

TAXABLE YEAR

2024

California Resident Income Tax Return

FORM

540

APE

ATTACH FEDERAL RETURN

SHERMAN
BRAD J SHERMAN
LISA K SHERMAN

24

SHERMAN OAKS CA 91403

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

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

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

Apt. no./ste. no.

[Redacted]

[Redacted]

City

State

ZIP code

SHERMAN OAKS

CA

91423

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

Filing Status

1 Single

4 Head of household (with qualifying person). See instructions.

2 X Married/RDP filing jointly (even if only one spouse/RDP had income). See instr.

5 Qualifying surviving spouse/RDP. Enter year spouse/RDP died.

3 Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here.

6 If someone can claim you (or your spouse/RDP) as a dependent, check the box here. See instr.

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.

Exemptions

7 Personal: If you checked box 1, 3, or 4 above, enter 1 in the box. If you checked box 2 or 5, enter 2 in the box. If you checked the box on line 6, see instructions.

7 2

X \$149 = \$ 298

8 Blind: If you (or your spouse/RDP) are visually impaired, enter 1; if both are visually impaired, enter 2. See instructions

8

X \$149 = \$

9 Senior: If you (or your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2. See instructions

9 1

X \$149 = \$ 149

Whole dollars only

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.	[REDACTED]	[REDACTED]	[REDACTED]
Dependent's relationship to you	<input checked="" type="radio"/> DAUGHTER	<input checked="" type="radio"/> DAUGHTER	<input checked="" type="radio"/> DAUGHTER

Exemptions

Total dependent exemptions \bullet 10 X \$461 = \$
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 \$ 5,540
 • Married/RDP filing jointly, Head of household, or Qualifying surviving spouse/RDP \$11,080
 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

Taxable Income

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 \$244,857, 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

Tax

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

Special Credits

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

Special Credits	45 To claim more than two credits, see instructions. Attach Schedule P (540)	• 45		.00
	46 Nonrefundable Renter's Credit. See instructions	• 46		.00
	47 Add line 40 through line 46. These are your total credits	⊙ 47	9,256	.00
	48 Subtract line 47 from line 35. If less than zero, enter -0-	⊙ 48	17,855	.00

Other Taxes	61 Alternative Minimum Tax. Attach Schedule P (540)	• 61		.00
	62 Mental Health Services Tax. See instructions	• 62		.00
	63 Other taxes and credit recapture. See instructions	• 63		.00
	64 Add line 48, line 61, line 62, and line 63. This is your total tax	• 64	17,855	.00

Payments	71 California income tax withheld. See instructions	• 71	29,657	.00
	72 2024 California estimated tax and other payments. See instructions	• 72		.00
	73 Withholding (Form 592-B and/or Form 593). See instructions	• 73		.00
	74 Reserved for future use	74		.00
	75 Earned Income Tax Credit (EITC). See instructions	• 75		.00
	76 Young Child Tax Credit (YCTC). See instructions	• 76		.00
	77 Foster Youth Tax Credit (FYTC). See instructions	• 77		.00
	78 Add line 71 through line 77. These are your total payments. See instructions	⊙ 78	29,657	.00

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

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

ISR Penalty 92 If you and your household had full-year health care coverage, check the box. See instructions.
Medicare Part A or C coverage is qualifying health care coverage • X

If you did not check the box, see instructions.
Individual Shared Responsibility (ISR) Penalty. See instructions • 92 .00

Overpaid Tax/Tax Due	93 Payments balance. If line 78 is more than line 91, subtract line 91 from line 78	⊙ 93	29,657	.00
	94 Use Tax balance. If line 91 is more than line 78, subtract line 78 from line 91	⊙ 94		.00
	95 Payments after Individual Shared Responsibility Penalty. If line 93 is more than line 92, subtract line 92 from line 93	⊙ 95	29,657	.00
	96 Individual Shared Responsibility Penalty Balance. If line 92 is more than line 93, subtract line 93 from line 92	⊙ 96		.00
	97 Overpaid tax. If line 95 is more than line 64, subtract line 64 from line 95	⊙ 97	11,802	.00

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

Overpaid Tax/Tax Due	98 Amount of line 97 you want applied to your 2025 estimated tax	<input type="radio"/> 98		.00
	99 Overpaid tax available this year. Subtract line 98 from line 97	<input type="radio"/> 99	11,802	.00
	100 Tax due. If line 95 is less than line 64, subtract line 95 from line 64	<input checked="" type="radio"/> 100		.00

Contributions		Code	Amount	
	California Seniors Special Fund. See instructions	<input type="radio"/> 400		.00
	Alzheimer's Disease and Related Dementia Voluntary Tax Contribution Fund	<input type="radio"/> 401		.00
	Rare and Endangered Species Preservation Voluntary Tax Contribution Program	<input type="radio"/> 403		.00
	California Breast Cancer Research Voluntary Tax Contribution Fund	<input type="radio"/> 405		.00
	California Firefighters' Memorial Voluntary Tax Contribution Fund	<input type="radio"/> 406		.00
	Emergency Food for Families Voluntary Tax Contribution Fund	<input type="radio"/> 407		.00
	California Peace Officer Memorial Foundation Voluntary Tax Contribution Fund	<input type="radio"/> 408		.00
	California Sea Otter Voluntary Tax Contribution Fund	<input type="radio"/> 410		.00
	California Cancer Research Voluntary Tax Contribution Fund	<input type="radio"/> 413		.00
	School Supplies for Homeless Children Voluntary Tax Contribution Fund	<input type="radio"/> 422		.00
	State Parks Protection Fund/Parks Pass Purchase	<input type="radio"/> 423		.00
	Protect Our Coast and Oceans Voluntary Tax Contribution Fund	<input type="radio"/> 424		.00
	Keep Arts in Schools Voluntary Tax Contribution Fund	<input type="radio"/> 425		.00
	Prevention of Animal Homelessness and Cruelty Voluntary Tax Contribution Fund	<input type="radio"/> 431		.00
	California Senior Citizen Advocacy Voluntary Tax Contribution Fund	<input type="radio"/> 438		.00
	Native California Wildlife Rehabilitation Voluntary Tax Contribution Fund	<input type="radio"/> 439		.00
	Mental Health Crisis Prevention Voluntary Tax Contribution Fund	<input type="radio"/> 445		.00
	California ALS Research Network Voluntary Tax Contribution Fund	<input type="radio"/> 447		.00
	110 Add amounts in code 400 through code 447. This is your total contribution	<input type="radio"/> 110		.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 .00
Pay Online - Go to ftb.ca.gov/pay for more information.

Interest and Penalties
112 Interest, late return penalties, and late payment penalties 112 .00
113 Underpayment of estimated tax.
Check the box: • **FTB 5805 attached** • **FTB 5805F attached** • 113 .00
114 Total amount due. See instructions. Enclose, but **do not** staple, any payment 114 .00

115 **REFUND OR NO AMOUNT DUE.** Subtract the sum of line 110, line 112, and line 113 from line 99. See instructions.
Mail to: **FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0001** • 115 .00

Refund and Direct Deposit
Fill in the information to authorize direct deposit of your refund into one or two accounts. **Do not** attach a voided check or a deposit slip. See instructions. **Have you verified the routing and account numbers?** Use whole dollars only.
All or the following amount of my refund (line 115) is authorized for direct deposit into the account shown below:
• Routing number • Type Checking Savings • Account number • 116 Direct deposit amount .00
The remaining amount of my refund (line 115) is authorized for direct deposit into the account shown below:
• Routing number • Type Checking Savings • Account number • 117 Direct deposit amount .00

Voter Info.
For voter registration information, check the box and go to 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 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. 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

Date

Spouse's/RDP's signature (if a joint tax return, both must sign)

[REDACTED]

[REDACTED]

[REDACTED]

Your email address. Enter only one email address.

Preferred phone number

[REDACTED]

[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]

Firm's address

[REDACTED]

Firm's FEIN

[REDACTED]

Joint tax return? See instructions.

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]

2024

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. <input type="radio"/> Wages, tips, other compensation 173,385	4. <input type="radio"/> Social security tax withheld 10,453	8. <input type="radio"/> Allocated tips (not included in box 1) [REDACTED]
2. <input type="radio"/> Federal income tax withheld 43,303	6. <input type="radio"/> Medicare tax withheld 2,991	10. <input type="radio"/> Dependent care benefits [REDACTED]
3. <input type="radio"/> Social security wages 168,600	7. <input type="radio"/> Social security tips [REDACTED]	11. <input type="radio"/> Nonqualified plans [REDACTED]

12. Codes and amounts

12a. <input type="radio"/> Code <input type="radio"/> D Amount <input type="radio"/> 30,500	12c. <input type="radio"/> Code <input type="radio"/> [REDACTED] Amount <input type="radio"/> [REDACTED]
12b. <input type="radio"/> Code <input type="radio"/> [REDACTED] Amount <input type="radio"/> [REDACTED]	12d. <input type="radio"/> Code <input type="radio"/> [REDACTED] Amount <input type="radio"/> [REDACTED]

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 [REDACTED] Amount [REDACTED]

16. State wages, tips, etc. 173,385

15. State and employer's state ID number

State CA Employer's state ID number [REDACTED]

17. State income tax 25,457

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.

2024

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. Wages, tips, other compensation [145,800]
2. Federal income tax withheld [15,984]
3. Social security wages [168,600]
4. Social security tax withheld [10,453]
5. Medicare tax withheld [2,506]
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 [27,014]
12b. Code [DD] Amount [26,323]
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, VPOI, or CA SDI (from federal Form W-2, box 14 or 19)
Type [] Amount []
15. State and employer's state ID number
State [DC] Employer's state ID number [redacted]

16. State wages, tips, etc. [145,800]
17. State income tax [9,331]

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.

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
Section A - Income from federal Form 1040 or 1040-SR				
1 a	Form(s) W-2, box 1. See instructions	319,185		
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	319,185		
2	Taxable interest. a	41,051		
3	Ordinary dividends. See instructions. a	26,082	38,818	10,900
4	IRA distributions. See instructions. a			
5	Pensions and annuities. See instructions. a	37,793	37,744	
6	Social security benefits. a	54,902	46,667	46,667
7	Capital gain or (loss). See instr.	1,165		
Section B - Additional Income from federal Schedule 1 (Form 1040)				
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 Other income:			
a Federal net operating loss 8a	⊙ ()		⊙
b Gambling 8b	⊙	⊙	
c Cancellation of debt 8c	⊙	⊙	⊙
d Foreign earned income exclusion from federal Form 2555 8d	⊙ ()		⊙
e Income from federal Form 8853 8e	⊙		⊙
f Income from federal Form 8889 8f	⊙	⊙	
g Alaska Permanent Fund dividends 8g	⊙		
h Jury duty pay 8h	⊙		
i Prizes and awards 8i	⊙		
j Activity not engaged in for profit income 8j	⊙		
k Stock options 8k	⊙		⊙
l Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property 8l	⊙		
m Olympic and Paralympic medals and USOC prize money 8m	⊙		
n IRC Section 951(a) inclusion 8n	⊙	⊙	
o IRC Section 951A(a) inclusion 8o	⊙	⊙	
p IRC Section 461(f) excess business loss adjustment 8p	⊙	⊙	⊙
q Taxable distributions from an ABLÉ account 8q	⊙		
r Scholarship and fellowship grants not reported on federal Form(s) W-2 8r	⊙		
s Nontaxable amount of Medicaid waiver payments included on federal Form 1040, line 1a or line 1d 8s	⊙ ()		
t Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental IRC Section 457 plan 8t	⊙		
u Wages earned while incarcerated 8u	⊙		
v Digital assets received as ordinary income not reported elsewhere 8v	⊙	⊙	⊙
z Other income. List type and amount. ⊙ 8z	⊙	⊙	⊙

Section B - Additional Income Continued	A Federal Amounts (taxable amounts from your federal tax return)	B Subtractions See instructions	C Additions See instructions
9 a Total other income. Add line 8a through line 8z 9a	⊙	⊙	⊙
b1 Disaster loss deduction from form FTB 3805V 9b1	⊙	⊙	⊙
b2 NOL deduction from form FTB 3805V 9b2	⊙	⊙	⊙
b3 NOL deduction from form FTB 3805Z, 3807, or 3809 9b3	⊙	⊙	⊙
10 Total. Add 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 10	⊙ 484,630	⊙ 57,567	⊙

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

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

Section C - Adjustments to Income Continued	A Federal Amounts (taxable amounts from your federal tax return)	B Subtractions See instructions	C Additions See instructions
24 Other adjustments:			
a Jury duty pay 24a	●		
b Deductible expenses related to income reported on line 8f from the rental of personal property engaged in for profit 24b	●	●	●
c Nontaxable amount of the value of Olympic and Paralympic medals and USOC prize money reported on line 8m 24c	●	●	
d Reforestation amortization and expenses 24d	●	●	
e Repayment of supplemental unemployment benefits under the federal Trade Act of 1974 24e	●		
f Contributions to IRC Section 501(c)(18)(D) pension plans 24f	●	●	●
g Contributions by certain chaplains to IRC Section 403(b) plans 24g	●	●	●
h Attorney fees and court costs for actions involving certain unlawful discrimination claims 24h	●		
i 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. 24i	●	●	
j Housing deduction from federal Form 2555 24j	●	●	
k Excess deductions of IRC Section 67(e) expenses from federal Schedule K-1 (Form 1041) 24k	●		
z Other adjustments. List type and amount. 24z	●	●	●
25 Total other adjustments. Add line 24a through line 24z 25	●	●	●
26 Add line 11 through line 23 and line 25 in columns A, B, and C. See instructions 26	●	●	●
27 Total. Subtract line 26 from line 10 in columns A, B, and C. See instructions 27	●	●	●
	484,630	●	57,567

Part II Adjustments to Federal Itemized Deductions

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

	A Federal Amounts (from federal Schedule A (Form 1040))	B Subtractions See instructions	C Additions See instructions
Medical and Dental Expenses See instructions.			
1 Medical and dental expenses <input checked="" type="checkbox"/> <u>51,591</u> 1			
2 Enter amount from federal Form 1040 or 1040-SR, line 11 <input checked="" type="checkbox"/> <u>484,630</u> 2			
3 Multiply line 2 by 7.5% (0.075) <input checked="" type="checkbox"/> <u>36,347</u> 3			
4 Subtract line 3 from line 1. If line 3 is more than line 1, enter 0 <input checked="" type="checkbox"/> <u>15,244</u> 4			<input checked="" type="checkbox"/>
Taxes You Paid			
5 a State and local income tax or general sales taxes <input checked="" type="checkbox"/> <u>47,156</u> 5a	<input checked="" type="checkbox"/> <u>47,156</u>	<input checked="" type="checkbox"/> <u>47,156</u>	
b State and local real estate taxes <input checked="" type="checkbox"/> <u>17,831</u> 5b	<input checked="" type="checkbox"/> <u>17,831</u>		
c State and local personal property taxes <input checked="" type="checkbox"/> <u> </u> 5c	<input checked="" type="checkbox"/> <u> </u>		
d Add line 5a through line 5c <input checked="" type="checkbox"/> <u>64,987</u> 5d	<input checked="" type="checkbox"/> <u>64,987</u>		
e 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="checkbox"/> <u>10,000</u> 5e	<input checked="" type="checkbox"/> <u>10,000</u>	<input checked="" type="checkbox"/> <u>47,156</u>	<input checked="" type="checkbox"/> <u>54,987</u>
6 Other taxes. List type <input checked="" type="checkbox"/> <u> </u> 6	<input checked="" type="checkbox"/> <u> </u>	<input checked="" type="checkbox"/> <u> </u>	<input checked="" type="checkbox"/> <u> </u>
7 Add line 5e and line 6 <input checked="" type="checkbox"/> <u>10,000</u> 7	<input checked="" type="checkbox"/> <u>10,000</u>	<input checked="" type="checkbox"/> <u>47,156</u>	<input checked="" type="checkbox"/> <u>54,987</u>
Interest You Paid			
8 a Home mortgage interest and points reported to you on federal Form 1098 <input checked="" type="checkbox"/> <u> </u> 8a	<input checked="" type="checkbox"/> <u> </u>		<input checked="" type="checkbox"/> <u> </u>
b Home mortgage interest not reported to you on federal Form 1098 <input checked="" type="checkbox"/> <u> </u> 8b	<input checked="" type="checkbox"/> <u> </u>		<input checked="" type="checkbox"/> <u> </u>
c Points not reported to you on federal Form 1098 <input checked="" type="checkbox"/> <u> </u> 8c	<input checked="" type="checkbox"/> <u> </u>		<input checked="" type="checkbox"/> <u> </u>
d Reserved for future use <input checked="" type="checkbox"/> <u> </u> 8d	<input checked="" type="checkbox"/> <u> </u>		<input checked="" type="checkbox"/> <u> </u>
e Add line 8a through line 8c <input checked="" type="checkbox"/> <u> </u> 8e	<input checked="" type="checkbox"/> <u> </u>	<input checked="" type="checkbox"/> <u> </u>	<input checked="" type="checkbox"/> <u> </u>
9 Investment interest <input checked="" type="checkbox"/> <u> </u> 9	<input checked="" type="checkbox"/> <u> </u>	<input checked="" type="checkbox"/> <u> </u>	<input checked="" type="checkbox"/> <u> </u>
10 Add line 8e and line 9 <input checked="" type="checkbox"/> <u> </u> 10	<input checked="" type="checkbox"/> <u> </u>	<input checked="" type="checkbox"/> <u> </u>	<input checked="" type="checkbox"/> <u> </u>

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
Gifts to Charity				
11	Gifts by cash or check	8,440		
12	Other than by cash or check			
13	Carryover from prior year			
14	Add line 11 through line 13	8,440		
Casualty and Theft Losses				
15	Casualty or theft loss(es) (other than net qualified disaster losses). Attach federal Form 4684. See instructions			
Other Itemized Deductions				
16	Other - from list in federal instructions			
17	Add lines 4, 7, 10, 14, 15, and 16 in columns A, B, and C	33,684	47,156	54,987
18	Total. Combine line 17 column A less column B plus column C			41,515
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		2,315	
21	Other expenses: investment, safe deposit box, etc. List type STMT 3		125	
22	Add line 19 through line 21		2,440	
23	Enter amount from federal Form 1040 or 1040-SR, line 11	484,630		
24	Multiply line 23 by 2% (0.02). If less than zero, enter 0		9,693	
25	Subtract line 24 from line 22. If line 24 is more than line 22, enter 0			0
26	Total Itemized Deductions. Add line 18 and line 25			41,515
27	Other adjustments. See instructions. Specify			
28	Combine line 26 and line 27			41,515
29	Is your federal AGI (Form 540, line 13) more than the amount shown below for your filing status?			
	Single or married/RDP filing separately	\$244,857		
	Head of household	\$367,291		
	Married/RDP filing jointly or qualifying surviving spouse/RDP	\$489,719		
	No. Transfer the amount on line 28 to line 29.			
	Yes. Complete the Itemized Deductions Worksheet in the instructions for Schedule CA (540), line 29			41,515
30	Enter the larger of the amount on line 29 or your standard deduction shown below:			
	Single or married/RDP filing separately. See instructions	\$5,540		
	Married/RDP filing jointly, head of household, or qualifying surviving spouse/RDP	\$11,080		
	Transfer the amount on line 30 to Form 540, line 18			41,515

2024

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"/> 145,800	<input checked="" type="radio"/> 145,800
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
1 Total double-taxed income	<input checked="" type="radio"/> 145,800	<input checked="" type="radio"/> 145,800

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

2 California tax liability	<input checked="" type="radio"/> 2	27,111	00
3 Double-taxed income taxable by California. Enter the amount from Part I, line 1, column (b)	<input checked="" type="radio"/> 3	145,800	00
4 California adjusted gross income	<input checked="" type="radio"/> 4	427,063	00
5 Divide line 3 by line 4. Do not enter more than 1.0000	<input checked="" type="radio"/> 5	.3414	
6 Multiply line 2 by line 5	<input checked="" type="radio"/> 6	9,256	00
7 Income tax liability paid to other state (use state's abbreviation) <input checked="" type="radio"/> DC	<input checked="" type="radio"/> 7	9,331	00
8 Double-taxed income taxable by other state. Enter the amount from Part I, line 1, column (c)	<input checked="" type="radio"/> 8	145,800	00
9 Adjusted gross income taxable by other state	<input checked="" type="radio"/> 9	145,800	00
10 Divide line 8 by line 9. Do not enter more than 1.0000	<input checked="" type="radio"/> 10	1.0000	
11 Multiply line 7 by line 10	<input checked="" type="radio"/> 11	9,331	00
12 Other state tax credit. Enter the smaller of line 6 or line 11. Use credit code 187	<input checked="" type="radio"/> 12	9,256	00



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



CA SCHEDULE CA	ORDINARY DIVIDENDS - SUBTRACTION	STATEMENT	2
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DESCRIPTION	CALIFORNIA AMOUNT	FEDERAL AMOUNT	ADJUSTMENT
MERRILL LYNCH	17,667.	17,667.	0.
MERRILL LYNCH	0.	10,791.	-10,791.
VANGUARD MARKETING CORPORATION	10,251.	10,251.	0.
VANGUARD MARKETING CORPORATION	0.	109.	-109.
TO SCH CA (540), PART IA, LINE 3BB			-10,900.

SCHEDULE CA	OTHER EXPENSES	STATEMENT	3
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DESCRIPTION	AMOUNT
INVESTMENT FEES	125.
TOTAL TO SCHEDULE CA, PART II, LINE 21	125.

For the year Jan. 1 - Dec. 31, 2024, or other tax year beginning , ending
Your first name and middle initial BRAD J. Last name SHERMAN
If joint return, spouse's first name and middle initial LISA N K. Last name SHERMAN
Home address (number and street). If you have a P.O. box, see instructions.
City, town, or post office. If you have a foreign address, also complete spaces below. SHERMAN OAKS State ZIP code CA 91403
Foreign country name Foreign province/state/county Foreign postal code
Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. [X] You [X] Spouse

Filing Status [X] Single [] Head of household (HOH)
Check only one box. [X] Married filing jointly (even if only one had income) [] Married filing separately (MFS) [] Qualifying surviving spouse (QSS)
If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:
[] If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required):

Digital Assets At any time during 2024, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) [] Yes [X] No

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

Age/Blindness You: [X] Were born before January 2, 1960 [] Are blind Spouse: [] Was born before January 2, 1960 [] Is blind

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. 1a Total amount from Form(s) W-2, box 1 (see instructions) STMT 1 319,185. 1b Household employee wages not reported on Form(s) W-2. 1c Tip income not reported on line 1a (see instructions). 1d Medicaid waiver payments not reported on Form(s) W-2 (see instructions). 1e Taxable dependent care benefits from Form 2441, line 26. 1f Employer-provided adoption benefits from Form 8839, line 29. 1g Wages from Form 8919, line 6. 1h Other earned income (see instructions). 1i Nontaxable combat pay election (see instructions). 1z Add lines 1a through 1h. 2a Tax-exempt interest. 2b Taxable interest. 3a Qualified dividends. 3b Ordinary dividends. 4a IRA distributions. 4b Taxable amount. 5a Pensions and annuities. 5b Taxable amount. 6a Social security benefits. 6b Taxable amount. 7 Capital gain or (loss). Attach Schedule D if required. If not required, check here. 8 Additional income from Schedule 1, line 10. 9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income. 10 Adjustments to income from Schedule 1, line 26. 11 Subtract line 10 from line 9. This is your adjusted gross income. 12 Standard deduction or itemized deductions (from Schedule A). 13 Qualified business income deduction from Form 8995 or Form 8995-A. 14 Add lines 12 and 13. 15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income.

Tax and Credits

Table with 2 columns: Line number and Amount. Rows 16-24 showing tax calculations and total tax of 100,878.

Payments

Table with 2 columns: Line number and Amount. Rows 25-33 showing federal income tax withheld and total payments of 104,736.

Refund

Table with 2 columns: Line number and Amount. Rows 34-36 showing overpaid amount and amount applied to 2025 estimated tax.

Amount You Owe

Table with 2 columns: Line number and Amount. Rows 37-38 showing amount owed and estimated tax penalty.

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions. [X] Yes. Complete below. [] No

Designee's name, phone no., and personal identification number (PIN) fields.

Sign Here

Signature and occupation fields for preparer (CONGRESSMAN/CPA) and spouse (DIPLOMAT).

Paid Preparer Use Only

Preparer's name, signature, date, PTIN, and self-employed checkbox.

Firm's name, address, phone no., and Firm's EIN fields.

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

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 for instructions and the latest information.

OMB No. 1545-0074

2024
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

1 Additions to tax:			
a Excess advance premium tax credit repayment. Attach Form 8962	1a		
b Repayment of new clean vehicle credit(s) transferred to a registered dealer from Schedule A (Form 8936), Part II. Attach Form 8936 and Schedule A (Form 8936)	1b		
c Repayment of previously owned clean vehicle credit(s) transferred to a registered dealer from Schedule A (Form 8936), Part IV. Attach Form 8936 and Schedule A (Form 8936)	1c		
d Recapture of net EPE from Form 4255, line 2a, column (l)	1d		
e Excessive payments (EP) from Form 4255. Check applicable box and enter amount. (i) <input type="checkbox"/> Line 1a, column (n) (ii) <input type="checkbox"/> Line 1c, column (n) (iii) <input type="checkbox"/> Line 1d, column (n) (iv) <input type="checkbox"/> Line 2a, column (n)	1e		
f 20% EP from Form 4255. Check applicable box and enter amount. See instructions (i) <input type="checkbox"/> Line 1a, column (o) (ii) <input type="checkbox"/> Line 1c, column (o) (iii) <input type="checkbox"/> Line 1d, column (o) (iv) <input type="checkbox"/> Line 2a, column (o)	1f		
y Other additions to tax (see instructions):	1y		
z Add lines 1a through 1y	1z		
2 Alternative minimum tax. Attach Form 6251	2		
3 Add lines 1z and 2. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 17	3		0.

Part II Other Taxes

4 Self-employment tax. Attach Schedule SE	4	
5 Social security and Medicare tax on unreported tip income. Attach Form 4137	5	
6 Uncollected social security and Medicare tax on wages. Attach Form 8919	6	
7 Total additional social security and Medicare tax. Add lines 5 and 6	7	
8 Additional tax on IRAs or other tax-favored accounts. Attach Form 5329 if required. If not required, check here	8	<input type="checkbox"/>
9 Household employment taxes. Attach Schedule H	9	3,649.
10 Repayment of first-time homebuyer credit. Attach Form 5405 if required	10	
11 Additional Medicare Tax. Attach Form 8959	11	1,140.
12 Net investment income tax. Attach Form 8960	12	2,894.
13 Uncollected social security and Medicare or RRTA tax on tips or group-term life insurance from Form W-2, box 12	13	
14 Interest on tax due on installment income from the sale of certain residential lots and timeshares	14	
15 Interest on the deferred tax on gain from certain installment sales with a sales price over \$150,000	15	
16 Recapture of low-income housing credit. Attach Form 8611	16	

(continued on page 2)

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

Schedule 2 (Form 1040) 2024

Part II Other Taxes (continued)

17	Other additional taxes:		
a	Recapture of other credits. List type, form number, and amount	17a	
b	Recapture of federal mortgage subsidy, if you sold your home see instructions	17b	
c	Additional tax on HSA distributions. Attach Form 8889	17c	
d	Additional tax on an HSA because you didn't remain an eligible individual. Attach Form 8889	17d	
e	Additional tax on Archer MSA distributions. Attach Form 8853	17e	
f	Additional tax on Medicare Advantage MSA distributions. Attach Form 8853	17f	
g	Recapture of a charitable contribution deduction related to a fractional interest in tangible personal property	17g	
h	Income you received from a nonqualified deferred compensation plan that fails to meet the requirements of section 409A	17h	
i	Compensation you received from a nonqualified deferred compensation plan described in section 457A	17i	
j	Section 72(m)(5) excess benefits tax	17j	
k	Golden parachute payments	17k	
l	Tax on accumulation distribution of trusts	17l	
m	Excise tax on insider stock compensation from an expatriated corporation	17m	
n	Look-back interest under section 167(g) or 460(b) from Form 8697 or 8866	17n	
o	Tax on non-effectively connected income for any part of the year you were a nonresident alien from Form 1040-NR	17o	
p	Any interest from Form 8621, line 16f, relating to distributions from, and dispositions of, stock of a section 1291 fund	17p	
q	Any interest from Form 8621, line 24	17q	
z	Any other taxes. List type and amount:	17z	
18	Total additional taxes. Add lines 17a through 17z	18	
19	Recapture of net EPE from Form 4255, line 1d, column (l)	19	
20	Section 965 net tax liability installment from Form 965-A	20	
21	Add lines 4, 7 through 16, 18, and 19. These are your total other taxes . Enter here and on Form 1040 or 1040-SR, line 23, or Form 1040-NR, line 23b	21	7,683.

**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 for instructions and the latest information.

OMB No. 1545-0074

2024
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

Amount

313.
40,585.
153.

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

41,051.

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

41,051.

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

Amount

Part II

Ordinary Dividends

5 List name of payer:

MERRILL LYNCH
MERRILL LYNCH
VANGUARD MARKETING CORPORATION
VANGUARD MARKETING CORPORATION

17,667.
10,791.
10,251.
109.

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

38,818.

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. 427501 10-25-24

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 2024, 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 2024, 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	313.							
B	MERRILL LYNCH	40,585.							
C	WESCOM CREDIT UNION	153.							
D	MERRILL LYNCH							17,667.	16,762.
E	MERRILL LYNCH							10,791.	
F	VANGUARD MARKETING CORPORATION							10,251.	9,320.
G	VANGUARD MARKETING CORPORATION							109.	
H									
I									
J									
K									
Totals		41,051.						38,818.	26,082.

	Capital Gain Distributions	Unrecaptured Section 1250 Gain	Section 1202 Gain	Collectibles	Section 199A Dividends	Investment Expenses	Federal Tax Withheld	State Tax Withheld	Foreign Tax Paid
A									
B									
C									
D	1,165.				905.				
E									
F					637.				
G									
H									
I									
J									
K									
Totals	1,165.				1,542.				

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 for instructions and the latest information.

OMB No. 1545-0074

2024

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)
1a 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				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6 ()
7 Net short-term capital gain or (loss) . 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				7

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)
8a 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				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	249,000.	249,000.		0.
9 Totals for all transactions reported on Form(s) 8949 with Box E checked	476,000.	476,000.		0.
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 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				11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions STMT 12				13 1,165.
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14 ()
15 Net long-term capital gain or (loss) . Combine lines 8a through 14 in column (h). Then, go to Part III on page 2				15 1,165.

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

Schedule D (Form 1040) 2024

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result</p>	16	1,165.
<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, 1040-SR, or 1040-NR, line 7. Then, go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then, go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, 1040-SR, or 1040-NR, line 7. Then, go to line 22. 		
<p>17 Are lines 15 and 16 both gains?</p> <p><input checked="" type="checkbox"/> Yes. Go to line 18.</p> <p><input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p>		
<p>18 If you are required to complete the 28% Rate Gain Worksheet(see instructions), enter the amount, if any, from line 7 of that worksheet</p>	18	
<p>19 If you are required to complete the Unrecaptured Section 1250 Gain Worksheet (see instructions), enter the amount, if any, from line 18 of that worksheet</p>	19	
<p>20 Are lines 18 and 19 both zero or blank and you are not filing Form 4952?</p> <p><input checked="" type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 16. Don't complete lines 21 and 22 below.</p> <p><input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Don't complete lines 21 and 22 below.</p>		
<p>21 If line 16 is a loss, enter here and on Form 1040, 1040-SR, or 1040-NR, line 7, the smaller of:</p> <ul style="list-style-type: none"> • The loss on line 16; or • (\$3,000), or if married filing separately, (\$1,500) <p style="margin-left: 40px;">}</p> <p>Note: When figuring which amount is smaller, treat both amounts as positive numbers.</p>	21	()
<p>22 Do you have qualified dividends on Form 1040, 1040-SR, or 1040-NR, line 3a?</p> <p><input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 16.</p> <p><input type="checkbox"/> No. Complete the rest of Form 1040, 1040-SR, or 1040-NR.</p>		

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

Social security number or taxpayer identification no.

BRAD J. & LISA N K. SHERMAN

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

Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

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

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

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price)	(e) Cost or other basis. See the Note 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) Gain or (loss). Subtract column (e) from column (d) & combine the result with column (g)
						(f) Code(s)	(g) Amount of adjustment	
	249000.000 SH - CD WELLS FARGO BANK NA	02/06/23	08/15/24	249,000.	249,000.			0.
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked)				249,000.	249,000.			0.

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.

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 Note 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) Gain or (loss). Subtract column (e) from column (d) & combine the result with column (g)
						(f) Code(s)	(g) Amount of adjustment	
	238000.000 SH - CD JPM (FKA FIRST REP)	02/06/23	02/09/24	238,000.	238,000.			0.
	238000.000 SH - CD CITIZENS BANK NA	02/07/23	02/15/24	238,000.	238,000.			0.
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked)				476,000.	476,000.			0.

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

Qualified Dividends and Capital Gain Tax Worksheet - Line 16

Keep for Your Records

Name(s) shown on return BRAD J. & LISA N K. SHERMAN	Your SSN [REDACTED]
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Before you begin:

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

1. Enter the amount from Form 1040 or 1040-SR, line 15. However, if you are filing Form 2555 (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet	1.	<u>450,638.</u>	
2. Enter the amount from Form 1040 or 1040-SR, line 3a*	2.	<u>26,082.</u>	
3. Are you filing Schedule D?*			
<input checked="" type="checkbox"/> Yes. Enter the smaller of line 15 or line 16 of Schedule D. If either line 15 or line 16 is blank or a loss, enter -0-.	3.	<u>1,165.</u>	
<input type="checkbox"/> No. Enter the amount from Form 1040 or 1040-SR, line 7.			
4. Add lines 2 and 3	4.	<u>27,247.</u>	
5. Subtract line 4 from line 1. If zero or less, enter -0-	5.	<u>423,391.</u>	
6. Enter: \$47,025 if single or married filing separately, \$94,050 if married filing jointly or qualifying surviving spouse, \$63,000 if head of household.	6.	<u>94,050.</u>	
7. Enter the smaller of line 1 or line 6	7.	<u>94,050.</u>	
8. Enter the smaller of line 5 or line 7	8.	<u>94,050.</u>	
9. Subtract line 8 from line 7. This amount is taxed at 0%	9.	<u>0.</u>	
10. Enter the smaller of line 1 or line 4	10.	<u>27,247.</u>	
11. Enter the amount from line 9	11.	<u>0.</u>	
12. Subtract line 11 from line 10	12.	<u>27,247.</u>	
13. Enter: \$518,900 if single, \$291,850 if married filing separately, \$583,750 if married filing jointly or qualifying surviving spouse, \$551,350 if head of household.	13.	<u>583,750.</u>	
14. Enter the smaller of line 1 or line 13	14.	<u>450,638.</u>	
15. Add lines 5 and 9	15.	<u>423,391.</u>	
16. Subtract line 15 from line 14. If zero or less, enter -0-	16.	<u>27,247.</u>	
17. Enter the smaller of line 12 or line 16	17.	<u>27,247.</u>	
18. Multiply line 17 by 15% (0.15)	18.	<u>4,087.</u>	
19. Add lines 9 and 17	19.	<u>27,247.</u>	
20. Subtract line 19 from line 10	20.	<u>0.</u>	
21. Multiply line 20 by 20% (0.20)	21.	<u>0.</u>	
22. Figure the tax on the amount on line 5. If the amount on line 5 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 5 is \$100,000 or more, use the Tax Computation Worksheet	22.	<u>90,858.</u>	
23. Add lines 18, 21, and 22	23.	<u>94,945.</u>	
24. Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet	24.	<u>99,577.</u>	
25. Tax on all taxable income. Enter the smaller of line 23 or line 24. Also include this amount on the entry space on Form 1040 or 1040-SR, line 16. If you are filing Form 2555, don't enter this amount on the entry space on Form 1040 or 1040-SR, line 16. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet	25.	<u>94,945.</u>	

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

Child and Dependent Care Expenses

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

Go to www.irs.gov/Form2441 for instructions and the latest information.

Name(s) shown on return

Your social security number

BRAD J. & LISA N K. SHERMAN

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

B If you or your spouse was a student or was disabled during 2024 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 2024?, (e) Amount paid. Row 1: NONE, No.

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

Caution: If the care provider is your household employee, you may owe employment taxes. For details, see the Instructions for Schedule H (Form 1040). If you incurred care expenses in 2024 but didn't pay them until 2025, or if you prepaid in 2024 for care to be provided in 2025, don't include these expenses in column (d) of line 2 for 2024. 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 2024 for the person listed in column (a).

3 Add the amounts in column (d) of line 2. Don't enter more than \$3,000 if you had one qualifying person or \$6,000 if you had two or more persons. 4 Enter your earned income. 5 If married filing jointly, enter your spouse's earned income. 6 Enter the smallest of line 3, 4, or 5. 7 Enter the amount from Form 1040, 1040-SR, or 1040-NR, line 11. 8 Enter on line 8 the decimal amount shown below that applies to the amount on line 7. 9a Multiply line 6 by the decimal amount on line 8. 9b If you paid 2023 expenses in 2024, complete Worksheet A in the instructions. 9c Add lines 9a and 9b and enter the result. 10 Tax liability limit. 11 Credit for child and dependent care expenses.

Part III Dependent Care Benefits

12 Enter the total amount of dependent care benefits you received in 2024. Amounts you received as an employee should be shown in box 10 of your Form(s) W-2. Don't 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	12	
13 Enter the amount, if any, you carried over from 2023 and used in 2024 during the grace period. See instructions ...	13	
14 If you forfeited or carried over to 2025 any of the amounts reported on line 12 or 13, enter the amount. See instructions	14	()
15 Combine lines 12 through 14. See instructions	15	
16 Enter the total amount of qualified expenses incurred in 2024 for the care of the qualifying person(s)	16	
17 Enter the smaller of line 15 or 16	17	
18 Enter your earned income . See instructions	18	
19 Enter the amount shown below that applies to you. <ul style="list-style-type: none"> • 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). • If married filing separately, see instructions. • All others, enter the amount from line 18. 	19	
20 Enter the smallest of line 17, 18, or 19	20	
21 Enter \$5,000 (\$2,500 if married filing separately and 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	21	
22 Is any amount on line 12 or 13 from your sole proprietorship or partnership? <input type="checkbox"/> No. Enter -0-. <input type="checkbox"/> Yes. Enter the amount here	22	
23 Subtract line 22 from line 15	23	
24 Deductible benefits. Enter the smallest of line 20, 21, or 22. Also, include this amount on the appropriate line(s) of your return. See instructions	24	
25 Excluded benefits. 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-	25	
26 Taxable benefits. 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	26	

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

27 Enter \$3,000 (\$6,000 if two or more qualifying persons)	27	
28 Add lines 24 and 25	28	
29 Subtract line 28 from line 27. If zero or less, stop . You can't take the credit. Exception. If you paid 2023 expenses in 2024, see the instructions for line 9b	29	
30 Complete line 2 on page 1 of this form. Don't include in column (d) any benefits shown on line 28 above. Then, add the amounts in column (d) and enter the total here	30	
31 Enter the smaller of line 29 or 30. Also, enter this amount on line 3 on page 1 of this form and complete lines 4 through 11	31	

**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-SS, 1040-NR, or 1041.

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

OMB No. 1545-0074

2024

Attachment
Sequence No. **44**

Name of employer

BRAD J. SHERMAN

Social security number

Employer identification number

Calendar year taxpayers having no household employees in 2024 don't have to complete this form for 2024.

A Did you pay **any one** household employee cash wages of \$2,700 or more in 2024? (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 1.
- No.** Go to line B.

B Did you withhold federal income tax during 2024 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 2023 or 2024 to **all** household employees? (**Don't** count cash wages paid in 2023 or 2024 to your spouse, your child under age 21, or your parent.)

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

Part I Social Security, Medicare, and Federal Income Taxes

1	Total cash wages subject to social security tax	1	23,575.	
2	Social security tax. Multiply line 1 by 12.4% (0.124)	2		2,923.
3	Total cash wages subject to Medicare tax	3	23,575.	
4	Medicare tax. Multiply line 3 by 2.9% (0.029)	4		684.
5	Total cash wages subject to Additional Medicare Tax withholding	5		
6	Additional Medicare Tax withholding. Multiply line 5 by 0.9% (0.009)	6		
7	Federal income tax withheld, if any	7		
8	Total social security, Medicare, and federal income taxes. Add lines 2, 4, 6, and 7	8		3,607.

9 Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2023 or 2024 to **all** household employees? (**Don't** count cash wages paid in 2023 or 2024 to your spouse, your child under age 21, or your parent.)

- No. Stop.** Include the amount from line 8 above on Schedule 2 (Form 1040), line 9. 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 separate instructions.

Schedule H (Form 1040) 2024

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 2024 by April 15, 2025? Fiscal year filers, see instructions	X	
12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?	X	

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

Section A

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

Section B

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

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

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

Part III Total Household Employment Taxes

25 Enter the amount from line 8. If you checked the "Yes" box on line C of page 1, enter -0-	25	3,607.
26 Add line 16 (or line 24) and line 25	26	3,649.

27 Are you required to file Form 1040?
 Yes. Stop. Include the amount from line 26 above on Schedule 2 (Form 1040), line 9. **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 _____
Paid Preparer Use Only	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. _____

**Credits for Qualifying Children
and Other Dependents**

2024

Department of the Treasury
Internal Revenue Service

Attach to Form 1040, 1040-SR, or 1040-NR.
Go to www.irs.gov/Schedule8812 for instructions and the latest information.

Attachment
Sequence No. **47**

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

1	Enter the amount from line 11 of your Form 1040, 1040-SR, or 1040-NR	1	484,630.
2a	Enter income from Puerto Rico that you excluded	2a	
b	Enter the amounts from lines 45 and 50 of your Form 2555	2b	
c	Enter the amount from line 15 of your Form 4563	2c	
d	Add lines 2a through 2c	2d	
3	Add lines 1 and 2d	3	484,630.
4	Number of qualifying children under age 17 with the required social security number ...	4	3
5	Multiply line 4 by \$2,000	5	6,000.
6	Number of other dependents, including any qualifying children who are not under age 17 or who do not have the required social security number	6	
Caution: 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.			
7	Multiply line 6 by \$500	7	
8	Add lines 5 and 7	8	6,000.
9	Enter the amount shown below for your filing status. <ul style="list-style-type: none"> • Married filing jointly - \$400,000 • All other filing statuses - \$200,000 	9	400,000.
10	Subtract line 9 from line 3. <ul style="list-style-type: none"> • If zero or less, enter -0-. • 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. 	10	85,000.
11	Multiply line 10 by 5% (0.05)	11	4,250.
12	Is the amount on line 8 more than the amount on line 11?	12	1,750.
<input type="checkbox"/> No. STOP. You cannot take the child tax credit, credit for other dependents, or additional child tax credit. Skip Parts II-A and II-B. Enter -0- on lines 14 and 27.			
<input checked="" type="checkbox"/> Yes. Subtract line 11 from line 8. Enter the result.			
13	Enter the amount from Credit Limit Worksheet A	13	94,945.
		STMT 13	
14	Enter the smaller of line 12 or line 13. This is your child tax credit and credit for other dependents	14	1,750.

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.

Part II-A Additional Child Tax Credit for All Filers

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

15 Check this box if you do not want to claim the additional child tax credit. Skip Parts II-A and II-B. Enter -0- on line 27 <input type="checkbox"/>		
16a Subtract line 14 from line 12. If zero, stop here ; you cannot take the additional child tax credit. Skip Parts II-A and II-B. Enter -0- on line 27	16a	0.
b Number of qualifying children under age 17 with the required social security number: _____ x \$1,700. Enter the result. If zero, stop here ; you cannot claim the additional child tax credit. Skip Parts II-A and II-B. Enter -0- on line 27 TIP: The number of children you use for this line is the same as the number of children you used for line 4.	16b	
17 Enter the smaller of line 16a or line 16b	17	
18a Earned income (see instructions)	18a	
b Nontaxable combat pay (see instructions)	18b	
19 Is the amount on line 18a more than \$2,500? <input type="checkbox"/> No. Leave line 19 blank and enter -0- on line 20. <input type="checkbox"/> Yes. Subtract \$2,500 from the amount on line 18a. Enter the result	19	
20 Multiply the amount on line 19 by 15% (0.15) and enter the result Next. On line 16b, is the amount \$5,100 or more? <input type="checkbox"/> No. If you are a bona fide resident of Puerto Rico, go to line 21. Otherwise, skip Part II-B and enter the smaller of line 17 or line 20 on line 27. <input type="checkbox"/> Yes. 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.	20	

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

21 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		
22 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	22	
23 Add lines 21 and 22	23	
24 1040 and 1040-SR filers: Enter the total of the amounts from Form 1040 or 1040-SR, line 27, and Schedule 3 (Form 1040), line 11. 1040-NR filers: Enter the amount from Schedule 3 (Form 1040), line 11.	24	
25 Subtract line 24 from line 23. If zero or less, enter -0-	25	
26 Enter the larger of line 20 or line 25 Next, enter the smaller of line 17 or line 26 on line 27.	26	

Part II-C Additional Child Tax Credit

27 This is your additional child tax credit. Enter this amount on Form 1040, 1040-SR, or 1040-NR, line 28		0.
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Department of the Treasury
Internal Revenue Service

Attach to your tax return.

Go to 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 \$191,950 (\$383,900 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 \$191,950 or less (\$383,900 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** (2024)

Part III Phased-in Reduction

Complete Part III only if your taxable income is more than \$191,950 but not \$241,950 (\$383,900 and \$483,900 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 \$191,950 (\$383,900 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 SEE STATEMENT 14	28	1,542.		
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	1,542.		
31	REIT and PTP component. Multiply line 30 by 20% (0.20)	31	308.		
32	Qualified business income deduction before the income limitation. Add lines 27 and 31	32		308.	
33	Taxable income before qualified business income deduction	33	450,946.		
34	Enter your net capital gain, if any, increased by any qualified dividends (see instructions)	34	27,247.		
35	Subtract line 34 from line 33. If zero or less, enter -0-	35		423,699.	
36	Income limitation. Multiply line 35 by 20% (0.20)	36		84,740.	
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		308.	
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		308.	
40	Total qualified REIT dividends and PTP (loss) carryforward. Combine lines 28 and 29. If zero or greater, enter -0-	40		()	

Paid Preparer's Due Diligence Checklist

Earned Income Credit (EIC), American Opportunity Tax Credit (AOTC), Child Tax Credit (CTC) (including the Additional Child Tax Credit (ACTC)) and Credit for Other Dependents (ODC), and Head of Household (HOH) Filing Status
To be completed by preparer and filed with Form 1040, 1040-SR, 1040-NR, or 1040-SS.
 Go to www.irs.gov/Form8867 for instructions and the latest information.

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

Part I Due Diligence Requirements

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

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

For Paperwork Reduction Act Notice, see separate instructions.

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

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

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

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

Part VI Eligibility Certification		
You will have complied with all due diligence requirements for claiming the applicable credit(s) and/or HOH filing status on the return of the taxpayer identified above if you:		
<ul style="list-style-type: none"> A. Interview the taxpayer, ask adequate questions, contemporaneously document the taxpayer's responses on the return or in your notes, review adequate information to determine if the taxpayer is eligible to claim the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s); B. Complete this Form 8867 truthfully and accurately and complete the actions described in this checklist for any applicable credit(s) claimed and HOH filing status, if claimed; C. Submit Form 8867 in the manner required; and D. Keep all five of the following records for 3 years from the latest of the dates specified in the Form 8867 instructions under <i>Document Retention</i>. <ul style="list-style-type: none"> 1. A copy of this Form 8867. 2. The applicable worksheet(s) or your own worksheet(s) for any credit(s) claimed. 3. Copies of any documents provided by the taxpayer on which you relied to determine the taxpayer's eligibility for the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s). 4. A record of how, when, and from whom the information used to prepare this form and the applicable worksheet(s) was obtained. 5. A record of any additional information you relied upon, including questions you asked and the taxpayer's responses, to determine the taxpayer's eligibility for the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s). 		
If you have not complied with all due diligence requirements, you may have to pay a penalty for each failure to comply related to a claim of an applicable credit or HOH filing status (see instructions for more information).		
15 Do you certify that all of the answers on this Form 8867 are, to the best of your knowledge, true, correct, and complete?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Additional Medicare Tax

2024

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 for instructions and the latest information.

Attachment
Sequence No. **71**

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

1 Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5	1	376,699.		
2 Unreported tips from Form 4137, line 6	2			
3 Wages from Form 8919, line 6	3			
4 Add lines 1 through 3	4	376,699.		
5 Enter the following amount for your filing status:				
Married filing jointly \$250,000				
Married filing separately \$125,000				
Single, Head of household, or Qualifying surviving spouse \$200,000	5	250,000.		
6 Subtract line 5 from line 4. If zero or less, enter -0-	6		126,699.	
7 Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II	7		1,140.	

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

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

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

Part IV Total Additional Medicare Tax

18 Add lines 7, 13, and 17. Also include this amount on Schedule 2 (Form 1040), line 11 (Form 1040-SS filers, see instructions), and go to Part V	18		1,140.	
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Part V Withholding Reconciliation

19 Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6	19	5,497.		
20 Enter the amount from line 1	20	376,699.		
21 Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages	21	5,462.		
22 Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages	22		35.	
23 Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions)	23			
24 Total Additional Medicare Tax withholding. 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)	24		35.	

Net Investment Income Tax - Individuals, Estates, and Trusts

2024

Department of the Treasury
Internal Revenue Service

Attach to your tax return.

Go to 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)

1 Taxable interest (see instructions)		1	41,051.
2 Ordinary dividends (see instructions)		2	38,818.
3 Annuities (see instructions)		3	
4a Rental real estate, royalties, partnerships, S corporations, trusts, trades or businesses, etc. (see instructions)	4a		
b Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)	4b		
c Combine lines 4a and 4b		4c	
5a Net gain or loss from disposition of property (see instructions)	5a		1,165.
b Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b		
c Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c		
d Combine lines 5a through 5c		5d	1,165.
6 Adjustments to investment income for certain CFCs and PFICs (see instructions)		6	
7 Other modifications to investment income (see instructions)		7	
8 Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7		8	81,034.

Part II Investment Expenses Allocable to Investment Income and Modifications

9a Investment interest expenses (see instructions)	9a		
b State, local, and foreign income tax (see instructions)	9b		4,870.
c Miscellaneous investment expenses (see instructions)	9c		
d Add lines 9a, 9b, and 9c		9d	4,870.
10 Additional modifications (see instructions)		10	
11 Total deductions and modifications. Add lines 9d and 10		11	4,870.

Part III Tax Computation

12 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-		12	76,164.
Individuals:			
13 Modified adjusted gross income (see instructions)	13		484,630.
14 Threshold based on filing status (see instructions)	14		250,000.
15 Subtract line 14 from line 13. If zero or less, enter -0-	15		234,630.
16 Enter the smaller of line 12 or line 15		16	76,164.
17 Net investment income tax for individuals. Multiply line 16 by 3.8% (0.038). Enter here and include on your tax return (see instructions)		17	2,894.
Estates and Trusts:			
18a Net investment income (line 12 above)	18a		
b Deductions for distributions of net investment income and charitable deductions (see instructions)	18b		
c Undistributed net investment income. Subtract line 18b from line 18a (see instructions). If zero or less, enter -0-	18c		
19a Adjusted gross income (see instructions)	19a		
b Highest tax bracket for estates and trusts for the year (see instructions)	19b		
c Subtract line 19b from line 19a. If zero or less, enter -0-	19c		
20 Enter the smaller of line 18c or line 19c		20	
21 Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (0.038). Enter here and include on your tax return (see instructions)		21	

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

Lines 9 and 10 - Application of Itemized Deduction Limitations on Deductions Properly Allocable to Investment Income Worksheet

Keep for Your Records

Part III - Deductions Properly Allocable to Investment Income (Individuals Only)

1. Enter the amount of Miscellaneous Itemized Deductions properly allocable to investment income from column (C) of Part II:

	Description	Line	Amount
(a)	N/A	N/A	N/A
(b)	N/A	N/A	N/A

2. Enter the amount of state, local, and foreign income taxes that are properly allocable to investment income (limited to \$10,000, \$5,000 if MFS) **2.** 4,870.

3. Enter the amounts of other Itemized Deductions properly allocable to investment income
(Description and Form 8960 line number where they'll be reported):

	Description	Line	Amount
(a)			
(b)			

4. Enter the total deductions properly allocable to investment income. Enter the sum of lines 2 and 3 **4.** 4,870.

5. Enter the amount of total itemized deductions reported on Form 1040 **5.** 33,684.

6. Enter all other itemized deductions allowed but not subject to the section 68 deduction limitation:

(a)	Investment Interest Expense	N/A
(b)	Casualty Losses (other than losses described in section 165(c)(1))	N/A
(c)	Medical Expenses	N/A
(d)	Gambling Losses	N/A
(e)	Total of lines 6(a) through 6(d)	6e. <u>N/A</u>

7. Subtract line 6e from line 5 **7.** 33,684.

8. Enter the lesser of line 7 or line 4 **8.** 4,870.

TIP

This is the amount of itemized deductions that are properly allocable to investment income. Use Part IV of this worksheet to reconcile this amount to the individual deduction amounts reported on Form 8960, lines 9 and 10.

Part IV - Reconciliation of Schedule A Deductions to Form 8960, Lines 9 and 10 (Individuals Only)

		(A)	(B)	(C)
		Reenter the amounts and descriptions from Part III, lines 1 - 3.	IF Part III, line 8 is less than Part III, line 4, THEN divide line 8 by line 4 AND enter the amount in column (B). IF the amounts reported on Part III, lines 4 and 8 are equal, THEN enter 1.00 in column (B).	Multiply the individual amounts in column (A) by the amount in column (B). Enter these amounts in the appropriate location on lines 9 and 10.
Miscellaneous Itemized Deductions properly allocable to investment income:				
1.	(a)	N/A	X	N/A
	(b)	N/A	X	N/A
2.	State, local, and foreign income taxes	4,870.	X	1.0000
Itemized Deductions Included on Line 3 of Part III:				
3.	(a)		X	
	(b)		X	

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

CALIFORNIA

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

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

1	Taxable interest	1	41,051.
2	Ordinary dividends	2	27,918.
3	Annuities from nonqualified plans	3	
4a	Rental real estate, royalties, partnerships, S corporations, trusts, trades or businesses, etc.	4a	
b	Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business	4b	
c	Combine lines 4a and 4b	4c	
5a	Net gain or loss from disposition of property	5a	1,165.
b	Net gain or loss from disposition of property that is not subject to net investment income tax	5b	
c	Adjustment from disposition of partnership interest or S corporation stock	5c	
d	Combine lines 5a through 5c	5d	1,165.
6	Changes in investment income for certain CFCs and PFICs	6	
7	Other modifications to investment income	7	
8	Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7	8	70,134.

Part II State Income Tax Pro-ration for 2024 Income Tax Payments

9	State total income	9	427,063.
10	State income tax payments for 2024	10	29,657.
11	2024 state income tax payments attributable to investment income, line 8 divided by line 9 times line 10	11	4,870.

Part III State Income Tax Pro-ration for 2023 Estimate Payments Made in 2024

12	State estimate payments for 2023	12	
13	Percent of state income taxes attributable to investment income for 2023	13	
14	2023 state estimate payments attributable to investment income. Line 12 times line 13	14	

Part IV State Income Tax Pro-ration for Balance of Prior Years Tax Plus Extension Payments Paid in 2024

15	Balance of prior years tax plus extension payments paid in 2024	15	8,168.
16	Percent of state income taxes attributable to investment income for 2023	16	
17	Balance of prior years tax and extension payments attributable to investment income. Line 15 times line 16	17	

Part V Reduction of State Tax Deduction

18	Reduction of state tax deduction	18	()
19	Percent of state income taxes attributable to investment income for 2023	19	
20	Reduction of state tax deduction attributable to investment income. Line 18 times line 19	20	()

Part VI Total State Income Tax Payments Attributable to Investment Income

21	Combine lines 11, 14, 17 and 20. Carry to Form 8960, Line 9 Worksheet, Part III, line 2	21	4,870.
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FORM 1040	WAGES RECEIVED AND TAXES WITHHELD	STATEMENT	1
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	AMOUNT PAID	FEDERAL TAX WITHHELD	STATE TAX WITHHELD	CITY SDI TAX W/H	FICA TAX	MEDICARE TAX
T S EMPLOYER'S NAME						
T HOUSE OF REP-MEMBERS SERVICES	173,385.	43,303.	25,457.		10,453.	2,991.
S US DEPT OF STATE	145,800.	15,984.	9,331.		10,453.	2,506.
TOTALS	319,185.	59,287.	34,788.		20,906.	5,497.

FORM 1040	QUALIFIED DIVIDENDS	STATEMENT	2
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	ORDINARY DIVIDENDS	QUALIFIED DIVIDENDS
NAME OF PAYER		
MERRILL LYNCH	17,667.	16,762.
VANGUARD MARKETING CORPORATION	10,251.	9,320.
TOTAL INCLUDED IN FORM 1040, LINE 3A		26,082.



FORM 1040

PENSIONS AND ANNUITIES

STATEMENT 3

LEGISLATORS' RETIREMENT SYSTEM

AMOUNT RECEIVED THIS YEAR	37,793.	
NONTAXABLE AMOUNT	49.	
CAPITAL GAIN DISTRIBUTION REPORTED ON SCH D		
		<hr/>
		37,744.
TOTAL INCLUDED IN FORM 1040, LINE 5B		<hr/>
		37,744.
		<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 2024
D. MARRIED FILING SEPARATELY AND LIVED APART FROM YOUR SPOUSE
FOR ALL OF 2024
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 54,902.
IF YOU CHECKED BOX B: TAXPAYER AMOUNT 54,902.
SPOUSE AMOUNT
2. MULTIPLY LINE 1 BY 50% (0.50) 27,451.
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 437,963.
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 4 465,414.
6. ADD THE AMOUNTS FROM SCHEDULE 1, LINES 11 THROUGH 20,
AND 23 AND 25 0.
7. SUBTRACT LINE 6 FROM LINE 5 465,414.
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 2024, BE SURE YOU ENTERED 'D' TO THE
RIGHT OF THE WORD "BENEFITS" ON LINE 6A.
[X] YES. SUBTRACT LINE 8 FROM LINE 7 433,414.
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- 421,414.
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 6,000.
15. MULTIPLY LINE 11 BY 85% (.85). IF LINE 11 IS ZERO, ENTER -0- 358,202.
16. ADD LINES 14 AND 15 364,202.
17. MULTIPLY LINE 1 BY 85% (.85) 46,667.
-
18. TAXABLE BENEFITS. ENTER THE SMALLER OF LINE 16 OR LINE 17 46,667.
* ALSO ENTER THIS AMOUNT ON FORM 1040, LINE 6B

FORM 1040	TAX	STATEMENT	5
DESCRIPTION		AMOUNT	
FROM QUALIFIED DIVIDENDS AND CAPITAL GAIN WORKSHEET		94,945.	
TOTAL TO FORM 1040, LINE 16		94,945.	

FORM 1040	FEDERAL INCOME TAX WITHHELD - FORM(S) W-2	STATEMENT	6
T S DESCRIPTION		AMOUNT	
- HOUSE OF REP-MEMBERS SERVICES		43,303.	
S US DEPT OF STATE		15,984.	
TOTAL TO FORM 1040, LINE 25A		59,287.	

FORM 1040	CURRENT YEAR ESTIMATES AND AMOUNT APPLIED FROM PREVIOUS YEAR	STATEMENT	7
DESCRIPTION		AMOUNT	
1ST QTR ESTIMATE PAYMENT - JOINT		914.	
2ND QTR ESTIMATE PAYMENT - JOINT		10,964.	
3RD QTR ESTIMATE PAYMENT - JOINT		10,913.	
4TH QTR ESTIMATE PAYMENT - JOINT		858.	
PRIOR YEAR OVERPAYMENT APPLIED - JOINT		11,588.	
TOTAL TO FORM 1040, LINE 26		35,237.	

FORM 1040	FEDERAL INCOME TAX WITHHELD - FORM(S) 1099	STATEMENT	8
T S DESCRIPTION		AMOUNT	
- LEGISLATORS' RETIREMENT SYSTEM		10,177.	
TOTAL TO FORM 1040, LINE 25B		10,177.	

FORM 1040 FEDERAL INCOME TAX WITHHELD - OTHER FORMS STATEMENT 9

T S DESCRIPTION	AMOUNT
FORM 8959, LINE 24	35.
TOTAL TO FORM 1040, LINE 25C	35.

SCHEDULE A STATE AND LOCAL INCOME TAXES STATEMENT 10

DESCRIPTION	AMOUNT
LEGISLATORS' RETIREMENT SYSTEM	4,200.
HOUSE OF REP-MEMBERS SERVICES	25,457.
US DEPT OF STATE	9,331.
CALIFORNIA PRIOR YEAR BALANCE DUE AND EXTENSION PAYMENTS	8,168.
TOTAL TO SCHEDULE A, LINE 5A	47,156.

SCHEDULE A MEDICAL AND DENTAL EXPENSES STATEMENT 11

DESCRIPTION	AMOUNT
PRESCRIPTION MEDICINES AND DRUGS	16,388.
MEDICAL INSURANCE PREMIUMS PAID	650.
INSURANCE REIMBURSEMENT	-9,977.
TRANSPORTATION	159.
LAB FEES	1,017.
EYEGASSES AND CONTACTS	1,524.
PARKING	285.
DOCTORS, DENTISTS, AUTISM PROFESSIONALS	41,545.
TOTAL TO SCHEDULE A, LINE 1	51,591.



SCHEDULE D CAPITAL GAIN DISTRIBUTIONS STATEMENT 12

NAME OF PAYER	TOTAL CAPITAL GAIN	28% GAIN
MERRILL LYNCH	1,165.	
TOTALS TO SCHEDULE D, LINE 13	1,165.	

SCHEDULE 8812

CREDIT LIMIT WORKSHEET A

STATEMENT 13

1. ENTER THE AMOUNT FROM LINE 18 OF FORM 1040 OR FORM 1040-NR 94,945.

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

SCHEDULE 3, LINE 1
 SCHEDULE 3, LINE 2
 SCHEDULE 3, LINE 3
 SCHEDULE 3, LINE 4
 SCHEDULE 3, LINE 5B
 SCHEDULE 3, LINE 6D
 SCHEDULE 3, LINE 6F
 SCHEDULE 3, LINE 6L
 SCHEDULE 3, LINE 6M
 ENTER THE TOTAL

3. SUBTRACT LINE 2 FROM LINE 1 94,945.

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

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

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

2. YOU ARE NOT FILING FORM 2555

3. LINE 4 OF SCHEDULE 8812 IS MORE THAN ZERO

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

5. SUBTRACT LINE 4 FROM LINE 3. ENTER THIS AMOUNT ON SCHEDULE 8812, LINE 13. 94,945.

FORM 8995-A

QUALIFIED REIT DIVIDENDS AND PTP INCOME

STATEMENT 14

NAME OF ENTITY/ACTIVITY

REIT DIVIDENDS

PTP INCOME

MERRILL LYNCH
 VANGUARD MARKETING CORPORATION

905.

637.

TOTAL TO FORM 8995-A, LINE 28

1,542.



FORM 8960

STATE INCOME TAX PAYMENTS

STATEMENT 15

CALIFORNIA

DESCRIPTION

AMOUNT

HOUSE OF REP-MEMBERS SERVICES
LEGISLATORS' RETIREMENT SYSTEM

25,457.
4,200.

TOTAL TO STATE FORM 8960, LINE 10

29,657.