

**University of Oklahoma Financial Aid Services**  
**2005 Federal Tax Return: 1040 Required?**

For the purposes of determining eligibility for the Simple Need Analysis, was the tax filer REQUIRED to file a 1040 instead of a 1040A or 1040EZ?

**YES, IF Line 42, Taxable Income is GREATER THAN \$100,000\* OR**

**YES IF amounts other than zero appear on the following lines:**

<u>Section</u>	<u>Line #</u>	<u>Description</u>
Income	10	Taxable refunds/credits of local/state taxes ♦see below
	11	Alimony received
	12	Business Income or Loss
	13	Capital Gain or Loss (ignore if Schd D was not required)
	14	Other Gains or Losses (Form 4797)
	17	Rental Real Estate/Royalties/Partnerships/ S Corp (Schd E)
	18	Farm Income
	21	Other Income
	Adjustments	24
25		Health Savings Account deduction
26		Moving Expenses
27		Half of Self-Employment Tax
28		Self-Employed Health Insurance deduction
29		Self-Employed SEP, SIMPLE & Qualified Plans
30		Penalty on early withdrawal of savings
31a		Alimony paid
35		Domestic Production Activities Deduction
Taxes & Credits	<b>40</b>	<b>If Itemized Deductions from Schedule A were used</b>
	<b>43</b>	<b>If Taxable Income is more than \$100,000*</b>
	45	Alternative Minimum Tax
	47	Foreign Tax Credit
	54	Credits from Form 8396 or 8859
	55	Other Tax Credits from Form 3800, 8801 or other
Other Taxes	58	Self-Employment Tax
	59	Soc. Sec./Medicare Tax on Tips
	60	Tax on Qualified Plans, including IRAs
	62	Household Employment Taxes
Payments	67	Excess social security and RRTA tax withheld
	69	Amount Paid with Request for Extension to File
	70	Other payments from Form 2439 or Form 4136 or Form 8885

**If none of the above conditions apply, the tax filer was eligible to file a 1040A or 1040EZ but CHOSE to file a 1040 for other reasons. Therefore, the tax filer should answer YES to question 34 (student) or 72 (parent) on the 2006-2007 Free Application for Federal Student Aid (FAFSA).**

**\* The income threshold to file a 1040A or 1040EZ increased to \$100,000 effective on 2004 returns. The AGI limit to be eligible for the simplified needs analysis is still \$50,000. To be eligible for the simplified needs analysis, a person must be eligible to file a 1040A or EZ, AND have an AGI of no more than \$50,000.**

♦Oklahoma issued state tax rebate in 2005 of \$90 for married couples and \$45 for singles. On 3/3/06, the IRS ruled that this rebate could be reported on line 13 of the 1040A or line 3 of the 1040EZ but many people had already filed a 1040 reporting this amount on line 10. If a 1040 filer is from Oklahoma AND the amount on line 10 is \$90 or \$45 AND that is the only reason a 1040 was filed, consider him eligible to have filed a 1040A or 1040EZ.

Note: Taxpayers who file a 1040 solely to itemize deductions (see line 40 on 1040, page 2 of FAFSA instructions) are considered to be REQUIRED to file a 1040 and INELIGIBLE for Simple Need Analysis.