>		10,821.
<b>b</b> Net gain or loss from disposition of property that is not subject to net investment income tax .....	<b>5b</b>		
<b>c</b> Adjustment from disposition of partnership interest or S corporation stock .....	<b>5c</b>		
<b>d</b> Combine lines 5a through 5c .....		<b>5d</b>	10,821.
<b>6</b> Changes in investment income for certain CFCs and PFICs .....		<b>6</b>	
<b>7</b> Other modifications to investment income .....		<b>7</b>	
<b>8</b> Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7 .....		<b>8</b>	29,421.

**Part II State Income Tax Pro-ration for 2022 Income Tax Payments**

<b>9</b> State total income .....		<b>9</b>	331,443.
<b>10</b> State income tax payments for 2022 .....	<b>SEE STATEMENT 22</b>		
<b>11</b> 2022 state income tax payments attributable to investment income, line 8 divided by line 9 times line 10 .....		<b>11</b>	2,263.

**Part III State Income Tax Pro-ration for 2021 Estimate Payments Made in 2022**

<b>12</b> State estimate payments for 2021 .....		<b>12</b>	
<b>13</b> Percent of state income taxes attributable to investment income for 2021 .....		<b>13</b>	.050828
<b>14</b> 2021 state estimate payments attributable to investment income. Line 12 times line 13 .....		<b>14</b>	

**Part IV State Income Tax Pro-ration for Balance of Prior Years Tax Plus Extension Payments Paid in 2022**

<b>15</b> Balance of prior years tax plus extension payments paid in 2022 .....		<b>15</b>	
<b>16</b> Percent of state income taxes attributable to investment income for 2021 .....		<b>16</b>	.050828
<b>17</b> Balance of prior years tax and extension payments attributable to investment income. Line 15 times line 16 .....		<b>17</b>	

**Part V Reduction of State Tax Deduction**

<b>18</b> Reduction of state tax deduction .....		<b>18</b>	( )
<b>19</b> Percent of state income taxes attributable to investment income for 2021 .....		<b>19</b>	
<b>20</b> Reduction of state tax deduction attributable to investment income. Line 18 times line 19 .....		<b>20</b>	( )

**Part VI Total State Income Tax Payments Attributable to Investment Income**

<b>21</b> Combine lines 11, 14, 17 and 20. Carry to Form 8960, Line 9 Worksheet, Part III, line 2 .....		<b>21</b>	2,263.
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# Noncash Charitable Contributions

**Attach one or more Forms 8283 to your tax return if you claimed a total deduction of over \$500 for all contributed property.**  
Go to [www.irs.gov/Form8283](http://www.irs.gov/Form8283) for instructions and the latest information.

Name(s) shown on your income tax return

Identifying number

**BRAD J. & LISA N K. SHERMAN**

**Note:** Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

**Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities** - List in this section **only** an item (or a group of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities and certain other property even if the deduction is more than \$5,000. See instructions.

**Part I Information on Donated Property** - If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) If donated property is a vehicle, check the box. Also enter the vehicle identification number (unless Form 1098-C is attached)	(c) Description and condition of donated property (For a vehicle, enter the year, make, model, and mileage. For securities and other property, see instructions.)
A		<input type="checkbox"/>	
B		<input type="checkbox"/>	
C		<input type="checkbox"/>	
D		<input type="checkbox"/>	
E		<input type="checkbox"/>	

**Note:** If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (e), (f), and (g).

A	(d) Date of the contribution	(e) Date acquired by donor (mo., yr.)	(f) How acquired by donor	(g) Donor's cost or adjusted basis	(h) Fair market value (see instructions)	(i) Method used to determine the fair market value
A						
B						
C						
D						
E						

**Section B. Donated Property Over \$5,000 (Except Publicly Traded Securities, Vehicles, Intellectual Property or Inventory Reportable in Section A)** - Complete this section for one item (or a group of similar items) for which you claimed a deduction of more than \$5,000 per item or group (except contributions reportable in Section A). Provide a separate form for each item donated unless it is part of a group of similar items. A qualified appraisal is generally required for items reportable in Section B. See instructions.

**Part I Information on Donated Property**

**2** Check the box that describes the type of property donated.

- |  |  |  |
|--|--|--|
| a <input type="checkbox"/> Art* (contribution of \$20,000 or more)   | e <input type="checkbox"/> Other Real Estate     | i <input type="checkbox"/> Vehicles                                |
| b <input type="checkbox"/> Qualified Conservation Contribution       | f <input type="checkbox"/> Securities            | j <input checked="" type="checkbox"/> Clothing and household items |
| c <input type="checkbox"/> Equipment                                 | g <input type="checkbox"/> Collectibles**        | k <input type="checkbox"/> Other                                   |
| d <input type="checkbox"/> Art* (contribution of less than \$20,000) | h <input type="checkbox"/> Intellectual Property |  |

\*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antiques, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

\*\*Collectibles include coins, stamps, books, gems, jewelry, sports memorabilia, dolls, etc., but not art as defined above.

**Note:** In certain cases, you must attach a qualified appraisal of the property. See instructions.

3	(a) Description of donated property (if you need more space, attach a separate statement)	(b) If any tangible personal property or real property was donated, give a brief summary of the overall physical condition of the property at the time of the gift	(c) Appraised fair market value
A	<b>4 ROOMS FULL OF FURNITURE</b>	<b>GOOD</b>	<b>1,500.</b>
B	<b>WASHER &amp; DRYER</b>	<b>GOOD</b>	<b>350.</b>
C	<b>53 BOXES OF CLOTHING/JEWELRY</b>	<b>GOOD</b>	<b>1,800.</b>

  

A	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) For bargain sales, enter amount received	(h) Amount claimed as a deduction (see instructions)	(i) Date of contribution (see instructions)
A	10/20	INHERITANCE	20,000.			03/23/22
B	10/20	INHERITANCE	2,500.			03/24/22
C	10/20	INHERITANCE	10,000.			04/16/22

Name(s) shown on your income tax return  <b>BRAD J. &amp; LISA N K. SHERMAN</b>	Identifying number  [REDACTED]
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**Part II Partial Interests and Restricted Use Property (Other Than Qualified Conservation Contributions) -**  
 Complete lines 4a through 4e if you gave less than an entire interest in a property listed in Section B, Part I.  
 Complete lines 5a through 5c if conditions were placed on a contribution listed in Section B, Part I; also  
 attach the required statement. See instructions.

**4 a** Enter the letter from Section B, Part I that identifies the property for which you gave less than an entire interest  
 If Section B, Part II applies to more than one property, attach a separate statement. \_\_\_\_\_

**b** Total amount claimed as a deduction for the property listed in Section B, Part I: **(1)** For this tax year ..... \_\_\_\_\_  
**(2)** For any prior tax years ..... \_\_\_\_\_

**c** Name and address of each organization to which any such contribution was made in a prior year (complete only if different  
 from the donee organization in Section B, Part V, below):  
 Name of charitable organization (donee) \_\_\_\_\_  
 Address (number, street, and room or suite no.) \_\_\_\_\_ City or town, state, and ZIP code \_\_\_\_\_

**d** For tangible property, enter the place where the property is located or kept \_\_\_\_\_

**e** Name of any person, other than the donee organization, having actual possession of the property \_\_\_\_\_

		Yes	No
<b>5 a</b> Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property? .....	[REDACTED]		
<b>b</b> Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire? .....	[REDACTED]		
<b>c</b> Is there a restriction limiting the donated property for a particular use? .....	[REDACTED]		

**Part III Taxpayer (Donor) Statement -** List each item included in Section B, Part I above that the appraisal identifies  
 as having a value of \$500 or less. See instructions.

I declare that the following item(s) included in Section B, Part I above has to the best of my knowledge and belief an appraised value of not more than \$500 (per item).  
 Enter identifying letter from Section B, Part I and describe the specific item. See instructions.

Signature of taxpayer (donor) \_\_\_\_\_ Date \_\_\_\_\_

**Part IV Declaration of Appraiser**

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons.  
 Also, I declare that I perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this Form 8283 may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). I understand that my appraisal will be used in connection with a return or claim for refund. I also understand that, if there is a substantial or gross valuation misstatement of the value of the property claimed on the return or claim for refund that is based on my appraisal, I may be subject to a penalty under section 6695A of the Internal Revenue Code, as well as other applicable penalties. I affirm that I have not been at any time in the three-year period ending on the date of the appraisal barred from presenting evidence or testimony before the Department of the Treasury or the Internal Revenue Service pursuant to 31 U.S.C. 330(c).

**Sign Here** Appraiser signature \_\_\_\_\_ Date \_\_\_\_\_  
 Appraiser name \_\_\_\_\_ Title \_\_\_\_\_

Business address (including room or suite no.) \_\_\_\_\_ Identifying number \_\_\_\_\_  
 City or town, state, and ZIP code \_\_\_\_\_

**Part V Donee Acknowledgment**

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on the following date 04/16/22

Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 3 years after the date of receipt, it will file **Form 8282**, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use?  Yes  No

Name of charitable organization (donee) **HOPE OF THE VALLEY** Employer identification number [REDACTED]

Address (number, street, and room or suite no.) [REDACTED] City or town, state, and ZIP code **MISSION HILLS, CA 91346**

Authorized signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

PROPERTY KNOWN AS [REDACTED] WAS PRINCIPAL RESIDENCE OF CONGRESSMAN BRAD SHERMAN. HE MET RESIDENCY REQUIREMENTS DURING THE FIVE YEARS PRIOR TO SALE. HIS WIFE, LISA, MAY NOT QUALIFY FOR FULL RESIDENCY DURING THIS PERIOD, SO THIS RETURN ONLY TAKES A \$250,000 EXCLUSION.

[REDACTED] WAS CONGRESSMAN SHERMAN'S PRIMARY RESIDENCE FROM JULY 15, 2013, TO APRIL 17, 2022. DURING THIS TIME, THE PROPERTY WAS HIS PRIMARY ADDRESS FOR TAX AND VOTING PURPOSES. THROUGHOUT THIS PERIOD, HE HAD A CALIFORNIA DRIVER'S LICENSE, WAS REGISTERED TO VOTE IN CALIFORNIA, AND PAID CA INCOME TAX. UNDER US CONSTITUTION, ART. 1, SECT. 1, CL. 2, HE IS A CALIFORNIA RESIDENT. PER SECTION 162(A), CONGRESSMEMBER'S HOME IS IN HIS OR HER DISTRICT. HE SPENDS A LOT OF TIME IN D.C. TO FULFILL HIS CONGRESSIONAL DUTIES AND WORK WITH STAFF. ALL CARS OWNED BY THE TAXPAYER ARE REGISTERED IN CALIFORNIA, INCLUDING THOSE USED IN DC. DUE TO SECURITY CONCERNS, CONGRESSMAN SHERMAN SEEKS TO LIMIT THOSE WHO KNOW HIS PERSONAL ADDRESS, SO HE RECIEVES MAIL THROUGH A PRIVATE POSTAL BOX CLOSE TO HIS HOME. THE PROPERTY IS CLOSE TO HIS DISTRICT OFFICE, HIS BANK, AND WAS CLOSE TO THE HOME OF HIS MOTHER UNTIL HER DEATH IN 2020. IT IS CLOSE TO THE SYNAGOGUE HE HAS BEEN A MEMBER OF SINCE 1995.

FORM 1040 WAGES RECEIVED AND TAXES WITHHELD STATEMENT 2

T S EMPLOYER'S NAME	AMOUNT PAID	FEDERAL TAX WITHHELD	STATE TAX WITHHELD	CITY SDI TAX W/H	FICA TAX	MEDICARE TAX
T HOUSE OF REP-MEMBERS SERVICES	142,394.	59,123.	14,869.		9,114.	2,456.
S US DEPT OF STATE	126,083.	21,346.	7,706.		9,114.	2,209.
TOTALS	268,477.	80,469.	22,575.		18,228.	4,665.

FORM 1040	TAX-EXEMPT INTEREST	STATEMENT	3
NAME OF PAYER		AMOUNT	
MERRILL LYNCH		5,910.	
VANGUARD CA IT TAX-EXEMPT ADMIRAL		1,573.	
FROM K-1 - LANE M SHERMAN FAMILY TRUST		131.	
TOTAL TO FORM 1040, LINE 2A		7,614.	

FORM 1040	QUALIFIED DIVIDENDS	STATEMENT	4
NAME OF PAYER	ORDINARY DIVIDENDS	QUALIFIED DIVIDENDS	
MERRILL LYNCH	10,731.	8,618.	
VANGUARD 500 INDEX FUND ADM	3,897.	3,897.	
VANGUARD TOTAL STOCK MKT IDX ADM	2,763.	2,592.	
FROM K-1 - LANE M SHERMAN FAMILY TRUST	66.	48.	
TOTAL INCLUDED IN FORM 1040, LINE 3A		15,155.	

FORM 1040	PENSIONS AND ANNUITIES	STATEMENT	5
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## LEGISLATORS' RETIREMENT SYSTEM

AMOUNT RECEIVED THIS YEAR	33,594.	
NONTAXABLE AMOUNT	49.	
CAPITAL GAIN DISTRIBUTION REPORTED ON SCH D		
		33,545.
TOTAL INCLUDED IN FORM 1040, LINE 5B		33,545.

FORM 1040	TAX	STATEMENT	6
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DESCRIPTION	AMOUNT
FROM QUALIFIED DIVIDENDS AND CAPITAL GAIN WORKSHEET	74,399.
TOTAL TO FORM 1040, LINE 16	74,399.

FORM 1040	FEDERAL INCOME TAX WITHHELD - FORM(S) W-2	STATEMENT	7
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T S DESCRIPTION	AMOUNT
-	
T HOUSE OF REP-MEMBERS SERVICES	59,123.
S US DEPT OF STATE	21,346.
TOTAL TO FORM 1040, LINE 25A	80,469.

FORM 1040	CURRENT YEAR ESTIMATES AND AMOUNT APPLIED FROM PREVIOUS YEAR	STATEMENT	8
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DESCRIPTION	AMOUNT
1ST QTR ESTIMATE PAYMENT - JOINT	701.
2ND QTR ESTIMATE PAYMENT - JOINT	865.
3RD QTR ESTIMATE PAYMENT - JOINT	817.
4TH QTR ESTIMATE PAYMENT - JOINT	805.
TOTAL TO FORM 1040, LINE 26	3,188.



FORM 1040 FEDERAL INCOME TAX WITHHELD - FORM(S) 1099 STATEMENT 9

T S DESCRIPTION	AMOUNT
T LEGISLATORS' RETIREMENT SYSTEM	9,894.
TOTAL TO FORM 1040, LINE 25B	9,894.

SCHEDULE 1 STATE AND LOCAL INCOME TAX REFUNDS STATEMENT 10

	2021	2020	2019
	CALIFORNIA		
GROSS STATE/LOCAL INC TAX REFUNDS	6,422.		
LESS: TAX PAID IN FOLLOWING YEAR			
NET TAX REFUNDS CALIFORNIA	6,422.		
	DISTRICT OF CO		
GROSS STATE/LOCAL INC TAX REFUNDS	806.		
LESS: TAX PAID IN FOLLOWING YEAR			
NET TAX REFUNDS DISTRICT OF CO	806.		
TOTAL NET TAX REFUNDS	7,228.		

SCHEDULE 1		TAXABLE STATE AND LOCAL INCOME TAX REFUNDS		STATEMENT 11
		2019	2020	2021
NET TAX REFUNDS FROM STATE AND LOCAL INCOME TAX REFUNDS STMT.				7,228.
LESS: REFUNDS-NO BENEFIT DUE TO AMT -SALES TAX BENEFIT REDUCTION				
1	NET REFUNDS FOR RECALCULATION		0.	7,228.
2	AMOUNT FROM PRIOR YEAR SCHEDULE A, LINE 5E			10,000.
3	TOTAL OF PRIOR YEAR SCHEDULE A, LINES 5B AND 5C			14,733.
4	SUBTRACT LINE 3 FROM LINE 2 IF ZERO OR LESS, STOP HERE NONE OF YOUR REFUND IS TAXABLE	0.	0.	-4,733.
5	ENTER THE STATE AND LOCAL INCOME TAXES FROM PRIOR YEAR SCHEDULE A, LINE 5A			
6	ENTER THE AMOUNT FROM LINE 1			
7	SUBTRACT LINE 6 FROM LINE 5			
8	ADD LINE 7 TO LINE 3			
9	SUBTRACT LINE 8 FROM LINE 2			
10	ENTER THE LESSER OF LINE 4, LINE 6 OR LINE 9. IF ZERO OR LESS, STOP HERE. NONE OF YOUR REFUND IS TAXABLE. IF GREATER THAN ZERO, PROCEED TO LINE 11			
11	ALLOWABLE PRIOR YEAR ITEMIZED DEDUCTIONS			
12	ENTER YOUR PRIOR YEAR STANDARD DEDUCTION			
13	SUBTRACT LINE 12 FROM LINE 11			
14	ENTER THE SMALLER OF LINE 10 OR LINE 13.			
15	PRIOR YEAR TAXABLE INCOME			
16	AMOUNT TO INCLUDE ON SCHEDULE 1, LINE 1			
	* IF LINE 15 IS -0- OR MORE, USE AMOUNT FROM LINE 14			
	* IF LINE 15 IS A NEGATIVE AMOUNT, NET LINES 14 AND 15			
STATE AND LOCAL INCOME TAX REFUNDS PRIOR TO 2019				
TOTAL TO SCHEDULE 1, LINE 1				

SCHEDULE A	STATE AND LOCAL INCOME TAXES	STATEMENT 12
DESCRIPTION		AMOUNT
LEGISLATORS' RETIREMENT SYSTEM		4,200.
HOUSE OF REP-MEMBERS SERVICES		14,869.
US DEPT OF STATE		7,706.
CALIFORNIA PRIOR YEAR OVERPAYMENT APPLIED		6,422.
TOTAL TO SCHEDULE A, LINE 5A		33,197.

SCHEDULE A	MEDICAL AND DENTAL EXPENSES	STATEMENT 13
DESCRIPTION		AMOUNT
PRESCRIPTION MEDICINES AND DRUGS		20,708.
MEDICAL INSURANCE PREMIUMS PAID		646.
INSURANCE REIMBURSEMENT		-15,443.
TRANSPORTATION		145.
LAB FEES		1,020.
MEDICAL SAVINGS REIMBURSEMENT		-8,450.
PARKING		108.
DOCTORS, DENTISTS, AUTISM PROFESSIONALS		47,354.
TRANSPORTATION - POST-JUNE 30		181.
TOTAL TO SCHEDULE A, LINE 1		46,269.

SCHEDULE B	AMORTIZABLE BOND PREMIUM ADJUSTMENT	STATEMENT 14
NAME OF PAYER		AMOUNT
MERRILL LYNCH		6,665.
TOTAL ABP ADJUSTMENT TO SCHEDULE B, LINE 1		6,665.



SCHEDULE D	NET LONG-TERM GAIN OR LOSS FROM FORMS 4797, 2439, 6252, 4684, 6781 AND 8824	STATEMENT 15
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DESCRIPTION OF PROPERTY	GAIN OR LOSS	28% GAIN
INSTALLMENT SALE NO. 1	178,033.	
TOTAL TO SCHEDULE D, PART II, LINE 11	178,033.	

SCHEDULE D	CAPITAL GAIN DISTRIBUTIONS	STATEMENT 16
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NAME OF PAYER	TOTAL CAPITAL GAIN	28% GAIN
MERRILL LYNCH	1,478.	
TOTALS TO SCHEDULE D, LINE 13	1,478.	




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 SCHEDULE E INCOME OR (LOSS) FROM ESTATES AND TRUSTS STATEMENT 17
 

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NAME	EMPLOYER ID NO.	PASSIVE LOSS	PASSIVE INCOME	NONPASSIVE LOSS	NONPASSIVE INCOME
SARAH SCHARF LIVING TRUST	*		0.		
MAURICE H SHERMAN TRUST	*		0.		
MARGARET S MOSS IRREV TR 021897	*		0.		
LANE M SHERMAN FAMILY TRUST			0.		
TOTALS TO SCHEDULE E, LINE 34			0.		

\* ENTIRE DISPOSITION OF PASSIVE ACTIVITY



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FORM 6251                    INTEREST FROM SPECIFIED PRIVATE ACTIVITY BONDS    STATEMENT    18

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DESCRIPTION	AMOUNT
MERRILL LYNCH	756.
TOTAL TO FORM 6251, LINE 2G	756.

SCHEDULE 8812

CREDIT LIMIT WORKSHEET A

STATEMENT 19

1. ENTER THE AMOUNT FROM LINE 18 OF FORM 1040 OR FORM 1040-NR 74,399.

2. ADD THE FOLLOWING AMOUNTS (IF APPLICABLE) FROM:

SCHEDULE 3, LINE 1  
 SCHEDULE 3, LINE 2  
 SCHEDULE 3, LINE 3  
 SCHEDULE 3, LINE 4  
 SCHEDULE 3, LINE 6D  
 SCHEDULE 3, LINE 6E  
 SCHEDULE 3, LINE 6F  
 SCHEDULE 3, LINE 6L  
 FORM 5695, LINE 30  
 ENTER THE TOTAL

3. SUBTRACT LINE 2 FROM LINE 1 74,399.

COMPLETE THE CREDIT LIMIT WORKSHEET B ONLY IF YOU MEET ALL OF THE FOLLOWING:

1. YOU ARE CLAIMING ONE OR MORE OF THE FOLLOWING CREDITS:

- A. MORTGAGE INTEREST CREDIT, FORM 8396
- B. ADOPTION CREDIT, FORM 8839
- C. RESIDENTIAL CLEAN ENERGY CREDIT, FORM 5695, PART I
- C. DISTRICT OF COLUMBIA FIRST-TIME HOMEBUYER CREDIT, FORM 8859

3. YOU ARE NOT FILING FORM 2555

4. LINE 4 OF SCHEDULE 8812 IS MORE THAN ZERO

4. IF YOU ARE NOT COMPLETING CREDIT LIMIT WORKSHEET B, ENTER -0-; OTHERWISE, ENTER THE AMOUNT FROM THE CREDIT LIMIT WORKSHEET B. 0.

5. SUBTRACT LINE 4 FROM LINE 3. ENTER THIS AMOUNT ON SCHEDULE 8812, LINE 13. 74,399.

FORM 8995-A

QUALIFIED REIT DIVIDENDS AND PTP INCOME

STATEMENT 20

NAME OF ENTITY/ACTIVITY

REIT DIVIDENDS

PTP INCOME

MERRILL LYNCH  
 VANGUARD TOTAL STOCK MKT IDX ADM

212.

123.

TOTAL TO FORM 8995-A, LINE 28

335.



FORM 8960	OTHER MODIFICATIONS TO INVESTMENT INCOME	STATEMENT 21
AMOUNT FROM LINE 7 WORKSHEET, LINE 13 FOR CA	326.	
TOTAL RECOVERY OF PRIOR YEAR FORM 8960, LINE 9B	326.	326.
AMOUNT TO FORM 8960, LINE 7		326.

FORM 8960	STATE INCOME TAX PAYMENTS	STATEMENT 22
CALIFORNIA		
DESCRIPTION		AMOUNT
HOUSE OF REP-MEMBERS SERVICES		14,869.
LEGISLATORS' RETIREMENT SYSTEM		4,200.
ESTIMATE OR PRIOR YEAR OVERPAYMENT		6,422.
TOTAL TO STATE FORM 8960, LINE 10		25,491.

**SCHEDULE D**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to [www.irs.gov/ScheduleD](http://www.irs.gov/ScheduleD) for instructions and the latest information.  
Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074

**2022**

Attachment  
Sequence No. **12**

Name(s) shown on return

**BRAD J. & LISA N K. SHERMAN**

Your social security number

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year?  Yes  No  
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

**Part I Short-Term Capital Gains and Losses - Generally Assets Held One Year or Less** (see instructions)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
<b>1a</b> Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
<b>1b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box A</b> checked	2,078,123.	2,126,065.		<47,942.>
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked				
<b>3</b> Totals for all transactions reported on Form(s) 8949 with <b>Box C</b> checked				
<b>4</b> Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				<b>4</b>
<b>5</b> Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				<b>5</b>
<b>6</b> Short-term capital loss carryover. Enter the amount, if any, from line 8 of your <b>Capital Loss Carryover Worksheet</b> in the instructions				<b>6</b> ( )
<b>7</b> <b>Net short-term capital gain or (loss)</b> . Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on page 2				<b>7</b> <47,942.>

**Part II Long-Term Capital Gains and Losses - Generally Assets Held More Than One Year** (see instructions)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
<b>8a</b> Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
<b>8b</b> Totals for all transactions reported on Form(s) 8949 with <b>Box D</b> checked	1,729,331.	1,809,079.		<79,748.>
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked	291,940.	332,940.		<41,000.>
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked				
<b>11</b> Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				<b>11</b> 178,033.
<b>12</b> Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				<b>12</b>
<b>13</b> Capital gain distributions. See the instructions				<b>13</b> 1,478.
<b>14</b> Long-term capital loss carryover. Enter the amount, if any, from line 13 of your <b>Capital Loss Carryover Worksheet</b> in the instructions				<b>14</b> ( )
<b>15</b> <b>Net long-term capital gain or (loss)</b> . Combine lines 8a through 14 in column (h). Then, go to Part III on page 2				<b>15</b> 58,763.

LHA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule D (Form 1040) 2022

Part III Summary

<p><b>16</b> Combine lines 7 and 15 and enter the result .....</p>	<b>16</b>	10,821.
<ul style="list-style-type: none"> <li>• If line 16 is a <b>gain</b>, enter the amount from line 16 on Form 1040, 1040-SR, or 1040-NR, line 7. Then, go to line 17 below.</li> <li>• If line 16 is a <b>loss</b>, skip lines 17 through 20 below. Then, go to line 21. Also be sure to complete line 22.</li> <li>• If line 16 is <b>zero</b>, skip lines 17 through 21 below and enter -0- on Form 1040, 1040-SR, or 1040-NR, line 7. Then, go to line 22.</li> </ul>		
<p><b>17</b> Are lines 15 and 16 <b>both</b> gains?</p> <p><input checked="" type="checkbox"/> <b>Yes.</b> Go to line 18.</p> <p><input type="checkbox"/> <b>No.</b> Skip lines 18 through 21, and go to line 22.</p>		
<p><b>18</b> If you are required to complete the <b>28% Rate Gain Worksheet</b>(see instructions), enter the amount, if any, from line 7 of that worksheet .....</p>	<b>18</b>	
<p><b>19</b> If you are required to complete the <b>Unrecaptured Section 1250 Gain Worksheet</b> (see instructions), enter the amount, if any, from line 18 of that worksheet .....</p>	<b>19</b>	
<p><b>20</b> Are lines 18 and 19 both zero or blank and you are not filing Form 4952?</p> <p><input checked="" type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 16. <b>Don't</b> complete lines 21 and 22 below.</p> <p><input type="checkbox"/> <b>No.</b> Complete the <b>Schedule D Tax Worksheet</b> in the instructions. <b>Don't</b> complete lines 21 and 22 below.</p>		
<p><b>21</b> If line 16 is a loss, enter here and on Form 1040, 1040-SR, or 1040-NR, line 7, the <b>smaller</b> of:</p> <ul style="list-style-type: none"> <li>• The loss on line 16; or</li> <li>• (\$3,000), or if married filing separately, (\$1,500)</li> </ul> <p><b>Note:</b> When figuring which amount is smaller, treat both amounts as positive numbers.</p>	<b>21</b>	( )
<p><b>22</b> Do you have qualified dividends on Form 1040, 1040-SR, or 1040-NR, line 3a?</p> <p><input type="checkbox"/> <b>Yes.</b> Complete the <b>Qualified Dividends and Capital Gain Tax Worksheet</b> in the instructions for Form 1040, line 16.</p> <p><input type="checkbox"/> <b>No.</b> Complete the rest of Form 1040, 1040-SR, or 1040-NR.</p>		





Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on page 1

Social security number or taxpayer identification no.

**BRAD J. & LISA N K. SHERMAN**

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

**Part II Long-Term.** Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.  
**Note:** You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

**You must check Box D, E, or F below. Check only one box.** If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (E) Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (F) Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price)	(e) Cost or other basis. See the <b>Note</b> below and see <i>Column (e)</i> in the instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See instructions.		(h) <b>Gain or (loss).</b> Subtract column (e) from column (d) & combine the result with column (g)
						(f) Code(s)	(g) Amount of adjustment	
	15780.110 SH - BLACKROCK MUNIHDS CA QLT	VARIOUS	04/14/22	188,674.	213,631.			<24,957.>
	1000.000 SH - BLACKROCK TAXABLE MUNICIPAL	08/26/10	11/03/22	16,635.	19,669.			<3,034.>
	1000.000 SH - GUGGENHEIM TAXABLE MUNICIPAL	10/26/10	11/03/22	15,525.	19,627.			<4,102.>
	7241.469 SH - AB MUNI INCOME FUND CA	VARIOUS	11/03/22	71,106.	80,013.			<8,907.>
<b>2 Totals.</b>	Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, <b>line 8b</b> (if <b>Box D</b> above is checked), <b>line 9</b> (if <b>Box E</b> above is checked), or <b>line 10</b> (if <b>Box F</b> above is checked) .....			291,940.	332,940.			<41,000.>

**Note:** If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.