

TAXABLE YEAR

2023

California Resident Income Tax Return

FORM

540

APE

ATTACH FEDERAL RETURN

SHERMAN OAKS CA 91403
BRAD J SHERMAN
LISA K SHERMAN

23

SHERMAN OAKS CA 91403

Principal Residence section: Enter your county at time of filing (see instructions). LOS ANGELES. If your address above is the same as your principal/physical residence address at the time of filing, check this box [X].

Filing Status section: If your California filing status is different from your federal filing status, check the box here. 1 Single, 2 [X] Married/RDP filing jointly, 3 Married/RDP filing separately, 4 Head of household, 5 Qualifying surviving spouse/RDP, 6 If someone can claim you as a dependent.

Exemptions section: For line 7, line 8, line 9, and line 10: Multiply the number you enter in the box by the pre-printed dollar amount for that line. 7 Personal: 2 X \$144 = \$288. 8 Blind: 0 X \$144 = \$0. 9 Senior: 1 X \$144 = \$144.

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  $\bullet$  10  X \$446 =  \$

**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  $\bullet$  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  $\bullet$  14

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

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

**17** California adjusted gross income. Combine line 15 and line 16  $\bullet$  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  $\bullet$  \$ 5,363   
 • Married/RDP filing jointly, Head of household, or Qualifying surviving spouse/RDP \$10,726   
 If Married/RDP filing separately or the box on line 6 is checked, **STOP**. See instructions  $\bullet$  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  $\bullet$  31

**32** Exemption credits. Enter the amount from line 11. If your federal AGI is more than \$237,035, 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  $\bullet$  34

**35** Add line 33 and line 34  35

**40** Nonrefundable Child and Dependent Care Expenses Credit. See instructions  $\bullet$  40

**43** Enter credit name  code  and amount  $\bullet$  43

**44** Enter credit name  code  and amount  $\bullet$  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	8,373	
	48 Subtract line 47 from line 35. If less than zero, enter -0- ..... • 48	32,997	

<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	32,997	

<b>Payments</b>	71 California income tax withheld. See instructions ..... • 71	9,837	
	72 2023 California estimated tax and other payments. See instructions ..... • 72	14,992	
	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	24,829	

<b>Use Tax</b>	91 Use Tax. Do not leave blank. See instructions ..... • 91	0	
	If line 91 is zero, check if: <input checked="" type="radio"/> <b>X</b> No use tax is owed. <input type="radio"/> You paid your use tax obligation directly to CDTFA.		

<b>ISR Penalty</b>	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 ..... • <input checked="" type="checkbox"/> <b>X</b>		
	Individual Shared Responsibility (ISR) Penalty. See instructions ..... • 92		

<b>Overpaid Tax/Tax Due</b>	93 Payments balance. If line 78 is more than line 91, subtract line 91 from line 78 ..... • 93	24,829	
	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	24,829	
	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		

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

<b>Overpaid Tax/Tax Due</b>	<b>98</b> Amount of line 97 you want applied to your <b>2024</b> estimated tax .....	<b>98</b>		.00
	<b>99</b> Overpaid tax available this year. Subtract line 98 from line 97 .....	<b>99</b>		.00
	<b>100</b> Tax due. If line 95 is less than line 64, subtract line 95 from line 64 .....	<b>100</b>	<b>8,168</b>	.00

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

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

**Amount You Owe**  
111 **AMOUNT YOU OWE.** If you do not have an amount on line 99, add line 94, line 95, line 100, and line 110. See instructions. **Do not send cash.**  
Mail to: **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94287-0001** • 111    
Pay Online - Go to [ftb.ca.gov/pay](http://ftb.ca.gov/pay) for more information.

**Interest and Penalties**  
112 Interest, late return penalties, and late payment penalties ..... 112    
113 Underpayment of estimated tax.  
Check the box: •  **FTB 5805 attached** •  **FTB 5805F attached** ..... • 113    
114 Total amount due. See instructions. Enclose, but **do not** staple, any payment ..... 114

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

**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  • Type  Checking • Account number  • 116 Direct deposit amount    
• Routing number  • Type  Savings • Account number   
The remaining amount of my refund (line 115) is authorized for direct deposit into the account shown below:  
• Routing number  • Type  Checking • Account number  • 117 Direct deposit amount    
• Routing number  • Type  Savings • Account number

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

**Health Care Coverage Info.**  
Do you want information on no-cost or low-cost health care coverage? By checking the "Yes" box, you authorize the FTB to share limited information from your tax return with Covered California. See instructions .....  Yes  No

Sign your tax return on Side 6

Your name: **BRAD J SHERMAN**

Your SSN or ITIN: [REDACTED]

**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](https://ftb.ca.gov/privacy) to learn about our privacy policy statement, or go to [ftb.ca.gov/forms](https://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 **048** 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.

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

Joint tax return? See instructions.

Firm's address [REDACTED] **KIRKLAND, WA** [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]

2023

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]
c. Employer's name [HOUSE OF REP-MEMBERS SERVICES]
b. Employer identification number (EIN) [redacted]
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. Wages, tips, other compensation [155,020]
2. Federal income tax withheld [39,283]
3. Social security wages [160,200]
4. Social security tax withheld [9,932]
5. Medicare tax withheld [2,666]
6. Allocated tips (not included in box 1) [ ]
7. Social security tips [ ]
8. Dependent care benefits [ ]
9. Nonqualified plans [ ]

12. Codes and amounts
12a. Code [D] Amount [28,876]
12b. Code [ ] Amount [ ]
12c. Code [ ] Amount [ ]
12d. Code [ ] Amount [ ]

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

14. SDI, VPDI, or CA SDI (from federal Form W-2, box 14 or 19)
Type [ ] Amount [ ]
15. State and employer's state ID number
State [CA] Employer's state ID number [redacted]

16. State wages, tips, etc. [155,020]
17. State income tax [5,637]

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 to learn about our privacy policy statement, or go to 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 Recaudacion. To request this notice by mail, call 800.338.0505 and enter form code 948 when instructed.

2023

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]

c. Employer's name  US DEPT OF STATE

b. Employer identification number (EIN)  [REDACTED]

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"/> 134,415	4. <input type="radio"/> Social security tax withheld <input type="radio"/> 9,932	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"/> 24,590	6. <input type="radio"/> Medicare tax withheld <input type="radio"/> 2,341	10. <input type="radio"/> Dependent care benefits <input type="radio"/>
3. <input type="radio"/> Social security wages <input type="radio"/> 160,200	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"/> 27,014	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"/> 24,871	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, VPDI, or CA SDI (from federal Form W-2, box 14 or 19)

Type  Amount

16. State wages, tips, etc.  134,415

15. State and employer's state ID number

State  DC Employer's state ID number  [REDACTED]

17. State income tax  8,373

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Important: Attach this schedule behind Form 540, Side 6 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		A Federal Amounts (taxable amounts from your federal tax return)	B Subtractions See instructions	C Additions See instructions
<b>Section A - Income from federal Form 1040 or 1040-SR</b>				
1 a	Total amount from federal Form(s) W-2, box 1. See instructions	289,435		
b	Household employee wages not reported on federal Form(s) W-2			
c	Tip income not reported on line 1a			
d	Medicaid waiver payments not reported on federal Form(s) W-2. See instructions			
e	Taxable dependent care benefits from federal Form 2441, line 26			
f	Employer-provided adoption benefits from federal Form 8839, line 29			
g	Wages from federal Form 8919, line 6			
h	Other earned income. See instructions			
i	Nontaxable combat pay election. See instructions			
z	Add line 1a through line 1i	289,435		
2	Taxable interest. a	30,801	237	
3	Ordinary dividends. See instructions. a	40,619	16,797	
4	IRA distributions. See instructions. a			
5	Pensions and annuities. See instructions. a	36,145		
6	Social security benefits. a	3,562	3,562	
7	Capital gain or (loss). See instr.	163,872		
<b>Section B - Additional Income from federal Schedule 1 (Form 1040)</b>				
1	Taxable refunds, credits, or offsets of state and local income taxes			
2 a	Alimony received. See instructions			
3	Business income or (loss). See instructions			
4	Other gains or (losses)			
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc.			
6	Farm income or (loss)			
7	Unemployment compensation			

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:			
<b>a</b> Federal 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 federal Form 2555 ..... <b>8d</b>	⊙ ( )		⊙
<b>e</b> Income from federal Form 8853 ..... <b>8e</b>	⊙		⊙
<b>f</b> Income from federal 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 ..... <b>8m</b>	⊙		
<b>n</b> IRC Section 951(a) inclusion ..... <b>8n</b>	⊙	⊙	
<b>o</b> IRC Section 951A(a) inclusion ..... <b>8o</b>	⊙	⊙	
<b>p</b> IRC Section 461(f) excess business loss adjustment ..... <b>8p</b>	⊙	⊙	⊙
<b>q</b> Taxable distributions from an ABLÉ account ..... <b>8q</b>	⊙		
<b>r</b> Scholarship and fellowship grants not reported on federal Form(s) W-2 ..... <b>8r</b>	⊙		
<b>s</b> Nontaxable amount of Medicaid waiver payments included on federal Form 1040, line 1a or line 1d ..... <b>8s</b>	⊙ ( )		
<b>t</b> Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental IRC 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>	⊙	14 ⊙	⊙

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>	14		
<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 deduction 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>	564,448	20,596	

**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 <b>19b</b>			
Last Name <b>19b</b>			
<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 8f 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>	●	●	●
	564,448	●	20,596

**Part II Adjustments to Federal Itemized Deductions**

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

	<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>25,125</u> <b>1</b>			
<b>2</b> Enter amount from federal Form 1040 or 1040-SR, line 11 <input checked="" type="radio"/> <u>564,448</u> <b>2</b>			
<b>3</b> Multiply line 2 by 7.5% (0.075) <input checked="" type="radio"/> <u>42,334</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>0</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 <input checked="" type="radio"/> <u>33,202</u> <b>5a</b>	<input checked="" type="radio"/> <u>33,202</u>	<input checked="" type="radio"/> <u>33,202</u>	
<b>b</b> State and local real estate taxes <input checked="" type="radio"/> <u>13,817</u> <b>5b</b>	<input checked="" type="radio"/> <u>13,817</u>		
<b>c</b> State and local personal property taxes <input checked="" type="radio"/> <u>481</u> <b>5c</b>	<input checked="" type="radio"/> <u>481</u>		
<b>d</b> Add line 5a through line 5c <input checked="" type="radio"/> <u>47,500</u> <b>5d</b>	<input checked="" type="radio"/> <u>47,500</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 <input checked="" type="radio"/> <u>10,000</u> <b>5e</b>	<input checked="" type="radio"/> <u>10,000</u>	<input checked="" type="radio"/> <u>33,202</u>	<input checked="" type="radio"/> <u>37,500</u>
<b>6</b> Other taxes. List type <input checked="" type="radio"/> <b>6</b>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
<b>7</b> Add line 5e and line 6 <input checked="" type="radio"/> <u>10,000</u> <b>7</b>	<input checked="" type="radio"/> <u>10,000</u>	<input checked="" type="radio"/> <u>33,202</u>	<input checked="" type="radio"/> <u>37,500</u>
<b>Interest You Paid</b>			
<b>8 a</b> Home mortgage interest and points reported to you on federal Form 1098 <input checked="" type="radio"/> <u>2,562</u> <b>8a</b>	<input checked="" type="radio"/> <u>2,562</u>		<input checked="" type="radio"/>
<b>b</b> Home mortgage interest not reported to you on federal Form 1098 <input checked="" type="radio"/> <b>8b</b>	<input checked="" type="radio"/>		<input checked="" type="radio"/>
<b>c</b> Points not reported to you on federal Form 1098 <input checked="" type="radio"/> <b>8c</b>	<input checked="" type="radio"/>		<input checked="" type="radio"/>
<b>d</b> Reserved for future use <input checked="" type="radio"/> <b>8d</b>	<input checked="" type="radio"/>		<input checked="" type="radio"/>
<b>e</b> Add line 8a through line 8c <input checked="" type="radio"/> <u>2,562</u> <b>8e</b>	<input checked="" type="radio"/> <u>2,562</u>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
<b>9</b> Investment interest <input checked="" type="radio"/> <u>58</u> <b>9</b>	<input checked="" type="radio"/> <u>58</u>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
<b>10</b> Add line 8e and line 9 <input checked="" type="radio"/> <u>2,620</u> <b>10</b>	<input checked="" type="radio"/> <u>2,620</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	8,111		
12	Other than by cash or check	200		
13	Carryover from prior year			
14	Add line 11 through line 13	8,311		
<b>Casualty and Theft Losses</b>				
15	Casualty or theft loss(es) (other than net qualified disaster losses). Attach federal Form 4684. See instructions			
<b>Other Itemized Deductions</b>				
16	Other - from list in federal instructions			
17	Add lines 4, 7, 10, 14, 15, and 16 in columns A, B, and C	20,931	33,202	37,500
18	<b>Total.</b> Combine line 17 column A less column B plus column C			25,229

**Job Expenses and Certain Miscellaneous Deductions**

19	Unreimbursed employee expenses: job travel, union dues, job education, etc. Attach federal Form 2106 if required. See instructions			
20	Tax preparation fees		2,145	
21	Other expenses: investment, safe deposit box, etc. List type <b>STMT 5</b>		125	
22	Add line 19 through line 21		2,270	
23	Enter amount from federal Form 1040 or 1040-SR, line 11	564,448		
24	Multiply line 23 by 2% (0.02). If less than zero, enter 0		11,289	
25	Subtract line 24 from line 22. If line 24 is more than line 22, enter 0			0
26	<b>Total Itemized Deductions.</b> Add line 18 and line 25			25,229
27	Other adjustments. See instructions. Specify			
28	Combine line 26 and line 27			25,229
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		\$237,035	
	Head of household		\$355,558	
	Married/RDP filing jointly or qualifying surviving spouse/RDP		\$474,075	
	<b>No.</b> Transfer the amount on line 28 to line 29.			<b>LIMITED</b>
	<b>Yes.</b> Complete the Itemized Deductions Worksheet in the instructions for Schedule CA (540), line 29			19,807
30	<b>Enter the larger of the amount on line 29 or your standard deduction shown below:</b>			
	Single or married/RDP filing separately. See instructions		\$5,363	
	Married/RDP filing jointly, head of household, or qualifying surviving spouse/RDP		\$10,726	
	Transfer the amount on line 30 to Form 540, line 18			19,807

2023

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"/> 134,415	<input checked="" type="radio"/> 134,415
<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>134,415</b>	<input checked="" type="radio"/> <b>134,415</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>41,370</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>134,415</b>	<b>00</b>
<b>4</b> California adjusted gross income	<input checked="" type="radio"/> <b>4</b>	<b>543,852</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>.2472</b>	
<b>6</b> Multiply line 2 by line 5	<input checked="" type="radio"/> <b>6</b>	<b>10,227</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>8,373</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>134,415</b>	<b>00</b>
<b>9</b> Adjusted gross income taxable by other state	<input checked="" type="radio"/> <b>9</b>	<b>134,415</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>8,373</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>8,373</b>	<b>00</b>

# Investment Interest Expense Deduction

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

Name(s) as shown on tax return

SSN, ITIN, or FEIN

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

1	Investment interest expense paid or accrued in 2023. See instructions	SEE STATEMENT 6	<input checked="" type="radio"/>	1	58	00
2	Disallowed investment interest expense from 2022 form FTB 3526, line 7. If zero or less, enter -0-		<input checked="" type="radio"/>	2	0	00
3	Total investment interest expense. Add line 1 and line 2			3	58	00
4a	Gross income from property held for investment (excluding any net gain from the disposition of property held for investment). See instructions	SEE STATEMENT 7		4a	54,400	00
4b	Net gain from the disposition of property held for investment. See instructions	4b		105,340	00	
4c	Net capital gain from the disposition of property held for investment. See instructions	4c		105,340	00	
4d	Subtract line 4c from line 4b. If zero or less, enter -0-			4d	0	00
4e	Enter all or part of the amount on line 4c that you elect to include in investment income. Do not include more than the amount on line 4b. See instructions			4e		00
4f	Investment income. Add line 4a, line 4d, and line 4e			4f	54,400	00
5	Investment expenses. See instructions			5		00
6	Net investment income. Subtract line 5 from line 4f			6	54,400	00
7	Disallowed investment interest expense to be carried forward to 2024. Subtract line 6 from line 3. If zero or less, enter -0-		<input checked="" type="radio"/>	7	0	00
8	Investment interest expense deduction. Enter the smaller of line 3 or line 6. Form 541 filers, stop here and see instructions. All other filers, go to line 9		<input checked="" type="radio"/>	8	58	00
9	Enter the amount from federal Form 4952, line 8			9	58	00
10	California investment interest expense deduction adjustment. Enter the difference between line 8 and line 9. See instructions		<input checked="" type="radio"/>	10	0	00

Installment Sale Income

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 SOS file no., or CA corporation no.

BRAD J SHERMAN AND LISA N K SHERMAN

1 Description of property

• [REDACTED], PORTER RANCH, CA 91326

2 a Date acquired (mm/dd/yyyy)

• 12/04/2013

2b Date sold (mm/dd/yyyy)

• 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)

• 5 [REDACTED] 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

• 6 [REDACTED] 00

7 Subtract line 6 from line 5

• 7 [REDACTED] 00

8 Cost or other basis of property sold

• 8 [REDACTED] 00

9 Depreciation allowed or allowable. Use California amounts

• 9 [REDACTED] 00

10 Adjusted basis. Subtract line 9 from line 8

• 10 [REDACTED] 00

11 Commissions and other expenses of sale

• 11 [REDACTED] 00

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

• 12 [REDACTED] 00

13 Add line 10, line 11, and line 12

• 13 [REDACTED] 00

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

• 14 [REDACTED] 00

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

• 15 250,000 00

16 Gross profit. Subtract line 15 from line 14

• 16 [REDACTED] 00

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

• 17 [REDACTED] 00

18 Contract price. Add line 7 and line 17

• 18 [REDACTED] 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

• 19 .21907

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

• 20 [REDACTED] 00

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

• 21 550,000 00

22 Add line 20 and line 21

• 22 550,000 00

- 23 Payments received in prior years (do not include stated or unstated interest) ..... 23
- 24 Installment sale income. Multiply line 22 by line 19 ..... 24
- 25 Enter the part of line 24 that is ordinary income under recapture rules. See instructions ..... 25
- 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

**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 line 30 through line 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
- 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 2023 taxable year. Add line 22 and line 23 ..... 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 recapture rules. See instructions ..... 36
- 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



California	Exemption Credit - AGI Limitation Worksheet	2023
Name(s) as shown on return <b>BRAD J. &amp; LISA N K. SHERMAN</b>		social security number [REDACTED]

- a. Enter the amount from Form 540, line 13 ..... a 564,448
- b. Enter the amount for your filing status on line b:
 

Single or married/RDP filing separately .....	\$237,035	}	..... b	<u>474,075</u>
Married/RDP filing jointly or qualifying surviving spouse/RDP .....	\$474,075			
Head of household .....	\$355,558			
- c. Subtract line b from line a ..... c 90,373
- d. Divide line c by \$2,500 (\$1,250 if married/RDP filing separately).  
If the result is not a whole number, round it to the next higher whole number ..... d 37
- e. Multiply line d by \$6 ..... e 222
- f. Add the numbers from the boxes on Form 540, line 7, line 8 and line 9 (not the dollar amounts) ..... f 3
- g. Multiply line e by line f ..... g 666
- h. Add the total dollar amount from Form 540, line 7, line 8 and line 9 ..... h 432
- i. Subtract line g from line h. If zero or less, enter -0- ..... i 0
- j. Enter the number from the box on Form 540, line 10 (not the dollar amounts) ..... j 3
- k. Multiply line e by line j ..... k 666
- l. Enter the dollar amount from Form 540, line 10 ..... l 1,338
- m. Subtract line k from line l. If zero or less, enter -0- ..... m 672
- n. Add line i and m. Enter the result here and on Form 540, line 32 ..... n 672

California	Itemized Deductions Worksheet	2023
Name(s) as shown on return <b>BRAD J. &amp; LISA N K. SHERMAN</b>		Social security number [REDACTED]
1. Amount from Schedule CA (540), Part II, line 28 or Schedule CA (540NR), Part III, line 28 .....		25,229
2. Add the amounts on federal Schedule A (Form 1040), line 4, line 9, and line 15 plus any gambling losses included on line 16 (or on Schedule A (Form 1040NR), line 6 plus any investment interest expense and gambling losses included on line 7) .....		58
3. Subtract line 2 from line 1. If the result is zero, STOP. Enter the amount from line 1 above on Schedule CA (540), Part II, line 29 or Schedule CA (540NR), Part III, line 29 .....		25,171
4. Multiply line 3 by 80% (.80) .....		20,137
5. Amount from Form 540 or Form 540NR, line 13 .....		564,448
6. Enter the amount shown below for your filing status: - Single or married/RDP filing separately, enter \$237,035 - Head of household, enter \$355,558 - Married/RDP filing jointly or qualifying surviving spouse/RDP, enter \$474,075		474,075
7. Subtract line 6 from line 5. If the result is zero, STOP. Enter the amount from line 1 above on Schedule CA (540), Part II, line 29 or Schedule CA (540NR), Part III, line 29 .....		90,373
8. Multiply line 7 by 6% (.06) .....		5,422
9. Compare line 4 and line 8. Enter the smaller amount here .....		5,422
10. Total itemized deductions. Subtract line 9 from line 1. Enter the result here and on Schedule CA (540), Part II, line 29 or Schedule CA (540NR), Part III, line 29 .....		19,807



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.	237.	-237.	
TO SCH CA (540), PART IA, LINE 2BB			-237.	

CA SCHEDULE CA	ORDINARY DIVIDENDS - SUBTRACTION		STATEMENT	3
DESCRIPTION	CALIFORNIA AMOUNT	FEDERAL AMOUNT	ADJUSTMENT	
MERRILL LYNCH	15,146.	15,146.	0.	
VANGUARD FED MONEY MKT FUND	0.	3,353.	-3,353.	
VANGUARD TOTAL STOCK MKT IDX ADM	1,986.	1,986.	0.	
VANGUARD MARKETING CORPORATION	6,690.	6,690.	0.	
MERRILL LYNCH	0.	11,475.	-11,475.	
VANGUARD MARKETING CORPORATION	0.	1,969.	-1,969.	
TO SCH CA (540), PART IA, LINE 3BB			-16,797.	

CA SCHEDULE CA	OTHER INCOME - FEDERAL AMOUNTS		STATEMENT	4
DESCRIPTION			AMOUNT	
MERRILL LYNCH			14.	
TO SCH CA (540), PART IB, LINE 8Z			14.	

SCHEDULE CA	OTHER EXPENSES		STATEMENT	5
DESCRIPTION			AMOUNT	
INVESTMENT FEES			125.	
TOTAL TO SCHEDULE CA, PART II, LINE 21			125.	



CA FORM 3526	INVESTMENT INTEREST EXPENSE	STATEMENT	6
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DESCRIPTION	CURRENT	CARRYOVER
MERRIL LYNCH	58.	
TOTAL TO FORM 3526, LINE 1 AND/OR LINE 2	58.	

CA FORM 3526	INCOME FROM PROPERTY HELD FOR INVESTMENT	STATEMENT	7
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DESCRIPTION	AMOUNT
INTEREST INCOME	30,564.
DIVIDEND INCOME	23,822.
MERRILL LYNCH	14.
TOTAL TO FORM 3526, LINE 4A	54,400.

For the year Jan. 1 - Dec. 31, 2023, or other tax year beginning, ending. Your first name and middle initial: BRAD J. Last name: SHERMAN. Your social security number: [REDACTED]. Spouse's social security number: [REDACTED]. Home address: SHERMAN OAKS, CA 91403. Presidential Election Campaign: [X] You [X] Spouse.

Filing Status: [X] Married filing jointly (even if only one had income). Head of household (HOH) [ ] Married filing separately (MFS) [ ] Qualifying surviving spouse (QSS) [ ]

Digital Assets: [X] No. Standard Deduction: [ ] Spouse itemizes on a separate return or you were a dual-status alien.

Age/Blindness: [X] Were born before January 2, 1959. Spouse: [ ] Was born before January 2, 1959.

Table with 4 columns: (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. Rows for MOLLY H SHERMAN, NAOMI C SHERMAN, LUCY R SHERMAN.

Income section table with rows 1a through 15. Total amount from Form(s) W-2: 289,435. Taxable interest: 30,801. Qualified dividends: 40,619. Total income: 564,448. Taxable income: 534,933.

LHA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Form 1040 (2023)

<b>Tax and Credits</b>	<b>16</b>	Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	<b>16</b>	98,518.
	<b>17</b>	Amount from Schedule 2, line 3	<b>17</b>	
	<b>18</b>	Add lines 16 and 17	<b>18</b>	98,518.
	<b>19</b>	Child tax credit or credit for other dependents from Schedule 8812	<b>19</b>	
	<b>20</b>	Amount from Schedule 3, line 8	<b>20</b>	
	<b>21</b>	Add lines 19 and 20	<b>21</b>	
	<b>22</b>	Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>	98,518.
	<b>23</b>	Other taxes, including self-employment tax, from Schedule 2, line 21	<b>23</b>	13,096.
<b>24</b>	Add lines 22 and 23. This is your <b>total tax</b>	<b>24</b>	111,614.	

<b>Payments</b>	<b>25</b>	Federal income tax withheld from:		
	<b>a</b>	Form(s) W-2	SEE STATEMENT 7	25a 63,873.
	<b>b</b>	Form(s) 1099	SEE STATEMENT 9	25b 10,076.
	<b>c</b>	Other forms (see instructions)		25c
	<b>d</b>	Add lines 25a through 25c		25d 73,949.
	<b>26</b>	2023 estimated tax payments and amount applied from 2022 return	STATEMENT 8	26 49,253.
	<b>27</b>	Earned income credit (EIC)	27	
	<b>28</b>	Additional child tax credit from Schedule 8812	28	
	<b>29</b>	American opportunity credit from Form 8863, line 8	29	
	<b>30</b>	Reserved for future use	30	
<b>31</b>	Amount from Schedule 3, line 15	31		
<b>32</b>	Add lines 27, 28, 29, and 31. These are your <b>total other payments and refundable credits</b>	<b>32</b>		
<b>33</b>	Add lines 25d, 26, and 32. These are your <b>total payments</b>	<b>33</b>	123,202.	

<b>Refund</b>	<b>34</b>	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b> ...	<b>34</b>	11,588.
	<b>35a</b>	Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>35a</b>	
	<b>b</b>	Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	<b>d</b>	Account number <input type="text"/>		
<b>36</b>	Amount of line 34 you want <b>applied to your 2024 estimated tax</b> ...	<b>36</b>	11,588.	

<b>Amount You Owe</b>	<b>37</b>	Subtract line 33 from line 24. This is the <b>amount you owe</b> . For details on how to pay, go to <a href="http://www.irs.gov/Payments">www.irs.gov/Payments</a> or see instructions	<b>37</b>	
	<b>38</b>	Estimated tax penalty (see instructions)	<b>38</b>	

**Third Party Designee** Do you want to allow another person to discuss this return with the IRS? See instructions  **Yes. Complete below.**  **No**

Designee's name  Phone no.  Personal identification number (PIN)

**Sign Here** Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature  Date  Your occupation **CONGRESSMAN/CPA** If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Spouse's signature. If a joint return, **both** must sign.  Date  Spouse's occupation **DIPLOMAT** If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)

Phone no.  Email address

**Paid Preparer Use Only**

Preparer's name  Preparer's signature  Date  PTIN

Check if:  Self-employed

Phone no.

Firm's name  Phone no.

Firm's address  Firm's EIN

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

**Additional Income and Adjustments to Income**

OMB No. 1545-0074

**2023**

Department of the Treasury  
Internal Revenue Service

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.

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>	<b>0.</b>
<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>	
<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>MERRILL LYNCH</b>		<b>14.</b>	<b>8z</b>	<b>14.</b>
<b>9</b> Total other income. Add lines 8a through 8z			<b>9</b>	<b>14.</b>
<b>10</b> Combine lines 1 through 7 and 9. This is your <b>additional income</b> . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8			<b>10</b>	<b>14.</b>

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

Schedule 1 (Form 1040) 2023

**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, 1040-SR, or 1040-NR, line 10 .....		<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

**2023**

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>	
<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>	<b>0.</b>

**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>	<b>3,246.</b>
<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>	<b>858.</b>
<b>12</b>	Net investment income tax. Attach Form 8960 .....	<b>12</b>	<b>8,992.</b>
<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)*

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

Schedule 2 (Form 1040) 2023

**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>13,096.</b>

**SCHEDULE B  
(Form 1040)**

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

**Interest and Ordinary Dividends**

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

OMB No. 1545-0074

**2023**  
Attachment  
Sequence No. **08**

Your social security number

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

**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  
SINA EDALAT

**Amount**

334.  
23,022.  
158.  
7,287.

**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.

**2** Add the amounts on line 1

**2** 30,801.

**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**

30,801.

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

**Part II**

**Ordinary Dividends**

**5** List name of payer:

MERRILL LYNCH  
VANGUARD FED MONEY MKT FUND  
VANGUARD TOTAL STOCK MKT IDX ADM  
VANGUARD MARKETING CORPORATION  
MERRILL LYNCH  
VANGUARD MARKETING CORPORATION

**Amount**

15,146.  
3,353.  
1,986.  
6,690.  
11,475.  
1,969.

**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**

40,619.

**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 FinCEN Form 114 may result in substantial penalties. Additionally, you may be required to file Form 8938, Statement of Specified Foreign Financial Assets. See instr. 327501 11-03-23

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 2023, 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  
If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements

**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) is (are) located

**8** During 2023, 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	334.							
B	MERRILL LYNCH	22,785.	237.						
C	WESCOM CREDIT UNION	158.							
D	MERRILL LYNCH							15,146.	13,092.
E	VANGUARD FED MONEY MKT FUND							3,353.	
F	VANGUARD TOTAL STOCK MKT IDX ADM							1,986.	1,881.
G	SINA EDALAT	7,287.							
H	VANGUARD MARKETING CORPORATION							6,690.	6,334.
I	MERRILL LYNCH							11,475.	
J	VANGUARD MARKETING CORPORATION							1,969.	
K									
Totals		30,564.	237.					40,619.	21,307.

	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	946.				1,113.				
E									
F					106.				
G									
H					356.				
I									
J									
K									
Totals	946.				1,575.				

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

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

Attach to Form 1040, 1040-SR, or 1040-NR.  
Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.  
Go to [www.irs.gov/ScheduleD](http://www.irs.gov/ScheduleD) for instructions and the latest information.

OMB No. 1545-0074

**2023**

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	665,795.	678,095.	<3,795.>	<16,095.>
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked	100,000.	100,000.		0.
<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> <16,095.>

**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				
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked	115,500.	115,500.		0.
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked	1,525,000.	1,109,454.	<357,014.>	58,532.
<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> 120,489.
<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> 946.
<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> 179,967.

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

Schedule D (Form 1040) 2023

**Part III Summary**

<p><b>16</b> Combine lines 7 and 15 and enter the result .....</p> <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>	<b>16</b>	<b>163,872.</b>
<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>		



**Sales and Other Dispositions of Capital Assets**

Department of the Treasury  
Internal Revenue Service

File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.  
Go to [www.irs.gov/Form8949](http://www.irs.gov/Form8949) for instructions and the latest information.

Attachment  
Sequence No. **12A**

Name(s) shown on return

Social security number or  
taxpayer identification no.

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

Before you check Box A, B, or C 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 I Short-Term.** Transactions involving capital assets you held 1 year or less are generally short-term (see instructions). For long-term transactions, see page 2.  
**Note:** You may aggregate all short-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 1a; you aren't required to report these transactions on Form 8949 (see instructions).

**You must check Box A, B, or C below. Check only one box.** If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-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.

- (A) Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (B) Short-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (C) Short-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). <b>See instructions.</b>		(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	
	100000.000 SH - CD CHARLES SCHWAB BK SSB	02/24/23	09/08/23	100,000.	100,000.			0.
<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 1b</b> (if <b>Box A</b> above is checked), <b>line 2</b> (if <b>Box B</b> above is checked), or <b>line 3</b> (if <b>Box C</b> above is checked) .....								
				100,000.	100,000.			0.

**Note:** If you checked Box A 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.



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	
	SALE OF YOUR HOME	03/30/07	02/22/23	1525000.	1109454.	EH	<357,014.>	58,532.
<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) .....								
				1525000.	1109454.		<357,014.>	58,532.

**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.

Child and Dependent Care Expenses

Department of the Treasury Internal Revenue Service

Attach to Form 1040, 1040-SR, or 1040-NR. Go to www.irs.gov/Form2441 for instructions and the latest information.

2023

Attachment Sequence No. 21

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 2023 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

Table with 5 columns: (a) Care provider's name, (b) Address, (c) Identifying number (SSN or EIN), (d) Was the care provider your household employee in 2023?, (e) Amount paid. Includes 'NONE' entry.

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 2023 but didn't pay them until 2024, or if you prepaid in 2023 for care to be provided in 2024, don't include these expenses in column (d) of line 2 for 2023. 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

Table with 4 columns: (a) Qualifying person's name (First, Last), (b) Qualifying person's social security number, (c) Check here if the qualifying person was over age 12 and was disabled, (d) Qualified expenses you incurred and paid in 2023 for the person listed in column (a).

Summary section with lines 3-11. Line 3: Add the amounts in column (d) of line 2. Line 4: Enter your earned income. Line 5: If married filing jointly, enter your spouse's earned income. Line 6: Enter the smallest of line 3, 4, or 5. Line 7: Enter the amount from Form 1040, 1040-SR, or 1040-NR, line 11. Line 8: Enter on line 8 the decimal amount shown below that applies to the amount on line 7. Line 9a: Multiply line 6 by the decimal amount on line 8. Line 9b: If you paid 2022 expenses in 2023, complete Worksheet A in the instructions. Line 9c: Add lines 9a and 9b and enter the result. Line 10: Tax liability limit. Line 11: Credit for child and dependent care expenses.

**Part III Dependent Care Benefits**

<b>12</b> Enter the total amount of <b>dependent care benefits</b> you received in 2023. 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 2022 and used in 2023 during the grace period. See instructions ...	<b>13</b>	
<b>14</b> If you forfeited or carried over to 2024 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 2023 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). However, don't enter more than the maximum amount allowed under your dependent care plan. 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 line 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 2022 expenses in 2023, 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>	

**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

**2023**

Attachment  
Sequence No. **44**

Name of employer

**BRAD J. SHERMAN**

Social security number

Employer identification number

Calendar year taxpayers having no household employees in 2023 don't have to complete this form for 2023.

**A** Did you pay **any one** household employee cash wages of \$2,600 or more in 2023? (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 2023 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 2022 or 2023 to **all** household employees?

(Don't count cash wages paid in 2022 or 2023 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>	20,945.		
<b>b</b>	Qualified sick and family leave wages paid in 2023 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>		2,597.	
<b>b</b>	Employer share of social security tax on qualified sick and family leave wages paid in 2023 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>		2,597.	
<b>3</b>	Total cash wages subject to Medicare tax	<b>3</b>	20,945.		
<b>4</b>	Medicare tax. Multiply line 3 by 2.9% (0.029)	<b>4</b>		607.	
<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>		3,204.	
<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>		3,204.	
<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 2022 or 2023 to **all** household employees?

(Don't count cash wages paid in 2022 or 2023 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 lines 8e and 8f on Schedule 3 (Form 1040), line 13z. If you're not required to file Form 1040, see the line 9 instructions.
- Yes.** Go to line 10.

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

Schedule H (Form 1040) 2023

**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 2023 by April 15, 2024? 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 <b>smaller</b> 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		
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	3,204.
26 Add line 16 (or line 24) and line 25	26	3,246.

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 lines 8e and 8f on Schedule 3 (Form 1040), line 13z. **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

**2023**

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>564,448.</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>564,448.</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>165,000.</b>
<b>11</b>	Multiply line 10 by 5% (0.05) .....	<b>11</b>	<b>8,250.</b>
<b>12</b>	Is the amount on line 8 more than the amount on line 11? .....	<b>12</b>	<b>0.</b>
<input checked="" 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 type="checkbox"/> <b>Yes.</b> Subtract line 11 from line 8. Enter the result.			
<b>13</b>	Enter the amount from <b>Credit Limit Worksheet A</b> .....	<b>13</b>	
<b>14</b>	Enter the smaller of line 12 or line 13. <b>This is your child tax credit and credit for other dependents</b> .....	<b>14</b>	<b>0.</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.

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

Schedule 8812 (Form 1040) 2023

**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 <span style="float:right"><input type="checkbox"/></span>			
<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>		
<b>b</b> Number of qualifying children under 17 with the required social security number: _____ x \$1,600. 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 \$4,800 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, or if you are a bona fide resident of Puerto Rico, 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			<b>0.</b>
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# Investment Interest Expense Deduction

Attach to your tax return.

Go to [www.irs.gov/Form4952](http://www.irs.gov/Form4952) for the latest information.

Name(s) shown on return

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

Identifying number



**Part I Total Investment Interest Expense**

<b>1</b>	Investment interest expense paid or accrued in 2023 (see instructions) <b>SEE STATEMENT 14</b>	<b>1</b>	<b>58.</b>
<b>2</b>	Disallowed investment interest expense from 2022 Form 4952, line 7	<b>2</b>	
<b>3</b>	<b>Total investment interest expense.</b> Add lines 1 and 2	<b>3</b>	<b>58.</b>

**Part II Net Investment Income**

<b>4a</b>	Gross income from property held for investment (excluding any net gain from the disposition of property held for investment) <b>STMT 15</b>	<b>4a</b>	<b>71,434.</b>	
<b>b</b>	Qualified dividends included on line 4a	<b>4b</b>	<b>21,307.</b>	
<b>c</b>	Subtract line 4b from line 4a	<b>4c</b>	<b>50,127.</b>	
<b>d</b>	Net gain from the disposition of property held for investment <b>STMT 16</b>	<b>4d</b>	<b>105,340.</b>	
<b>e</b>	Enter the <b>smaller</b> of line 4d or your net capital gain from the disposition of property held for investment. See instructions <b>STMT 17</b>	<b>4e</b>	<b>105,340.</b>	
<b>f</b>	Subtract line 4e from line 4d	<b>4f</b>	<b>0.</b>	
<b>g</b>	Enter the amount from lines 4b and 4e that you elect to include in investment income. See instructions	<b>4g</b>		
<b>h</b>	Investment income. Add lines 4c, 4f, and 4g	<b>4h</b>	<b>50,127.</b>	
<b>5</b>	Investment expenses (see instructions)	<b>5</b>		
<b>6</b>	<b>Net investment income.</b> Subtract line 5 from line 4h. If zero or less, enter -0-	<b>6</b>	<b>50,127.</b>	

**Part III Investment Interest Expense Deduction**

<b>7</b>	Disallowed investment interest expense to be carried forward to 2024. Subtract line 6 from line 3. If zero or less, enter -0-	<b>7</b>	<b>0.</b>
<b>8</b>	<b>Investment interest expense deduction.</b> Enter the <b>smaller</b> of line 3 or line 6. See instructions <b>STMT 18</b>	<b>8</b>	<b>58.</b>

For Paperwork Reduction Act Notice, see separate instructions.

Department of the Treasury  
Internal Revenue Service

Attach to your tax return.

Go to [www.irs.gov/Form8995A](http://www.irs.gov/Form8995A) for instructions and the latest information.

Attachment  
Sequence No. **55A**

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 \$182,100 (\$364,200 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 \$182,100 or less (\$364,200 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.

Form **8995-A** (2023)

**Part III Phased-in Reduction**

Complete Part III only if your taxable income is more than \$182,100 but not \$232,100 (\$364,200 and \$464,200 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 \$182,100 (\$364,200 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 <b>SEE STATEMENT 19</b> .....	28	1,575.		
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	1,575.		
31	REIT and PTP component. Multiply line 30 by 20% (0.20) .....	31	315.		
32	Qualified business income deduction before the income limitation. Add lines 27 and 31 .....	32			315.
33	Taxable income before qualified business income deduction .....	33	535,248.		
34	Enter your net capital gain, if any, increased by any qualified dividends (see instructions) .....	34	185,179.		
35	Subtract line 34 from line 33. If zero or less, enter -0- .....	35			350,069.
36	Income limitation. Multiply line 35 by 20% (0.20) .....	36			70,014.
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			315.
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			315.
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

2023

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 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 [X] 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.

Table with 18 rows and 2 columns. Row 5: Selling price including mortgages and other debts. 1,470,000. Row 6: Mortgages, debts, and other liabilities the buyer assumed or took the property subject to. 1,470,000. Row 7: Subtract line 6 from line 5. 789,501. Row 8: Cost or other basis of property sold. 789,501. Row 9: Depreciation allowed or allowable. 108,464. Row 10: Adjusted basis. Subtract line 9 from line 8. 897,965. Row 11: Commissions and other expenses of sale. 572,035. Row 12: Income recapture from Form 4797, Part III. 250,000. Row 13: Add lines 10, 11, and 12. 322,035. Row 14: Subtract line 13 from line 5. If zero or less, don't complete the rest of this form. 0. Row 15: If the property described on line 1 above was your main home, enter the amount of your excluded gain. Otherwise, enter -0-. 1,470,000. Row 16: Gross profit. Subtract line 15 from line 14. Row 17: Subtract line 13 from line 6. If zero or less, enter -0-. Row 18: Contract price. Add line 7 and line 17.

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

Table with 6 rows and 2 columns. Row 19: Gross profit percentage (expressed as a decimal amount). Divide line 16 by line 18. (For years after the year of sale, see instructions.) .21907
Row 20: If this is the year of sale, enter the amount from line 17. Otherwise, enter -0-. 0.
Row 21: Payments received during year. Don't include interest, whether stated or unstated. 550,000.
Row 22: Add lines 20 and 21. 550,000.
Row 23: Payments received in prior years. Don't include interest, whether stated or unstated. 812,677.
Row 24: Installment sale income. Multiply line 22 by line 19. 120,489.
Row 25: Enter the part of line 24 that is ordinary income under the recapture rules.
Row 26: Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797. 120,489.

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.

Table with 7 rows and 2 columns. Row 30: Selling price of property sold by related party. Row 31: Enter contract price from line 18 for year of first sale. Row 32: Enter the smaller of line 30 or line 31. Row 33: Total payments received by the end of your 2023 tax year. Row 34: Subtract line 33 from line 32. If zero or less, enter -0-. Row 35: Multiply line 34 by the gross profit percentage on line 19 for year of first sale. Row 36: Enter the part of line 35 that is ordinary income under the recapture rules. Row 37: Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797.



Installment Sale Income

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 for the latest information.

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.
4 Reserved for future use

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

Table with 18 rows and 2 columns. Row 5: Selling price including mortgages and other debts. 1,470,000. Row 6: Mortgages, debts, and other liabilities the buyer assumed or took the property subject to. 1,470,000. Row 7: Subtract line 6 from line 5. 789,501. Row 8: Cost or other basis of property sold. 789,501. Row 9: Depreciation allowed or allowable. 108,464. Row 10: Adjusted basis. Subtract line 9 from line 8. 897,965. Row 11: Commissions and other expenses of sale. 572,035. Row 12: Income recapture from Form 4797, Part III. 250,000. Row 13: Add lines 10, 11, and 12. 322,035. Row 14: Subtract line 13 from line 5. If zero or less, don't complete the rest of this form. 0. Row 15: If the property described on line 1 above was your main home, enter the amount of your excluded gain. Otherwise, enter -0-. 1,470,000. Row 16: Gross profit. Subtract line 15 from line 14. Row 17: Subtract line 13 from line 6. If zero or less, enter -0-. Row 18: Contract price. Add line 7 and line 17.

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

Table with 6 rows and 2 columns. Row 19: Gross profit percentage (expressed as a decimal amount). Divide line 16 by line 18. (For years after the year of sale, see instructions.) .21907. Row 20: If this is the year of sale, enter the amount from line 17. Otherwise, enter -0-. 0. Row 21: Payments received during year. Don't include interest, whether stated or unstated. 550,000. Row 22: Add lines 20 and 21. 550,000. Row 23: Payments received in prior years. Don't include interest, whether stated or unstated. 812,677. Row 24: Installment sale income. Multiply line 22 by line 19. 120,489. Row 25: Enter the part of line 24 that is ordinary income under the recapture rules. Row 26: Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797. 120,489.

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.

Table with 7 rows and 2 columns. Row 30: Selling price of property sold by related party. Row 31: Enter contract price from line 18 for year of first sale. Row 32: Enter the smaller of line 30 or line 31. Row 33: Total payments received by the end of your 2023 tax year. Row 34: Subtract line 33 from line 32. If zero or less, enter -0-. Row 35: Multiply line 34 by the gross profit percentage on line 19 for year of first sale. Row 36: Enter the part of line 35 that is ordinary income under the recapture rules. Row 37: Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797.



Installment sale description [REDACTED], PORTER RANCH, CA 91326

Exemption amount allocated to this installment sale \* \_\_\_\_\_

Capital Gain:

1. Deferred obligation .....	1.	107,323.
2. Gross profit percentage .....	2.	.21907
3. Gain to be recognized (multiply line 1 by line 2) .....	3.	23,511.
4. Maximum tax rate .....	4.	20%
5. Deferred tax (multiply line 3 by line 4) .....	5.	4,702.
6. Exemption amount .....	6.	
7. Subtract line 6 from line 1 .....	7.	
8. Applicable percentage (divide line 7 by line 1) ** .....	8.	.00000
9. Interest rate .....	9.	0.08
10. 453A interest (multiply line 5 by line 8 by line 9) .....	10.	

Ordinary Gain:

1. Deferred obligation .....	1.	
2. Gross profit percentage .....	2.	
3. Gain to be recognized (multiply line 1 by line 2) .....	3.	
4. Maximum tax rate .....	4.	
5. Deferred tax (multiply line 3 by line 4) .....	5.	
6. Exemption amount .....	6.	
7. Subtract line 6 from line 1 .....	7.	
8. Applicable percentage (divide line 7 by line 1) ** .....	8.	
9. Interest rate .....	9.	
10. 453A interest (multiply line 5 by line 8 by line 9) .....	10.	

\* \$5,000,000 exemption amount is allocated to each current year installment sale based on the deferred obligation of that installment sale. 1040 returns have separate exemption amounts for taxpayer and spouse if filing jointly.

\*\* Applicable percentage is only calculated in the year of sale and is used in all subsequent years of the installment sale.

# Additional Medicare Tax

# 2023

Department of the Treasury  
Internal Revenue Service

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

Attachment  
Sequence No. **71**

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 .....	<b>1</b>	<b>345,325.</b>		
2 Unreported tips from Form 4137, line 6 .....	<b>2</b>			
3 Wages from Form 8919, line 6 .....	<b>3</b>			
4 Add lines 1 through 3 .....	<b>4</b>	<b>345,325.</b>		
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	<b>5</b>	<b>250,000.</b>		
6 Subtract line 5 from line 4. If zero or less, enter -0- .....	<b>6</b>		<b>95,325.</b>	
7 Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II .....	<b>7</b>			<b>858.</b>

**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- .....	<b>8</b>			
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	<b>9</b>			
10 Enter the amount from line 4 .....	<b>10</b>			
11 Subtract line 10 from line 9. If zero or less, enter -0- .....	<b>11</b>			
12 Subtract line 11 from line 8. If zero or less, enter -0- .....	<b>12</b>			
13 Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III .....	<b>13</b>			

**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) .....	<b>14</b>			
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	<b>15</b>			
16 Subtract line 15 from line 14. If zero or less, enter -0- .....	<b>16</b>			
17 Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV .....	<b>17</b>			

**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-SS filers, see instructions), and go to Part V .....	<b>18</b>		<b>858.</b>	
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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 .....	<b>19</b>	<b>5,007.</b>		
20 Enter the amount from line 1 .....	<b>20</b>	<b>345,325.</b>		
21 Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages .....	<b>21</b>	<b>5,007.</b>		
22 Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages .....	<b>22</b>		<b>0.</b>	
23 Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions) .....	<b>23</b>			
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-SS filers, see instructions) .....	<b>24</b>			

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

## 2023

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>	30,801.
<b>2</b> Ordinary dividends (see instructions) .....		<b>2</b>	40,619.
<b>3</b> Annuities (see instructions) .....		<b>3</b>	
<b>4a</b> Rental real estate, royalties, partnerships, S corporations, trusts, trades or businesses, 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>		163,872.
<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>	163,872.
<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 20</b> .....		<b>7</b>	1,345.
<b>8</b> Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7 .....		<b>8</b>	236,637.

**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>		
<b>c</b> Miscellaneous investment expenses (see instructions) .....	<b>9c</b>		
<b>d</b> Add lines 9a, 9b, and 9c .....		<b>9d</b>	
<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>	

**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>	236,637.
<b>Individuals:</b>			
<b>13</b> Modified adjusted gross income (see instructions) .....	<b>13</b>		564,448.
<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>		314,448.
<b>16</b> Enter the smaller of line 12 or line 15 .....		<b>16</b>	236,637.
<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>	8,992.
<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 charitable deductions (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.**

IN 2023 THE TAXPAYER AND SPOUSE SOLD A HOME LOCATED IN WASHINGTON DC. THIS WAS THE PRIMARY RESIDENCE OF THE SPOUSE AND ACCORDINGLY A \$250,000 EXCLUSION FROM CAPITAL GAIN IS REFLECTED IN THESE TAX RETURNS, AS THE SPOUSE MET ALL OF THE REQUIREMENTS FOR SUCH EXCLUSION. THE TAXPAYER IS A UNITED STATES CONGRESSMAN FROM CALIFORNIA AND HIS PRINCIPAL RESIDENCE IS IN CALIFORNIA, AND ACCORDINGLY A SECOND \$250,000 EXCLUSION WAS NOT TAKEN.

FORM 1040	WAGES RECEIVED AND TAXES WITHHELD				STATEMENT	
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	155,020.	39,283.	5,637.		9,932.	2,666.
S US DEPT OF STATE	134,415.	24,590.	8,373.		9,932.	2,341.
TOTALS	289,435.	63,873.	14,010.		19,864.	5,007.



FORM 1040

QUALIFIED DIVIDENDS

STATEMENT 3

NAME OF PAYER	ORDINARY DIVIDENDS	QUALIFIED DIVIDENDS
MERRILL LYNCH	15,146.	13,092.
VANGUARD TOTAL STOCK MKT IDX ADM	1,986.	1,881.
VANGUARD MARKETING CORPORATION	6,690.	6,334.
TOTAL INCLUDED IN FORM 1040, LINE 3A		21,307.



FORM 1040

PENSIONS AND ANNUITIES

STATEMENT 4

LEGISLATORS' RETIREMENT SYSTEM

AMOUNT RECEIVED THIS YEAR	36,194.	
NONTAXABLE AMOUNT	49.	
CAPITAL GAIN DISTRIBUTION REPORTED ON SCH D		
		<hr/>
		36,145.
TOTAL INCLUDED IN FORM 1040, LINE 5B		<hr/>
		36,145.
		<hr/>

## CHECK ONLY ONE BOX:

- A. SINGLE, HEAD OF HOUSEHOLD, OR QUALIFYING SURVIVING SPOUSE  
 X B. MARRIED FILING JOINTLY  
 C. MARRIED FILING SEPARATELY AND LIVED WITH YOUR SPOUSE  
 AT ANY TIME DURING 2023  
 D. MARRIED FILING SEPARATELY AND LIVED APART FROM YOUR SPOUSE  
 FOR ALL OF 2023
1. ENTER THE TOTAL AMOUNT FROM BOX 5 OF ALL YOUR  
 FORMS SSA-1099 AND RRB-1099. ALSO, ENTER THIS AMOUNT ON  
 FORM 1040, LINE 6A 4,190.  
 IF YOU CHECKED BOX B: TAXPAYER AMOUNT 4,190.  
 SPOUSE AMOUNT
2. MULTIPLY LINE 1 BY 50% (0.50) 2,095.
3. ADD THE AMOUNTS ON FORM 1040, LINES 1Z, 2A, 2B, 3B, 4B, 5B,  
 7 AND 8. IF FILING FORM 8815, DON'T INCLUDE THE AMOUNT FROM  
 LINE 2B. INSTEAD, USE THE AMOUNT FROM SCHEDULE B, LINE 2.  
 DO NOT INCLUDE ANY AMOUNTS FROM BOX 5 OF FORMS SSA-1099 OR  
 RRB-1099 560,886.
4. ENTER THE AMOUNT OF ANY EXCLUSIONS FROM FOREIGN EARNED  
 INCOME, FOREIGN HOUSING, INCOME FROM U.S. POSSESSIONS,  
 OR INCOME FROM PUERTO RICO BY BONA FIDE RESIDENTS OF  
 PUERTO RICO THAT YOU CLAIMED
5. ADD LINES 2, 3, AND 4 562,981.
6. ADD THE AMOUNTS FROM SCHEDULE 1, LINES 11 THROUGH 20,  
 AND 23 AND 25 0.
7. SUBTRACT LINE 6 FROM LINE 5 562,981.
8. ENTER: \$25,000 IF YOU CHECKED BOX A OR D, OR  
 \$32,000 IF YOU CHECKED BOX B, OR  
 \$-0- IF YOU CHECKED BOX C 32,000.
9. IS THE AMOUNT ON LINE 8 LESS THAN THE AMOUNT ON LINE 7?  
 [ ] NO. STOP. NONE OF YOUR SOCIAL SECURITY BENEFITS ARE  
 TAXABLE. ENTER -0- ON FORM 1040, LINE 6B. IF YOU ARE  
 MARRIED FILING SEPARATELY AND YOU LIVED APART FROM YOUR  
 SPOUSE FOR ALL OF 2023, BE SURE YOU ENTERED 'D' TO THE  
 RIGHT OF THE WORD "BENEFITS" ON LINE 6A.  
 [X] YES. SUBTRACT LINE 8 FROM LINE 7 530,981.
10. ENTER \$9,000 IF YOU CHECKED BOX A OR D,  
 \$12,000 IF YOU CHECKED BOX B  
 \$-0- IF YOU CHECKED BOX C 12,000.
11. SUBTRACT LINE 10 FROM LINE 9. IF ZERO OR LESS, ENTER -0- 518,981.
12. ENTER THE SMALLER OF LINE 9 OR LINE 10 12,000.
13. ENTER ONE HALF OF LINE 12 6,000.
14. ENTER THE SMALLER OF LINE 2 OR LINE 13 2,095.
15. MULTIPLY LINE 11 BY 85% (.85). IF LINE 11 IS ZERO, ENTER -0- 441,134.
16. ADD LINES 14 AND 15 443,229.
17. MULTIPLY LINE 1 BY 85% (.85) 3,562.
- 
18. TAXABLE BENEFITS. ENTER THE SMALLER OF LINE 16 OR LINE 17 3,562.  
 \* ALSO ENTER THIS AMOUNT ON FORM 1040, LINE 6B

FORM 1040	TAX	STATEMENT	6
DESCRIPTION		AMOUNT	
FROM QUALIFIED DIVIDENDS AND CAPITAL GAIN WORKSHEET		98,518.	
TOTAL TO FORM 1040, LINE 16		98,518.	

FORM 1040	FEDERAL INCOME TAX WITHHELD - FORM(S) W-2	STATEMENT	7
DESCRIPTION		AMOUNT	
HOUSE OF REP-MEMBERS SERVICES		39,283.	
US DEPT OF STATE		24,590.	
TOTAL TO FORM 1040, LINE 25A		63,873.	

FORM 1040	CURRENT YEAR ESTIMATES AND AMOUNT APPLIED FROM PREVIOUS YEAR	STATEMENT	8
DESCRIPTION		AMOUNT	
1ST QTR ESTIMATE PAYMENT - JOINT		878.	
2ND QTR ESTIMATE PAYMENT - JOINT		780.	
3RD QTR ESTIMATE PAYMENT - JOINT		15,738.	
4TH QTR ESTIMATE PAYMENT - JOINT		16,351.	
PRIOR YEAR OVERPAYMENT APPLIED - JOINT		15,506.	
TOTAL TO FORM 1040, LINE 26		49,253.	

FORM 1040	FEDERAL INCOME TAX WITHHELD - FORM(S) 1099	STATEMENT	9
DESCRIPTION		AMOUNT	
LEGISLATORS' RETIREMENT SYSTEM		10,076.	
TOTAL TO FORM 1040, LINE 25B		10,076.	



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SCHEDULE 1 STATE AND LOCAL INCOME TAX REFUNDS STATEMENT 10

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	2022	2021	2020
	<hr/>		
	CALIFORNIA		
GROSS STATE/LOCAL INC TAX REFUNDS	14,992.		
LESS: TAX PAID IN FOLLOWING YEAR			
	<hr/>		
NET TAX REFUNDS CALIFORNIA	14,992.		
	<hr/>		
	DISTRICT OF CO		
GROSS STATE/LOCAL INC TAX REFUNDS	1,602.		
LESS: TAX PAID IN FOLLOWING YEAR			
	<hr/>		
NET TAX REFUNDS DISTRICT OF CO	1,602.		
	<hr/>		
TOTAL NET TAX REFUNDS	16,594.		
	<hr/> <hr/>		

SCHEDULE 1		TAXABLE STATE AND LOCAL INCOME TAX REFUNDS		STATEMENT 11
		2020	2021	2022
NET TAX REFUNDS FROM STATE AND LOCAL INCOME TAX REFUNDS STMT.				16,594.
LESS: REFUNDS-NO BENEFIT DUE TO AMT -SALES TAX BENEFIT REDUCTION				
1	NET REFUNDS FOR RECALCULATION		0.	16,594.
2	AMOUNT FROM PRIOR YEAR SCHEDULE A, LINE 5E			10,000.
3	TOTAL OF PRIOR YEAR SCHEDULE A, LINES 5B AND 5C			16,826.
4	SUBTRACT LINE 3 FROM LINE 2 IF ZERO OR LESS, STOP HERE NONE OF YOUR REFUND IS TAXABLE	0.	0.	-6,826.
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 2020				
TOTAL TO SCHEDULE 1, LINE 1				

SCHEDULE D	NET LONG-TERM GAIN OR LOSS FROM FORMS 4797, 2439, 6252, 4684, 6781 AND 8824	STATEMENT 12
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DESCRIPTION OF PROPERTY	GAIN OR LOSS	28% GAIN
INSTALLMENT SALE NO. 1	120,489.	
TOTAL TO SCHEDULE D, PART II, LINE 11	120,489.	

SCHEDULE D	CAPITAL GAIN DISTRIBUTIONS	STATEMENT 13
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NAME OF PAYER	TOTAL CAPITAL GAIN	28% GAIN
MERRILL LYNCH	946.	
TOTALS TO SCHEDULE D, LINE 13	946.	

FORM 4952	INVESTMENT INTEREST EXPENSE	STATEMENT 14
-----------	-----------------------------	--------------

DESCRIPTION	CURRENT	CARRYOVER
MERRIL LYNCH	58.	
TOTALS TO FORM 4952, LINES 1 AND 2	58.	

FORM 4952	INCOME FROM PROPERTY HELD FOR INVESTMENT	STATEMENT 15
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DESCRIPTION	AMOUNT
MISCELLANEOUS INCOME (LOSS)	14.
INTEREST INCOME	30,801.
DIVIDEND INCOME	40,619.
TOTAL TO FORM 4952, LINE 4A	71,434.

FORM 4952	NET GAIN FROM THE DISPOSITION OF PROPERTY HELD FOR INVESTMENT	STATEMENT 16
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DESCRIPTION	AMOUNT
SCH D, LINE 16 NET CAPITAL GAINS(LOSSES)	163,872.
LESS: LONG TERM GAIN ON SALE OF HOME	-58,532.
TOTAL TO FORM 4952, LINE 4D	105,340.

FORM 4952	NET CAPITAL GAIN FROM THE DISPOSITION OF PROPERTY HELD FOR INVESTMENT	STATEMENT 17
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DESCRIPTION	AMOUNT
60000.000 SH - CD UBS BANK USA	0.
BURIAL PLOTS	0.
INSTALLMENT SALE NO. 1	120,489.
CAPITAL GAIN DISTRIBUTIONS	946.
LESS SHORT-TERM CAPITAL LOSS	-16,095.
TOTAL TO FORM 4952, LINE 4E	105,340.

FORM 4952	INVESTMENT INTEREST EXPENSE DEDUCTION SUMMARY	STATEMENT 18
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NAME	FORM OR SCHEDULE	INVESTMENT INTEREST EXPENSE	INVESTMENT INTEREST EXPENSE C/O	DISALLOWED INVESTMENT INTEREST EXPENSE	ALLOWED INVESTMENT INTEREST EXPENSE
MERRIL LYNCH	SCH A	58.	0.	0.	58.
TOTALS		58.	0.	0.	58.

FORM 8995-A	QUALIFIED REIT DIVIDENDS AND PTP INCOME	STATEMENT 19
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NAME OF ENTITY/ACTIVITY	REIT DIVIDENDS	PTP INCOME
MERRILL LYNCH	1,113.	
VANGUARD TOTAL STOCK MKT IDX ADM	106.	
VANGUARD MARKETING CORPORATION	356.	
TOTAL TO FORM 8995-A, LINE 28	1,575.	



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FORM 8960	OTHER MODIFICATIONS TO INVESTMENT INCOME	STATEMENT	20
MERRILL LYNCH			14.
AMOUNT FROM LINE 7 WORKSHEET, LINE 13 FOR CA	1,331.		
TOTAL RECOVERY OF PRIOR YEAR FORM 8960, LINE 9B	1,331.		1,331.
AMOUNT TO FORM 8960, LINE 7			<u>1,345.</u>

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**SCHEDULE A**  
**(Form 1040)**

**Itemized Deductions**

OMB No. 1545-0074

**2023**

Attachment  
Sequence No. **07**

Department of the Treasury  
Internal Revenue Service

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

**Caution:** If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

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

Your social security number

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

<b>Medical and Dental Expenses</b>	<b>Caution:</b> Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see instructions) <b>SEE STATEMENT 11</b>	1	25,125.
	2	Enter amount from Form 1040 or 1040-SR, line 11 <b>2</b> 564,448.	2	564,448.
	3	Multiply line 2 by 7.5% (0.075)	3	42,334.
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	0.
<b>Taxes You Paid</b>	5	State and local taxes.		
	a	State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box <b>SEE STATEMENT 8</b> <input type="checkbox"/>	5a	33,202.
	b	State and local real estate taxes (see instructions)	5b	13,817.
	c	State and local personal property taxes	5c	481.
	d	Add lines 5a through 5c	5d	47,500.
	e	Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)	5e	10,000.
	6	Other taxes. List type and amount:	6	
	7	Add lines 5e and 6	7	10,000.
<b>Interest You Paid</b>	8	Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box <input type="checkbox"/>		
	a	Home mortgage interest and points reported to you on Form 1098. See instructions if limited	8a	2,562.
	b	Home mortgage interest not reported to you on Form 1098. See instructions if limited. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address	8b	
	c	Points not reported to you on Form 1098. See instructions for special rules	8c	
	d	Reserved for future use	8d	
	e	Add lines 8a through 8c	8e	2,562.
	9	Investment interest. Attach Form 4952 if required. See instructions <b>SEE STATEMENT 9</b>	9	58.
	10	Add lines 8e and 9	10	2,620.
<b>Gifts to Charity</b>	11	Gifts by cash or check. If you made any gift of \$250 or more, see instructions	11	8,111.
	12	Other than by cash or check. If you made any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if over \$500 <b>STMT 10</b>	12	200.
	13	Carryover from prior year	13	
	14	Add lines 11 through 13	14	8,311.
<b>Casualty and Theft Losses</b>	15	Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions	15	
<b>Other Itemized Deductions</b>	16	Other - from list in instructions. List type and amount:	16	
<b>Total Itemized Deductions</b>	17	Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040 or 1040-SR, line 12	17	20,931.
	18	If you elect to itemize deductions even though they are less than your standard deduction, check this box <input type="checkbox"/>		

SCHEDULE A	STATE AND LOCAL INCOME TAXES	STATEMENT	8
DESCRIPTION		AMOUNT	
LEGISLATORS' RETIREMENT SYSTEM		4,200.	
HOUSE OF REP-MEMBERS SERVICES		5,637.	
US DEPT OF STATE		8,373.	
CALIFORNIA PRIOR YEAR OVERPAYMENT APPLIED		14,992.	
TOTAL TO SCHEDULE A, LINE 5A		33,202.	

SCHEDULE A	INVESTMENT INTEREST	STATEMENT	9
DESCRIPTION		AMOUNT	
MERRIL LYNCH		58.	
TOTAL TO SCHEDULE A, LINE 9		58.	

SCHEDULE A	CONTRIBUTIONS OTHER THAN CASH OR CHECK			STATEMENT	10
DESCRIPTION	AMOUNT 100% LIMIT	AMOUNT 50% LIMIT	AMOUNT 30% LIMIT	AMOUNT 20% LIMIT	
MISC CLOTHES + HOUSEHOLD ITEMS (LIKE NEW / VERY GOOD)		200.			
SUBTOTALS		200.			
TOTAL TO SCHEDULE A, LINE 12				200.	

SCHEDULE A	MEDICAL AND DENTAL EXPENSES	STATEMENT	11
DESCRIPTION		AMOUNT	
PRESCRIPTION MEDICINES AND DRUGS		9,354.	
MEDICAL INSURANCE PREMIUMS PAID		650.	
INSURANCE REIMBURSEMENT		-9,773.	
TRANSPORTATION		175.	
LAB FEES		838.	
MEDICAL SAVINGS REIMBURSEMENT		-3,050.	
PARKING		355.	

BRAD J. & LISA N K. SHERMAN



DOCTORS, DENTISTS, AUTISM PROFESSIONALS  
EYEGASSES AND CONTACTS

25,142.  
1,434.

TOTAL TO SCHEDULE A, LINE 1

25,125.

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

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

Attach to Form 1040, 1040-SR, or 1040-NR.  
Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.  
Go to [www.irs.gov/ScheduleD](http://www.irs.gov/ScheduleD) for instructions and the latest information.

OMB No. 1545-0074

**2023**

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	665,795.	678,095.	<3,795.>	<16,095.>
<b>2</b> Totals for all transactions reported on Form(s) 8949 with <b>Box B</b> checked	100,000.	100,000.		0.
<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> <16,095.>

**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				
<b>9</b> Totals for all transactions reported on Form(s) 8949 with <b>Box E</b> checked	115,500.	115,500.		0.
<b>10</b> Totals for all transactions reported on Form(s) 8949 with <b>Box F</b> checked	1,525,000.	1,109,454.	<357,014.>	58,532.
<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> 120,489.
<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> 946.
<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> 179,967.

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

Schedule D (Form 1040) 2023

**Part III Summary**

<p><b>16</b> Combine lines 7 and 15 and enter the result .....</p> <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>	<b>16</b>	<b>163,872.</b>
<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>		



Department of the Treasury  
Internal Revenue Service

File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.  
Go to [www.irs.gov/Form8949](http://www.irs.gov/Form8949) for instructions and the latest information.

Attachment  
Sequence No. **12A**

Name(s) shown on return

Social security number or  
taxpayer identification no.

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

Before you check Box A, B, or C 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 I Short-Term.** Transactions involving capital assets you held 1 year or less are generally short-term (see instructions). For long-term transactions, see page 2.  
**Note:** You may aggregate all short-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 1a; you aren't required to report these transactions on Form 8949 (see instructions).

**You must check Box A, B, or C below. Check only one box.** If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-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.

- (A) Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- (B) Short-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- (C) Short-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). <b>See instructions.</b>		(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	
	100000.000 SH - CD CHARLES SCHWAB BK SSB	02/24/23	09/08/23	100,000.	100,000.			0.
<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 1b</b> (if <b>Box A</b> above is checked), <b>line 2</b> (if <b>Box B</b> above is checked), or <b>line 3</b> (if <b>Box C</b> above is checked) .....								
				100,000.	100,000.			0.

**Note:** If you checked Box A 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.



