



**Note: The form, instructions, or publication you are looking for begins after this coversheet.**

*Please review the updated information below.*

## **Reporting Excess Deductions on Termination of an Estate or Trust on Forms 1040, 1040-SR, and 1040-NR for Tax Year 2018 and Tax Year 2019**

Under [Proposed Regulations 113295-18](#), an excess deduction on termination of an estate or trust allowed in arriving at adjusted gross income (Internal Revenue Code (IRC) section 67(e) expenses) is reported as an adjustment to income on Forms 1040, 1040-SR, and 1040-NR; non-miscellaneous itemized deductions are reported, as applicable, on Schedule A (Form 1040 or 1040-SR) or Schedule A (Form 1040-NR); and miscellaneous itemized deductions are not deductible. Taxpayers may rely on the proposed regulations for tax years of beneficiaries beginning after 2017 and before the final regulations are published.

For tax year 2019, an excess deduction for IRC section 67(e) expenses is reported as a write-in on Schedule 1 (Form 1040 or 1040-SR), Part II, line 22, or Form 1040-NR, line 34. On the dotted line next to line 22 or line 34 (depending on which form is filed), enter the amount of the adjustment and identify it using the code "ED67(e)". Include the amount of the adjustment in the total amount reported on line 22 or line 34.

For tax year 2018, an excess deduction for IRC section 67(e) expenses is reported as a write-in on Schedule 1 (Form 1040), line 36, or Form 1040-NR, line 34. On the dotted line next to line 36 or line 34, (depending on which form is filed), enter the amount of the adjustment and identify it using the code "ED67(e)". Include the amount of the adjustment in the total amount reported on line 36 or line 34.



12a Tax (see instructions). Check if any from:

1 Form(s) 8814 2 Form 4972 3 \_\_\_\_\_ 12a

b Add Schedule 2, line 3, and line 12a and enter the total 12b

13a Child tax credit or credit for other dependents 13a

b Add Schedule 3, line 7, and line 13a and enter the total 13b

14 Subtract line 13b from line 12b. If zero or less, enter -0- 14

15 Other taxes, including self-employment tax, from Schedule 2, line 10 15

16 Add lines 14 and 15. This is your total tax 16

17 Federal income tax withheld from Forms W-2 and 1099 17

18 Other payments and refundable credits:

a Earned income credit (EIC) 18a

b Additional child tax credit. Attach Schedule 8812 18b

c American opportunity credit from Form 8863, line 8 18c

d Schedule 3, line 14 18d

e Add lines 18a through 18d. These are your total other payments and refundable credits 18e

19 Add lines 17 and 18e. These are your total payments 19

Refund 20 If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you overpaid 20

21a Amount of line 20 you want refunded to you. If Form 8888 is attached, check here 21a

Direct deposit? See instructions. b Routing number c Type: Checking Savings

d Account number

22 Amount of line 20 you want applied to your 2020 estimated tax 22

Amount You Owe 23 Amount you owe. Subtract line 19 from line 16. For details on how to pay, see instructions 23

24 Estimated tax penalty (see instructions) 24

Third Party Designee

Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. Yes. Complete below. No

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

Sign Here

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

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

Joint return? See instructions. Keep a copy for your records.

Phone no. Email address

Paid Preparer Use Only

Preparer's name Preparer's signature Date PTIN Check if: 3rd Party Designee Self-employed

Firm's name Phone no.

Firm's address Firm's EIN

If you have a qualifying child, attach Sch. EIC. If you have nontaxable combat pay, see instructions.